



City of Mesquite, Texas

Legislation Text

File #: 18-3671, **Version:** 2

Consider an ordinance levying the ad valorem taxes for tax year 2018 (Fiscal Year 2018-19).

The attached ordinance sets the City's 2018 ad valorem tax rate at \$0.734 per \$100 of valuation.

Effective January 1, 2016, Senate Bill 1760, enacted by the 84th Texas Legislature, requires at least 60 percent of the members of the governing body of a city to vote in favor of an ordinance setting a property tax rate that exceeds the effective tax rate. The proposed tax rate of \$0.73400 per \$100 of assessed valuation exceeds the calculated effective tax rate of \$0.64134 and therefore will require at least 60 percent (5 or more) of the City Councilmembers to vote in favor of the proposed tax rate.

If the required majority cannot be reached and the governing body fails to adopt the proposed tax rate, then by State law, the City's tax rate for fiscal year 2018-19 will be the effective rate of \$0.64134 and this action would require a \$7.2 million reduction in the adopted budget for the General Fund.

Recommended/Desired Action

Staff recommends approval of the ordinance.

Attachment(s)

Ordinance

Drafter

Lisa Stout

Head of Department

Debbie Mol