

TRUTH-IN-TAXATION



Truth-in-taxation requires most taxing units to calculate two rates after receiving a certified appraisal roll or certified estimate of taxable value from the chief appraiser - the no-new-revenue tax rate and the voter-approval tax rate. The type of taxing unit determines which truth-in-taxation steps apply.

No-New-Revenue Tax Rate

The no-new-revenue tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year, based on a tax rate that would produce the same amount of taxes if applied to the same properties taxed in both years.

Although the actual calculation is more complicated, a taxing unit's no-new-revenue tax rate generally equal to the last year's taxes divided by the current taxable value of properties that were also on the tax roll last year. The resulting tax rate, used for comparison only, shows the relation between the last year's revenue and the current year's values.

Voter-Approval Tax Rate

The voter-approval tax rate is a calculated maximum rate allowed by law without voter approval. Most taxing units calculate a voter-approval tax rate that divides the overall property taxes into two categories - M&O and debt service.

The voter-approval tax rate provides cities and counties with about the same amount of tax revenue it spent the previous year for day-to-day operations plus an extra three and a half percent for operations and sufficient funds to pay debts in the coming year. For special taxing units, junior college districts and hospital districts, the voter-approval tax rate provides an extra eight percent increase for operations and sufficient funds to pay debts in the coming year.

GOVERNING BODY OF THE TAXING UNIT & STAFF

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2022 TAX RATE CALCULATION (PROPOSED)

PROPOSED TAX RATE	\$0.58715097 PER 100
NO-NEW-REVENUE TAX RATE	\$0.58715097 PER 100
VOTER-APPROVED TAX RATE	\$0.61020953 PER 100

A PUBLIC MEETING TO VOTE ON THE PROPOSED TAX RATE WILL BE HELD ON August 9, 2022 at 5:30 pm at Encinal City Hall, 701 Berry Street Encinal, TX 78019

CITY OF ENCINAL
TAX RATE BREAKDOWN FISCAL 2022-2023

	% of PrpTax	0.587151
TOTAL TAX	157,766.03	
DEBT SERVICE	97,640.00	0.6188912
M&O	60,126.03	0.3811088
		0.587151

2022 Tax Rate Calculation Worksheet

Taxing Units Other Than School Districts or Water Districts

Form 50-856

Taxing Unit Name

Phone (area code and number)

Taxing Unit's Address, City, State, ZIP Code

Taxing Unit's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue (NNR) tax rate and deliver to the taxing unit the certified appraisal roll and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per \$100 of taxable value calculated. The calculation process starts after the chief appraiser employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

School districts do not use this form, but instead use Comptroller Form 50-859 *Tax Rate Calculation Worksheet, School District with Chapter 313 Agreements*.

Water districts as defined under Water Code Section 49.001(1) do not use this form, but instead use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts* or Comptroller Form 50-860 *Developed Water District Voter-Approval Tax Rate Worksheet*.

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

SECTION 1: No-New-Revenue Tax Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both years. When appraisal values increase, the NNR tax rate should decrease.

The NNR tax rate for a county is the sum of the NNR tax rates calculated for each type of tax the county levies.

While uncommon, it is possible for a taxing unit to provide an exemption for only maintenance and operations taxes. In this case, the taxing unit will need to calculate the NNR tax rate separately for the maintenance and operations tax and the debt tax, then add the two components together.

Line	No-New-Revenue Tax Rate Worksheet	Amount
1.	2021 total taxable value. Enter the amount of 2021 taxable value on the 2021 tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17). ¹	\$ 25,605,601
2.	2021 tax ceilings. Counties, cities and junior college districts. Enter 2021 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2021 or a prior year for homeowners age 65 or older or disabled, use this step. ²	\$ 3,293,666
3.	Preliminary 2021 adjusted taxable value. Subtract Line 2 from Line 1.	\$ 22,311,935
4.	2021 total adopted tax rate.	\$.663753/\$100
5.	2021 taxable value lost because court appeals of ARB decisions reduced 2021 appraised value.	\$ 0
6.	A. Original 2021 ARB values:	\$ 0
	B. 2021 values resulting from final court decisions:	\$ 0
	C. 2021 value loss. Subtract B from A. ³	\$ 0
7.	A. 2021 ARB certified value:	\$ 0
	B. 2021 disputed value:	\$ 0
	C. 2021 undisputed value. Subtract B from A. ⁴	\$ 0
7.	2021 Chapter 42 related adjusted values. Add Line 5C and Line 6C.	\$ 0

