

Montgomery City Council
AGENDA REPORT

Meeting Date: February 14, 2023	Budgeted Amount: N/A
Department: Admin	Prepared By: Dave McCorquodale

Subject

Consideration and possible action on A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS, ADOPTING AND VERIFYING A PERCENTAGE-BASED HOMESTEAD EXEMPTION FROM AD VALOREM TAXES AND HOMESTEAD EXEMPTIONS FOR INDIVIDUALS WHO ARE DISABLED AND INDIVIDUALS WHO ARE SIXTY-FIVE (65) YEARS OF AGE OR OLDER.

Recommendation

Adopt the Resolution as presented.

Discussion

The City is required to adopt property tax exemptions annually and provide those exemptions to the county tax office. 2022 property tax exemptions were:

- Homestead = 20% (max. allowed by state law)
- Over age 65 = \$50,000
- Disabled = \$70,000

According to Montgomery County Tax Assessor data, the average assessed home value in the City last year was \$289,367. The total City tax paid on this property would be \$1,157 before exemptions. City tax exemptions for this property (using the current tax rate) would be as follows:

- \$231 deduction for Homestead
- \$200 deduction if over 65
- \$280 deduction if disabled

Homeowners who are eligible for both Over 65 and Disability exemptions are granted the larger of the two and do not receive both exemptions. The Homestead exemption is granted in conjunction with one of the other two exemptions for those who qualify.

	HOMESTEAD	OVER 65	DISABLED
Number of exemptions	477	168	15
Total Taxable value	\$27,768,234	\$8,139,445	\$821,164
Reduction in taxes owed	\$111,073	\$32,578	\$3,285

Consider these amounts and decide whether to raise, lower, or keep the same exemptions for 2023.

Approved By

Assistant City Administrator	Dave McCorquodale	Date: 02/08/2023

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