

2020 Property Tax Information

Presented to City Council

August 25, 2020



New Tax Law in Effect (Senate Bill 2)

Effective Tax Rate = No-New-Revenue Tax Rate

Rollback Rate = Voter-Approval Tax Rate (allows for 3.5% above prior year M&O)

Requires mandatory election if adopted tax rate exceeds voter-approval tax rate

One public hearing instead of two

New public notices

2019 vs. 2020 Comparison

2019

Effective Tax Rate -
\$0.36198

Rollback Tax Rate (8%)
- \$0.41021

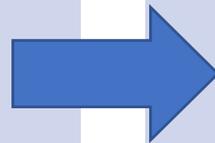
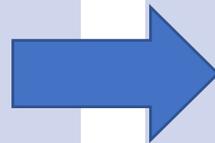
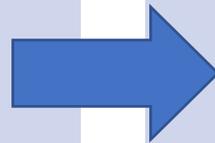
Approved Tax Rate -
\$0.38851

2020

No-New-Revenue Tax
Rate - \$0.38070

Voter-Approval Tax
Rate (3.5%) - \$0.41586

Proposed Tax Rate -
\$0.39681



No-New-Revenue Tax Rate vs. Proposed Tax Rate

That translates to:

The Proposed Budget would have been reduced by \$1.8 million using the No-New-Revenue Tax Rate.



Elements of Property Tax Rate

	2019	2020	
Operations and Maintenance	\$0.34448	\$0.34448	No Change
Interest and Sinking	\$0.04403	\$0.05233	-2016 Voter approved bonds (\$0.0005) -Thompson Pool (\$0.0030) -S. Johnson Property (\$0.0048)
Tax Rate	\$0.38851	\$0.39681	\$0.00830

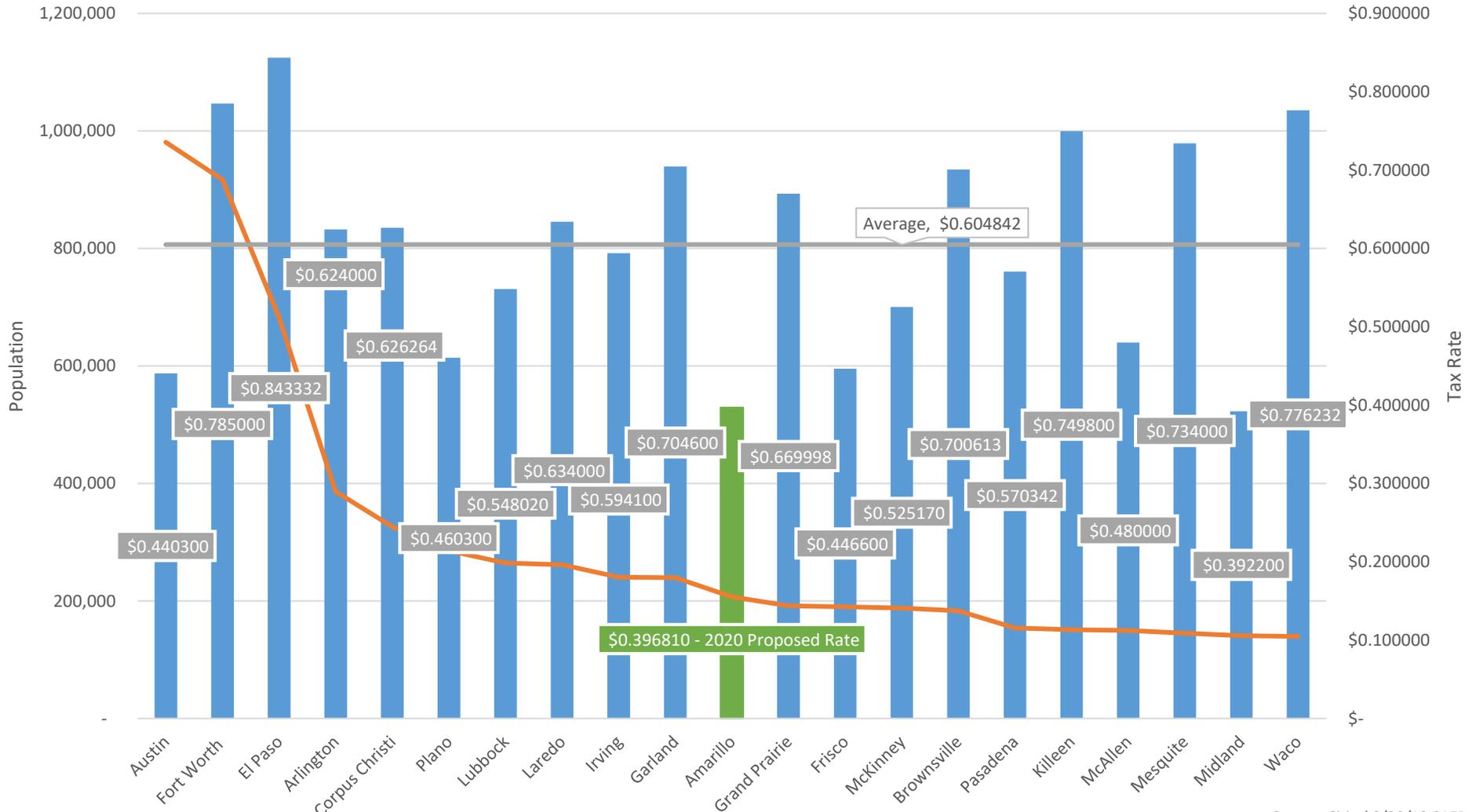
= \$8.30/year for a \$100,000 home in Amarillo

