October 2, 2012

Ladies and Gentlemen,

Many of you have expressed concern about having to obtain new tax certificates to record your plat after September 1st each year. In an effort to address your concern we met with the Tax Office, County Attorney’s Office, and County Clerk’s Office to determine if our current policy was necessary.

Working as a team, we discovered that the primary reason for the Harris County Tax Certificate policy was to provide a “TAXES HAVE NOT BEEN CALCULATED” statement which is a requirement of State Law.

Understanding the research required and volume of requests associated with the Tax Certificate after September 1st, we looked for a more efficient option to give us the same result. We determined that the Composite Tax Receipt, which is easier to process, can serve the same purpose.

We have composed the outline below, and it will be effective October 5th 2012. We believe it will allow us to more efficiently serve the community while simultaneously upholding State Law.

<table>
<thead>
<tr>
<th>PLAT FILING DATE</th>
<th>TAX CERTIFICATE (on or after Feb 1)</th>
<th>COMPOSITE TAX RECEIPT</th>
<th>CURRENT TAX STATEMENT SHOWING ZERO AMOUNT DUE</th>
<th>RECEIPT</th>
</tr>
</thead>
<tbody>
<tr>
<td>FEB 1 - AUG 31</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEPT 1 - NOV 1*</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NOV 2 - JAN 31**</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Generally between September 1st and November 1st, taxes have not been assessed.
**Generally between November 2nd and January 31st, taxes have been assessed. We need a zero balance due and receipt at that point.

- Plats filed-February 1 thru August 31: Tax certificates obtained on or after February 1, 2012 are required. (no change)

- Plats filed September 1 thru November 1: Tax certificates obtained on or after February 1, 2012 are required and either of the following:
  - A Composite Tax Receipt with the note stating that taxes have not been calculated for the year 2012. (If taxes are pending and have not been calculated)

Or...
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- An official tax receipt/tax statement noting that the 2012 taxes have been paid in full. (If taxes have been calculated)
  Generally, taxes have not been assessed prior to November 1st. If they have been assessed, we must verify that they have been paid in full.

- Plats filed November 2 to January 31: Tax certificates obtained on or after February 1, 2012, and an official tax receipt/tax statement noting that the 2012 taxes have been paid in full.
  Generally, taxes have been assessed after November 2nd. If they have been assessed, we must verify that they have been paid in full.

The Harris County Tax Office encourages payment by a cashier’s check to lessen the amount of time it takes to process and issue tax certificates and receipts. The other option, or common practice, is to submit a check; however, they cannot process your request until the check clears. Using cashier’s checks will save you time.

Important Note: Many of you know we are very willing to try new things to better serve the community. If we discover we made a mistake, we are also quick to adjust or correct the mistake. With that being said, every new process goes through an adjustment period and I ask that you are patient with all the agencies serving you until the new process is fully refined and becomes second nature.

My main concern with this new policy is the implications of selling property between tax cycles and new owners getting stuck with tax bills that previous owners were responsible for. This situation bogs down the entire system. If as a community we find this to be a systemic issue created because of our change in policy, I will have to recommend we revert back. You, the community that uses our services, have the power to ensure this does not happen. I trust we will all work together to ensure it does not.

Sincerely,

[Signature]

Josh Stuckey, RS, CFM
Manager of Permits