

CITY OF SOUTH PADRE ISLAND - NOTICE OF PUBLIC HEARING ON TAX INCREASE

PROPOSED TAX RATE	<u>\$ 0.232159</u> per \$100
NO-NEW-REVENUE TAX RATE	<u>\$ 0.221503</u> per \$100
VOTER-APPROVAL TAX RATE	<u>\$ 0.232160</u> per \$100

The no-new-revenue tax rate is the tax rate for the 2023 tax year that will raise the same amount of property tax revenue for the City of South Padre Island from the same properties in both the 2022 tax year and the 2023 tax year.

The voter-approval tax rate is the highest tax rate that the City of South Padre Island 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 the City of South Padre Island is proposing to increase property taxes for the 2023 tax year.

A PUBLIC HEARING ON THE PROPOSED TAX RATE WILL BE HELD ON August 16th, 2023, at 5:30pm at the Municipal Complex 2nd floor City Council Meeting Room, 4601 Padre Blvd, South Padre Island, Texas.

The proposed tax rate is also not greater than the voter-approval tax rate. As a result, the City of South Padre Island 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 City Council of the City of South Padre Island at their offices or by attending the public meeting mentioned above.

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

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

The City Council voted and ratified the proposed tax rate of \$.232159 for tax year 2023:

	<u>FOR</u> <u>the</u> <u>proposal</u>	<u>AGAINST</u> <u>the</u> <u>proposal</u>	<u>PRESENT</u> <u>and not</u> <u>voting</u>	<u>ABSENT</u>
Mayor Patrick McNulty	✓			
Councilmember Ken Medders, Jr.	✓			
Councilmember Kerry Schwartz	✓			
Councilmember Joe Ricco	✓			
Councilmember Rees Langston	✓			
Councilmember Eva-Jean Dalton	✓			

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 the City of South Padre Island last year to the taxes proposed to be imposed on the average residence homestead by the City of South Padre Island this year:

	2022	2023	Change
Total tax rate (per \$100 of value)	0.289143	0.232159	\$(0.056984) or (19.71)%
Average homestead taxable value	\$263,912	\$268,625	1.79%
Tax on average homestead	\$763	\$624	\$(139) or (18.27)%
Total tax levy on all properties	\$9,048,343	\$9,757,682	\$709,340