



Recommendation for Action

File #: 22-2585, Agenda Item #: 1.

8/2/2022

Posting Language

Approve a resolution adopting a maximum proposed property (ad valorem) tax rate that will include an increase of 3.5% for the operations and maintenance of the City that the City Council will consider for Fiscal Year 2022-2023; and setting the date that the Council will hold the hearing and adopt the Fiscal Year 2022-2023 property (ad valorem) tax rate (Suggested date, time, and location: August 17, 2022 at 10:00 a.m., Austin City Hall, 301 West Second Street, Austin, Texas and via videoconference, as authorized by the Texas Open Meetings Act).

Lead Department

Financial Services

Fiscal Note

This is not the final action to set the tax rate.

For More Information:

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Additional Backup Information:

State law requires that all taxing jurisdictions participate in the process of Truth-In-Taxation. When a proposed tax rate exceeds the lower of 100 percent of the no new revenue tax rate or the voter approval rate, the Council must adopt a maximum proposed tax rate that it will consider. The City Manager has recommended a budget with a maximum increase of 3.5% to cover the increased costs of the maintenance and operations of the City. State law requires the vote to adopt a proposed maximum rate must be a roll call vote, indicating any absences from the dais.

If Council votes to consider a maximum proposed rate that exceeds the no-new-revenue tax rate, it must schedule and conduct one public hearing on the tax rate before adopting that rate. To comply with state law, the public hearing will take place at 10:00 a.m. during the Council meeting that will begin August 17, 2022. If the rate exceeds the voter-approval rate, Council must also order a Tax Rate Election to occur in November. The adoption of the tax rate will occur after adoption of the City Budget for Fiscal Year 2022-2023.

Since State law requires the hearing to be in a building open to the public, people can come and speak for or against the tax rate at the hearing at Austin City Hall, 301 West Second Street, Austin, Texas. The public will also have the option of participating via telephone as a courtesy, and Council may participate electronically, as allowed by the Texas Open Meetings Act. After this hearing, Council must adopt the Fiscal Year 2022-2023 property (ad valorem) tax rate. The hearing and the adoption of the tax rate is suggested for Wednesday, August 17, 2022. The hearing may continue to August 18th and 19th. The vote to adopt the property tax rate will also be viewable at the Austin City Hall, 301 West Second Street, Austin, Texas.

Although it may not adopt a tax rate that exceeds the maximum tax rate established by this resolution, the Council may, as a result of deliberations, adopt a tax rate at or below this maximum rate.

Strategic Outcome(s):

Government that Works for All