

ORDINANCE NO. 256

AN ORDINANCE ESTABLISHING AN AD VALOREM TAX FREEZE FOR RESIDENTIAL HOMESTEAD PROPERTY OWNERS OF THE CITY OF TIOGA, TEXAS WHO ARE DISABLED OR 65 YEARS OF AGE OR OLDER; PROVIDING FOR DEFINITIONS; PROVIDING FOR REPEALING, SAVINGS AND SEVERABILITY CLAUSES; AND PROVIDING FOR AN EFFECTIVE DATE OF THIS ORDINANCE.

WHEREAS, as approved by the voters of the State of Texas at an election held on September 13, 2003, Article VIII, Section 1-b, Subsection h of the Texas Constitution allows municipalities and certain other taxing entities to establish an ad valorem tax freeze on residence homesteads of disabled individual or individuals age sixty-five or older; and

WHEREAS, effective January 1, 2004, Section 11.261 of the Texas Tax Code governs the procedure under which a municipality or other taxing entity may adopt an ad valorem tax freeze; and

WHEREAS, the City Council of the City of Tioga, Texas has investigated and determined that it will be advantageous and beneficial to the City and its inhabitants to provide for a tax freeze on the amount of property taxes on the homesteads of disabled individuals or individuals age sixty-five or older, beginning with tax year 2006.

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

SECTION 1. Findings Incorporated.

The findings set forth above are incorporated into the body of the Ordinance as if fully set forth herein.

SECTION 2. Definitions.

“Disabled” has the same meaning as set forth in the Texas Tax Code, Section 11.13 (m) (1), as it currently exists or may be amended.

“Residence homestead” has the same meaning as set forth in the Texas Tax Code, Section 11.13 (j) (1), as it currently exists or may be amended.

“Tax Code” means the Texas Tax Code as it currently exists or may be amended.

SECTION 3. Residence Homestead tax freeze for elderly or disabled people.

There is hereby created and established a tax freeze on the amount of property taxes imposed by the City on the homesteads of disabled individuals or individuals age sixty-five or older which shall be governed by §11.261 of the Tax Code as follows:

- a. The tax freeze shall become effective beginning with the 2006 tax year, and shall remain for each successive tax year until otherwise amended or repealed by the City Council or other appropriate authority.
- b. The total amount of ad valorem taxes imposed on the residence homesteads of a person who qualified that residence homestead for the exemption in accordance with the Tax Code as that of a person who is disabled or is sixty-five years of age or older shall not be increased while it remains the residence homestead of that person or that person's spouse who is disabled or sixty-five years of age or older.
- c. If the person who is disabled or is sixty-five years of age or older dies in a year in which the person received a residence homestead exemption, the total amount of ad valorem taxes imposed on the residence homestead shall not be increased while it remains the residence homestead of that person's surviving spouse if (1) the surviving spouse is fifty-five years of age or older at the time of the person's death; (2) the residence homestead of the deceased person is also the residence homestead of the surviving spouse on the date of the person's death; and (3) the residence homestead remains the residence homestead of the surviving spouse.
- d. Notwithstanding anything contained herein, taxes on the residence homestead may be increased to the extent the value of the homestead is increased by improvements other than repairs and other than improvements made to comply with governmental requirements.
- e. A person may not receive freeze taxes for more than one residence homestead, no matter where located, in the same year. A person may designate a new residence homestead within the City in accordance with the Tax Code.
- f. The limitation on taxes provided by this Ordinance may expire in accordance with §11.261 (d) of the Tax Code. If a tax limitation is erroneously allowed, back taxes may be assessed in accordance with §11.261 (e) of the Tax Code.

SECTION 4. Savings/Repealing Clause.

All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict; but such repeal shall not abate any pending prosecution for violation of the repealed ordinance, nor shall the repeal prevent a prosecution from being commenced for any violation, if occurring prior to the repeal of the ordinance. Any remaining portions of said ordinance shall remain in full force and effect.

SECTION 5. Severability.

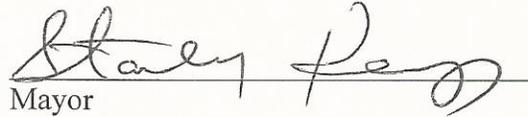
Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of the Ordinance shall remain in full force and effect. City hereby declares that it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

sections, subsections, sentences, clauses and phrases be declared unconstitutional or invalid.

SECTION 6. Effective Date.

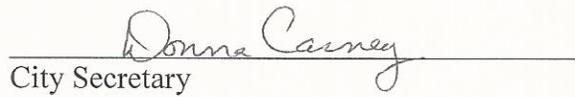
This Ordinance shall become effective upon its passage and publication as required by law.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF TIOGA, TEXAS ON THIS THE 28TH DAY OF AUGUST, 2006.



Mayor

ATTEST:



City Secretary