



PROPERTY TAX RATE
PUBLIC HEARING 2 OF 2

PH-19-035

September 10, 2019

Property Tax Overview

2

- Property Tax = Ad Valorem Tax
- Ad Valorem Tax = Tax on the Value of Property
- Property Tax Levy at Budgeted Tax Rate

Operations	\$33,742,373
Debt	<u>14,177,738</u>
Total	<u>\$47,920,111</u>

Property Tax – Tax Rate Components

3

	<u>FY 2019 Amount</u>	<u>FY 2019 Tax Levy</u>	<u>FY 2020 Amount</u>	<u>FY 2020 Tax Levy</u>
Operations	\$ 0.5353	\$ 30,985,735	\$ 0.5281	\$ 33,742,373
Debt	0.2145	12,426,563	0.2217	14,177,738
Total	<u>\$ 0.7498</u>	<u>\$ 43,412,298</u>	<u>\$ 0.7498</u>	<u>\$ 47,920,111</u>

Property Tax Rate Description

4

- Current Rate – the tax rate levied for the current fiscal year.
 - ▣ FY 2019 - \$0.7498
- Budgeted Rate – the tax rate used to prepare the FY 2020 Proposed Budget.
 - ▣ FY 2020 - \$0.7498
- Effective Rate – the tax rate that will generate the same amount of tax revenue as the previous fiscal year on properties taxed in both fiscal years.
 - ▣ FY 2020 - \$0.6788
- Rollback Rate – the tax rate that is calculated by increasing the maintenance and operation component of the Effective Rate by 8%.
 - ▣ FY 2020 - \$0.7588
 - ▣ Citizens can petition to hold an election if exceeded.

Preliminary Property Tax Rate

5

Preliminary Tax Rate

\$0.7498

Property Tax Levy Comparison

6

	<u>Tax Rate</u>	<u>Total Levy</u>	<u>Difference from Current Rate</u>
Current Rate	\$ 0.7498	\$ 47,920,111	\$ -
Budgeted Rate	\$ 0.7498	\$ 47,920,111	\$ -
Effective Rate	\$ 0.6788	\$ 43,574,751	\$(4,345,360)
Rollback Rate	\$ 0.7588	\$ 48,470,931	\$ 550,820

Property Tax for Individual

Formula for Calculating Property Tax

7

- $\text{Taxable Value} / 100 \times \text{Tax Rate} = \text{Amount of Tax Paid}$
- For an individual:

	Preliminary Rate FY 2020	Current Rate FY 2019	Increase/ (Decrease)
Average Taxable Value	\$134,462	\$127,079	\$7,383
Tax Rate	\$0.7498	\$0.7498	\$0
Annual Tax Levy*	\$1,008.20	\$952.84	\$55.36
Monthly Tax	\$84.02	\$79.40	\$4.61

*Taxable Value/100 x Tax Rate (\$0.7498) = City Taxes Paid

Property Tax for City

Formula for Calculating Property Tax

8

□ $\text{Taxable Value} / 100 \times \text{Tax Rate} = \text{Amount of Tax Paid}$

	Preliminary Rate FY 2020	Current Rate FY 2019	Increase/ (Decrease)
Adjusted Taxable Value	\$6,120,224,947	\$5,540,563,126	\$579,661,821
Tax Rate	\$0.7498	\$0.7498	\$0
Annual Tax	\$45,889,447	\$41,543,142	\$4,346,305
Frozen Levy	<u>2,030,664</u>	<u>1,869,156</u>	<u>161,508</u>
Total Levy	\$47,920,111	\$43,412,298	\$4,507,813

How the Property Tax Rate is Divided (FY 2020)

Total Property Tax Rate = \$2.53407 per \$100 Valuation

Killeen Property Tax Rate = \$0.7498 per \$100 Valuation

9



*Not all properties are taxed by Bell County WCID #6

Property Tax Next Steps

10

- Vote on tax rate will be September 17, 2019
 - ▣ City Council Chambers at 101 N. College Street
- Required language
 - ▣ State law requires the date, time, and place of the meeting to vote on the tax rate be announced following the public hearing.