FORT

BEND

COUNTY

MAYOR

8

COUNCIL

ASSOCIATION

MEMBERS:

ARCOLA

BEASLEY

FULSHEAR

KATY

KENDLETON

MEADOWS PLACE

MISSOURI CITY

NEEDVILLE

ORCHARD

PLEAK

RICHMOND

ROSENBERG

SIMONTON

STAFFORD

SUGAR LAND

Town of Thompsons

VILLAGE OF FAIRCHILDS

WESTON LAKES

FORT BEND COUNTY
JUDGE &
COMMISSIONERS

FORT BEND COUNTY MAYOR & COUNCIL ASSOCIATION RESOLUTION NO. 2015-01

A RESOLUTION OF THE FORT BEND COUNTY MAYOR & COUNCIL ASSOCIATION OPPOSING THE REVENUE CAP SENATE BILL 182.

Whereas, Bills have been introduced to cap the amount of property tax revenue cities can collect each year in a misguided effort to reduce the property tax burden on homeowners and businesses. Currently, if a Texas city increases property tax collections by more than eight percent over the previous year, voters can petition for an election to rollback the increase. Bills have been introduced to replace that eight percent "rollback rate" with a hard cap of four percent and require mandatory elections on an increase over four percent — all with the false claim that this would provide property tax relief; and

Whereas, If the four percent cap on city property tax increases had been in effect in 2013, the owner of a homestead in the City of Dallas with an assessed value of \$250,000 would have seen a "cut" in city property taxes of \$33.10 annually or about \$2.75 per month. The tax savings would have been even less if the homeowner was disabled or elderly and qualified for additional exemptions; and

Whereas, According to the state comptroller's latest survey of property tax rates in 1,002 cities in Texas, 67 percent of cities raised their property taxes by less than four percent from 2012 to 2013 and 37 percent of cities actually reduced their property taxes. That means property owners in at least 669 Texas cities would have seen no reduction in their city property taxes if the four percent cap had been in effect; and

Whereas, While the savings to individual taxpayers are very small or even non-existent, a four percent cap could hit city services hard; and

Whereas, Cities collect just 16 percent of the property taxes levied in Texas. Most of the property taxes paid by Texans (55 percent) go to school districts. According to the comptroller's report, the total amount of property taxes collected by cities rose by 3.61 percent between 2012 and 2013, while school district tax collections rose by more than twice that rate or 7.72 percent. School property taxes have been rising because the legislature continues to reduce the state's share of funding for schools which forces districts to get more revenue from property taxes.

NOW, THEREFORE, BE IT RESOLVED BY THE FORT BEND COUNTY MAYOR & COUNCIL ASSOCIATION, as follows:

Section 1. The Fort Bend County Mayor & Council Association strongly opposes SB 182; and

Section 2. Calls on other communities and jurisdictions to join this action by passing similar Resolutions; and

Section 3. That copies of this Resolution be immediately transmitted to our Congressional Delegation and the Governor of the State of Texas.

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PASSED AND APPROVED ON THE _____ DAY OF______, 2015.