

# Agricultural Homestead Agricultural Use Appraisal *in* TEXAS Open-Space Appraisal

## Determine your status.

The Texas Comptroller of Public Accounts is a good place to start. If you are just looking to declare a rural homestead, the process is straightforward. You may be able to declare as much as 200 acres as your rural homestead, which protects your land from creditors in most cases. Declaring the allowable homestead exemption does not disqualify you from the agricultural use or open-space appraisal declarations.

## Determine your eligibility.

### Agricultural Use Appraisal

- Land must have been devoted exclusively to or developed continuously for agriculture during the past three years.
- Owner's primary occupation and source of income are agriculture.
- Owner intends to use the land for agriculture and as an occupation or business for profit during the coming year.
- Owner files an application by sworn statement with the chief appraiser before May 1 of each year with all documentation required to determine the validity of the claim. For good cause, the chief appraiser may extend the filing deadline 60 days.

### Open-Space Appraisal

- Land must be currently devoted principally to agricultural use to the degree of intensity generally accepted in the area.
- Land has been devoted principally to agricultural use or production of timber or forest products for five of the preceding seven years.
- Owner files a prescribed form provided by the appraisal office with the chief appraiser before May 1 with all necessary information to determine the validity of the claim. For good cause, the chief appraiser may extend the filing deadline 60 days.

## Fill out and submit your application.

Retrieve forms from [www.window.state.tx.us/](http://www.window.state.tx.us/) or your county government office, file all documents by May 1st.

## Follow up as requested or necessary.

Upon receiving your application, the appraiser will approve, disapprove or deny the application. If application is disapproved you will need to provide additional information that will allow the appraiser to either approve or deny the application. You will have a specified amount of time to submit the requested information.

## Keep track of annual requirements to maintain eligibility.

**Agricultural Use Appraisal** -- Application must be filed each year by May 1st.

**Open-Space Appraisal** -- Approval is valid until you or subsequent landowner changes its use or categories of use. Failing to file the application or to report a change in the land use can result in serious tax consequences.

**Owner Tip:** *If you own several acres, you may want to consult with a financial adviser before you apply for rural homestead status for your entire property. The homestead exemption may mean you cannot use the land as a security for a loan or otherwise tap the equity in it in emergencies, depending on the type of desired financing. You may be able to survey the land into separate sections and designate just a portion as your homestead.*

**Buyer Tip:** *Thoroughly research the land's former designation before you buy it, as you may have to pay past taxes, including interest and penalties, if a status change triggered a tax rollback. This may happen even if you did not know about the situation prior to purchase, leaving you to pursue the previous owner for restitution.*

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