

# Harris Central Appraisal District Budget Over \$93M As Of 2021

*O'Connor was able to review the Harris Central Appraisal District budget, which totaled more over \$93 million in 2021.*

HOUSTON, TEXAS, UNITED STATES,  
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EINPresswire.com/ -- Harris Central Appraisal District 2021 budget totaled \$93.02 million, and the Harris County ARB budget was \$3.25 million. The Harris Central Appraisal District (HCAD) 2021 budget of \$93.02 million equates to \$48 per tax parcel (1,871,800 2021 tax parcels). The HCAD budget is 85% higher than the stateside average of \$26.92 for 2020. Texas-wide appraisal budgets were \$570 million. HCAD accounts for 16% of the total.

**Appraisal District Budgets**  
Harris Central Appraisal District has the highest budget statewide.

Harris Central Appraisal District –  
\$93,000,000

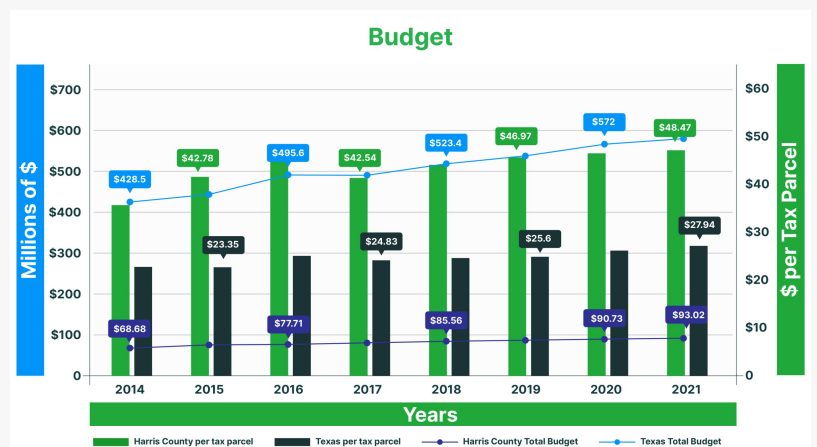
Tarrant Appraisal District –  
\$25,500,000

Collin Central Appraisal District –  
\$23,500,000

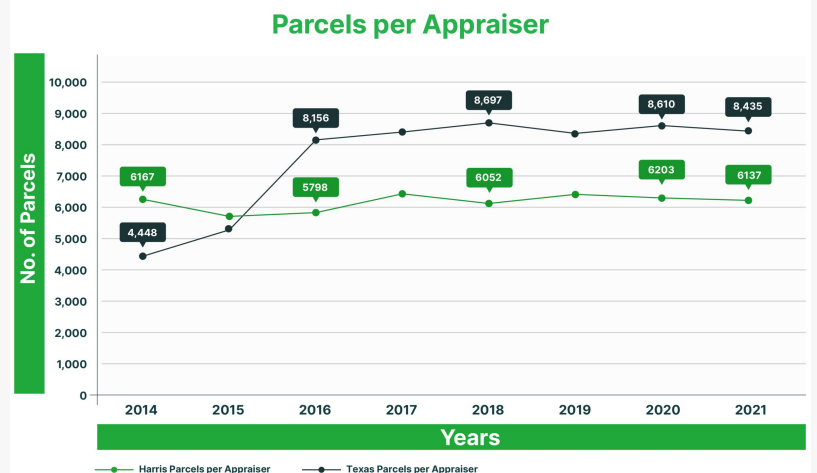
Travis Central Appraisal District –  
\$20,200,000

Harris Central Appraisal District's budget increased at 4.6% annually from 2011 to 2021. The HCAD budget was \$63.76 million in

## O'CONNOR Tax Reduction Experts



Budget breakdown for Harris Central Appraisal District



HCAD parcels per appraiser in comparison to the statewide.

2011 and rose to \$93.02 million in 2021, a 46% increase.

The Harris County Appraisal Review Board budget totaled \$3.25 million in 2021, higher than any other county.

