PANOLA COUNTY APPRAISAL DISTRICT

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2026 ANNUAL REPORT

INTRODUCTION

The Panola County Appraisal District is a political subdivision of the state. The Constitution of the State of Texas, the Texas Property Tax Code, and the Rules of the Texas Comptroller's Property Tax Assistance Division govern the operations of the appraisal district.

MISSION

The mission of Panola County Appraisal District is to discover, list and appraise property as accurately, ethically and impartially as possible in order to estimate the market value of all property within the boundaries of the district for ad valorem tax purposes. The effective date of each appraisal is January 1st, unless the property owner has elected to have their business personal property appraised as of September 1st. The district must make sure that each taxpayer is given the same consideration, information and assistance as the next. This will be done by administering the laws under the property tax system and operating under the standards of the:

•Property Tax Assistance Division (PTAD) of the Texas State Comptroller's Office

•International Association of Assessing Officers (IAAO), and

•Uniform Standards of Professional Appraisal Practice (USPAP).

GOVERNANCE

The appraisal district is governed by a Board of Directors whose primary responsibilities are to:

- Establish the district's office,
- Adopt its operating budget,
- Contract for necessary services,
- Hire the Chief Appraiser,
- Appoint the Appraisal Review Board (ARB)
- Provide advice and consent to the Chief Appraiser concerning the appointment of an Agricultural Advisory Board,
- Approve contracts with appraisal firms selected by the chief appraiser to perform appraisal services for the district,
- Make general policies on the appraisal district's operations, and
- Biennially develop a written plan for the periodic reappraisal of all property within the district's boundaries.

BOARD OF DIRECTORS

The Board of Directors of the Central Appraisal District of Panola County (hereinafter, "the Board") consists of five voting members, including the current Tax Assessor Collector who is a nonvoting member, appointed by the taxing units with property within the boundaries of Panola County. The Directors are nominated and elected by each governing body serving Panola County.

The Board members include:

- Jerry Hanszen – Chairman
- Michael Pace – Secretary
- Craig Lawless
- Jameson Ritter

- Cody Whiddon
- Holly Gibbs – T.A.C

To be eligible to serve on the board of directors, a person must have resided within the boundaries of the county for at least two years prior to their appointment. Their terms are staggered. There are no legal limits to the number of terms a board member can serve.

The Chief Appraiser is the chief administrator of the appraisal district and is appointed by the board of directors. The chief appraiser must be licensed (or actively working toward licensing) as a Registered Professional Appraiser (RPA) through the Texas Department of Licensing and Regulation.

APPRAISAL REVIEW BOARD

Members to the Appraisal Review Board are appointed by the Board of Directors. ARB members serve two-year staggered terms. They are limited by law to serving no more than three consecutive 2-year terms. They must be certified by the Texas Comptroller as having attended required training. Their responsibility is to settle value disputes between the taxpayer and the chief appraiser. Their decisions regarding value are binding to the chief appraiser for the tax years protested.

An ARB is a group of citizens authorized to resolve disputes between property owners and appraisal districts. ARB members are locally appointed to serve two-year terms on their local ARB where they hear taxpayer protests and taxing unit challenges. After listening to the property owner and appraisal district representative, the ARB makes a determination on the issues heard during the protest. ARB decisions are binding only for the tax year in question. ARB hearings typically occur in May through July. In larger counties, ARB members may continue to hold hearings beyond July.

Tax Code Section 5.041(f) prohibits the Comptroller's office from advising a property owner, a property owner's agent, the chief appraiser or an appraisal district employee on a matter that the Comptroller's office knows is the subject of an ARB protest. The Comptroller's office may, however, provide advice to an ARB member as authorized by Tax Code sections 5.041(a)(4) or 5.103 and may communicate with the ARB chair or a taxpayer liaison officer (TLO) concerning a complaint filed under Tax Code Section 6.052.

Tax Code Section 6.41(d) requires the applicable appointing authority to appoint ARB members in all counties. In counties with a population of less than 75,000, the local administrative district judge or the judge's designee will appoint ARB members. In counties with a population of 75,000 or more, the board of directors of the appraisal district will appoint ARB members, including special panel ARB members to hear complex property cases where available.

