

R1800.6
B874

89/no.1

Government Publications
Texas State Documents

✓ APR 24 1989

TEXAS RESEARCH LEAGUE
MORE EFFICIENT GOVERNMENT THROUGH RESEARCH



Texas Public Library

BULLETIN

ON TEXAS STATE FINANCE

Bulletins are published by the League staff solely for the information of League supporters and others interested in Texas state finance. No position by the League on any pending legislation is intended or implied. -- Gary E. Wood, President

BULLETIN NO. 1 -- 1989

FEBRUARY 16, 1989

1988 APPRAISAL RATIOS RELEASED -- PROPERTY VALUES DECLINE

Last year property in Texas was appraised at an average of 96% of its market value, as determined by the State Property Tax Board (SPTB). The median appraisal ratio for each of the 253 Central Appraisal Districts is listed on page 2. In 218 of the 254 counties the median ratio was 90% or higher. This indicates that, overall, appraisal districts' performance continues to improve -- only 198 counties had ratios 90% or higher in 1987. However, appraisal ratios were lower than 70% in two counties (Kimble and Nacogdoches), and below 80% in six others.

MANY NOT APPRAISED AT AVERAGE

While the average median ratios are useful, taxpayers often find their property valued at a different level. The preliminary SPTB data indicate that the average property ratio varied from the median by 17%--slightly higher than the 16% variation shown in 1987. For single-family houses, 55 of 100 were appraised within plus or minus 10% of the average; the other 45 were over-or under-appraised by 10% or more.

Intra-district variations among property categories are a more critical concern to an individual taxpayer. Variations simply mean that some taxpayers paid more than their fair share of local government costs in 1988. The table on page 3 shows the median ratio for each property category for counties with 50,000 or more population.

TAXPAYER APPEALS

Property owners are entitled to appeal unequal appraisals of their property. Evidence of discrimination in property taxation first is presented to the appraisal review board in each district. Further appeal is to the district court, which is empowered to change the complainant's valuation if it varies 10% or more from the median appraisal level. The SPTB appraisal ratios are a primary evidentiary source in establishing the median appraisal level.

FINAL RATIOS MAY 30TH

Appraisal district officials and school superintendents (but not taxpayers) can appeal the SPTB's preliminary findings. Final ratios and a detailed report will be released by the Board on May 30th in time for use by appraisal authorities to correct or adjust 1989 values, and by taxpayers to make appeals to local appraisal review boards.

Further information is available from the report *Preliminary Report of the 1988 Property Value Study of School & Appraisal Districts*. A copy can be obtained by contacting the State Property Tax Board, P.O. Box 15900, Austin, Texas 78761-5900.