¹ Tex. Tax Code §26.012(14)
² Tex. Tax Code §26.012(14)
³ Tex. Tax Code §26.012(13)
⁴ Tex. Tax Code §26.012(13)

Line	No. New Revenue Tax Rate Worksheet	Amount
8.	2021 taxable value, adjusted for actual and potential court-ordered adjustments. Add Line 3 and Line 7.	\$ 22,311,735
9.	2021 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2021. Enter the 2021 value of property in deannexed territory. ⁵	\$ 0
10.	2021 taxable value lost because property first qualified for an exemption in 2022. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freepport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in 2022 does not create a new exemption or reduce taxable value.	\$ 0
11.	A. Absolute exemptions. Use 2021 market value:.....	\$ 0
	B. Partial exemptions. 2022 exemption amount or 2022 percentage exemption times 2021 value:.....	\$ 0
	C. Value loss. Subtract B from A. ⁷	\$ 0
12.	Total adjustments for lost value. Add Lines 9, 10C and 11C.	\$ 0
13.	2021 captured value of property in a TIF. Enter the total value of 2021 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which 2021 taxes were deposited into the tax increment fund. ⁸ If the taxing unit has no captured appraised value in line 18D, enter 0.	\$ 0
14.	2021 total value. Subtract Line 12 and Line 13 from Line 8.	\$ 22,311,735
15.	Adjusted 2021 total levy. Multiply Line 4 by Line 14 and divide by \$100.	\$ 148,096.65
16.	Taxes refunded for years preceding tax year 2021. Enter the amount of taxes refunded by the taxing unit for tax years preceding tax year 2021. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2021. This line applies only to tax years preceding tax year 2021. ⁹	\$ 0
17.	Adjusted 2021 levy with refunds and TIF adjustment. Add Lines 15 and 16. ¹⁰	\$ 148,096.65
18.	Total 2022 taxable value on the 2022 certified appraisal roll today. This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowner age 65 or older or disabled. ¹¹	\$ 26,869,755
E.	A. Certified values:.....	\$ 26,869,755
	B. Counties: Include railroad rolling stock values certified by the Comptroller's office:.....	+
	C. Pollution control and energy storage system exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property:.....	-
	D. Tax increment financing: Deduct the 2022 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2022 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below. ¹²	-
	Total 2022 value. Add A and B, then subtract C and D.	\$ 26,869,755

⁵ Tex. Tax Code §26.012(15)
⁶ Tex. Tax Code §26.012(15)
⁷ Tex. Tax Code §26.012(15)
⁸ Tex. Tax Code §26.03(c)
⁹ Tex. Tax Code §26.012(13)
¹⁰ Tex. Tax Code §26.012(13)
¹¹ Tex. Tax Code §26.012, 26.04(c-2)
¹² Tex. Tax Code §26.03(c)

Line	Non-New Revenue Tax Rate Worksheet	Amount/Rate
19.	Total value of properties under protest or not included on certified appraisal roll. ¹³ A. 2022 taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. ¹⁴ B. 2022 value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, (as appropriate). Enter the total value of property not on the certified roll. ¹⁵ C. Total value under protest or not certified. Add A and B.	\$ 0
20.	2022 tax ceilings. Counties, cities and junior colleges enter 2022 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2021 or a prior year for homeowners age 65 or older or disabled, use this step. ¹⁶	\$ 1471050
21.	2022 total taxable value. Add Lines 18E and 19C. Subtract Line 20. ¹⁷	\$ 25376705
22.	Total 2022 taxable value of properties in territory annexed after Jan. 1, 2021. Include both real and personal property. Enter the 2022 value of property in territory annexed. ¹⁸	\$ 0
23.	Total 2022 taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in 2021. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, 2021 and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for 2022. ¹⁹	\$ 175780
24.	Total adjustments to the 2022 taxable value. Add Lines 22 and 23.	\$ 175780
25.	Adjusted 2022 taxable value. Subtract Line 24 from Line 21.	\$ 25,222,925
26.	2022 NNR tax rate. Divide Line 17 by Line 25 and multiply by \$100. ²⁰	\$ 5871.5097/15100
27.	COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the 2022 county NNR tax rate. ²¹	\$ /15100

