

ORDINANCE NO 20250923A

AN ORDINANCE OF THE CITY OF KRESS ESTABLISHING A NEW PROPERTY TAX RATE OF \$0.3890 PER \$100 OF ASSESSED VALUATION FOR THE TAX YEAR 2025; DECLARING THE CITY'S DECISION NOT TO ADOPT THE VOTER-APPROVED TAX RATE OF \$0.4183 PER \$100 OR THE DE MINIMIS TAX RATE OF \$2.4323 PER \$100; PROVIDING FOR IMPLEMENTATION, ENFORCEMENT, AND COLLECTION; REPEALING CONFLICTING ORDINANCES; AND SETTING AN EFFECTIVE DATE OF SEPTEMBER 23, 2025

WHEREAS, the City Council of the City of Kress recognizes the need to ensure sufficient revenue to support essential municipal services, including but not limited to public safety, infrastructure maintenance, and community programs for the benefit of its residents; and

WHEREAS, pursuant to the authority granted under applicable state law, the City of Kress is empowered to levy and collect property taxes to fund municipal operations; and

WHEREAS, the City Council has considered the voter-approved property tax rate of \$0.4183 per \$100 of assessed valuation and the de minimis property tax rate of \$2.4323 per \$100 of assessed valuation, as calculated and authorized under state law; and

WHEREAS, after public hearings, fiscal analysis, and due consideration, the City Council has determined that neither the voter-approved tax rate of \$0.4183 per \$100 nor the de minimis tax rate of \$2.4323 per \$100 is appropriate, and instead adopts a property tax rate of \$0.3890 per \$100 of assessed valuation to meet the fiscal needs of the City for the tax year 2025; and

WHEREAS, the City Council seeks to implement this tax rate in a transparent, equitable, and efficient manner, ensuring compliance with all applicable state and local laws;

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

SECTION 1. Purpose and Intent

The purpose of this ordinance is to establish a new property tax rate for the tax year 2025 to generate funds necessary for the provision of public services, infrastructure maintenance, and other essential governmental functions within the City of Kress, while explicitly rejecting the voter-approved and de minimis tax rates as calculated under state law.

SECTION 2. Definitions

For the purposes of this ordinance:

a. **"Property Tax"** shall mean the ad valorem tax levied on the assessed valuation of real and personal property within the corporate limits of the City of Kress, as authorized by this ordinance and applicable state law.

b. **"Tax Rate"** shall mean the rate of \$0.3890 per \$100 of assessed valuation applied to taxable property, as determined by the county appraisal district.

c. **"Assessed Valuation"** shall mean the value of property as determined by the county appraisal district in accordance with state law.

d. **"Voter-Approved Tax Rate"** shall mean the tax rate of \$0.4183 per \$100 of assessed valuation, as calculated pursuant to state law.

e. **"De Minimis Tax Rate"** shall mean the tax rate of \$2.4323 per \$100 of assessed valuation, as calculated pursuant to state law.

SECTION 3. Establishment of Tax Rate

a. A property tax is hereby levied at a rate of \$0.3890 per \$100 of assessed valuation on all taxable real and personal property located within the corporate limits of the City of Kress, effective for the tax year 2025.

b. The City Council hereby declares that it has chosen not to adopt the voter-approved tax rate of \$0.4183 per \$100 of assessed valuation or the de minimis tax rate of \$2.4323 per \$100 of assessed valuation, as calculated under state law, and instead adopts the tax rate of \$0.3890 per \$100 as sufficient to meet the City's fiscal needs for the tax year 2025.

SECTION 4. Collection and Administration

a. The property tax shall be assessed and collected by the county tax assessor-collector, or other designated agent, in accordance with state law and interlocal agreements with the City of Kress.

b. All taxes collected shall be remitted to the City of Kress on a schedule established by state law or interlocal agreement.

c. The City Manager, or their designee, is authorized to establish procedures for the administration and enforcement of this tax, in coordination with the county tax assessor-collector.

SECTION 5. Exemptions

The tax levied under this ordinance shall be subject to exemptions as provided by state law, including but not limited to homestead exemptions, exemptions for disabled veterans, and exemptions for persons over 65 years of age, as applicable.

SECTION 6. Penalties for Non-Compliance

Any person or entity failing to pay the property tax as required by this ordinance shall be subject to penalties, interest, and collection actions as provided by state law, including but not limited to liens on property and additional fees.

SECTION 7. Effective Date

This ordinance shall take effect on September 23, 2025, following its passage, approval, and publication as required by law, with the tax rate of \$0.3890 per \$100 of assessed valuation applying to the tax year 2025.

SECTION 8. Repealer

All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

SECTION 9. Severability

If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance.

SECTION 10. Publication and Public Notice

The City Clerk is directed to publish this ordinance as required by law and to provide notice of the adopted tax rate, including the rejection of the voter-approved tax rate of \$0.4183 per \$100 and the de minimis tax rate of \$2.4323 per \$100, to residents and taxpayers in accordance with state law requirements.

PASSED AND APPROVED by the City Council of the City of Kress on this [Insert Day] day of September, 2025.

[SIGNED]

Mayor Johnny Taylor, City of Kress

ATTEST:

Pro-temp Mayor Dane Sisemore, City of Kress