Median Ratio Appraised Value to Market Value 1988

County	Median	County	Median	County	Median	County	Median
Anderson	95%	Donley	98%	Kaufman	94%	Real	73%
Andrews	98%	Duval	89%	Kendall	99%	Red River	91%
Angelina	90%	Eastland	95%	Kenedy	100%	Reeves	93%
Aransas	95%	Ector	100%	Kent	100%	Refugio	82%
Archer	97%	Edwards	95%	Kerr	98%	Roberts	97%
Armstrong	94%	Ellis	95%	Kimble	63%	Robertson	94%
Atascosa	95%	El Paso	94%	King	95%	Rockwall	94%
Austin	95%	Erath	92%	Kinney	89%	Runnels	81%
Bailey	94%	Falls	90%	Kleberg	98%	Rusk	99%
Bandera	98%	Fannin	92%	Knox	93%	Sabine	95%
Bastrop	96%	Fayette	98%	Lamar	94%	San Augustine	93%
Baylor	95%	Fisher	74%	Lamb	98%	San Jacinto	99%
Bee	94%	Floyd	89%	Lampasas	95%	San Patricio	96%
Bell	92%	Foard	99%	LaSalle	87%	San Saba	87%
Bexar	100%	Fort Bend	97%	Lavaca	97%	Schleicher	88%
Blanco	94%	Franklin	86%	Lee	94%	Scurry	101%
Borden	97%	Freestone	95%	Leon	94%	Shackelford	101%
Bosque	87%	Frio	98%	Liberty	95%	Shelby	88%
Bowie	97%	Gaines	99%	Limestone	93%	Sherman	98%
Brazoria	94%	Galveston	95%	Lipscomb	99%	Smith	99%
Brazos	95%	Garza	106%	Live Oak	90%	Somervell	93%
Brewster	97%	Gillespie	101%	Llano	91%	Starr	90%
Briscoe	95%	Glasscock	98%	Loving	100%	Stephens	98%
Brooks	88%	Goliad	100%	Lubbock	98%	Sterling	84%
Brown	93%	Gonzales	95%	Lynn	96%	Stonewall	93%
Burleson	91%	Gray	98%	Madison	96%	Sutton	93%
Burnet	90%	Grayson	96%	Marion	96%	Swisher	91%
Caldwell	91%	Gregg	96%	Martin	98%	Tarrant	91%
Calhoun	97%	Grimes	100%	Mason	93%	Taylor	99%
Callahan	98%	Guadalupe	100%	Matagorda	92%	Terrell	100%
Cameron	87%	Hale	94%	Maverick	99%	Terry	101%
Camp	98%	Hall	100%	McCulloch	91%	Throckmorton	92%
Carson	97%	Hamilton	100%	McLennan	93%	Titus	97%
Cass	94%	Hansford	98%	McMullen	76%	Tom Green	97%
Castro	90%	Hardeman	94%	Medina	99%	Travis	95%
Chambers	94%	Hardin	92%	Menard	93%	Trinity	92%
Cherokee	94%	Harris	100%	Midland	99%	Tyler	87%
Childress	96%	Harrison	87%	Milam	91%	Upshur	100%
Clay	97%	Hartley	75%	Mills	100%	Upton	94%
Cochran	101%	Haskell	95%	Mitchell	97%	Uvalde	94%
Coke	98%	Hays	92%	Montague	90%	Val Verde	96%
Coleman	79%	Hemphill	95%	Montgomery	96%	Van Zandt	98%
Collin	99%	Henderson	93%	Moore	92%	Victoria	95%
Collingsworth	83%	Hidalgo	92%	Morris	100%	Walker	98%
Colorado	97%	Hill	90%	Motley	94%	Waller	100%
Comal	98%	Hockley	98%	Nacogdoches	67%	Ward	100%
Comanche	96%	Hood	94%	Navarro	93%	Washington	97%
Concho	101%	Hopkins	99%	Newton	93%	Webb	96%
Cooke	89%	Houston	99%	Nolan	95%	Wharton	100%
Coryell	93%	Howard	91%	Nueces	98%	Wheeler	97%
Cottle	100%	Hudspeth	107%	Ochiltree	96%	Wichita	99%
Crane	100%	Hunt	89%	Oldham	83%	Wilbarger	95%
Crockett	77%	Hutchinson	99%	Orange	91%	Willacy	91%
Crosby	92%	Irion	88%	Palo Pinto	93%	Williamson	95%
Culberson	88%	Jack	94%	Panola	98%	Wilson	95%
Dallam	88%	Jackson	94%	Parker	100%	Winkler	108%
Dallas	100%	Jasper	87%	Parmer	87%	Wise	99%
Cawson	97%	Jeff Davis	92%	Pecos	100%	Wood	95%
Deaf Smith	92%	Jefferson	95%	Polk	92%	Yoakum	95%
Delta	95%	Jim Hogg	91%	Potter	96%	Young	86%
Denton	100%	Jim Wells	95%	Presido	99%	Zapata	85%
Dewitt	92%	Johnson	87%	Rains	98%	Zavala	95%
Dickens	95%	Jones	90%	Randall	96%		
Dimmit	100%	Karnes	91%	Reagan	95%	State Average	96%

