

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY OF PFLUGERVILLE, TEXAS, IN OPPOSITION TO A REVENUE CAP AND LEGISLATIVE INTERFERENCE WITH LOCAL SERVICES.**

WHEREAS, bills have been introduced to cap the amount of property tax revenue cities can collect each year in a misguided effort to reduce the property tax burden on homeowners and businesses; and

WHEREAS, currently, if a Texas city increases property tax collections by more than eight percent over the previous year, voters can petition for an election to rollback the increase; and

WHEREAS, bills have been introduced to lower the “rollback rate” and require mandatory elections on an increase over an artificially low threshold – all with the false claim that this alone would provide property tax relief; and

WHEREAS, according to the state comptroller’s latest survey of property tax rates in 1041 cities in Texas, 46 percent of cities raised their property taxes by less than 2.5 percent from 2016 to 2017 and 27 percent of cities actually reduced their property taxes; and

WHEREAS, that means property owners in at least 480 Texas cities would have seen no reduction in their city property taxes if the 2.5 percent cap had been in effect; and

WHEREAS, while the savings to individual taxpayers are very small or even non-existent, a 2.5 percent cap could represent a loss in vital city services; and

WHEREAS, cities collect just 16 percent of the property taxes levied in Texas, and most of the property taxes paid by Texans (54 percent) go to school districts; and

WHEREAS, school property taxes have been rising because the legislature continues to reduce the state’s share of funding for schools, which forces districts to get more revenue from property taxes.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PFLUGERVILLE, TEXAS:**

1. That all of the above recitals are true and correct;
2. That the City Council of the City of Pflugerville, Texas, is **OPPOSED** to the legislative imposition of a revenue cap and legislative interference with local services; and

3. That imposing a revenue cap on cities: (a) does not provide meaningful tax relief; (b) robs cities of the ability to meet local needs; and (c) diverts attention from the real cause of higher property taxes, which is the legislature's failure to address the problem of school funding.

PASSED AND APPROVED this 26<sup>th</sup> day of February, 2019

CITY OF PFLUGERVILLE, TEXAS

By: \_\_\_\_\_  
Victor Gonzales Mayor

ATTEST:

\_\_\_\_\_  
Karen Thompson, City Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
CHARLES E. ZECH, City Attorney  
DENTON NAVARRO ROCHA BERNAL & ZECH, PC