SECTION 2: Voter-Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. The voter-approval tax rate is split into two separate rates:

- Maintenance and Operations (M&O) Tax Rate:** The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.
- Debt Rate:** The debt rate includes the debt service necessary to pay the taxing unit's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit's debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
28.	2021 M&O tax rate. Enter the 2021 M&O tax rate.	\$ 2821.272/15100
29.	2021 taxable value, adjusted for actual and potential court-ordered adjustments. Enter the amount in Line 8 of the No-New Revenue Tax Rate Worksheet.	\$ 22311935

¹³ Tex. Tax Code §56.01(c) and (d)
¹⁴ Tex. Tax Code §56.01(c)
¹⁵ Tex. Tax Code §56.01(B)
¹⁶ Tex. Tax Code §56.01(6)(B)
¹⁷ Tex. Tax Code §56.01(6)
¹⁸ Tex. Tax Code §56.01(7)
¹⁹ Tex. Tax Code §56.01(7)
²⁰ Tex. Tax Code §56.04(c)
²¹ Tex. Tax Code §56.04(d)

Line	Amount/Rate	Notes
30.	\$ 63,014.97	Total 2021 M&O Levy. Multiply Line 28 by Line 29 and divide by \$100
31.		Adjusted 2021 Levy for calculating NMR M&O rate.
A.		M&O taxes refunded for years preceding tax year 2021. Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2021. This line applies only to tax years preceding tax year 2021.
B.	+	2021 taxes in TIF. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2022 captured appraised value in Line 18D, enter 0.
C.	-	2021 transferred function. If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. Other taxing units enter 0.
D.	+	2021 M&O levy adjustments. Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function.
E.		Add Line 30 to 31D.
32.	\$ 25,222.925	Adjusted 2022 taxable value. Enter the amount in Line 25 of the No-New-Revenue Tax Rate Worksheet.
33.	\$ 249,832.73	2022 NMR M&O rate (unadjusted). Divide Line 31E by Line 32 and multiply by \$100.
34.		Rate adjustment for state criminal justice mandate.
A.		2022 state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose.
B.		2021 state criminal justice mandate. Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose.
C.		Subtract B from A and divide by Line 32 and multiply by \$100.
D.		Enter the rate calculated in C. If not applicable, enter 0.
35.		Rate adjustment for indigent health care expenditures.
A.		2022 indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2021 and ending on June 30, 2022, less any state assistance received for the same purpose.
B.		2021 indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2020 and ending on June 30, 2021, less any state assistance received for the same purpose.
C.		Subtract B from A and divide by Line 32 and multiply by \$100.
D.		Enter the rate calculated in C. If not applicable, enter 0.

