

TITUS COUNTY APPRAISAL DISTRICT

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MY TAXES ARE DELINQUENT

What happens now? Delinquent accounts receive a 6% penalty and are charged 1% interest for the first month or any portion of the month the tax is delinquent. 1% penalty is added each month. 1% interest is added each month until the tax is paid in full. If not paid by July, delinquent accounts are also subject to attorney fees up to 20% in addition to accrued penalties and interest.

What are my options if I am delinquent? Some options have eligibility and qualification criteria that must be met and other options do not. The legislature made some significant changes in this area during their last session. They added disabled veterans and their unmarried surviving spouses to the quarter pay option (previously reserved for persons at least 65 years of age or disabled) for their residence homestead. The legislature also permitted property owners to request (and requires the District) to enter into an installment agreement for delinquent tax, penalties and interest on their residence homestead. This provision is beneficial because it protects the property owner from having their property seized and sold so long as they abide by the terms of the installment agreement.

Deferral: Persons over 65 years of age or disabled persons (does not include disabled veterans) are entitled to defer their tax on the property they own and occupy as their residence homestead. The person must file a deferral affidavit (available at the District's office) with the chief appraiser. This protects the property owner from a tax suit or foreclosure of the tax lien for as long as they own and occupy the property as their residence homestead. Interest accrues on the unpaid balance at an annual rate of eight percent until the owner ceases to own and occupy the property as their residence homestead. At that time, all taxes, any penalty and accrued interest become due and must be paid in full within 180 days. If not paid by the 181st day, full penalties are imposed and the property is subject to tax suit and foreclosure of the tax lien.

Mandatory Installment Agreement: Recent changes to the property tax code now allow the person delinquent in the payment of property tax on their residence homestead to request (and the district shall enter into) an installment agreement for the payment of the tax, penalties and interest in installments. The requestor cannot have entered into an installment agreement with the District in the preceding 24 months; the agreement must be in writing, provide for equal monthly installments and must extend for a period of at least 12 months but cannot exceed 36 months. If any provision of the agreement is breached a suit to collect is filed, full penalties are imposed and the person is ineligible for this mandatory installment agreement for the next 24 months.

Optional Installment Agreement: This option permits the District to enter into an installment agreement for the payment of delinquent taxes, penalties and interest on any property. This agreement is an option to the District and not mandatory. The agreement must be in writing, provide for equal monthly installments and must extend for a period of at least 12 months but cannot exceed 36 months. If any provision of the

agreement is breached a suit to collect is filed, full penalties are imposed and the person is ineligible for the mandatory installment agreement mentioned above for the next 24 months.

Is there any other payment option available that does not have qualification criteria or formal agreements? Yes, a person can simply make partial payments for the taxes due. There is no contract or formal agreement. Partial payments are a great way to pay down a tax bill if a person cannot make the full payment at one time. The taxpayer simply breaks their tax into payments. Even if a person could not pay their full tax before the delinquency date, they have paid down on the amount that penalty and interest will accrue and established a good pay history—which works to their favor regarding an optional installment agreement.

Special Payment Options: Persons at least 65 years of age, disabled persons, disabled veterans or an unmarried surviving spouse of a disabled veteran who qualify for a residence homestead may elect to pay the tax in four equal installments (commonly called quarter pay). The deadline to exercise this option is before March 1st, of each year. The 1st quarter payment is still delinquent and subject to accrued penalties and interest. The extended deadline only affords additional time for qualified property owners to exercise the option. Notifying the District of your intention is simple. Just refer to the back of the payment stub and sign in the boxed area. Send the signed payment stub with your first installment. The payment due dates are as follows: First installment (with the notice indicating you are electing to use this option) is due before February 1; second installment is due before April 1; third installment is due before June 1 and the fourth installment is due before August 1.

What if I have multiple accounts and forgot to pay one? Owners of multiple accounts are responsible for ensuring they have reconciled all of their properties with all of their bills prior to making payment. Owners of multiple properties often have different names on the accounts. Some accounts may be in a company name, a trust or in various forms of a name (such as J. Smith, John Smith, and Jonathan Smith etc.). Some owners have differing mailing addresses as well. In short, the collectors do not own the property, are not responsible for the tax or to determine how much a person decides to pay. Consequently, if a property owner discovers they did not account for all the property they own, any properties with unpaid property tax are delinquent and subject to applicable penalties and interest.

If I did not receive my bill, am I still liable for the taxes? Yes, each year on January 1, a tax lien attaches to all property subject to taxes to secure payment of the tax. The lien exists in favor of the taxing unit(s) having authority to tax the property until the taxes are paid. The property tax code places the personal liability for the property tax on the owner of the property on January 1. Further, non-receipt does not affect the validity of the tax.

How can I pay my bill? The District accepts cash, personal check, cashier's check, money orders and most major credit cards. A person can also pay their property taxes online at our website www.titus-cad.org. If paying by check, simply detach the stub and mail it with your payment to the address indicated on the stub. Payment in the mail must be addressed to Titus County Appraisal District, P. O. Box 528, Mount Pleasant, Texas 75455. A receipt will be returned to you in the mail.

