

MEMORANDUM

TO: Mayor and Council Members

FROM: Erik Nelson, Division Chief

THROUGH: Ed Van Eenoo, Chief Financial Officer

DATE: June 22, 2023

SUBJECT: Fiscal Year 2022-2023 Mayor Adler Budget Rider 1: Municipal Tax and Fee Explainer

This memo is intended to provide a response to the <u>Fiscal Year 2022-2023 Budget Rider 1</u> regarding Municipal Tax and Fee Explainer for City of Austin residents.

The FY23 Budget Rider directed the City Manager to review the possibility of publishing the following:

- An informational document that provides greater detail, context, and transparency on the City portion of the annual property tax bill and any associated fees.
- Additionally, this document may also include information on fee discounts, and how to qualify for a homestead, senior or other tax exemption and,
- This informational document may be published online, by mail, or through utility bill inserts.

Staff was directed to make recommendations in a timely manner so that residents may make decisions about their finances prior to the next tax appraisal and budget cycle.

Information regarding the City's portion of the annual property tax bill and associated fees comes to the Financial Services Department in late summer closer to the Budget Adoption Process. For residents to apply and qualify for homestead, senior, or other tax exemptions they would need to follow the process outlined by their County of residence who is the governmental body responsible tax exemption application.

The Financial Services Department will work with the Communications and Public Information Office web team to update the City's website dedicated to the Budget Adoption Process to provide information that includes the following:

- A link to Travis and Williamson County websites which provide information on filing tax exemptions and,
- When available, information on the City's portion of the annual property tax bill.

For additional questions, please do not hesitate to reach out to me at erik.nelson@austintexas.gov or by phone at (512) 974-7816.

cc: Jesús Garcia, Interim City Manager