27 [Reserved for expansion]
 28 Tex. Tax Code §26.044
 29 Tex. Tax Code §26.044

Line	Amount/Rate
36.	<p>A. 2022 indigent defense compensation. ²⁵ Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2021 and ending on June 30, 2022, less any state grants received by the county for the same purpose. <input type="text" value="0"/></p> <p>B. 2021 indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2020 and ending on June 30, 2021, less any state grants received by the county for the same purpose. <input type="text" value="0"/></p> <p>C. Subtract B from A and divide by Line 32 and multiply by \$100. <input type="text" value="0"/> /\$100</p> <p>D. Multiply B by 0.05 and divide by Line 32 and multiply by \$100. <input type="text" value="0"/> /\$100</p> <p>E. Enter the lesser of C and D, if not applicable, enter 0. <input type="text" value="0"/> /\$100</p>
37.	<p>A. 2022 eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2021 and ending on June 30, 2022. <input type="text" value="0"/></p> <p>B. 2021 eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2020 and ending on June 30, 2021. <input type="text" value="0"/></p> <p>C. Subtract B from A and divide by Line 32 and multiply by \$100. <input type="text" value="0"/> /\$100</p> <p>D. Multiply B by 0.08 and divide by Line 32 and multiply by \$100. <input type="text" value="0"/> /\$100</p> <p>E. Enter the lesser of C and D, if applicable, if not applicable, enter 0. <input type="text" value="0"/> /\$100</p>
38.	<p>Rate adjustment for defunding municipality. This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code, Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information. <input type="text" value="0"/></p> <p>A. Amount appropriated for public safety in 2021. Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year. <input type="text" value="0"/></p> <p>B. Expenditures for public safety in 2021. Enter the amount of money spent by the municipality for public safety during the preceding fiscal year. <input type="text" value="0"/></p> <p>C. Subtract B from A and divide by Line 32 and multiply by \$100. <input type="text" value="0"/> /\$100</p> <p>D. Enter the rate calculated in C, if not applicable, enter 0. <input type="text" value="0"/> /\$100</p>
39.	<p>Adjusted 2022 NMR M&O rate. Add Lines 33, 34D, 35D, 36E, and 37E. Subtract Line 38D. <input type="text" value="24915213"/> /\$100</p>
40.	<p>Adjustment for 2021 sales tax specifically to reduce property taxes. Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in 2021 should complete this line. These entities will deduct the sales tax gain rate for 2022 in Section 3. Other taxing units, enter zero. <input type="text" value="0"/></p> <p>A. Enter the amount of additional sales tax collected and spent on M&O expenses in 2021, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent. <input type="text" value="0"/></p> <p>B. Divide Line 40A by Line 32 and multiply by \$100. <input type="text" value="0"/> /\$100</p> <p>C. Add Line 40B to Line 39. <input type="text" value="24915213"/> /\$100</p>
41.	<p>2022 voter-approval M&O rate. Enter the rate as calculated by the appropriate scenario below. <input type="text" value="25859685"/> /\$100</p> <p>Special Taxing Unit. If the taxing unit qualifies as a special taxing unit, multiply Line 40C by 1.08.</p> <p>Other Taxing Unit. If the taxing unit does not qualify as a special taxing unit, multiply Line 40C by 1.035.</p>

Line	Amount/Rate
D41. Disaster Line 41 (D41): 2022 voter-approval M&O rate for taxing unit affected by disaster declaration. If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of (1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred, or (2) the third tax year after the tax year in which the disaster occurred.	
42. Total 2022 debt to be paid with property taxes and additional sales tax revenue. Debt means the interest and principal that will be paid on debts that: (1) are paid by property taxes, (2) are secured by property taxes, (3) are scheduled for payment over a period longer than one year, and (4) are not classified in the taxing unit's budget as M&O expenses.	\$ 97640.75
A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2022, verify if it meets the amended definition of debt before including it here. ²⁶	\$ 97640.75
B. Subtract unencumbered fund amount used to reduce total debt.	-\$
C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none).	-\$
D. Subtract amount paid from other resources.	-\$
E. Adjusted debt. Subtract B, C and D from A.	\$ 97640.75
43. Certified 2021 excess debt collections. Enter the amount certified by the collector. ²⁹	\$ 0
44. Adjusted 2022 debt. Subtract Line 43 from Line 42E.	\$ 97640.75
45. 2022 anticipated collection rate.	A. Enter the 2022 anticipated collection rate certified by the collector. ³⁰ % 63 B. Enter the 2021 actual collection rate. % 63 C. Enter the 2020 actual collection rate. % 75 D. Enter the 2019 actual collection rate. % 85 E. If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%. ³¹
46. 2022 debt adjusted for collections. Divide Line 44 by Line 45E.	\$ 154985.32
47. 2022 total taxable value. Enter the amount on Line 21 of the No-New-Revenue Tax Rate Worksheet.	\$ 25398705
48. 2022 debt rate. Divide Line 46 by Line 47 and multiply by \$100.	\$.61020953 / \$100
49. 2022 voter-approval tax rate. Add Lines 41 and 48.	\$.61020953 / \$100
D49. Disaster Line 49 (D49): 2022 voter-approval tax rate for taxing unit affected by disaster declaration. Complete this line if the taxing unit calculated the voter-approval tax rate in the manner provided for a special taxing unit on Line D41. Add Line D41 and 48.	\$ 0 / \$100

²⁷ Tex. Tax Code §26.042(a)
²⁸ Tex. Tax Code §26.012(f)
²⁹ Tex. Tax Code §26.012(i) and 26.04(b)
³⁰ Tex. Tax Code §26.04(b)
³¹ Tex. Tax Code §526.04(h), (h-1) and (h-2)

