

ORDINANCE NO. 2024 – 09 - 05

AN ORDINANCE OF THE CITY OF COMMERCE, TEXAS, LEVYING TAXES AND FIXING AND ADOPTING THE TAX RATE ON ALL TAXABLE PROPERTY FOR THE YEAR 2024 AT THE RATE OF \$0.798909 PER ONE HUNDRED DOLLARS (\$100.00) ASSESSED VALUE ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY OF COMMERCE, TEXAS AS OF JANUARY 1, 2024; THE SAID TAX RATE HAVING A MAINTENANCE AND OPERATIONS COMPONENT AND A DEBT SERVICE COMPONENT; PROVIDING WHEN TAXES SHALL BECOME DUE AND WHEN SAME SHALL BECOME DELINQUENT IF NOT PAID TOGETHER WITH PENALTIES AND INTEREST THEREON; PROVIDING FOR REPEALING, SAVINGS AND SEVERABILITY CLAUSES; AND PROVIDING FOR AN EFFECTIVE DATE OF THIS ORDINANCE.

WHEREAS, Section 26.05 of the Texas Tax Code requires that the City of Commerce, Texas (the “City”), adopt a tax rate for the next fiscal year by September 30, 2024; and

WHEREAS, pursuant to Texas Tax Code Chapter 26, the Tax Assessor-Collector for the City has calculated the tax rate for the fiscal year 2024-2025 which cannot be exceeded without requisite publications and public hearings; and

WHEREAS, the City complied with the State of Texas Truth-in-Taxation laws and advertised the proposed tax rate and conducted one public hearing on the tax rate, and all notices and hearings and other applicable steps required by law as a prerequisite to the passage, approval, and adoption of this Ordinance have been timely and properly given and held; and

WHEREAS, Section 26.05(a), Tex. Tax Code, provides that the tax rate consists of two components (one of which will impose the amount of taxes needed to pay debt service, and the other of which will impose the amount of taxes needed to fund maintenance and operation expenses for the next year), and each of such components must be approved separately, the tax rate set forth herein consists of those two components and they are approved separately; and

WHEREAS, upon full review and consideration of the matter, the City Council is of the opinion that the tax rate for the year 2024 set, fixed and adopted herein below is proper.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COMMERCE, TEXAS:

Section 1: Findings Incorporated. The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.

Section 2: Tax Levied. That there is hereby levied and ordered to be assessed and collected an ad valorem tax rate of \$0.798909 on each One Hundred Dollars (\$100.00) of assessed valuation for all taxable property located in the City of Commerce on the 1st day of January 2024, and not exempted from taxation by the constitution and laws of the State of Texas to provide for the expenses of the City of Commerce for the Fiscal Year beginning October 1, 2024 and ending September 30, 2025. The said tax is made up of components, as set forth in this Ordinance:

- a. For the maintenance and support of the General Government (General Fund) for the fiscal year 2024-2025, **\$0.562824** on each \$100 valuation of property. **THIS TAX RATE WILL RAISE LESS TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.**

THE TAX RATE WILL EFFECTIVELY BE DECREASED BY 2.52% AND WILL LOWER TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$14.54.

- b. For the debt services for the fiscal year 2024-2025, **\$0.236085** on each \$100 valuation of property. **THIS TAX RATE WILL INCREASE TAXES FOR DEBT SERVICES WHEN COMPARED TO LAST YEAR'S TAX RATE.**

THE TAX RATE WILL INCREASE BY 1.8% AND THE TAXES PAID FOR DEBT SERVICE ON A \$100,000 HOME WILL INCREASE BY APPROXIMATELY \$4.21.

Section 3: Due Date of Taxes. That taxes levied under this ordinance shall be due October 1, 2024, and if not paid on or before January 31, 2025, shall immediately become delinquent. The penalties and interest provided for herein shall accrue after January 31 of the year following the year in which the taxes are assessed. However, if the entire taxes due as provided herein are paid in full by January 31 of the year following the year in which the taxes are assessed, no penalty or interest shall be due.

Section 4: Penalties and Interest. A delinquent tax shall incur the maximum penalty and interest authorized by Section 33.01, Texas Property Tax Code, to-wit: a penalty of six percent (6%) of the amount of the tax for the first calendar month it is delinquent, plus one percent (1%) for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent.

