

NOTICE OF PUBLIC HEARING ON TAX INCREASE

A tax rate of \$ 0.42692 per \$100 valuation has been proposed by the governing body of the City of Sulphur Springs.

| | |
|-------------------------|---------------------|
| PROPOSED TAX RATE | \$0.42692 per \$100 |
| NO-NEW-REVENUE TAX RATE | \$0.38130 per \$100 |
| VOTER-APPROVAL RATE | \$0.41506 per \$100 |
| DE MINIMIS RATE | \$0.42692 per \$100 |

The no-new-revenue tax rate is the tax rate for the 2021 tax year that will raise the same amount of property tax revenue for the City of Sulphur Springs from the same properties in both the 2020 tax year and the 2021 tax year.

The voter-approval rate is the highest tax rate that the City of Sulphur Springs may adopt without holding an election to seek voter approval of the rate, unless the de minimis rate for the City of Sulphur Springs exceeds the voter-approval rate for the City of Sulphur Springs.

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate for the City of Sulphur Springs, the rate that will raise \$500,000, and the current debt rate for the City of Sulphur Springs.

The proposed tax rate is greater than the no-new-revenue tax rate. This means that the City of Sulphur Springs is proposing to increase the amount of property taxes received for the 2021 tax year. The tax rate is proposed to decrease from \$0.44 per \$100 to \$0.42692 per \$100.

A PUBLIC HEARING ON THE PROPOSED TAX RATE WILL BE HELD ON

September 7, 2021 at 7:00 P.M. at 201 N. Davis St., Sulphur Springs, Texas.

The proposed tax rate is greater than the voter-approval tax rate but not greater than the de minimis rate. However, the proposed tax rate exceeds the rate that allows voters to petition for an election under Section 26.075, Tax Code. If the City of Sulphur Springs adopts the proposed tax rate, the qualified voters of the City of Sulphur Springs may petition the City of Sulphur Springs to require an election to be held to determine whether to reduce the proposed tax rate by \$0.01186 per \$100. If a majority of the voters reject the proposed tax rate, the tax rate of the City of Sulphur Springs will be the voter approval rate of the City of Sulphur Springs.

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

$$\text{Property tax amount} = (\text{tax rate}) \times (\text{taxable value of your property}) / 100$$

FOR the proposal: Mayor John Sellers, Mayor Pro Tem Doug Moore, Freddie Taylor, Jay Julian, Oscar Aguilar, Gary Spraggins, and Harold Nash, Sr.

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 Sulphur Springs last year to the taxes proposed to be imposed on the average residence homestead by the City of Sulphur Springs this year.

| | 2020 | 2021 | Change |
|-------------------------------------|--------------|--------------|---------------------------------|
| Total tax rate (per \$100 of Value) | \$ 0.44000 | \$ 0.42692 | DECREASE of \$0.01308 per \$100 |
| Average homestead taxable value | \$ 105,229 | \$ 115,012 | Increase of 9.29% |
| Tax on average homestead | \$ 463.01 | \$ 491.01 | Increase of \$28.00 |
| Total tax levy on all properties | \$ 4,626,602 | \$ 4,935,295 | Increase of \$308,693 |

For assistance with tax calculations, please contact the tax assessor for the City of Sulphur Springs at 903.885.7541 or jjones@sulphurspringstx.org or visit www.sulphurspringstx.org for more information.