Line	Amount/Rate
50. COUNTIES ONLY. Add together the voter-approval tax rates for each type of tax the county levies. The total is the 2022 county voter-approval tax rate.	\$ /\$100

SECTION 3: NNR Tax Rate and Voter-Approval Tax Rate Adjustments for Additional Sales Tax to Reduce Property Taxes

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue. This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

Line	Amount/Rate
51. Taxable Sales. For taxing units that adopted the sales tax in November 2021 or May 2022, enter the Comptroller's estimate of taxable sales for the previous four quarters. ³² Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November 2021, enter 0.	\$
52. Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. ³³ Taxing units that adopted the sales tax in November 2021 or in May 2022, multiply the amount on Line 51 by the sales tax rate (.01, - or - multiply by .95. Taxing units that adopted the sales tax before November 2021, enter the sales tax revenue for the previous four quarters. Do not	\$
53. 2022 total taxable value. Enter the amount from Line 21 of the No-New-Revenue Tax Rate Worksheet.	\$ 253,987.05
54. Sales tax adjustment rate. Divide Line 52 by Line 53 and multiply by \$100.	\$ /\$100
55. 2022 NNR tax rate, unadjusted for sales tax. ³⁵ Enter the rate from Line 26 or 27, as applicable, on the No-New-Revenue Tax Rate Worksheet.	\$ 587,507.7 /\$100
56. 2022 NNR tax rate, adjusted for sales tax. Taxing units that adopted the sales tax in November 2021 or in May 2022, subtract Line 54 from Line 55. Skip to Line 57 if you adopted the additional sales tax before November 2021.	\$ /\$100
57. 2022 voter-approval tax rate, unadjusted for sales tax. ³⁶ Enter the rate from Line 49, Line D49 (disaster) or Line 50 (counties) as applicable, of the Voter-Approval Tax Rate Worksheet.	\$ 618,295.3 /\$100
58. 2022 voter-approval tax rate, adjusted for sales tax. Subtract Line 54 from Line 57.	\$ 618,295.3 /\$100

SECTION 4: Voter-Approval Tax Rate Adjustment for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control. This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Line	Amount/Rate
59. Certified expenses from the Texas Commission on Environmental Quality (TCEQ). ³⁷ The taxing unit shall provide its tax assessor-collector with a copy of the letter. ³⁸	\$
60. 2022 total taxable value. Enter the amount from Line 21 of the No-New-Revenue Tax Rate Worksheet.	\$ 253,987.05
61. Additional rate for pollution control. Divide Line 59 by Line 60 and multiply by \$100.	\$ /\$100
62. 2022 voter-approval tax rate, adjusted for pollution control. Add Line 61 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties) or Line 58 (taxing units with the additional sales tax).	\$ 618,295.3 /\$100

³² Tex. Tax Code §26.041(d)
³³ Tex. Tax Code §26.041(f)
³⁴ Tex. Tax Code §26.041(d)
³⁵ Tex. Tax Code §26.041(c)
³⁶ Tex. Tax Code §26.041(d)
³⁷ Tex. Tax Code §26.045(d)
³⁸ Tex. Tax Code §26.045(f)

SECTION 5: Voter-Approval Tax Rate Adjustment for Unused Increment Rate

The unused increment rate is the rate equal to the difference between the adopted tax rate and voter-approval tax rate before the unused increment rate for the prior three years.³⁹ In a year where a taxing unit adopts a rate by applying any portion of the unused increment rate, the unused increment rate for that year would be zero. The difference between the adopted tax rate and voter-approval tax rate is considered zero in the following scenarios:

- a tax year before 2020;⁴⁰
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a);⁴¹ or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval.⁴²

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit.⁴³

SECTION 5: Voter-Approval Tax Rate Adjustment for Unused Increment Rate

Line	Amount/Rate	Unused Increment Rate Worksheet
63.	\$ 0.00 / \$100	2021 unused increment rate. Subtract the 2021 actual tax rate and the 2021 unused increment rate from the 2021 voter-approval tax rate. If the number is less than zero, enter zero.
64.	\$ 0.00 / \$100	2020 unused increment rate. Subtract the 2020 actual tax rate and the 2020 unused increment rate from the 2020 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2021, enter zero.
65.	\$ 0.00 / \$100	2019 unused increment rate. Subtract the 2019 actual tax rate and the 2019 unused increment rate from the 2019 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2021, enter zero.
66.	\$ 0.00 / \$100	2022 unused increment rate. Add Lines 63, 64 and 65.
67.	\$ 0.00 / \$100	2022 voter-approval tax rate, adjusted for unused increment rate. Add Line 66 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax) or Line 62 (taxing units with pollution control).