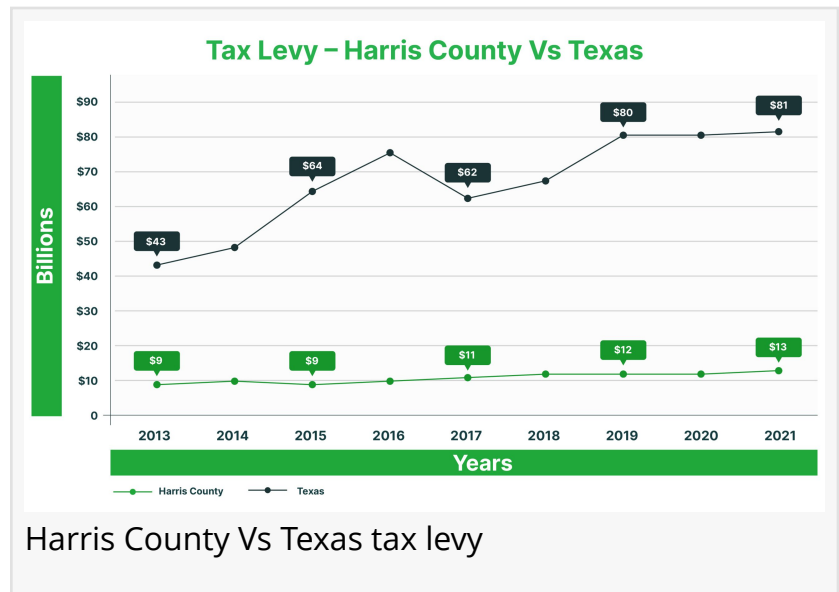
Harris County ARB – \$3,250,000

Tarrant County ARB – \$435,000

Travis County ARB – \$1,201,000

Fort Bend County ARB – \$1,090,000

Dallas County ARB - \$1,074,000



Staffing at Harris Central Appraisal

District has increased modestly, from 630 in 2011 to 662 in 2021. Harris Central Appraisal District employed 305 appraisers in 2021, up from 267 in 2011. Harris Central Appraisal District is fully staffed in comparison to statewide appraisal district averages.

Tax Parcels per Employee – Harris Central Appraisal District versus Texas

There are 2,832 tax parcels per employee at Harris Central Appraisal District versus a statewide average of 4,413 tax parcels per appraiser, both for 2021.

Tax Parcels per Appraiser – HCAD versus Texas

Harris Central Appraisal District employed 1 appraiser for every 6,137 accounts versus 8,435 statewide.

Appraiser versus Administrative Staff at Harris Central Appraisal District

Harris Central Appraisal District has a higher portion of administrative / operations staff compared to appraisers, based on a statewide comparison of data compiled by the Texas Comptroller. HCAD staff is allocated about 45% appraisers and 55% administrative. Statewide staff allocation at appraisal districts is 52% appraisers and 48% administrative.

Appraisal District Appraiser Allocation

Harris County concentrates its appraisal resources more on commercial and industrial / business personal property relative to other Texas appraisal districts. Only 45% of Harris County appraisers value houses while 51% of appraisers statewide focus on residential. The allocation for commercial is similar; 23% of appraisers statewide focus on commercial versus 21% of Harris County appraisers working on valuing commercial. Harris County allocates 33% of appraisers to industrial and business personal property. This makes sense given the massive industrial / refining / petrochemical facilities and infrastructure in Harris County.

Revaluation Cycle

Harris County reports they have revalued every parcel every year during 2014 to 2021.

Conversely, statewide appraisal districts revalued about 80 to 90% of parcels during this period. The high frequency of tax assessment valuations differentiates Texas from most states. Most states revalue every 3 to 6 years.

#### Tax Levy – Harris County versus Texas

The total Harris County property tax levy rose from \$9 billion in 2013 to \$13 billion in 2021, a 33% increase. The per capita property tax levy rose more quickly than population, indicating a high rate of property tax growth, which eventually in Senate Bill 2 which capped the the property tax levy growth to 3.5% for cities and counties (3.5% plus new construction) and 2.5% for schools plus new construction.

