

City of Texas City

Property Tax
For Tax Year 2023

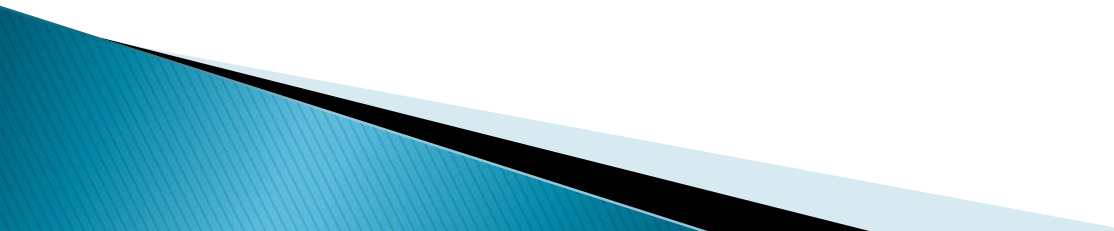
In early July, the City provides to the County Tax Office:

- 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 2022 tax year and the 2023 tax year.

NNR TAX RATE CALCULATION:

Adjusted 2022 tax levy (per GCTO):	\$29,861,511
<u>2023 Certified Values:</u>	\$7,445,382,574
Less: Tax increment financing	-\$805,809,850
Plus: 80% under ARB review values	+\$226,959,704
Less: Tax ceilings (65 or older or disabled)	<u>-\$468,607,890</u>
<u>2023 Total Taxable Value</u>	\$6,397,924,538
Less: 2023 values of prop. in territory annexed after 1/1/22	-\$0
Less: 2023 values of new improvements	<u>-\$164,058,050</u>
<u>2023 Adjusted Taxable Value</u>	\$6,233,866,488

$$\begin{aligned} \text{2023 NNR Tax Rate: } & \$29,861,511 / \\ & \$6,233,866,488 \times \$100 = \\ & \underline{\underline{\$0.479020 \text{ per } \$100}} \end{aligned}$$

(\$0.01098 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):

2023 Debt Tax Rate: \$0.102650 per \$100

2023 VAR (adjusted for sales tax): \$0.636316 per \$100



NO-NEW-REVENUE TAX RATE:

\$0.479020 per \$100 of property value

M&O rate: \$0.376370

Debt (I&S) rate: \$0.102650

VOTER APPROVAL TAX RATE:

\$0.636316 per \$100 of property value

Due to 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>2023 Certified Values:</u>	\$7,445,382,574
Less: Tax increment financing values	-\$805,809,850
Plus: Under ARB review values	+\$226,959,704
Less: Tax ceilings (65 or older or disabled)	<u>-\$468,607,890</u>
<u>2023 Total Taxable Value</u>	\$6,397,924,538

TAX LEVY W/ PROPOSED RATE:

$$\begin{aligned} \$0.49 \times \$6,397,924,538 / 100 &= \$31,349,830 \\ \text{Plus: ceiling taxes} &\quad \underline{1,316,817} \\ &= \$32,666,647 \end{aligned}$$

$$\begin{aligned} \text{M\&O} &= \$25,816,995 \\ \text{I\&S} &= \$6,849,652 \end{aligned}$$