
Finance Committee

DEPARTMENT: Finance

FROM: Harlan Jefferson, Deputy City Manager

MEETING: November 6, 2024

SUBJECT:

Receive a report, hold a discussion, and provide staff direction regarding the sales tax options permitted under state law. (Staff Contact: Harlan Jefferson, Deputy City Manager)

SUMMARY:

The City of Burleson has adopted the maximum sales tax rate possible. A local municipality cannot adopt a sales tax if the combined rate of all local sales taxes would exceed two (2) percent at any location within its territorial limits.

Current City of Burleson sales tax rates:

1.00% General Fund

.50% 4A Economic Development Corporation

.50% 4B Community Services Development Corporation

Sales tax options provide a means to fund specified projects through sales and use tax rather than property tax in increments of 1/8, 1/4, 3/8, or 1/2 of 1 percent. The options are subject to voter approval. If election is successful, within 10 days the Town must declare the results through a resolution or ordinance. Any new or change in an options becomes effective the first calendar quarter after one complete calendar quarter passes from the date the comptroller receives the Town's notice.

Other special purpose districts that sales tax can fund include:

- Crime Control and Prevention Districts
- Fire Control, Prevention and Emergency Medical Services (EMS) Districts
- Library Sales and Use Tax Districts
- Street Maintenance Sales and Use Tax
- Sports and Community Venue Special Purpose Districts

RECOMMENDATION:

Staff recommends that the Committee discuss the sales tax options and provide staff direction.

PRIOR ACTION/INPUT (Council, Boards, Citizens):

N/A

REFERENCE:

N/A

FISCAL IMPACT:

N/A

STAFF CONTACT:

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