Median Ratio of Appraisal by Type of Property By County 1988

County	Total	Single Family	Multi Family	Vacant Lots	Acreage		Farm Impvmts	Real Property			Utilities	Personal Property		
					Market	Ag Use		Commnl.	Industrl	Minerals		Commnl.	Industrl	Other
Angelina	90%	92%	86%	88%	93%	104%	93%	81%	100%	109%	99%	87%	100%	80%
Bell	92	93	97	86	94	100	94	92	103		91	93	88	103
Bexar	100	100	99	88	81	106		98	96		94	96	93	100
Bowie	97	98	101	92	96	112	97	99	101		94	96	35	99
Brazoria	94	96	92	100	94	143	93	90	100	117	87	80	100	93
Brazos	95	96	89	91	90	100	96	97	112	102	103	96	86	118
Cameron	87	92	87	70	113	101	85	71	100	99	98	81	100	93
Collin	99	99	101	100	100	149	98	99	97		95	93	92	96
Coryell	93	90	100	91	107	93	95	86	67		95	91	52	
Dallas	100	100	105	81	83	183		92	91		95	89	92	81
Denton	100	100	101	97	100	150	107	98	103	118	95	93	100	119
Ector	100	103	100	93	100	172	99	87	100	114	96	97	100	100
Ellis	95	97	98	96	74	116	95	95	100		94	90	100	96
El Paso	94	96	97	74	100	93	106	90	100		98	85	94	95
Fort Bend	97	101	94	97	97	121	89	95	100	102	99	76	100	91
Galveston	95	97	101	88	89	109	98	89	100	114	111	82	0	98
Grayson	96	97	102	94	95	154	100	92	99	93	94	93	101	112
Gregg	96	94	97	90	96	85	92	95	100	108	102	95	100	
Harris	100	100	100	107	113	107	91	97	100	123	108	93	100	94
Harrison	87	92	99	66	74	120	92	80	100	107	103	75	100	74
Hidalgo	92	94	99	92	97	103	87	84	100	109	99	77	100	92
Hunt	89	93	87	84	89	123	85	71	100		95	81	100	93
Jefferson	95	97	93	90	96	81	89	91	100	116	108	90	100	80
Johnson	87	89	106	84	82	165	85	86	67		86	91	110	92
Lubbock	98	97	102	94	100	143	95	98	97	113	103	97	104	91
McLennan	93	93	96	93	91	140	93	93	99		87	95	85	90
Midland	99	96	95	102	100	118	96	94	100	107	96	101	100	97
Montgomery	96	97	98	94	99	104	93	94		101	102	91	100	92
Nueces	98	100	102	97	97	101	100	92	100	108	95	95	100	94
Orange	91	94	97	83	88	144	94	86	100	95	105	85	100	91
Potter-Randall	96	94	95	99	100	94	96	93	92	110	89	97	95	121
San Patricio	96	99	98	89	96	112	96	92	100	109	95	95	100	94
Smith	99	98	100	100	101	133	99	99	98	106	95	96	98	
Tarrant	91	93	95	89	86	121	95	92	103		95	74	93	81
Taylor	99	100	100	100	96	90	93	102		110	95	98	100	99
Tom Green	97	98	98	100	96	78	98	89		104	95	92	100	
Travis	95	93	100	96	96	121	98	97	89		99	94	104	118
Victoria	95	97	94	93	92	100	94	92	100	105	103	94	100	92
Webb	96	99	99	91	86	67		95	100	101	102	95	100	90
Wichita	99	98	98	100	100	93	96	97	100	104	134	102	97	98
Williamson	95	96	96	96	95	107	95	96	86		92	95	78	97
State Average	96%	98%	98%	92%	94%		93%	92%	100%	106%	96%	91%	100%	97%

OVERALL TAXABLE VALUES DOWN 1.5%; MINERALS DOWN 5%

County totals are compiled from separate SPTB appraisal studies in each school district. Preliminary taxable property values were down from the previous year in 554 school districts, and up in 501. Reductions of 25% or more were found in 9 districts, and another 89 districts recorded losses between 10 and 25%. In contrast, 125 districts had property tax base increases in excess of 10%.

At the extremes, the preliminary market value estimate was up 57% in Yantis ISD (Wood County), but down 35% in Laureless ISD (Kleberg County). Among the largest school districts, values were down in the Austin ISD (-11.2%), Fort Worth ISD (-9.5%), Dallas ISD (-6.3%), San Antonio ISD (-1.9%), and Houston ISD (-1.6%). El Paso ISD was up 8.6%.

Mineral values were lower by 5% in 1988 as compared to 1987 (see table below). However, 619 districts had more than \$1 million of mineral values, and 210 recorded gains -- 38 gained more than 50%. Vacant lots showed the largest decline in values, down 16.4%.

The market value of open-space land was down by 4.5%, but because most of that land is valued on a productivity basis, the total taxable value of land was up 1.5%. The final May figures probably will show greater declines in property values. Last year, the preliminary statewide total was reduced on appeals by \$10 billion.

Market Value of Taxable Property in Texas

(Billions of Dollars)

<u>Category</u>	<u>1987</u>	<u>1988</u>	<u>% Change</u>
Residential			
-- Single Family	\$257.5	\$254.3	-1.2%
-- Multi Family	33.3	30.8	-4.0
Agricultural			
-- Land	36.6	37.2	1.5
-- Farm/Ranch Improvements	13.6	14.0	2.4
Business			
-- Commercial Realty	113.4	113.5	0.0
-- Commercial Personalty	49.5	51.2	3.5
-- Industrial Realty	42.8	43.4	-1.4
-- Industrial Personalty	24.7	25.9	4.7
-- Minerals	47.4	45.0	-5.0
-- Utilities	39.6	38.8	-2.0
Mixed			
-- Vacant Lots	37.9	31.7	-16.4
-- Other Personalty	5.8	5.6	-2.4
State Total	\$702.1	\$691.4	-1.5%