

# Real Property Inventory Property Tax Code

## Section 23.12

### RESIDENTIAL REAL PROPERTY INVENTORY

Developers of residential real property have the opportunity to have developed unsold residential property held on January 1 of each year appraised at a special valuation as provided by the Texas Property Tax Code. Below are the guidelines for qualification of Residential Real Property Inventory, as found in Section 23.12 of the Texas Property Tax Code.

Residential real property inventory is five (5) or more platted lots or tracts, and improvements, if any, meeting the following criteria:

- A. They are under the same ownership
- B. They are contiguous to one another or are located in the same subdivision of development
- C. They are held for sale in the ordinary course of business
- D. They are subject to zoning restrictions limiting them to residential use, or, if not subject to zoning they are:
  - 1) Subject to enforceable deed restrictions limiting them to residential use; or
  - 2) Their highest and best use is a residential property;
  - 3) They have not been occupied for residential purpose; and
  - 4) They are not presently leased or producing income.

A residential real property inventory shall be appraised as a unit at the price for which it would transfer to another person continuing the business using generally accepted techniques for the appraisal of subdivisions and similar properties.

An annual application completed and returned to the Appraisal District by April 15 of each year is required.