

[00:00:00.160] - Speaker 1

Everyone in the state of Texas who owns a home is entitled to the homestead exemption. And there's really no reason not to do it because it will save you money. And not paying as much in taxes is a huge benefit for everyone. The different exemptions have different tax benefits. So your homestead exemption only applies to the home and the immediate land around it.

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An AG exemption might be more beneficial for the surrounding acreage. So if you're on a home with large acreage, you might have a combination of a homestead exemption and an AG exemption on your property. The homestead exemption is something that's allowed in every county across the state of Texas, and you get a break from school and property taxes based on where you live. And so if you designate your home as a homestead, then you get that benefit. It does protect you from certain liabilities.

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And so designating your home as a homestead will protect you in the case of litigation or other actions where creditors can't come after your home. So it is a benefit other than the tax breaks. There is an additional benefit to getting a homestead exemption. In order for a member to get a homestead exemption on their property, they'll need to go down to the appraisal district by themselves and go ahead and fill out those forms. It's not something that's handled at closing, but it can be done right after closing.

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So in order to qualify, you just need to live in the property that you're claiming the homestead exemption on, and it needs to be your residence. If you have two homes, you can only designate one of those homes as the homestead. If you have any questions about homestead exemptions, contact your county tax commissioner.