

# Fiscal Year 2022-2023 Budget Development Update



CITY OF WACO

# Property Tax Exemptions Recommendations

- Increase the Over 65 exemption to \$50,000
  - This is an increase of \$45,000 from current \$5,000 exemption
  - Equals about 28% of the average taxable value of homes in Waco
  - Impacts about 15% of properties
- Establish a Disabled exemption of \$50,000
  - Impacts about 1.2% of properties
- Increase homestead exemption by 5% to 15%
  - Impacts all homeowners
  - 36% of properties are homesteads

# Proposed Property Tax Exemptions

Current					
Exemption	Average Taxable Value (ATV)	Exemption	Exemption Amount	ATV Less Exemptions	Tax Bill at 0.767282
Homestead	\$195,580	10% (\$5,000 min.)	\$19,558	\$176,022	\$1,351
Homestead + Over 65	\$195,580	10% + \$5,000	\$24,558	\$171,022	\$1,312
Homestead + Disabled	\$195,580	10% + \$0	\$19,558	\$176,022	\$1,351

Proposed						
Exemption	Average Taxable Value (ATV)	Exemption	Exemption Amount	ATV Less Exemptions	Tax Bill at 0.767282	Revenue Loss
Homestead	\$195,580	15% (\$5,000 min.)	\$29,337	\$166,243	\$1,276	\$1,924,568
Homestead + Over 65	\$195,580	15% + \$50,000	\$79,337	\$116,243	\$892	\$2,703,975
Homestead + Disabled	\$195,580	15% + \$50,000	\$79,337	\$116,243	\$892	\$249,282

Tax Bill Variance		Equivalent Rate Reduction
Homestead	\$75	4.237 cents
Homestead + Over 65	\$420	24.576 cents
Homestead + Disabled	\$459	26.053 cents

The estimates above were calculated using preliminary tax year 2022 (FY23) information.

QUESTIONS?

