
CITY OF PORT LAVACA

CITY COUNCIL MEETING: AUGUST 22, 2022

AGENDA ITEM _____

DATE: 8/19/2022

TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

FROM: SUSAN LANG, FINANCE DIRECTOR 

SUBJECT: CONSIDER SETTING A PUBLIC HEARING ON THE TAX RATE FOR FY 2022-23

In accordance with the State of Texas Property Tax Code, the Comptroller of Texas' Truth-in-Taxation rules, should the City Council choose to propose a tax rate that exceeds the No-New-Revenue (NNR) rate, it is considered a tax increase and a public hearing on the tax rate is required.

City Council must set a date and time for the public hearing after they vote to propose a tax rate greater than the NNR. A NOTICE OF PUBLIC HEARING ON TAX INCREASE must be published in the newspaper and prominently displayed on the city's website.

According to our budget calendar, we have scheduled the Public Hearing on the Tax Rate to be held at a special council meeting on September 6, 2022, at which time we may also have the First reading of the Tax Rate Ordinance, where a record vote must be taken.

The proposed tax rate provided in the budget is \$0.7944, which is the **same** as last year but exceeds the NNR rate of \$0.7767.

Staff recommends the Public Hearing be set for September 6, 2022 at 5:30PM (Special Meeting) and authorize the publication of the Notice of Public Hearing on Tax Increase to describe the date, time and place for the hearing along with the required language as set forth by Property Tax Code.

NOTICE OF PUBLIC HEARING ON TAX INCREASE

Example

A tax rate of \$0.794400 per \$100 valuation has been proposed by the governing body of City of Port Lavaca.

PROPOSED TAX RATE	\$0.794400 per \$100
NO-NEW-REVENUE TAX RATE	\$0.776766 per \$100
VOTER-APPROVAL TAX RATE	\$0.814112 per \$100

The no-new-revenue tax rate is the tax rate for the 2022 tax year that will raise the same amount of property tax revenue for City of Port Lavaca from the same properties in both the 2021 tax year and the 2022 tax year.

The voter-approval rate is the highest tax rate that City of Port Lavaca may adopt without holding an election to seek voter approval of the rate.

The proposed tax rate is greater than the no-new-revenue tax rate. This means that City of Port Lavaca is proposing to increase property taxes for the 2022 tax year.

A PUBLIC HEARING ON THE PROPOSED TAX RATE WILL BE HELD ON September 6, 2022 AT 5:30 PM AT City Hall, 202 N. Virginia, Port Lavaca, TX 77979.

The proposed tax rate is not greater than the voter-approval tax rate. As a result, City of Port Lavaca is not required to hold an election at which voters may accept or reject the proposed tax rate. However, you may express your support for or opposition to the proposed tax rate by contacting the members of the of City of Port Lavaca at their offices or by attending the public hearing mentioned above.

YOUR TAXES OWED UNDER ANY OF THE RATES MENTIONED ABOVE CAN BE CALCULATED
AS FOLLOWS:

Property tax amount= (tax rate) x (taxable value of your property)/100

FOR the proposal:

AGAINST the proposal:

PRESENT and not voting:

ABSENT:

} Results of Proposed Tax Rate vote will be filled in.

Visit [Texas.gov/PropertyTaxes](https://www.texas.gov/PropertyTaxes) to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property.

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.

The following table compares the taxes imposed on the average residence homestead by City of Port Lavaca last year to the taxes proposed to be imposed on the average residence homestead by City of Port Lavaca this year.

	2021	2022	Change
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Total tax rate (per \$100 of value)	\$0.794400	\$0.794400	increase of 0.000000, or 0.00%
Average homestead taxable value	\$110,419	\$119,602	increase of 9,183, or 8.32%
Tax on average homestead	\$877.17	\$950.12	increase of 72.95, or 8.32%
Total tax levy on all properties	\$4,392,803	\$4,522,117	increase of 129,314, or 2.94%

[Return to Table of Contents](#)
[Return to City of Port Lavaca Website](#)

For assistance with tax calculations, please contact the tax assessor for City of Port Lavaca at or , or visit . for more information.