Frequently Asked Questions about Tax Exemptions for Historic Properties

Q. Is the tax exemption available for both homes and businesses?

A. Yes, both residential and commercial properties are eligible for the tax exemption.

Q: When I received my notification letter in July, it said that my property has a "Needs Maintenance" rating. What does that mean?

A: Each application receives an overall rating of either "Pass" or "Needs Maintenance" based on the Inspection Checklist. If any single item on the checklist does not pass, the entire property receives a "Needs Maintenance" rating.

Q. If my property receives a "Needs Maintenance" rating, can I still get the tax exemption?

A. Yes. If your property is determined to be historically significant but it needs maintenance, your notification letter will identify the repairs that must be completed within the next year.

Q. My property received a "Needs Maintenance" rating two years in a row. Is my property still eligible for the tax exemption?

A. If you receive a "Needs Maintenance" rating for the same item two years in a row -- that is, if the required repair has not been completed to the Historic Preservation Commission's satisfaction -- you may not be eligible for the tax exemption. However, if you received a "Needs Maintenance" rating for one item last year and for a different item this year, you may still be eligible. The Historic Preservation Commission decides whether to recommend approval of your application, and the City Council makes the final decision. If you have questions about your property's rating and the specific repairs needed, please contact the Planning & Development Services Department at 512-218-5428.

Q. Do I need permission from the Historic Preservation Commission to complete the repairs?

A: That depends. Ordinary repair and maintenance does not require review by the Historic Preservation Commission. Ordinary repair and maintenance is defined in the Round Rock Code of Ordinances Section 46-108 (g) as:

> Any work, the sole purpose and effect of which is to correct deterioration, decay, or damage, including repair or damage caused by fire or other disaster and which does not result in a change in the existing appearance and materials of a property. Examples of this work shall include, but is not limited to, the following:
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> a. Caulking or reglazing windows;
> b. Minor repairs to windows, doors, siding, gutters, etc;
> c. Replacement of existing mechanical equipment;
> d. Repairing or repaving of flat concrete work in side and rear yards;
> e. Repairing or repaving of existing front yard paving, concrete work and walkways, if material the same or similar in appearance is used;
> f. Roofing work, if no change in appearance occurs;
> g. Foundation work, if no change in appearance occurs; and
> h. Chimney work, if no change in appearance occurs.

Other proposed changes require the appropriate building permits.

Properties with Historic Overlay (H) zoning must receive a Certificate of Appropriateness from the Historic Preservation Commission for building permits and other proposed exterior changes (including paint color).

This project was funded in part through a Certified Local Government Grant from the National Park Service, U. S. Department of the Interior, as administered by the Texas Historical Commission. The contents and opinions, however, do not necessarily reflect the views and policies of the Department of the Interior, nor does the mention of trade names or commercial products constitute endorsement or recommendation by the Department of the Interior.

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City of Round Rock Partial Tax Exemption for Historically Significant Properties

Spanish-American War parade, downtown Round Rock, 1898

City of Round Rock
Planning and Development Services
301 W. Bagdad Ave., Suite 210
Round Rock, TX 78664
512-218-5428
www.roundrocktexas.gov/historictax

What is the Partial Tax Exemption Program for Historically Significant Properties?

The historic tax exemption program was created in 1988 to encourage owners of historic structures to perform regular maintenance and repairs.

By preserving Round Rock's historic built environment, the entire community benefits from improved property values, neighborhood revitalization, and a measure of charm and character not often found in new construction.

Property owners may apply for an exemption of 75% of the assessed value of land and improvements (buildings). In other words, someone who has received an historic tax exemption pays City property tax on only 25% of the assessed value of that property.

For example, a homeowner whose property value has been assessed at $150,000 would pay property tax to the City of Round Rock on $37,500 (25% of the assessed value). The remaining 75% would be exempt from City property tax.

The City of Round Rock and the Williamson County Central Appraisal District work together to administer this program.

