newHome | dispatch

THE 30-SECOND BRIEF · TEXAS PROPERTY TAX

The payment on the flyer isn't the payment you keep.

New homes are often quoted on land or a half-built house. Once the county values the finished home, your tax — and your monthly payment — can jump. Here's the whole thing in 30 seconds.

P&I only ✗

Never compare homes on principal & interest alone.

Compare the **complete expected payment** — with a realistic tax estimate for the **completed** home, including any MUD or PID on the lot.

THREE NUMBERS SET YOUR TAX — AND THEY'RE NOT THE SAME NUMBER

Purchase price

What you agree to pay the builder. Set by your contract.

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Appraised value

What the county says the *finished* home is worth. Set by the appraisal district.

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Combined rate

School + county + city + any MUD/PID, as one rate.

DO THE MATH IN 60 SECONDS

value × rate ÷ 12

$450,000 × 0.028 = $12,600/yr → $1,050/mo

Use the completed-home value and the full combined rate (2.8% = 0.028). Conservative on purpose — the real bill may be lower after exemptions.

VERIFY THESE 5 BEFORE YOU TRUST A QUOTE

1. Expected appraised value of the **completed** home — not land
2. Combined tax rate — **all** districts, as a decimal
3. The tax figure used in your quote — ask what value & rate produced it
4. MUD rate and/or PID installment, if either applies to your lot
5. Escrow amount & any shortage — ongoing cost vs. one-time catch-up

KNOW WHICH SPECIAL DISTRICT YOU'RE IN

MUD — usually a value-based property tax, rate set annually. Verify current debt, rate, and exemptions.

PID — usually a property-specific assessment. Verify the balance, annual installment, term, and prepayment rule.

Get the full guide + the calculator: newhomedispatch.com

Look Closer.