



CIRCUIT BREAKER LIMITATION

Property Tax Code Section 23.231

Beginning in 2024, real property valued at \$5 million or less will benefit from a 20 percent limitation on the net appraised value of the property used to calculate property taxes. Each property that qualifies will receive a Notice of Appraised Value that specifies the market value of the property as of January 1. These properties will also have a net appraised value that will be the lesser amount of:

- Last year's net appraised value plus 20 percent OR**
- This year's market value**

You must own the property for a least one full calendar year (January through December) before you are eligible for a 20 percent limitation. Properties already receiving a homestead exemption are not eligible and will continue to receive the standard 10 percent limitation on their net appraised value. Should you sell your property, the limitation will be removed, and the tax base will increase to the property's current market value until the new owner is eligible for the same benefit.

The Texas Legislature has currently only authorized the circuit breaker limitation for the 2024, 2025, and 2026 tax years.

You are not required to submit an application to receive a circuit breaker limitation. The appraisal district will automatically apply and calculate these benefits every year.

The Circuit Breaker Limitation does not apply to a residence homestead that qualifies for an exemption under Section 11.13; or property appraised under Subchapter C, D, E, F, G, or H.