

NOTICE OF PUBLIC HEARING ON TAX INCREASE

A tax rate of .535 per \$100 valuation has been proposed by the governing body of City of Lone Star.

PROPOSED TAX RATE	\$0.535000 per \$100
NO-NEW REVENUE TAX RATE	\$0.517387 per \$100
VOTER-APPROVAL TAX RATE	\$0.537375 per \$100
DE MINIMIS RATE	\$1.459809 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 City of Lone Star from the same properties in both the 2019 tax year and the 2020 tax year.

The voter-approval tax rate is the highest tax rate that City of Lone Star may adopt without holding an election to seek voter approval of the rate, unless the de minimis rate for City of Lone Star exceeds the voter-approval tax rate for City of Lone Star

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate for City of Lone Star, the rate that will raise \$500,000, and the current debt rate for City of Lone Star

The proposed tax rate is greater than the no-new-revenue tax rate. This means that City of Lone Star is proposing to increase property taxes for the 2020 tax year.

A public hearing on the proposed budgets and tax rate will be held on Tuesday, September 8, 2020 at 5:00 pm at 201 W. Industrial Blvd., Lone Star, TX 75668.

The proposed tax rate is not greater than the voter-approval tax rate. As a result, City of Lone Star is not required to hold an election at which voter approval of the rate. However, you may express your support for or opposition to the proposed tax rate by contacting the members of the of City of Lone Star at their offices or by attending the public meeting mentioned above.

YOUR TAXES OWED UNDER ANY OF THE ABOVE RATES CAN BE CALCULATED AS FOLLOWS:

$$\text{property tax amount} = (\text{tax rate}) \times (\text{taxable value of your property}) / 100$$

The members of the governing body voted on the proposed tax increase as follows:

FOR: Jerri Chism, Mona Brown, Lynn Cox, Rudy Dudley, Trent Duke

AGAINST: NONE

PRESENT and not voting: ABSENT: NONE

The 86th Texas 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 City of Lone Star last year to the taxes proposed to be imposed on the average residence homestead by City of Lone Star this year:

	2019	2020	Change
Total Tax Rate (per \$100 of value)	\$0.546261	\$0.535000	<i>decrease of</i> -\$0.011261 OR -2.06%
Average homestead taxable value	\$76,460	\$79,965	<i>increase of</i> 4.58%
Tax on average homestead	\$418	\$428	<i>increase of</i> \$10 OR 2.42%
Total tax levy on all properties	\$275,204	\$284,390	<i>increase of</i> \$9,187 OR 3.33%

For assistance with tax calculations, please contact the tax assessor for City of Lone Star at (903) 645-5601 or sgolden@morriscad.com, or visit www.MorrisCAD.com for more information.