

Marion Central Appraisal District
2018 Annual Mass Appraisal Report

Introduction

The Marion Central Appraisal District is a political subdivision of the state. The Constitution of the State of Texas, the Texas Property Tax Code, and The Rules of the Texas Comptroller's Property Tax Assistance Division govern the operation of the appraisal district.

The Marion Central Appraisal District was created by the Texas Legislature in 1979. Senate Bill 621 required that an appraisal district be established in each county for the purpose of appraising property for ad valorem tax purposes. Appraisal districts are local government political subdivisions of the state responsible for appraising property within county boundaries. Prior to the creation of central appraisal districts, each taxing unit followed their own appraisal standards and practices. Values were inaccurate and inequitable. Property owners were required to visit multiple taxing units to resolve any disputes concerning property value. Appraisal districts are independent of the taxing units but are governed by a board elected by the taxing units' elected officials.

By law, an appraisal district is to be managed by a professional staff with training and education prescribed by the State of Texas. Appraisers are registered with the Texas Department of Licensing and Registration and must complete courses and exams to become a Registered Professional Appraiser.

Appraisal practices are governed by the Texas Property Tax Code and rules established by the Texas Comptroller of Public Accounts. The Property Tax Assistance Division conducts a property value study and a Methods and Assistance Program review in alternating years. Results of both reviews are available on the Comptroller's website.

If you have questions about information contained in this report, contact Ann Lummus, Chief Appraiser/Administrator Email annl@marioncad.org

Mission Statement

The mission of the Marion Central Appraisal District is to discover, list and appraise property accurately, ethically and impartially as possible in order to estimate the market value of all property within the boundaries of the district and apply all qualified exemptions to the appropriate properties when the owner completes an application which has all necessary information for approval of the exemption. The CAD will strive to educate the property owner with their rights and remedies as prescribed by law. The

district must make sure that each property owner is given the same consideration, information, and assistance. This will be done by administering the laws under the property tax system and operating under the standards of:

The Property Tax Assistance Division of the Texas State Comptroller's Office
The International Association of Assessing Officers
The Uniform Standards of Professional Appraisal Practice

This report provides property owners, taxing units, and other interested parties information about total market and taxable values, average market and taxable values of a residence, and exemptions at the time of certification of values to the taxing units.

Article 8 of The Texas Constitution defines five basic rules for property taxes:

- Property taxes must be equal and uniform
- Generally, property must be taxed at market value defined as "the price at which a property would transfer for cash or its equivalent under prevailing market conditions". There are limited exceptions to this rule, such as productivity value for agricultural land.
- Each property must have a single appraised value.
- All property is taxable unless federal or state law exempts it from taxation
- Property owners have the right to reasonable notice of increases in the appraised value of their property.

Governance

The appraisal district is governed by a Board of Directors with the primary responsibilities to:

Establish the district's office
Adopt its operating budget
Contract for necessary services
Hire a Chief Appraiser
Appoint the Appraisal Review Board members
Provide advice and consent to the Chief Appraiser concerning the appointment of the Agricultural Advisory Board
Approve contracts with appraisal firms selected by the Chief Appraiser to perform appraisals
Adopt general policies on the operations of the district
Biennially approve a written plan for the periodic reappraisal of the property within the district

To be eligible to serve on the board of directors, a person must have resided within the boundaries of the county for at least two years prior to their appointment. The board is appointed by the taxing entities in this district.

The Chief Appraiser is the chief administrator of the appraisal district and is hired by the board of directors.

Appraisal Review Board Members are chosen by the Board of Directors to settle value disputes between the property owner and the appraisal district. They serve staggered terms and may serve 3 consecutive terms of 2 years. The Texas comptroller instructs the board members on their course of duties.

The Ag Advisory Board is appointed by the Board of Directors at the recommendation of the Chief Appraiser. This board helps determine typical practices and standards for agricultural activities in the district. They serve at the will of the Board of Directors.

Taxing Jurisdictions

The Marion Central Appraisal District is responsible for appraising properties within the county boundaries. The following jurisdictions fall within that scope:

- Marion County
- Marion County Hospital District
- City of Jefferson
- Jefferson ISD
- Avinger ISD
- Ore City ISD

Property Types Appraised

The district is comprised of 19,664 property accounts and 10,054 mineral and industrial accounts.

The majority of the land in this area is rural with agricultural or timber qualified production.