Comparable Cities' Tax Rates

The City of Amarillo proposed 2020 tax rate is lower than all but one other comparable cities' approved 2019 property tax rates*

*As reported in cities' 9/30/2019 Comprehensive Annual Financial Reports looking at ten larger and ten smaller cities by population

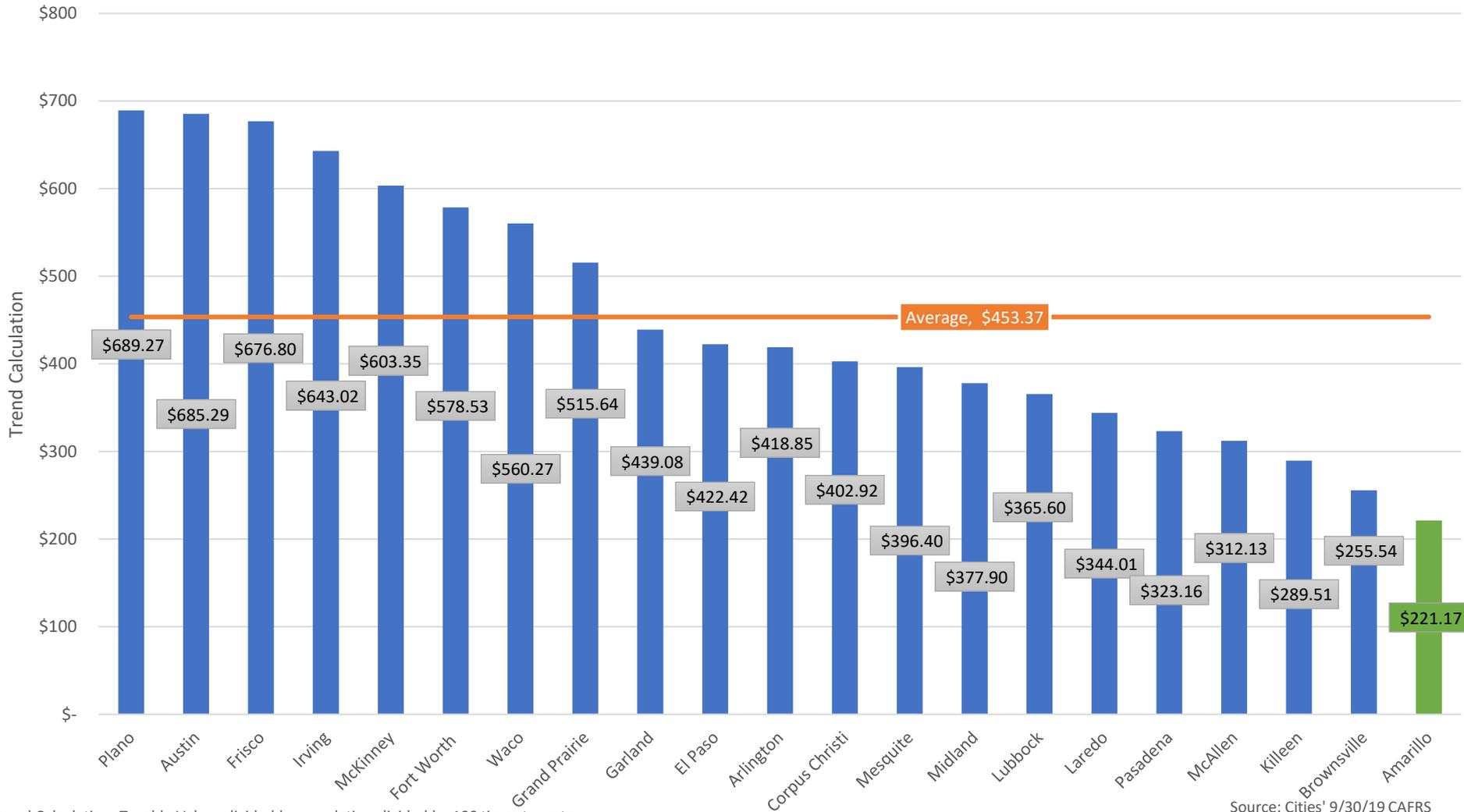
Comparison of Population vs. Tax Rates



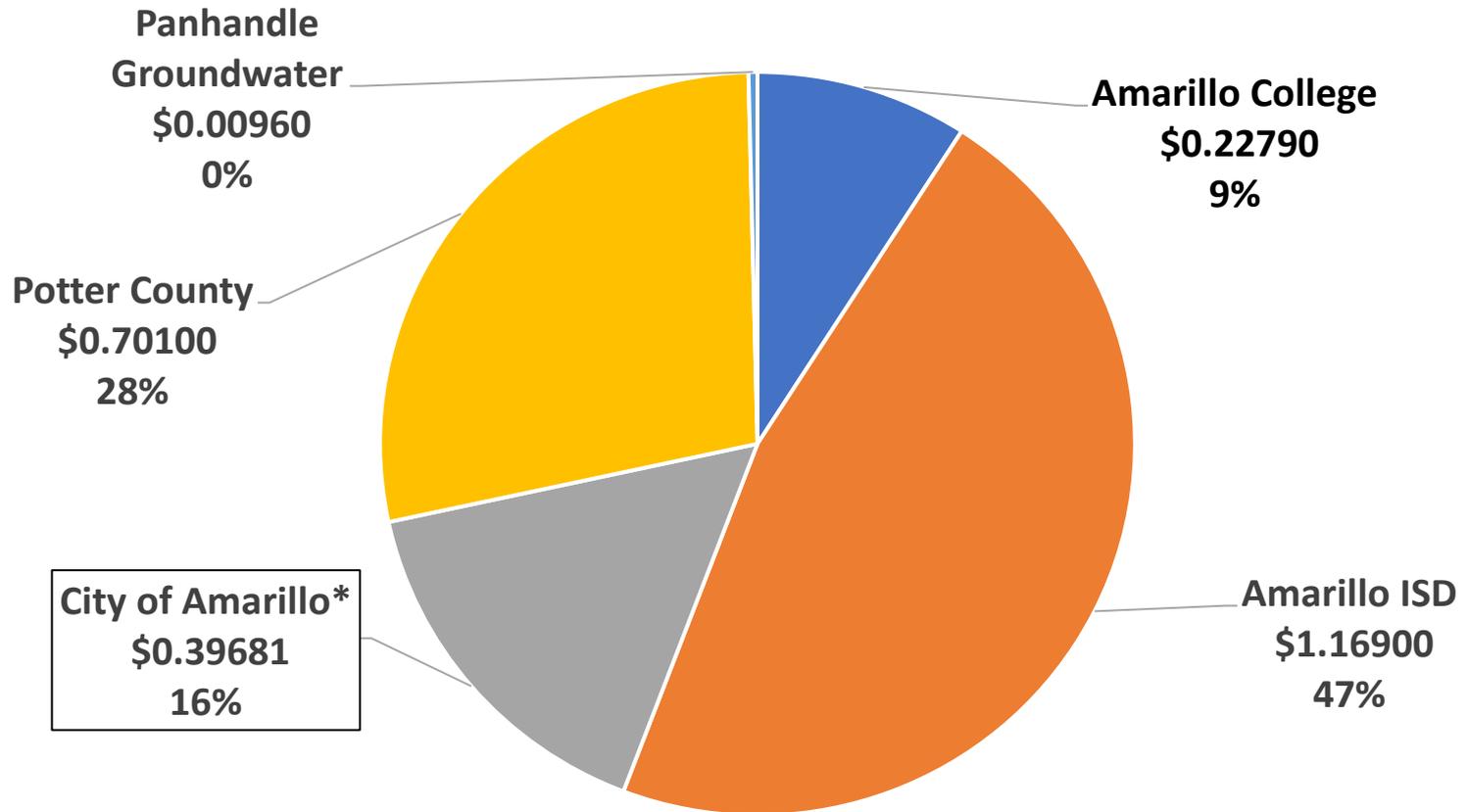
Ten larger and ten smaller cities by population

Source: Cities' 9/30/19 CAFRs

Tax Revenue per Capita



Amarillo ISD/Potter County 2019 Sample Tax Bill Allocation



*2019 Tax Rate for all entities except 2020
Proposed Tax Rate for the City of Amarillo

Property Tax Timeline

Public hearing on the tax rate and first reading on the tax rate, record vote.

September 8, 2020

4:00 PM Amarillo Civic Center Complex, Grand Plaza

September 15, 2020

12:00 PM Amarillo Civic Center Complex, Grand Plaza

Second reading to adopt the tax rate, record vote. Followed by vote to ratify the tax rate.

Questions?

