



## Legislation Text

---

**File #:** ID 16-1103, **Version:** 1

---

### Agenda Information Sheet

**DEPARTMENT:** Finance

**ACM:** Bryan Langley

**Date:** September 13, 2016

#### **SUBJECT**

Receive a report; hold a discussion, and give staff direction regarding the limitation of municipal taxes on homesteads of disabled and elderly (tax freeze).

#### **BACKGROUND**

The purpose of this work session is to provide addition information the City Council regarding the limitation of municipal taxes on homesteads of disabled and elderly (tax freeze). This provides the City Council an opportunity to discuss this topic and give staff direction or request additional information. In addition to a presentation attached as Exhibit 1, I have included two map exhibits displaying the properties receiving the over 65 and disabled exemption by value (Exhibit 2) and property tax deferrals by value (Exhibit 3).

The property tax deferral allows for homestead property owners that qualify for the over 65 or disabled exemption to defer payment of all or a portion of their property taxes as long as the owner continues to own and live in the home. Taxes accumulate 8.0% interest a year, but no penalties are charged. All deferred taxes and interest become due when the homeowner or surviving spouse no longer own and live in the home. Taxing units cannot start or continue a lawsuit to collect delinquent taxes during the deferral and there is no limit as to the total value of the deferral in comparison to the value of the property.

#### **STRATEGIC PLAN RELATIONSHIP**

The City of Denton's Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

**Related Key Focus Area:** Organizational Excellence

**Related Goal:** 1.1 Manage financial resources in a responsible manner

#### **EXHIBITS**

Exhibit 1 - Presentation

Exhibit 2 - Over 65 and Disabled Map  
Exhibit 3 - Tax Deferral Map

Respectfully submitted:  
Chuck Springer, 349-8260  
Director of Finance