CATEGORY CODE TABLE

A1	IMP ON NON-AG LAND	3,595
A2	MH ON NON-AG LAND	1,243
A3	IMP ONLY	117
B1	MULTI/FAMILY APARTMENT	15
B2	MULTI/FAMILY DUPLEX	1
C1	VACANT LOT-SUB/CITY	8,031

C2	COLONIA LOTS/TRACTS	2
C3	LESS THAN 5 AC VACANT TRACT RURAL	18
D1	QUALIFIED AG/TIM LAND	3,424
D2	IMP ON AG LAND	350
E	RURAL NON-AG LAND OR IMP	1,007
E1	IMP ON AG USE LAND	536
E2	MH ON AG USE LAND	101
E3	OUTBUILDINGS OR BARN	38
F1	COMMERCIAL REAL PROPERTY	330
F2	REAL PROP INDUSTRIAL	42
G1	MINERALS	4,708
H3	TANGIBLE COMM/VEHICL	0
J1	WATER SYSTEM	24
J2	GAS COMPANY	11
J3	UTILITIES	39
J4	TELEPHONES	17
J5	RAILROAD	10
J6	PIPELINES	114
J7	CABLE COMPANIES	4
J8	OTHER	0
J9	RAILROAD ROLLING STOCK	2
L1	PERSONAL PROPERTY	488
L2	PERSONAL PROPERTY INDUSTRIAL	215
M1	MOBILE HOME ONLY	525
O	REAL PROPERTY INVENTORY	59
S	SPECIAL INVENTORY	5
XB-E	EXEMPT PROPERTY	4,944
XI	YOUTH DEVELOPMENT	2
XJ	PRIVATE SCHOOLS	2
XN	MOTOR VEHICLES-PERSONAL USE	19
XO	MOTOR VEHICLES-INCOME/PERSONAL	7
XR	NONPROFIT WATER	18
XV	OTHER EXEMPTS	856
XV1	OTHER - CHURCH	90

Appraisal Operation Summary

The Marion Central Appraisal District reappraises all property every 3 years by designated area of the district. The reappraisal year is a complete appraisal of properties in the designated area. During a reappraisal, a decision is made on every property and an appraisal notice is sent to all taxpayers required. Tax Year 2019 is scheduled for a reappraisal for the East side of the county (RA2). Tax Year 2020 is scheduled for a reappraisal for the city and subdivisions (RA3). Tax Year 2021 is scheduled for a reappraisal for the West side of the county (RA1).

The district continued to identify, review and appraise properties with new construction throughout the district; locate properties demolished and make appropriate adjustments to those accounts involved; locate and value manufactured housing and calculate an appraised value for those items; review commercial and industrial personal property accounts.

The district conducted an internal ratio study to validate the accuracy of its mass appraisal system with following overall statistical results:

Mean Level of Appraisal	1.24
Median Level of Appraisal	1.04
Weighted Mean	1.03
Coefficient of dispersion	38.68
Standard Deviation	.64
Total Number Sales	50

Based upon the Mass Appraisal standards adopted by the International Association of Assessing Offices, the above statistics indicate that the district's mass appraisal system is accurately and uniformly appraising property.

Property Discovery

The district aggressively seeks to discover all newly constructed or added property each year through examination of:

- City building permits
- File material/mechanics liens
- Mobile home installation reports
- Railroad Commission Reports for oil and gas
- Field inspection discovery

The use of these discovery tools added approximately \$7,326,630 of market value to the appraisal roll for 2018.

Exemption Data

Property owners may qualify for a variety of exemptions as provided by the Texas Constitution. Some of the most commonly occurring exemptions are described below. Other less occurring exemptions are available and described at the Comptroller's web site.

<http://www.window.state.tx.us/taxinfo/proptax/exmptns.html>

Residential homesteads

Entity	General	Over 65	Disability	DVHS
County of Marion	20% or 5,000	Freezes	Freezes	100%
County of Marion Road/Bridge	3,000 & 20% or 5,000	Freezes	Freezes	100%
Marion County Hospital District	None	None	None	100%
City of Jefferson	None	Freezes	Freezes	100%
Jefferson ISD	25,000 & 10% or 5,000	10,000, Freezes	10,000, Freezes	100%
Avinger ISD	25,000	10,000, Freezes	10,000, Freezes	100%
Ore City ISD	25,000	10,000, Freezes	10,000, freezes	100%

Marion County, Marion County Hospital District, City of Jefferson, Jefferson ISD, Avinger ISD and Ore City ISD homestead applications for the 65 and older property owner, the disabled property owner, and surviving spouse of each of those (if the spouse is 55 or older) creates a tax ceiling prohibiting increased taxes on the homestead on existing buildings. Any new additions added to the home site will cause the ceiling to be readjusted in the next tax year. Homestead exemptions available on up to 20 acres with home.

