

ORDINANCE NO. 20180614-068

AN ORDINANCE AMENDING ORDINANCE NO. 20160629-001 TO INCREASE THE VALUE OF A PERCENTAGE-BASED HOMESTEAD EXEMPTION FROM AD VALOREM TAXES.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN

PART 1. Findings:

- (A) According to data collected by Texas A&M Real Estate Center, the median-value home in Austin has experienced a 68.4% increase in City property taxes from 2005 to 2014 while the median income has remained relatively flat.
- (B) Travis County currently offers homeowners the maximum 20% homestead exemption on county property taxes, and other major cities in Texas, including Houston, Dallas, and Fort Worth offer homeowners a 20% homestead exemption.
- (C) In a 2015 Zandan Poll, Voices of the Austin Community, 79% of Austin residents indicated their support for a full 20% homestead exemption.
- (D) On June 4th 2015, the City Council passed Ordinance No. 20150604-010, which increased the homestead exemption to 6% and stated the Council's intent to phase in the full 20% exemption.
- (E) The City Council reaffirmed that commitment to phase in the full 20% homestead exemption on June 29th, 2016 when the homestead exemption was increased to 8%.
- (F) Increasing the homestead exemption is one of the ways that the City can slow the increase of an Austin homeowner's rising tax bill.

- (G) The City Council, consistent with Ordinance 20160629-001 and in an effort to address the rapid rise in property taxes that many Austin residents are facing, should increase the current 8% homestead exemption.
- (H) Council finds that Texas Tax Code Section 11.13(n) authorizes the City to establish a percentage-based exemption from ad valorem (property) taxes on the assessed value of residence homesteads.
- (I) Council finds that it is in the public interest to increase such a homestead exemption to a total amount of 10% of the assessed value of residence homesteads.

PART 2. Council previously adopted Ordinance No. 20160629-001 and set the percentage-based exemption from ad valorem (property) taxes of 8% of the assessed value of residence homesteads.

PART 3. Council amends the previously adopted amount set forth in Ordinance No. 20160629-001 and increases the total exemption from ad valorem taxes to 10% of the assessed value of a residence homestead.


PART 4. The exemption adopted pursuant to this ordinance applies to the tax year beginning January 1, 2018.

PART 5. This ordinance takes effect on June 25, 2018.

PASSED AND APPROVED

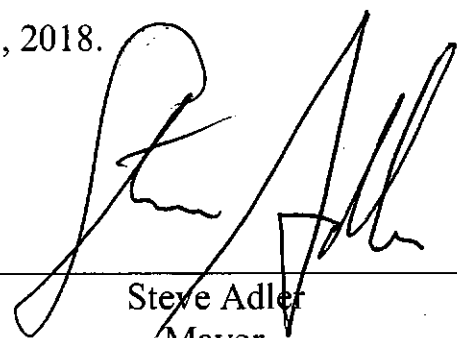
_____, June 14, 2018

APPROVED:



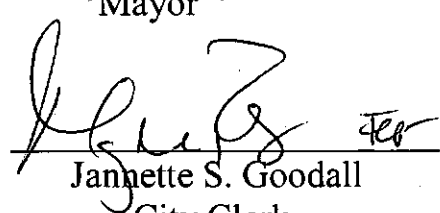
Anne L. Morgan
City Attorney

§
§
§



Steve Adler
Mayor

ATTEST:



Jannette S. Goodall
City Clerk