

**To the Mayor and Members of the City Council**

August 20, 2020

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**SUBJECT: PEER TAX RATE COMPARISON**

The purpose of this budget response is to provide a peer comparison of the proposed tax rates for FY21, including exemptions where applicable. The comparison is made between the top fifteen Metroplex cities by population and the top ten Texas cities by population. Those cities in green text are proposing small property tax decreases.

Top 15 DFW Metroplex Cities by Population								
City	Population	Sales Tax	Proposed Property Tax Rates			Current Exemptions		
			2019 Rate	2020 Rate	Change	Homestead	Over Age 65	Disabled Person
Dallas	1,343,573	1.00%	0.7766	0.7766	0.0000	20%	100,000	100,000
Fort Worth	909,585	1.00%	0.7475	0.7475	0.0000	20%	40,000	40,000
Arlington	398,854	1.75%	0.6240	0.6225	(0.0015)	20%	60,000	60,000
Plano	287,677	1.00%	0.4482	0.4482	0.0000	20%	40,000	40,000
Garland	239,928	1.00%	0.7696	0.7696	0.0000	8%	51,000	51,000
Irving	239,798	1.00%	0.5941	0.5941	0.0000	20%	45,000	45,000
Grand Prairie	194,543	1.75%	0.6700	0.6700	0.0000	*10%	45,000	30,000
McKinney	199,177	2.00%	0.5156	0.5156	0.0000	0%	65,000	65,000
Frisco	200,490	2.00%	0.4466	0.4466	0.0000	10%	80,000	80,000
Mesquite	140,937	2.00%	0.7340	0.7340	0.0000	0%	65,000	15,000
Carrollton	139,248	1.00%	0.5900	0.5900	0.0000	20%	60,000	60,000
Denton	141,541	1.50%	0.5905	0.5905	0.0000	5,000	50,000	50,000
Richardson	121,323	1.00%	0.6252	0.6252	0.0000	0%	100,000	100,000
Lewisville	109,212	1.25%	0.4433	0.4433	0.0000	0%	60,000	20,000
Allen	105,623	2.00%	0.4890	0.4890	0.0000	0%	50,000	25,000

Sources:

<https://www.census.gov/content/census/en/data/datasets/time-series/demo/popest/2010s-total-cities-and-towns.html>

<https://comptroller.texas.gov/taxes/sales/city.php>

**Note:**

\*Grand Prairie increased its Homestead Exemption from 8% to 10% for the 2020 Tax Year.

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Top 10 Texas Cities by Population								
City	Population	Sales Tax	Proposed Property Tax Rates			Current Exemptions		
			2019 Rate	2020 Rate	Change	Homestead	Over Age 65	Disabled Person
Houston*	2,320,268	1.00%	0.5679	0.5679	0.0000	20%	160,000	160,000
San Antonio	1,547,253	1.25%	0.5583	0.5583	0.0000	5,000	65,000	12,500
Dallas	1,343,573	1.00%	0.7766	0.7766	0.0000	20%	100,000	100,000
<b>Austin**</b>	<b>978,908</b>	<b>1.00%</b>	<b>0.4431</b>	<b>0.4377</b>	<b>(0.0054)</b>	10%	88,000	88,000
Fort Worth	909,585	1.00%	0.7475	0.7475	0.0000	20%	40,000	40,000
El Paso	681,728	1.00%	0.9073	0.9073	0.0000	5,000	40,000	40,000
<b>Arlington</b>	<b>398,854</b>	<b>1.75%</b>	<b>0.6240</b>	<b>0.6225</b>	<b>(0.0015)</b>	20%	60,000	60,000
Corpus Christi	326,586	1.38%	0.6463	0.6463	0.0000	10%	50,000	50,000
Plano	287,677	1.00%	0.4482	0.4482	0.0000	20%	40,000	40,000
Laredo	262,491	1.25%	0.6340	0.6340	0.0000	0%	30,000	30,000

Sources:

<https://www.census.gov/content/census/en/data/datasets/time-series/demo/popest/2010s-total-cities-and-towns.html>

<https://comptroller.texas.gov/taxes/sales/city.php>

If you have questions concerning this information, please contact Terry Hanson, Planning and Data Analytics Assistant Director, at 817-392-7934.

**David Cooke**  
City Manager

**Note:**

\* The 2020 Proposed Tax Rate for Houston was not available during creation of this response.

\*\* The City of Austin will hold a referendum for an 11¢ property tax rate increase for public transportation in the fall.