

ORDINANCE NO.

AN ORDINANCE AMENDING ORDINANCE NO. 20250813-001 ADOPTING AND LEVYING PROPERTY (AD VALOREM) TAXES FOR THE CITY OF AUSTIN, TEXAS, FOR FISCAL YEAR 2025-2026 TO REDUCE THE TAX RATE TO THE VOTER-APPROVAL TAX RATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. Findings:

- (A) At its August 13, 2025, Budget Meeting, the City Council adopted and levied a property (ad valorem) tax rate above the voter-approval tax rate, thereby triggering an automatic election for voters to approve the adopted tax rate;
- (B) At the voter-approval tax rate election on November 4, 2025, there was not a majority of votes cast favoring Proposition Q to approve the property tax rate adopted by the City Council;
- (C) Therefore, the City's property (ad valorem) tax rate is reduced from the adopted rate to the voter-approval rate under Section 26.07(e) of the Texas Tax Code.

PART 2. The City Council amends Part 1 of Ordinance No. 20250813-001 as follows:

The City Council levies, approves, and orders to be assessed and collected for the Fiscal Year 2025-2026, and for each subsequent calendar year until otherwise ordained, on all property in the limits of the City of Austin that is not exempt from taxation, a property (ad valorem) tax at the rate of \$0.524017~~[0.574017]~~ per \$100 of taxable value. The tax rate consists of two components, each of which are separately approved by Council: \$0.113735 per \$100 of taxable value, the rate that, if applied to the total taxable value, will impose the total amount published under Section 26.04(e)(3)(C) of the Texas Property Tax Code (Tax Code), less any amount of additional sales and use tax revenue that will be used to pay debt service; and \$0.410282~~[0.460282]~~ per \$100 of taxable value, the rate that, if applied to the total taxable value, will impose the amount of taxes needed to fund maintenance and operation expenditures of the City for the coming year.

PART 3. The City Council amends Part 4 of Ordinance No. 20250813-001 as follows:

THE TAX RATE WILL EFFECTIVELY BE RAISED BY 3.5 [~~16.1~~]
PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND
OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$13.87
[~~63.87~~].

PART 4. This ordinance takes effect on _____, 2025.

PASSED AND APPROVED

_____, 2025 §
 §
 §

Kirk Watson
Mayor

APPROVED: _____ **ATTEST:** _____

Deborah Thomas
City Attorney

Erika Brady
City Clerk