#### Texas Levy Growth

Texas statewide tax levy grew from \$43 billion in 2013 to \$81 billion in 2021, a 69% increase or 8.6% per year, which is much faster than population growth plus inflation. This high rate of growth in the tax levy caused the tax level per person to climb an eye-popping 88% during 2013 to 2021.

#### Harris County versus Texas Per Capita Property Tax Growth

Harris County's per capita property taxes grew 44% during 2013 to 2021 versus 88% for Texas. The Harris County per capita property tax grew from \$2,068 in 2013 to \$2,745 in 2021. The statewide per capita tax levy started lower but the high rate of growth brought the statewide level to mirror the Harris County level. Statewide property tax levy per person was \$2,745 to Harris County in 2021 versus \$2,740 statewide in 2021.

#### ARB Staffing – Harris County versus Texas

Harris County has a higher level of staffing for appraisal review board members compared to the statewide average. Harris County Appraisal Review Board has 9,852 tax parcels per appraisal review board (ARB) member versus 11,498 statewide. This makes sense since HCAD has made liberal use of the appraisal review board.

#### COVID Impact on Appraisal Review Board Staffing

Many, if not most, ARB members are retired. This puts them at risk of more severe health consequences if they caught COVID. The Harris County Appraisal Review Board shrunk from 190 in 2019 to about 115 in October 2023, a 40% reduction.

#### ARB Days of Hearings

Appraisal Review Boards in all counties pay appraisal review members to hear tax protests not resolved at the informal hearings. In Texas' largest counties, the ARB meets 5 or 6 days a week for an extended period; many months. Harris County and Hays County tied for first place in highest number of ARB hearings in 2021 with 158 days of ARB hearings. The next 8 highest were: 3) Comal – 100 days, 4) El Paso – 97 days, 5) Tarrant – 90 days, 6) Johnson 86 days, 7) Montgomery – 82 days, 8) Victoria – 80 days, 9) Travis – 71 days and 10) Galveston- 73 days.

## Why More ARB Hearings in Some Counties

The appraisal review board is the second of a three step process. The first two steps are the informal hearing and appraisal review board hearings, collectively referred to as “administrative hearings”. After the administrative hearings, property owners can elect: 1) binding arbitration, 2) judicial appeal, 3) State Office of Administrative Hearings (SOAH), or do nothing. About 98% of owners elect nothing after the appraisal review board.

Practice Tip: consider continuing after the appraisal review board annually.

Appraisal districts typically have tax protests for about 10 to 25% of the tax parcels, which account for 38% of statewide value. Harris County property owners file property tax protests for about 24% of tax parcels accounting for 58% of the value. More valuable homes are likely to be protested. Both commercial, industrial and business personal property is protested most years.

## Owners Who Don't Protest

Property owners under-represented in property tax appeals are owners of entry-level and mid-range houses. There are a variety of reasons they do not protest. However, the fact that large commercial owners protest annually is indicative of their belief that annual property tax protests are the key to managing property taxes, instead of just accepting whatever value the appraisal district's government computer spits out. However, most large commercial owners only do half the job; the administrative process.

## Owners of Commercial Valued over \$750,000

Most owners of commercial property should continue with the appeal process, past the administrative hearings (informal and appraisal review board). Chances are ~90% of another ~10% reduction based on appraisal district data compiled by the Texas Comptroller. These are not claims for our accounts. They reflect statewide aggregate judicial appeal results.

## Watching Interests

Harris Central Appraisal District has a budget of over \$90 million, plus \$3 million for the ARB, to accurately value the 1.87 million tax parcels in Harris County. Harris County in 2021 employed 662 total staff including 305 appraisers. The HCAD appraisal staff attempts to accomplish the impossible; to accurately and consistently value real and personal property in Harris County. So HCAD is certainly attempting to make sure it is at 100% of market value, but what happens when they overshoot?

