



Collin Central Appraisal District

2023 Reduction in School Tax Ceiling (Freeze)

Texas voters passed Proposition 1 on May 7, 2022, which amended the Constitution authorizing the legislature to provide for a reduction in the 2023 school tax ceiling (freeze) for property owners with 65 & older exemption, or those qualified disabled persons. The following information is intended to answer the top questions that are being asked of our staff.

- 1. When does the freeze ceiling reduction take effect?**
 - a. For the 2023 tax year; January 1, 2023.
- 2. When will the freeze ceiling reduction be calculated by the Appraisal District?**
 - a. Since the 2023 Compressed Maintenance & Operations (M&O) rate will not be known until July or August 2023, we will likely complete the calculations in late 2023.
- 3. When will I see the changes in my property tax freeze ceiling?**
 - a. Fall of 2023 when the Tax Assessor/Collector sends the 2023 tax statements.
- 4. Will this generate refunds for prior years?**
 - a. No. The freeze ceiling reduction begins with your 2023 tax statement.
- 5. How will the amount of freeze reduction be calculated?**
 - a. The amount of freeze ceiling reduction will be calculated on each eligible property.
- 6. Do I need to apply for this?**
 - a. No, as long as you carry the Over65 or Disabled Person exemption.
- 7. Is this freeze reduction for school taxes only?**
 - a. Yes. The County, College and Cities that grant a local option freeze ceiling are not included in this legislation, therefore their freeze ceilings will not be reduced.
- 8. What if I qualified for the Over-65 or Disabled Person exemption after the 2018 tax year?**
 - a. The freeze ceiling reduction calculation will only apply to the years the 2023 owner qualified the subject property for the freeze ceiling.
- 9. Can a previous owner for tax years 2019 to 2022 qualify for a ceiling reduction for those years?**
 - a. No. The 2023 freeze ceiling will be reduced for the years the 2023 owner qualified for a ceiling.
 - b. This process does not create a refund for 2022 and prior years, it reduces the tax freeze ceiling for qualified owners in 2023.
- 10. Will the amount of reduction be the same dollar or percentage amount for all owners/properties that qualify for the freeze ceiling reduction?**
 - a. No. The compressed M&O rate may vary from school district to school district, and the taxable value for each individual property, for each qualifying tax year, is utilized calculation.
- 11. Does the Appraisal District have an estimated reduction for my property?**
 - a. No. We are working with our software vendor to make the programming changes needed.
 - b. We will not have the 2023 compressed M&O tax rates until July or August of 2023, and without that information we cannot complete the process of calculating your freeze ceiling reduction.