

Resolution to Reduce Property Tax Rates

WHEAREAS, the total value of commercial real estate in Gillespie County rose almost 25% and the total value of single-family residential properties rose 21%,

WHEREAS, the increase in property values has nothing to with the cost of running schools and government,

WHEREAS, leaving tax rates at previous levels with result in significant windfall revenue for taxing entities,

WHEAREAS, the increases in property tax appraisals generally will result in a massive double digit increase in the burden on the local taxpayer,

WHEREAS, this property tax increase will further burden low- and middle-income citizens and those on fixed income who are already struggling to meet existing high property taxes,

WHEREAS, the 86th Texas Legislature passed House Bill 3 and the Texas Property Tax Reform and Transparency Act of 2019 (SB 2) to provide tax relief to property owners in several forms, including a limitation on future property tax increases in excess of 3.5% per year without voter approval beginning in Year 2020,

WHEREAS, Plank 178 of the Republican Party of Texas calls upon all elected officials to limit the property tax revenue,

WHEREAS, this massive property tax increase will increase the cost of doing business and living in Gillespie County,

WHEREAS, government-mandated business closures have resulted in massive unemployment, high suicide rates, high family violence rates, business failures, and bankruptcies in Gillespie County, Texas, and elsewhere,

WHEREAS, property taxing entities are given the duty of setting property tax rates on a yearly basis,

THEREFORE, BE IT RESOLVED that The Republican Party of Gillespie County requests the taxing entities in Gillespie County to reduce the 2021 tax rates to compensate for the increases in property tax appraisal proportionally.

BE IT FURTHER RESOLVED, given that increases in appraisals will result in a massive double digit increase in the burden on the local taxpayer, a copy of this resolution should be circulated to members of all taxing entities in Gillespie County and to members of the Gillespie County delegations in the Texas Legislature.

Passed on June 8, 2021 by:
Gillespie County Republican Party
Executive Committee
PO Box 2975
Fredericksburg, Tx 78624



July 5, 2021

To: Honorable Governor, Greg Abbott
Honorable Lt. Governor, Dan Patrick

Subject: Property Taxes

Dear Governor and Lt. Governor:

As you are well aware, the property taxes in Texas are one of the highest in the nation and increasing every year. In my Gillespie County alone, the property values shut up this year for as much as 25% causing a lot of concerns by citizens for fear of not being able to live in their homes. As a chair of the County Republican Party, I receive numerous calls regarding these issues and frankly the citizens are frustrated at the lack of progress on this at local level or at State level. **I am urging you to place this topic on list of significant and important issues that MUST be addressed by legislation and if necessary placed on a special session. It is time to get serious and reform the Texas property tax laws period.**

Here is a short summary of the public frustration with current tax laws along with some suggestions that may improve the system in short term:

1. Chicken and egg syndrome – Every time a homeowner complains about taxes, the appraisal district argues that the values are set by the market and the homeowners should work to lower the tax rates at city/county and ISD. When confronting the tax entities, they argue that property values are causing such larger tax dollars. Additionally, when there is a significant windfall due to higher property valuation, the city/county/ISD find it opportune time to pile on extra expenses to capture those additional dollars and when confronted the argument becomes emotional as “do you want us to cut police, EMS, Fire, etc.? This game seems to be an acquire practice by all taxing entities for fear of losing tax dollars. It has been going on for years and public is becoming sick of it. We don’t seem to be making any headway and need the State to jump in and address the problem.
2. Robin Hood tax is unfair and frankly unwise. The Fredericksburg ISD sends millions of dollars to State to be used for other low income ISDs depriving our citizens for wanting to lower our taxes. As a result, the argument for lowering taxes is always lost due to this unfair practice.
 - Eliminate Robin Hood system all together. State should support those low income schools from State revenues and let the other schools defend their tax rates on their terms

3. The current law places a cap on the appraisal district for not raising the property values more than 10% per year. Generally and routinely, the appraisal districts systematically raise the property values just a shade below 10% to comply with the law while they provide a maximum base for tax dollars. This is done due to lack of staff to make a serious and sound valuation of each property, thus placing a significant burden on taxpayer.
 - Lower the 10% to 2-3% (consistent with COLA or inflation index) for general public and zero it out for homeowners over 65 or disabled who are on limited income
4. The current law mandates ISD property taxes to be collected from everyone regardless of number of children, or working status. This system is unfair to retirees who have no children at school and live on limited income and further it is not proportional with parents who have one child vs. those with more children at school.
 - Exempt the retirees (over 65) from ISD taxes altogether, and
 - Consider making the ISD tax proportional to the number of children enrolled at school by parents
5. Even though the law allows city/county to pass homestead exemption up to 20% of the property values, they never do. The city/counties have no incentive to do so and they will always find ways to spend the additional tax dollars.
 - Implement ISD homestead tax exemption of \$25000 and an additional \$10000 for over 65 year or disabled across city and county. Make this homestead exemption uniform across all taxing entities at state level just as it is for ISDs

Dear Governor and Lt. Governor please do not lose the sight of this very important issue that affects every Texan. We have to find a better way to fix our tax laws that are fair, equitable and enduring for all hard working and retired Texans. **This should be a hot topic at every legislation session. Your leadership is desperately needed on this matter.**

Thank you for your time and appreciate to know your position on this.

Sincerely;
Mo Saiidi, Chair
Gillespie County Republican Party
P. O. Box 2975
Fredericksburg, Texas 78624

June 8, 2021

To: Honorable House Representative, Mr. Kyle Biedermann,
Honorable State Senator, Ms. Dawn Buckingham

Subject: Property Taxes

Dear Senator and Representative:

As you are well aware, the homeowners are complaining once again about their ever-increasing property tax burden and this legislative session failed to address this lingering issue. It is more evident this year in my community of Gillespie County, since the appraisal district projecting increased property values by more than 20%. This undoubtedly would create significant windfall revenue for the city, county and school district. We will be working with our taxing entities to reduce the tax rates in order to offset this additional windfall. While this is an on-going and usual process every year, I would like to offer a permanent additional tax remediation that I hope you will agree to help.

Currently, the Texas law requires school districts to offer a \$25,000 exemption on residence homesteads, and an additional \$10,000 residence homestead exemption to homeowners age 65 or older or disabled. Although the law allows any taxing unit, including a city, county, school district or special purpose district, the option of deciding locally to offer a separate residence homestead exemption of up to 20 percent of a property's appraised value (but not less than \$5,000), it is rarely considered. Frankly, the cities and counties see no incentive to do so.

I would recommend amending the State law to apply these exemptions across all taxing units including city and county. With the upcoming special session and concerns with higher taxes, this would be an opportune time to introduce this legislation. I respectfully ask for your help to take the lead and introduce this legislation – It would have significant positive impact to all homeowners across the State. It is time to make consistent homestead exemptions policy, while helping to reduce some of the homeowners' tax burden.

I love to hear back of your opinion and thank you in advance for your consideration.

Sincerely;
Mo Saiidi, Chair
Gillespie County Republican Party
P. O. Box 2975 Fredericksburg, Texas 78624