ARB members are eligible to serve by residing in the appraisal district for two years or more before appointment. Eligibility restrictions governed by Tax Code Section 6.413 establish separation between ARB members and the appraisal district staff in the county they serve.

The Comptroller's office has a phone number (800-252-7551) dedicated to assisting ARB members with technical questions relating to the duties and responsibilities of ARB members.

The Comptroller's office issues an annual report that summarizes ARB survey responses, comments received by TLOs and the review of adopted ARB hearing procedures.

The 2026 ARB members include;

- Rodney Wooten – Chairman
- Chuck Cline – Secretary
- Travis Penner
- Paul Beatty
- Pat Barnett

AGRICULTURAL APPRAISAL ADVISORY BOARD

The Agricultural Appraisal Advisory Board is appointed by the Chief Appraiser with the advice and consent of the Board of Directors. The Advisory Board aides the Chief Appraiser in determining typical practices and standards for agricultural and timber land activities in the district.

The 2026 Agricultural Appraisal Advisory Board;

- James Browning
- Pat Browning
- Terry Holland

TAXING JURISDICTIONS

The Panola County Appraisal District is responsible for appraising all properties for each of the fourteen taxing jurisdictions that have territory located within the 821 square miles of Panola County. Following are those taxing jurisdictions with territory located in the district:

- Panola County (including Special)
- Beckville ISD
- Carthage ISD
- Elysian Fields ISD
- Gary ISD
- Joaquin ISD
- Tatum ISD
- Tenaha ISD
- City of Beckville
- City Of Carthage
- City Of Tatum
- Panola College
- Panola County ESD #1
- Panola County GWCD

CERTIFIED VALUES

PROPERTY TYPES APPRAISED

PCAD staff is responsible for appraising residential, commercial, land, and business personal property. PCAD contracts Pritchard & Abbott to appraise oil and gas properties, utilities, pipelines, industrial property, and industrial personal property in the district.

The following represents a summary of property types and their certified values for 2026:

C Code	Property Type	Parcel Count	Market Value
A	Single Family Homes	8,168	$1,310,048,563
B	Multi Family Homes	35	$6,786,120
C	Vacant Lot	3,490	$107,272,120
D	Land Acreage	9,905	$1,311,503,261
E	Farm & Ranch Improvements	3,292	$296,313,569
F1	Commercial Real Property	700	$182,797,396
F2	Industrial Real Property	78	$29,108,610
J	Utilities	2,523	$1,184,823,650
L	Commercial & Industrial Personal Property	1,395	$713,893,830
M1	Tangible Personal Mobile Home	1,827	$108,307,910
O	Residential Inventory	17	$578,990
X	Total Exempt Property	3,124	$251,374,110

PROPERTY DISCOVERY

The district aggressively seeks to discover all newly constructed or added property each year through examination of:

- City building permits
- Field discovery
- Filed Material/Mechanic's Liens
- Mobile home installation reports
- Electric connection reports
- Advertisements
- Railroad Commission Reports (oil/gas)
- Realtor and Appraisers

EXEMPTION DATA

Property owners may qualify for a variety of exemptions as provided by the Texas Constitution. Some of the most commonly occurring exemptions are described below. Other less commonly occurring exemptions are available and described in the Texas Property Tax Code, Chapter 11.

Residential Exemptions

The following chart represents the total exemption amounts available to homeowners who qualify for this exemption on home sites with a maximum of 20 acres:

MANDATED	STATE			OPTIONAL		
County	Regular	Over-65	Disability	Regular %	Over 65	Disability
Panola County (General)	None	None	None	20%	$35,000	$35,000
Panola County (Special)	$3,000	None	None	20%	$35,000	$35,000
Cities						
City of Beckville	None	None	None	None	$6,000	None
City of Carthage	None	None	None	20%	$10,000	$10,000
City of Tatum	None	None	None	20%	$5,000	$5,000
Schools						
Beckville ISD	$140,000	$150,000	$150,000	20%	None	None
Carthage ISD	$140,000	$150,000	$150,000	20%	None	None
Elysian Fields ISD	$140,000	$150,000	$150,000	20%	None	None
Gary ISD	$140,000	$150,000	$150,000	20%	None	None
Joaquin ISD	$140,000	$150,000	$150,000	20%	None	None
Tatum ISD	$140,000	$150,000	$150,000	20%	None	None
Tenaha ISD	$140,000	$150,000	$150,000	None	None	None
Special						
Panola College	None	None	None	20%	$35,000	$35,000
Panola County ESD #1	None	None	None	None	None	None
Panola County GWCD	None	None	None	None	None	None

