



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 10/15/2024

ALL

Item Creation Date:

FIN Truth in Taxation 2024 #4

Agenda Item#: 19.

Summary:

ORDINANCE providing for the Assessment, Levying and Collection of Ad Valorem Taxes for the City of Houston, Texas for the Year 2024

Background:

The proposed tax rate of \$0.519190 on each \$100 of taxable value must be apportioned between Maintenance and Operations (M&O) and Interest and Sinking Fund (I&S). The M&O rate is \$0.378605 on each \$100 of taxable value and the I&S rate is \$0.140585 on each \$100 of taxable value which, when combined, equals the total tax rate of \$0.519190 on each \$100 of taxable value.

The 2024 proposed tax rate (\$0.519190) is the same as the Tax Year 2023 adopted tax rate (\$0.519190).

No Required Public Hearing

Section 26.05 (d) of the Tax Code provides that a taxing unit may not adopt a tax rate that exceeds the lower of the No-New Revenue Tax Rate and the Voter-Approval Tax Rate until the governing body has held a public hearing. Since the City of Houston proposed a tax rate that is so low it does not exceed the No-New Revenue Tax Rate or the Voter-Approval Tax Rate, the public hearing is not required.

Additionally, the proposed tax rate, if adopted, is not expected to increase the City's ad valorem property tax revenues for the current fiscal year in an amount greater than five percent more than the ad valorem property tax revenues collected during the immediately preceding fiscal year. Thus, a public hearing is not required under Chapter 44 of the City's Code of Ordinances.

Opportunity for Public Comment

Although a public hearing is not required, to increase transparency and to allow for public input, members of the public are invited to express support for or opposition to the proposed tax rate at public session at 2pm on Tuesday October 15, 2024 and again at the City Council session at 9am on Wednesday October 16, 2024.

Therefore, it is recommended that City Council adopt a Tax Year 2024 tax rate for Maintenance and Operations of \$0.378605 on each \$100 of taxable value and a tax rate for the Debt Service of \$0.140585 on each \$100 of taxable value.

DocuSigned by:

Melissa Dubowski, Chief Business Officer/Director of Finance

Prior Council Action:

Motion No. 2024-773

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