Provided, however, a tax that is delinquent on July 1 of the year in which it becomes delinquent shall incur a total penalty of twelve percent (12%) of the amount of the delinquent tax without regard to the number of months the tax has been delinquent. A delinquent tax shall also accrue interest at a rate of one percent (1%) for each month or portion of a month the tax remains unpaid. All other penalties and collection remedies authorized by law are hereby adopted. Taxes that are and remain delinquent on July 1, 2025 incur an additional penalty not to exceed twenty percent (20%) of the amount of delinquent taxes, penalty and interest collected; such additional penalty is to defray the costs of

collection due to pursuant to the contract with the City's attorney authorized by Section 6.30 of the Texas Tax Code, as amended.

Section 5: Internet Notice. That the City Manager or his designee shall put the following notice on the homepage of the City's Internet website:

There is hereby levied and there shall be collected for the use and support of the municipal government of the City of Commerce for the 2024-2025 fiscal year ("FY 2025"), upon all property, real, personal and mixed, within the corporate limits of said City subject to taxation, a tax of **\$0.798909** on each \$100 valuation of property, said tax being so levied and apportioned to the specific purposes here set forth:

"CITY OF COMMERCE ADOPTED A TAX RATE THAT WILL RAISE LESS TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

THE TAX RATE WILL EFFECTIVELY BE LOWERED BY 2.52 PERCENT (2.52%) AND WILL LOWER TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$14.54."

Section 6: Place of Payment/Collection. Taxes are payable at the office of the Hunt County Tax Assessor/Collector. The City shall have available all rights and remedies provided by law for the enforcement of the collection of taxes levied under this Ordinance.

SECTION 7: Tax Roll. The tax roll, as presented to the City Council, together with any supplement thereto, is hereby accepted.

SECTION 8: Savings/Repealing Clause. All provisions of any ordinance in conflict with this Ordinance are hereby repealed; but such repeal shall not abate any pending prosecution for violation of the repealed Ordinance, nor shall the repeal prevent prosecution from being commenced for any violation if occurring prior to the repeal of the Ordinance. Any remaining portions of conflicting ordinances shall remain in full force and effect.

SECTION 9: Severability. Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. City hereby declares that it would have passed this Ordinance, and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional or invalid.

SECTION 10: Effective Date. This Ordinance shall become effective from and after its adoption and publication as required by law.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Commerce, Texas, on this 17th day of September, 2024 on the following motion made by Jim Ayres, Place Four : "I move that the property tax rate be decreased by the adoption of a tax rate of \$0.798909 per \$100 valuation, which is effectively a 1.60 percent decrease in the tax rate"; seconded by Anthony Henry, Place One , the above and foregoing ordinance was passed and approved by roll call vote.

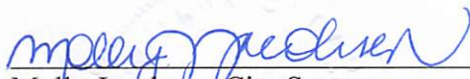
Those Voting *Aye* Were:

Anthony Henry
Beckey Thompson
Stephanie Muller
Jim Ayres
Teddy Reel

Those Voting *Nay* Were:

ATTEST:

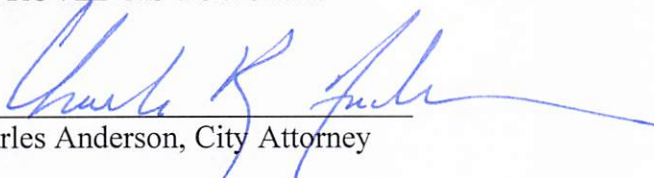
CITY OF COMMERCE, TEXAS


Molly Jacobsen, City Secretary


Teddy Reel, Mayor

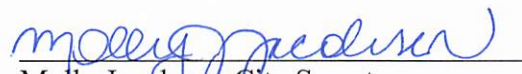
(seal)

APPROVED AS TO FORM:


Charles Anderson, City Attorney

I, Molly Jacobsen, City Secretary of the City of Commerce, Texas, do hereby certify that the above is a true and correct copy of an Ordinance, and that the same has not been repealed and is in full force and effect.

(seal)


Molly Jacobsen, City Secretary
City of Commerce, Texas