

AGENDA



Monday, September 10, 2007

Budget
RECOMMENDATION FOR COUNCIL ACTION

Item No. 6

Subject: Approve an ordinance adopting and levying an Ad Valorem Tax rate for the City of Austin for Fiscal Year 2007-2008.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Greg Canally, Budget Officer, 974-2609

Prior Council Action: August 9, 2007 -- Council sets dates for Public Hearings on the tax rate and dates for approval of the tax rate. Public Hearings on the proposed ad valorem tax rate were conducted on August 23 and 30, 2007.

In the action proposed, the City Council will be approving an ordinance that levies, and orders to be assessed and collected for the calendar year 2007 an ad valorem tax set at a rate per \$100 of taxable value, with related property tax exemptions.

On August 9, 2007, the Austin City Council announced that the maximum proposed ad valorem tax rate it would consider adopting for Fiscal Year 2007-2008 will be \$0.4034 per \$100 of taxable value.

The actual tax rate adopted by the City Council may be lower than \$0.4034, but it will not be higher. The City Manager's Proposed Budget includes a tax rate of \$0.4120 per \$100 of taxable value, which was the estimated rollback rate prior to the actual July certified tax roll. The confirmed rollback rate based on the certified tax roll is \$0.4034. The confirmed effective tax rate, which is the tax rate that will generate the same amount of revenue as in the prior year, is \$0.3779 cents per \$100 of taxable value. The tax rate that will provide the same property tax revenue as in the Proposed Budget is \$0.4022 cents per \$100 of taxable value.

If Council votes to consider a maximum proposed rate that exceeds the effective rate, it must schedule and conduct two public hearings on the proposed tax rate. Public Hearings on the proposed rate were conducted on August 23 and 30, 2007.