

City of Texas City

Property Tax
For Tax Year 2022

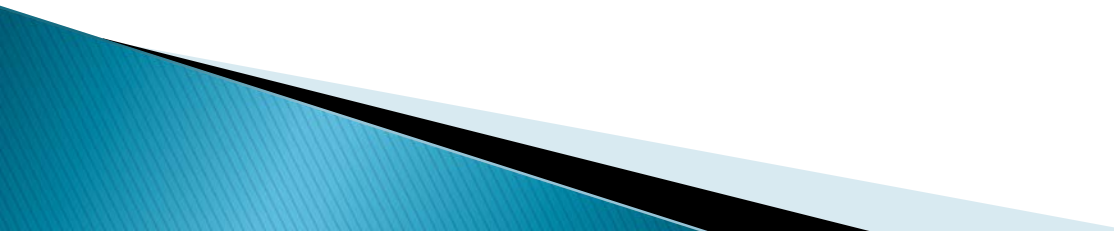
In early July, the City provides to the County Tax Office:

- amount paid to the tax increment zone
- debt service information
- sales tax revenue information

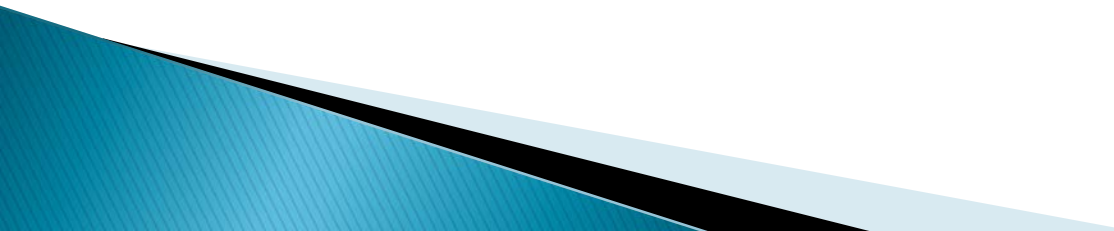
In mid to late July, the Galveston Central Appraisal District issues:

- certified appraisal review board (ARB) approved totals
- under ARB review totals to the taxing entities.

As soon as possible thereafter, the County Tax Office calculates the No-New-Revenue Tax Rate (formerly the effective tax rate) and the Voter Approval Tax Rate (formerly the rollback tax rate).



The No-new-revenue tax rate (NNR) is the total tax rate needed to raise the same amount of property tax revenue for the city from the same properties in both the 2021 tax year and the 2022 tax year.



NNR TAX RATE CALCULATION:

Adjusted 2021 tax levy (per GCTO):	\$27,534,520
<u>2022 Certified Values:</u>	\$7,181,080,240
Less: Tax increment financing	-\$662,722,291
Plus: 80% under ARB review values	+\$178,436,042
Less: Tax ceilings (65 or older or disabled)	<u>-\$418,951,326</u>
<u>2022 Total Taxable Value</u>	\$6,277,842,665
Less: 2022 values of prop. in territory annexed after 1/1/21	-\$0
Less: 2022 values of new improvements	<u>-\$137,669,764</u>
<u>2022 Adjusted Taxable Value</u>	\$6,140,172,901

$$\begin{aligned} \text{2022 NNR Tax Rate: } & \$27,534,520 / \\ & \$6,140,172,901 \times \$100 = \\ & \underline{\underline{\$0.448432 \text{ per } \$100}} \end{aligned}$$

(\$0.041568 less than current rate of \$0.49)

The Voter Approval Tax Rate (VAR) is the highest tax rate that the city may adopt without holding an election to seek voter approval of the rate.

This rate is split into 2 separate rates:

Maintenance & Operations (M&O) rate—rate to raise same amount levied in prior yr + the applicable percentage allowed by law, 3.5%.

Debt rate—rate necessary to pay City's debt payments in the coming year

Voter Approval Tax Rate (VAR):

2022 Debt Tax Rate: \$0.049936 per \$100

2022 VAR (adjusted for sales tax): \$0.555639 per \$100



NO-NEW-REVENUE TAX RATE:

\$0.448432 per \$100 of property value

M&O rate: \$0.398496

Debt (I&S) rate: \$0.049936

VOTER APPROVAL TAX RATE:

\$0.555639 per \$100 of property value

Due to anticipated cost increases due to inflation and contractual obligations, management is recommending a proposed tax rate of \$0.49 per \$100 of property value, which is the same as the current rate.

TAX LEVY CALCULATION:

<u>2022 Certified Values:</u>	\$7,181,080,240
Less: Tax increment financing values	-\$662,722,291
Plus: Under ARB review values	+\$178,436,042
Less: Tax ceilings (65 or older or disabled)	<u>-\$418,951,326</u>
<u>2022 Total Taxable Value</u>	\$6,277,842,665

TAX LEVY W/ PROPOSED RATE:

$$\begin{aligned} \$0.49 \times \$6,277,842,665 / 100 &= \$30,761,430 \\ \text{Plus: ceiling taxes} &\quad \underline{1,258,138} \\ &= \$32,019,568 \end{aligned}$$

$$\begin{aligned} \text{M\&O} &= \$28,756,447 \\ \text{I\&S} &= \$3,263,121 \end{aligned}$$