For school tax purposes, the over 65 exemptions; the age 55 or older surviving spouse exemptions (of a deceased spouse previously receiving the over 65 exemption); and the disability exemptions – lead to or create a tax ceiling prohibiting increased taxes on the homestead on existing buildings (any new areas added to the home-site will cause the ceiling to be readjusted and set in the subsequent tax year). Panola County (general and special funds) is the only other taxing entity where a tax ceiling applies.

For a 100% disabled veteran's residential homestead, the veteran is entitled to a total exemption from their homestead taxes.

All homeowners who qualify for the residential homestead exemption are protected from substantial increases in their appraised value. The "homestead cap" is limited to annual increases to no more than ten percent per year. The market value is still maintained by the appraisal district. Any additions or changes to a homestead are not protected by the cap.

<u>Disabled Veterans Exemptions</u>

In addition to the disabled veterans residential homestead exemption described above, disabled veterans are allowed a partial exemption on any property they own based upon the percentage rating as determined by the Department of Veterans Affairs. Current exemptions amount, based upon these ratings, are:

Disability Percentage	**Exemption Amount**
10-29%	$5,000
30-49%	$7,500
50-69%	$10,000
70-100%	$12,000

DELIVERED IN PACKETS WITH 2025 CERTIFIED VALUES TO ALL ENTITIES ON July 25, 2025

PROPERTY OWNER PROTEST AND APPEALS

In 2026, property owners and professional tax consultants filed 5,978 protests, representing a 68% decrease under the 2025 protests. Of those filed, 5,938 were handled informally by staff, while 40 final value orders were delivered to taxpayers from the Appraisal Review Board. Of the 1,349 cause numbers sent to the ARB, 4,618 were settled or withdrawn before the formal hearing. The total market value appealed for the year 2026 was $2,664,436,200. The ARB approved all appraisal records on July 10, 2026.

Generally, property owners may protest appraised values placed on their property or if it was equally appraised before the appraisal roll is approved and certified. The protest period is typically conducted from May to August each year. Property owners usually resolve disagreements about their appraised value, exemptions, or other issues in a meeting with a district appraiser. If no agreement is reached informally, the property owner is heard before a five-member panel of the Appraisal Review Board. The panel makes its final determination and mails a certified "order" of action to the taxpayer within two days of the final decision.

LITIGATION

When a property owner disagrees with the Appraisal Review Board's (ARB) final decision, Texas law gives them the option to challenge that decision in District Court. This process, laid out in

Chapter 42 of the Texas Property Tax Code, can sound formal and intimidating, but in practice, it follows a predictable path, and most cases are resolved long before a trial becomes necessary.

The process begins when the ARB issues its written order. From that moment, the property owner has sixty days to file a petition with the District Court if they want to continue the appeal. Once the appraisal district receives notice that a lawsuit has been filed, the paperwork is immediately turned over to legal counsel, who responds on behalf of the district and the ARB. This step simply establishes the case and starts the formal exchange of information.

As the lawsuit progresses, both sides enter a phase known as discovery. This is where each party shares the information and evidence they plan to rely on—things like appraisal records, comparable sales, cost schedules, income data, and expert reports. Discovery often makes up the largest portion of the timeline because it ensures that each side understands the other's position and has access to the underlying data.

Most lawsuits never reach trial. In Texas, mediation is typically required before a case can proceed to trial, providing a structured opportunity for both sides to discuss the evidence with the assistance of a neutral mediator. It's common for cases to settle during mediation, resulting in an agreed-upon value. Once the agreement is documented and the case is dismissed, the appraisal district simply updates the appraisal roll to reflect the value that both parties accepted.

If a case does continue beyond mediation, it moves into pretrial hearings and eventually trial. At trial, both the district and the property owner present their evidence and expert testimony, and the judge or jury determines the final taxable value or rules on the exemption or qualification issue. After the final judgment is issued, the district applies the court-ordered value to the tax roll. If the owner prevails and a refund is required, the taxing units issue it along with any interest required by statute.

