

# NOTICE OF PUBLIC HEARING ON TAX INCREASE

A tax rate of \$0.52556 per \$100 valuation has been proposed by the governing body of the City of Wells.

|                         |                     |
|-------------------------|---------------------|
| PROPOSED TAX RATE       | \$0.52556 per \$100 |
| NO-NEW-REVENUE TAX RATE | \$0.50761 per \$100 |
| VOTER-APPROVAL TAX RATE | \$0.52556 per \$100 |

The no-new-revenue tax rate is the tax rate for the 2020 tax year that will raise the same amount of property tax revenue for the City of Wells from the same properties in both the 2019 tax year and the 2020 tax year.

The voter-approval rate is the highest tax rate that the City of Wells 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 Wells is proposing to increase property taxes for the 2020 tax year.

A PUBLIC HEARING ON THE PROPOSED TAX RATE WILL BE HELD ON August 25, 2020; 6:30 pm at Council Chambers at City Hall: 293 Rusk Ave. Wells, Texas.

The proposed tax rate is not greater than the voter-approval tax rate. As a result, the City of Wells 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 Wells at their offices or by attending the public hearing mentioned above.

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: Eva Alexander, Robert Kalka, Clint Smith, Billie Petty

AGAINST the proposal: NONE

PRESENT and not voting: NONE

ABSENT: Matt Myer

The 86th 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 Wells last year to the taxes proposed to be imposed on the average residence homestead by the City of Wells this year.

|  | 2019               | 2020               | Change        |
|--|--------------------|--------------------|---------------|
| <b>Total tax rate (per \$100 of value)</b> | <b>\$0.5418</b>    | <b>\$0.52556</b>   | <b>-3.00%</b> |
| <b>Average homestead taxable value</b>     | <b>\$41,773</b>    | <b>\$43,164</b>    | <b>3.33%</b>  |
| <b>Tax on average homestead</b>            | <b>\$226.33</b>    | <b>\$226.85</b>    | <b>0.23%</b>  |
| <b>Total tax levy on all properties</b>    | <b>\$77,787.76</b> | <b>\$81,558.49</b> | <b>4.85%</b>  |

For assistance with tax calculations, please contact the tax assessor for the City of Wells at 903-683-2296 or info@cherokeecad.net, or visit <https://cityofwells.us/> for more information.