SECTION 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise \$500,000, and the current debt rate for a taxing unit.⁴⁴ This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit.⁴⁵

Line	Amount/Rate	De Minimis Rate Worksheet
68.	\$ 2498323 / \$100	Adjusted 2022 NMR M&O tax rate. Enter the rate from Line 39 of the Voter-Approval Tax Rate Worksheet
69.	\$ 25398705	2022 total taxable value. Enter the amount on Line 21 of the No-New-Revenue Tax Rate Worksheet.
70.	\$ 19686043 / \$100	Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 69 and multiply by \$100.
71.	\$ 41020953 / \$100	2022 debt rate. Enter the rate from Line 48 of the Voter-Approval Tax Rate Worksheet.
72.	\$ 2828454 / \$100	De minimis rate. Add Lines 68, 70 and 71.

SECTION 7: Voter-Approval Tax Rate Adjustment for Emergency Revenue Rate

In the tax year after the end of the disaster calculation time period detailed in Tax Code Section 26.042(a), a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a disaster must calculate its emergency revenue rate and reduce its voter-approval tax rate for that year.⁴⁶ Similarly, if a taxing unit adopted a tax rate that exceeded its voter-approval tax rate, calculated normally, without holding an election to respond to a disaster, as allowed by Tax Code Section 26.042(d), in the prior year, it must also reduce its voter-approval tax rate for the current tax year.⁴⁷

This section will apply to a taxing unit other than a special taxing unit that:

- directed the designated officer or employee to calculate the voter-approval tax rate of the taxing unit in the manner provided for a special taxing unit in the prior year; and
- the current year is the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred or the disaster occurred four years ago.

³⁹ Tax, Tax Code §26.013(a)
⁴⁰ Tax, Tax Code §26.013(c)
⁴¹ Tax, Tax Code §26.0501(a) and (c)
⁴² Tax, Local Gov't Code §120.002(d), effective Jan. 1, 2022
⁴³ Tax, Tax Code §26.0128-a)
⁴⁴ Tax, Tax Code §26.0631a)(1)
⁴⁵ Tax, Tax Code §26.0631a)(1)
⁴⁶ Tax, Tax Code §26.042(b)
⁴⁷ Tax, Tax Code §26.042(f)

This section will apply to a taxing unit in a disaster area that adopted a tax rate greater than its voter-approval tax rate without holding an election in the prior year. Note: This section does not apply if a taxing unit is continuing to calculate its voter-approval tax rate in the manner provided for a special taxing unit because it is still within the disaster calculation time period detailed in Tax Code Section 26.042(a) because it has not met the conditions in Tax Code Section 26.042(a)(1) or (2).

Line	Emergency Revenue Rate Worksheet	Amount Rate
73.	2021 adopted tax rate. Enter the rate in Line 4 of the No-New-Revenue Tax Rate Worksheet.	\$ NA /\$100
74.	Adjusted 2021 voter-approval tax rate. Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line. If a disaster occurred in 2021 and the taxing unit calculated its 2021 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2021 worksheet due to a disaster, enter the 2021 voter-approval tax rate as calculated using a multiplier of 1.035 from Line 49. If a disaster occurred prior to 2021 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) in 2021, complete the separate Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet to recalculate the voter-approval tax rate the taxing unit would have calculated in 2021 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the year(s) following the disaster. ⁴⁸ Enter the final adjusted 2021 voter-approval tax rate from the worksheet. If the taxing unit adopted a tax rate above the 2021 voter-approval tax rate without calculating a disaster tax rate or holding an election due to a disaster, no recalculation is necessary. Enter the voter-approval tax rate from the prior year's worksheet.	\$ /\$100
75.	Increase in 2021 tax rate due to disaster. Subtract Line 74 from Line 73.	\$ /\$100
76.	Adjusted 2021 taxable value. Enter the amount in Line 14 of the No-New-Revenue Tax Rate Worksheet.	\$
77.	Emergency revenue. Multiply Line 75 by Line 76 and divide by \$100.	\$
78.	Adjusted 2022 taxable value. Enter the amount in Line 25 of the No-New-Revenue Tax Rate Worksheet.	\$
79.	Emergency revenue rate. Divide Line 77 by Line 78 and multiply by \$100. ⁴⁹	\$ /\$100
80.	2022 voter-approval tax rate, adjusted for emergency revenue. Subtract Line 79 from one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax), Line 62 (taxing units with pollution control) or Line 67 (taxing units with the unused increment rate).	\$ /\$100