Either side may choose to appeal the District Court's judgment to the Court of Appeals and, in rare cases, to the Texas Supreme Court. Throughout the process, the appraisal district's responsibility remains the same: to provide accurate information, document the appraisal work thoroughly, follow statutory procedures, and ensure that the tax roll remains fair, consistent, and defensible for all taxpayers.

Taxpayers are also required to pay partial taxes, usually the amount of taxes that are not disputed before the delinquency date (February 1). They may ask the court to excuse them from prepaying taxes; to do so, they must file an oath attesting to their inability to pay the taxes in question and argue that prepaying the taxes restrains their right to go to court on the protest. The court will hold a hearing and decide the terms or conditions of the payment.

BINDING ARBITRATION

Texas law provides property owners with an alternative to District Court litigation when they disagree with an Appraisal Review Board (ARB) decision on the market or appraised value of their property. Instead of filing a lawsuit, owners may choose binding arbitration, a faster, more streamlined process designed to resolve value disputes without the cost and complexity of the courtroom. Arbitration is authorized under Tax Code Chapter 41A and is commonly used for residential and small-to-medium commercial properties.

The process begins after the ARB mails its final order. A property owner who wishes to pursue arbitration must submit a Request for Binding Arbitration form, along with the required deposit, to the Texas Comptroller's office. The Comptroller reviews the request to ensure that the owner qualifies for arbitration and then forwards the case to the appraisal district for a response. Once the Comptroller approves the request, the parties receive a list of qualified arbitrators. Both the property owner and the appraisal district have an opportunity to strike arbitrators from the list and rank their preferences. The Comptroller then appoints an arbitrator based on the parties' selections.

Arbitration hearings are informal compared to court proceedings and typically take place at a neutral site or through virtual conferencing. During the hearing, both sides present their valuation evidence—such as sales comparable data, cost schedules, income analyses, and market studies. The arbitrator considers the information, asks questions as needed, and renders a binding decision on the property's value. Unlike a judge or jury, the arbitrator's sole responsibility is to determine the value that is closest to the market value supported by the evidence.

Once the arbitrator issues the decision, the appraisal district updates the appraisal roll to reflect the determined value. The arbitration deposit is then distributed based on the outcome. If the arbitrator's value is closer to the value proposed by the appraisal district, the district keeps a small administrative fee, and the remainder of the deposit is refunded to the property owner. If the arbitrator finds in favor of the property owner, most of the deposit is returned, and the district pays the arbitrator's fee.

Overall, the arbitration process provides property owners with a quicker and typically less expensive method for resolving value disputes. It offers a fair and impartial review of the appraisal district's determination while avoiding the complexity, delay, and cost associated with litigation. For appraisal districts, arbitration reinforces the importance of accurate data, consistent valuation practices, strong documentation, and well-supported appraisal methodologies.

DISTRICT PERSONNEL

Number of Personnel 7

Chief Appraiser / Administration 2

Customer Service / Homestead Services 1

Ownership/Mapping Services 1

Field Appraisers 3

LEGISLATIVE CHANGES

The House of Representatives and the state Senate constitute the Texas Legislature. The Legislature's duties include consideration of proposed laws and resolutions, consideration of proposed constitutional amendments for submission to the voters, and appropriation of all funds for the operation of state government. All bills for raising revenue considered by the Legislature must originate in the House of Representatives. The House alone can bring impeachment charges against a statewide officer, which the Senate must try. The Legislature of the State of Texas, operating under the biennial system, convenes its regular sessions at noon on the second Tuesday in January of odd-numbered years. The maximum duration of a regular session is 140 days. The governor is given authority under the state constitution to convene the Legislature at other times during the biennium. Such sessions are called special and reserved for legislation that the governor deems critically essential in state affairs. Called sessions are limited to 30 days, during which the Legislature is permitted to pass laws only on subjects submitted by the governor in calling for the session. The 88th Texas Legislature passed hundreds of bills and killed many more during the 140-day legislative session. From the multi-billion-dollar state budget to a list of bills that would amend the Texas Constitution, the Texas Legislature focused on local government spending and property tax law.