Main Street, Round Rock, date unknown

What Properties May Qualify?

Property owners may apply for properties they owned as of January 1 of the current year.

In order to qualify for this tax exemption, the property must contain at least one man-made structure. Vacant lots are not eligible.

In addition, the structure must be historically significant as determined by the following criteria.

The structure is automatically considered significant if it has been designated as historic by:

- The National Park Service, by individual listing on the National Register of Historic Places or listing as contributing to a National Register historic district.
- The Texas Historical Commission, by designation as a Recorded Texas Historical Landmark.
- The City of Round Rock, through Historic (H) Overlay zoning.

Any structure built prior to 1900 is considered historic on the basis of architectural authenticity. The owner must document the date of construction and prove that no major exterior alteration has been made, or if such an alteration was made, that it was either in character with the style of the original structure or that the building has been restored to its original condition.

A structure that was built during or after 1900 may be eligible for the tax exemption if it is:

- Architecturally authentic.
- Associated with a person, place, or event that changed the course of local history or contributed to or was the result of such a change.
- Associated with a person, place, or event that substantially contributed to the growth and development or cultural heritage of the City of Round Rock or Williamson County.

Please note: the burden of proof for all claims of historical significance rests with the applicant and must be properly documented.

How to Apply

Owners of historic properties must apply each year in order to be considered for this tax exemption.

1. Most owners of property with historic zoning will receive a copy of the application in the mail. You can also obtain an application online at www.wcad.org.
2. Complete the application.
3. If you participated in the program last year, make sure that any issues noted in last year's inspection letter (sent in July) have been addressed before submitting an application this year.
4. If this is your first application, make sure you provide all necessary documentation. For more information on how to properly document a claim of significance, refer to the Round Rock Code of Ordinances, Section 46-107.
5. Submit the application by April 30 to:

   City of Round Rock
   Planning and Development Services Department
   301 W. Bagdad Ave., Ste. 210, Round Rock, TX 78664

   OR

   Williamson County Central Appraisal District
   625 FM 1460 Georgetown, Texas 78626-8050

After your application is submitted, a member of the Historic Preservation Commission or the City Planning Department will inspect your property.

If the property inspection identifies items that Need Maintenance, you may still receive a tax exemption; however, you must make the required repairs before applying to the program next year.

The Historic Preservation Commission makes its recommendations on all applications to the City Council, which has final approval. A decision on your application will be made by July 15, and you will receive a letter of notification by the end of July.

Inspection Checklist

Properties being considered for this tax exemption are inspected annually to ensure that they are being properly maintained in accordance with minimum property, structural, and health standards.

- Any well, cesspool, or cistern shall be securely covered and closed.
- Dead trees and tree limbs that are reasonably capable of causing injury to a person shall be removed.
- Any structure or portion of a structure which is vacant shall be securely closed so as to prevent unauthorized entry.
- Paint or other coatings shall be applied at reasonable intervals so as to protect the exterior surfaces of a structure which are subject to decay.
- The exterior grounds shall be maintained free of excessive rubbish, garbage, junk or refuse.
- Screens and shutters existing at the time of historic designation or added subsequent thereto shall be maintained in good repair.
- Broken windows shall be replaced or re-glazed.
- Exterior doors and doorways shall be maintained in good repair and operable condition.
- Skirting around the structure, if any, shall be maintained in good repair.
- Porch flooring and supports shall be maintained in a sound condition, capable of bearing an imposed load safely.
- Railings and handrails of exterior stairs, steps, balconies, porches and other exterior features shall be maintained in a sound condition so as to afford safety.
- Rotted wood shall be replaced and repainted.
- Broken or partially missing gutters or downspouts.
- Loose bricks or stones in the exterior of a structure shall be re-established or replaced and all joints weatherproofed by proper maintenance of appropriate materials.
- Fences and the exteriors of accessory buildings shall be maintained in reasonable repair, including painting as necessary.
- The property shall be kept in conformance with all City codes.