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate. As applicable, enter the 2022 NNR tax rate from: Line 26, Line 27 (counties), or Line 56 (adjusted for sales tax).
Indicate the line number used: 26

Voter-approval tax rate. As applicable, enter the 2022 voter-approval tax rate from: Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (adjusted for sales tax), Line 62 (adjusted for pollution control), Line 67 (adjusted for unused increment), or Line 80 (adjusted for emergency revenue).
Indicate the line number used: 58

De minimis rate. If applicable, enter the 2022 de minimis rate from Line 72.
\$ 2.828643% /\$100

SECTION 9: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in the Tax Code. ⁵⁰

Print here

ASHLEY V. EBBINGSON E.A.

Printed Name of Taxing Unit Representative

Sign here

Taxing Unit Representative

Date

8/9/2022

⁴⁹ Tex. Tax Code §26.042(c)
⁴⁸ Tex. Tax Code §26.042(b)
⁵⁰ Tex. Tax Code §52.04(c-2) and (d-2)

TRUTH-IN-TAXATION

Truth-in-taxation requires most taxing units to calculate two rates after receiving a certified appraisal roll or certified estimate of taxable value from the chief appraiser - the no-new-revenue tax rate and the voter-approval tax rate. The type of taxing unit determines which truth-in-taxation steps apply.

No-New-Revenue Tax Rate

The no-new-revenue tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year, based on a tax rate that would produce the same amount of taxes if applied to the same properties taxed in both years.

Although the actual calculation is more complicated, a taxing unit's no-new-revenue tax rate generally equal to the last year's taxes divided by the current taxable value of properties that were also on the tax roll last year. The resulting tax rate, used for comparison only, shows the relation between the last year's revenue and the current year's values.

Voter-Approval Tax Rate

The voter-approval tax rate is a calculated maximum rate allowed by law without voter approval. Most taxing units calculate a voter-approval tax rate that divides the overall property taxes into two categories - M&O and debt service.

The voter-approval tax rate provides cities and counties with about the same amount of tax revenue it spent the previous year for day-to-day operations plus an extra three and a half percent for operations and sufficient funds to pay debts in the coming year. For special taxing units, junior college districts and hospital districts, the voter-approval tax rate provides an extra eight percent increase for operations and sufficient funds to pay debts in the coming year.



GOVERNING BODY OF THE TAXING UNIT & STAFF

Mayor

Sylvano Sanchez (956) 948-5226
s.sylvano@yahoo.com

City Council Members

Yrma Arizola

Sony Aldaco

Debra Weikel

Gilberto Inocencio

Sandra Garza

City Manager

Velma Davila (956) 948-5226

citymanager@cityofencinal.com

City Accountant

Ashley V. Eddington EA (956) 948-5226
encinaltegi@cityofencinal.com





2022 TAX RATE CALCULATION (PROPOSED)

PROPOSED TAX RATE	\$0.58715097 PER 100
NO-NEW-REVENUE TAX RATE	\$0.58715097 PER 100
VOTER-APPROVED TAX RATE	\$0.61020953 PER 100

A PUBLIC MEETING TO VOTE ON THE PROPOSED TAX RATE WAS BE HELD ON AND APPROVED ON August 9, 2022 at 5:30 pm at Encinal City Hall, 701 Berry Street Encinal, TX 78019

THE TAX RATE ADOPTED IS \$0.58715097 PER 100

Ashley V. Eddington EA

Date

8/9/2022

CITY OF ENCINAL
TAX RATE BREAKDOWN FISCAL 2022-2023

	% of PrpTax	0.587151
TOTAL TAX	157,766.03	
DEBT SERVICE	97,640.00	0.6188912
M&O	60,126.03	0.3811088
		0.2237684
		0.587151



8/9/22