



**September 28, 2026**

In accordance with Section 26.04 of the Texas Property Tax Code, I hereby submit the following information concerning the certified values for tax year 2026, as provided by the Chief Appraisers of the Galveston Central Appraisal District and Harris Central Appraisal District.

| 2026 Certified Values                   | Taxable Value           |
|-----------------------------------------|-------------------------|
| Galveston CAD Certified Taxable Value   | \$10,766,995,588        |
| Harris CAD Certified Taxable Value      | \$17,924,541,036        |
| Galveston CAD Under Protest             | \$405,939,962           |
| Harris CAD Under Protest                | \$1,459,146,187         |
| Harris CAD Not Certified, Not Protested | \$900,036,182           |
| <b>Total Certified Taxable Values</b>   | <b>\$31,456,658,955</b> |

The appraisal districts will continue to make adjustments and corrections to the certified tax rolls throughout the tax year. As a result, the final taxable value and corresponding tax levy will change as protests are resolved, corrections are processed, exemptions are applied, and other adjustments are made to the tax rolls.

### **Tax Ceiling (Freeze) Accounts**

Unlike the prior tax year, **no additional reduction to existing tax ceiling (freeze) accounts is anticipated for 2026.** There was no reduction in Clear Creek ISD's Maximum Compressed Tax Rate from the Texas Education Agency for 2026 and no additional increase in the state-mandated homestead, over-65, or disabled person exemptions requiring a recalculation of existing tax ceilings.

Therefore, existing tax ceiling amounts will generally be carried forward from the prior year, subject to the normal statutory adjustments applicable to individual properties.

### **New \$125,000 Business Personal Property Exemption**

A significant change affecting the 2026 tax roll is the implementation of the new **\$125,000 Business Personal Property (BPP) exemption**. The exemption applies to qualifying business personal property and will reduce the taxable value associated with business personal property accounts throughout the district.

The impact of this new exemption can already be seen in the district's 2026 business personal property values. As illustrated below, BPP taxable value increased steadily from 2022 through 2025 before declining substantially in 2026 following implementation of the new exemption.



#### **Tax Year BPP Taxable Value**

|             |                        |
|-------------|------------------------|
| 2022        | \$930,071,381          |
| 2023        | \$1,069,253,269        |
| 2024        | \$1,140,443,897        |
| 2025        | \$1,235,857,737        |
| <b>2026</b> | <b>\$1,003,492,286</b> |

From 2025 to 2026, BPP taxable value decreased by approximately **\$232.4 million**, from \$1.236 billion to \$1.003 billion. This represents an approximately **18.8% reduction in taxable BPP value**, despite the underlying market value of business personal property continuing to increase.

The State's school finance formulas provide funding protection for the qualifying loss on the **Maintenance & Operations (M&O)** side; however, the district does not receive the same replacement of revenue for the **Interest & Sinking (I&S)** levy loss associated with the new BPP exemption. The new \$125,000 exemption is part of the state's 2026 property-tax changes and applies to qualifying income-producing tangible personal property.

Therefore, although the State's school finance system is expected to offset the qualifying impact on the M&O side, CCISD is projecting an approximately **\$627,000 reduction in I&S tax collections** attributable to the new BPP exemption. This represents a direct reduction in locally generated revenue available to support the district's debt-service obligations.

### **Chapter 313 Agreement**

The district's existing Chapter 313 agreement with **Total Petrochemicals USA** will continue to impact the 2026 Maintenance & Operations (M&O) tax levy. The agreement is a **10-year value limitation agreement that began in 2021 and extends through 2030**. The 2026 tax year represents **year six of the 10-year agreement**.

Under the agreement, the taxable value used for M&O purposes is limited to **\$100,000,000**, resulting in a reduction in the District's M&O tax levy.

Based on the 2026 taxable value of the property and the district's 2026 M&O tax rate, the **estimated tax levy loss attributable to the Chapter 313 agreement is \$3,196,387.20**.

This represents a decrease of approximately **\$293,505, or 8.4%**, compared to the estimated 2025 Chapter 313 levy loss of \$3,489,891.71.

  
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Tax Office