The other taxing jurisdictions have not adopted tax ceilings for the over 65 or disabled homeowners.

All homeowners with qualified homesteads are subjects to the placement of a homestead cap which prohibits the increase of taxable value on the homestead property to ten percent per year. Market value can still be reflective of the local real estate market.

Disable Veterans

In addition to the residential homestead exemption allowable to disabled veterans with a 100% service connected disability, disabled veterans are allowed a general exemption on any property they own based upon the percentage rating as determined by the Department of Veterans Affairs. Current exemption amounts are:

DV Rating	Exempt Amount
10-30%	\$5,000
31-50%	\$7,500
51-70%	\$10,000
71-100%	\$12,000

Other Exemptions

Cemetery Exemptions

Religious Organizations

Primarily Charitable Organizations

Charitable Organizations

Veteran Organizations

Chapter 11 of the Property Tax Code discusses other allowable exemptions

2018 Exemptions Totals

	Marion Co	Marion Co R&B H	Hospital Dist	City of Jefferson
Less \$500 Real Property	10,010	10,010	10,010	6,500
Less \$500 Mineral Property	285,050	285,050	285,050	1,330
Freeport	892,130	892,130	892,130	472,780
Abatements	0	0	0	0
TCEQ/Pollution Control	5,871,480	5,871,480	5,871,480	4,771,480
10% Homestead Cap Loss	5,081,780	5,081,780	5,081,780	836,490
State Homestead	46,057,440	46,057,440	0	0
Local Discount (10-100 %)	0	0	0	0
Disabled Veteran (1-99%)	1,670,420	1,639,040	1,688,310	338,500
DV 100%	8,958,630	8,958,630	8,958,630	1,518,800
Total	68,826,940	68,795,560	22,787,390	7,945,880
Loss due to Ag/Timber Value	305,902,910	305,902,910	305,902,910	1,544,000

	Jefferson ISD	Avinger ISD	Ore City ISD	
Less \$500 Real Property	9,700	250	690	
Less \$500 Mineral Property	285,050	0	0	
Freeport	892,130	0	0	
Abatements	0	0	0	
TCEQ/Pollution Control	5,871,480	0	0	
10% Homestead Cap Loss	5,032,850	0	48,930	
Homestead [H,S,] (25,000)	62,817,080	371,540	3,867,130	
Over 65 [S] (10,000)	11,130,130	70,000	555,120	
Disabled [B] (10,000)	1,013,590	0	80,170	
Local Discount (10-99 %)	20,589,190	0	0	
Disable Veteran (1-99%)	1,357,020	0	55,480	
DV 100%	5,831,890	0	266,230	
Total	114,830,110	441,790	4,873,750	
Loss due to Ag/Timber Value	294,135,930	7,630,280	4,136,700	

Appeal Information

State Law requires the appraisal district to mail "Notices of Appraised Value" to property owners when:

- New property has been included for the first time on the appraisal roll
- Property Ownership changes
- A change in taxable value of \$1,000 or more
- A rendition statement was filed on the property
- Property has been annexed or de-annexed to a taxing jurisdiction

In 2018 the district prepared and mailed:

- 5,273 real property and commercial personal property
- 10,054 mineral/utility/industrial property

From these notices, 311 protests were filed in the district with an additional 150 inquiries.

5 years of Notices Mailed

	2014	2015	2016	2017	2018
Notices Mailed	11,427	5,510	5,327	10,472	15,327

5 years of Informal Protest

	2014	2015	2016	2017	2018
No Change	407	380	297	162	106
Change Value	220	18	91	37	44
Total Informal Protest	627	398	388	299	150
% Inquiries to Notices Mailed	5.48%	7.22%	7.28%	2.85%	0.97%
Hearing Scheduled from Informals	68	16	2	1	1

5 years of Formal Protest

Walk-Ins/Mail	2014	2015	2016	2017	2018
Settled	523	254	261	363	246
Withdraw	86	63	50	71	28
Cancelled/No Shows	213	89	59	38	16
ARB Decision	93	48	18	7	8
Filed Arbitration	0	0	0	1	0
Total	915	454	374	480	311

Filed Online					
Settled	0	0	5	0	0
Withdraw	0	0	0	0	0
Cancelled/No Show	2	0	3	0	0
ARB Decision	0	0	1	0	0
Filed Arbitration	0	0	1	0	0
Total	2	0	9	0	0