## Affording An Ally to Look Out for Interests?

### How Can Harris Central Appraisal District (HCAD) Overvalue Property

HCAD values 1.87 million tax parcels annually using mass appraisal. At least every 3 years they “inspect” each property using aerial photography. Of course, it is not possible to gain much information using aerial photography. Harris Central Appraisal District uses “mass appraisal models” with incomplete property data to value property. Some properties are valued below 100% (but can still be appealed on unequal appraisal). Some properties are assessed in excess of

100% of market value.

### Undervalued or Overvalued

Some property owners will never really know if their property is over or under-valued unless:

File a protest before the May 15th deadline each year,

Request the hearing evidence the appraisal district plans to use at the hearing (this also freezes the information they can use),

Prepare for and attend the informal hearing (~70 to 90% resolved with a reduction), and

Continue to the appraisal review board and beyond if necessary.

Practice tip: property tax assessment cannot be raised during an informal or appraisal review board hearing.

### What does HCAD Valuation at 100% Mean?

When Harris Central Appraisal District values properties with a median level of assessment of 100% (relative to market value), it means:

Half of all properties have a market value higher than market value. When arrayed in a graph showing the relationship of the HCAD value and market value, the data is represented in a bell curve. Some are just a bit low, and some are double market value and higher.

The ~50% valued at under market value are still prime for protest on both market value and unequal appraisal. When filing a protest, ask the appraisal district to send over the hearing evidence package. In most cases, the HCAD comparable sales data will contain at least a few comparable sales that are helpful. If not, search the street, and neighborhood, if necessary, for assessment comparable that support a reduction.

The protest can be by either market value (they valued the property at more than its true market value) or unequal appraisal. The concept that a reasonable number of comparable properties appropriately adjusted indicates a lower value. Regardless of the basis of protest, the impact of a lower tax assessment reduces property taxes.

### What if A Property Owner Doesn't Have Time or the Temperament to Protest?

Hire us or a competitor. Analysis documents that people who protest consistently pay less property taxes, and the reduction in one year is often impactful in negotiations for following years by reducing the base value.

### Benefits of O'Connor:

No flat fees, no upfront cost, no filing fees EVER. Just pay a portion of the savings.

Enroll online in 3 minutes; no fees and no credit card. Or call us if preferred.

At O'Connor, a live person can be spoken with. Trained property tax experts answer calls about 99% of the time. During the week of October 2 to 6, our customer service team answered 1210 inbound calls, and only 10 calls were not answered.

O'Connor does more tax appeals in Texas than any other firm, handling appeals about 180 counties. We believe we are the most aggressive, often employing binding arbitration,

coordinating judicial appeals and also using the State Office of Administrative Appeals. Our core purpose at O'Connor: improving the lives of property owners through cost effective tax reduction. In 2023 alone, we saved property owners \$195 million in property taxes (as of end of September 2023) and \$400 million in federal income taxes by preparing cost segregation reports to increase property owners depreciation (non-cash expense), thus reducing their federal and state income taxes.

Enroll now button / call to action- need call to action above the fold (on the first page), at the bottom and 1 or two others in between. No upfront fee and no flat fee ever. Just pay a portion of savings in years when we reduce the property taxes.

Source: Appraisal district assessment and protest data from Texas Comptroller. Tax savings are estimated based on 2.7% tax rate and no exemptions or homestead caps. O'Connor is a private company specializing in tax reduction and is not affiliated with the Texas Comptroller or any government entity or appraisal district.

#### About O'Connor:

O'Connor is among the largest property tax consulting firms in the United States, providing residential property tax reduction services in Texas, Illinois, and Georgia, as well as commercial property tax reduction services across the United States. O'Connor's team of professionals possess the resources and market expertise in the areas of property tax, cost segregation, and commercial and residential real estate appraisals. The firm was founded in 1974 and employs more than 600 professionals worldwide. O'Connor's core focus is enriching the lives of property owners through cost-effective tax reduction.

Property owners interested in assistance appealing their assessment can enroll in O'Connor's Property Tax Protection Program™. There is no upfront fee, or any fee unless we reduce property taxes, and easy online enrollment only takes 2 to 3 minutes.

Patrick O'Connor, President

O'Connor

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