

Inherited Homesteads and Increased Access to the Texas Homestead Exemption Under Senate Bill 1943

Information for Appraisal Districts and Tax Assessors

SUMMER 2020

Texas Senate Bill 1943, which passed in 2019, impacts appraisal districts' and tax assessors' treatment of heir property owners.

Heir property owners are persons who have inherited their primary residence homestead by will, transfer on death deed, or intestacy, regardless of whether their ownership interest is recorded in the county's real property records. Texas Senate Bill 1943 opened up access to the homestead exemption for heir property homeowners through the creation of **new and accessible application requirements**.

To qualify for a homestead exemption, an heir property owner must designate on the homestead application form that they are an heir property owner. The Comptroller's homestead exemption application form, Form 50-114, includes a question for this on page one of the form. Since many heir property owners do not have a deed in their name, an heir property owner is now required to submit the following documentation to the appraisal district as proof of ownership when applying for a homestead exemption:

- a copy of the prior property owner's death certificate;
- a copy of the property's most recent utility bill;
- a citation of any court record relating to the applicant's ownership of the property (such as a probated will), if available; and
- an affidavit establishing the applicant's ownership of interest in the property.

A simple affidavit in the homestead exemption application suffices to meet the affidavit requirement. The Comptroller has incorporated such an affidavit into Form 50-114-A. With this affidavit, the heir property owner swears before a notary that he or she is the owner of the property identified in the homestead exemption application. **Appraisal districts can no longer require heir property owners to provide a copy of a deed or an affidavit of heirship recorded in the real property records.**

Only one heir property owner can submit a homestead exemption application for the property. If multiple heirs occupy the property as their principal residence, those not claiming the exemption must provide an affidavit that authorizes the submission of the application. The Comptroller has created a simple affidavit to meet this statutory requirement, which is included in Form 50-114-A.

Heir property owners can also now access 100% of the homestead exemption and related tax protections on their homestead, even when there are co-owners of the property. The homestead exemption and other property tax protections are no longer applied proportionately based on the heir property owner's ownership interest. In order to qualify for 100% of the exemption, heir property owners who are currently receiving a partial homestead exemption must submit an updated exemption application with the appraisal district designating the property as heir property.



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