Combined Formal Protest	917	454	383	480	311
% Formal Protest to Notices mailed	8.02%	8.24%	7.19%	4.58%	2.03%

Certified Values

The Chief Appraiser certified market and taxable values to each taxing jurisdiction on July 11, 2018. The values were:

Jurisdiction	Parcel Count	Market Value	Taxable Value
County of Marion	29,717	1,166,853,880	693,555,220
Marion Co Hospital District	29,715	1,166,853,880	739,594,770

City of Jefferson	2,663	268,593,060	206,760,570
Jefferson ISD	28,068	1,132,135,520	625,453,550
Avinger ISD	131	12,155,040	3,849,960
Ore City ISD	1516	22,563,320	12,933,000

The following represents a summary of property types appraised by the district for 2018:

PTAD Classifications	Property Types	Property Count	Market Value
A	Single Family Residences	4955	295,469,720
B	Multi-Family Residences	16	1,451,810
C	Vacant Lots	8051	27,749,830
D1	Qualified Ag Land	3424	43,916,300
D2	Non-Qualified Ag Land	350	9,219,390
E	Farm Improvement	1682	83,104,590
F1	Commercial Real Property	330	44,638,330
F2	Industrial Real Property	42	110,436,080
G1	Oil and Gas Properties	4708	31,675,660
J	Utilities Properties	233	61,180,580
L1	Business Personal Property	488	11,793,230
L2	Industrial Personal Property	215	53,141,550
M1	Manufactured Housing	525	10,307,980
O	Residential Inventory	59	100,060
S	Special Inventory	5	1,056,120
X	Exempt Property	5938	87,516,390

5 years of Certified Market Value

	2014	2015	2016	2017	2018
Marion County	1,104,749,220	1,148,690,780	1,137,949,020	1,174,397,930	1,166,853,880
Marion Co Hospital District	1,104,749,220	1,148,690,780	1,137,949,020	1,174,360,990	1,166,853,880
City of Jefferson	219,551,900	238,476,750	243,601,860	263,904,790	268,593,060
Jefferson ISD	1,072,775,900	1,115,354,100	1,102,425,790	1,139,302,720	1,132,135,520
Avinger ISD	11,414,640	12,576,540	12,196,800	12,088,090	12,155,040
Ore City ISD	20,558,680	20,760,140	23,326,430	22,970,180	22,563,320

5 years of Net Taxable Value

	2014	2015	2016	2017	2018
Marion County	705,153,538	717,649,607	701,785,117	718,212,420	693,555,220
Marion Co Hospital District	752,067,438	763,478,427	747,802,407	763,963,930	739,594,770
City of Jefferson	187,364,370	201,478,522	205,512,803	203,875,703	206,760,570
Jefferson ISD	655,911,368	647,609,507	632,465,127	650,460,030	625,453,550
Avinger ISD	3,419,490	4,251,450	3,684,810	3,748,360	3,849,960
Ore City ISD	13,609,250	13,022,500	13,927,330	13,394,430	12,933,000

5 years of Average Market Value - Single Family Residence

	2014	2015	2016	2017	2018
Marion County	61,665	74,332	73,591	67,166	65,182
Marion Co Hospital District	61,665	74,332	73,591	67,166	65,182
City of Jefferson	96,477	101,852	101,998	108,753	108,065
Jefferson ISD	63,570	76,535	76,052	68,913	66,784
Avinger ISD	73,858	77,726	64,680	67,702	66,643
Ore City ISD	34,950	41,502	41,164	40,165	39,749

5 years of Average Taxable Value - Single Family Residence

	2014	2015	2016	2017	2018
Marion County	51,215	62,582	61,746	53,736	51,457
Marion Co Hospital District	51,215	71,687	70,786	67,166	64,327
City of Jefferson	91,956	98,808	99,368	108,753	106,960
Jefferson ISD	47,254	55,038	54,632	37,023	34,294
Avinger ISD	58,429	50,856	38,634	42,702	41,643
Ore City ISD	25,425	27,426	27,344	15,165	14,575

Entities adopt the tax rates

After the chief appraiser certifies the appraisal roll to the entities, each taxing jurisdiction calculates an effective tax rate and rollback tax rate.

The following tax rates were adopted by the taxing jurisdictions for 2018:

Jurisdiction	Tax Rate
Avinger ISD	1.17
City of Jefferson	0.445
County of Marion	0.554933
Jefferson ISD	1.128
Marion Co Hospital District	0.04918
Ore City ISD	1.335