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NEWS RELEASE

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Council urges residents to claim homestead exemption *Tax relief exemption enters second year*

PROSPER (January 13, 2017) A Prosper family who owns or is purchasing their residence, who currently lives at that address, and who has not applied for a homestead exemption on any other property is eligible to apply for partial relief from the Town's property taxes.

The Prosper homestead exemption is entering its second year and will apply at the same rate during the 2017 tax year that it did during its inaugural year of 2016. Residents who applied for and received the exemption last year do not have to reapply for it.

"Council members are unanimous in wanting eligible residents to take advantage of the exemption," says Town Manager Harlan Jefferson. "Last year's vote on a 7.5 percent exemption means that, for the 2017 tax year, homeowners who apply will see a lowering of tax exposure on their primary residence in that amount."

The minimum reduction in value of residential properties is \$5,000. The exemption is only applicable to a family's primary residence and does not apply to commercial concerns or income-producing properties.

Property tax revenue is split between the General Fund, from which the maintenance and operations of the Town is derived, and the Interest and Sinking Fund, from which debt is paid. The current tax rate of 52 cents per \$100 valuation, which has been unchanged for nine years, divides these into roughly 36 cents for maintenance and operation and 16 cents for debt service.

The new homestead exemption applies to residences in both Collin and Denton Counties and will remain in effect until repealed by Council vote.

"Eligible homeowners should apply for the exemption to their respective appraisal district, either Collin or Denton County," said Jefferson. "Forms are available online and take only a few moments to complete."

Eligible residents should file their homestead exemption application between Jan. 1 and April 30. Meeting the April deadline allows the respective appraisal districts time to process the application before tax statements are generated in the fall.

The typical home in Prosper is valued at \$460,766 and the homestead exemption will decrease the tax exposure by \$180.

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ABOUT THE TOWN OF PROSPER – The Town of Prosper is a fast-growing suburb with small town charm, located 30 miles north of Dallas at the crossroads of U.S. 380, Preston Road and the Dallas North Tollway in Collin and Denton Counties. Prosper sits on 27 square miles and is home to more than 17,800 people. A home-rule municipality, governed by a council-manager form of government, the town has full-time fire and police departments, including its own dispatch service. As the Town grows to its projected build-out population of 70,000 residents, Prosper's vision is to remain a "Place Where Everyone Matters."