

City of Mesquite, Texas

Legislation Text

File #: 20-4898, **Version:** 1

- A. Conduct a public hearing regarding the proposed Fiscal Year 2020-21 ad valorem tax rate of \$0.70862 per \$100 valuation.
- B. An ordinance levying the ad valorem taxes for tax year 2020 (Fiscal Year 2020-21).

This public hearing will allow citizen input on the proposed tax rate. The proposed tax rate is \$0.70862 per \$100 of assessed valuation.

The attached ordinance sets the City's 2020 ad valorem tax rate at \$0.70862 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 no new revenue tax rate. The proposed tax rate of \$0.70862 per \$100 of assessed valuation exceeds the calculated no new revenue tax rate of \$0.70148 and therefore will require at least 60 percent (5 or more) of the City Councilmembers to vote in favor of the proposed tax rate.

The proposed tax rate is a 3.5 percent reduction to the current tax rate of \$0.73400.

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 2020-21 will be the no new revenue rate of \$0.70148 and this action would require a \$584 thousand reduction in the adopted budget for the General Fund.

Recommended/Desired Action

Following the public hearing, staff recommends approval of the ordinance.

Attachment(s)

Ordinance

Drafter

Sheree Haynes

Head of Department

Cindy L. Smith