

Departments

Government

Residents

Businesses

Visitors

About Us



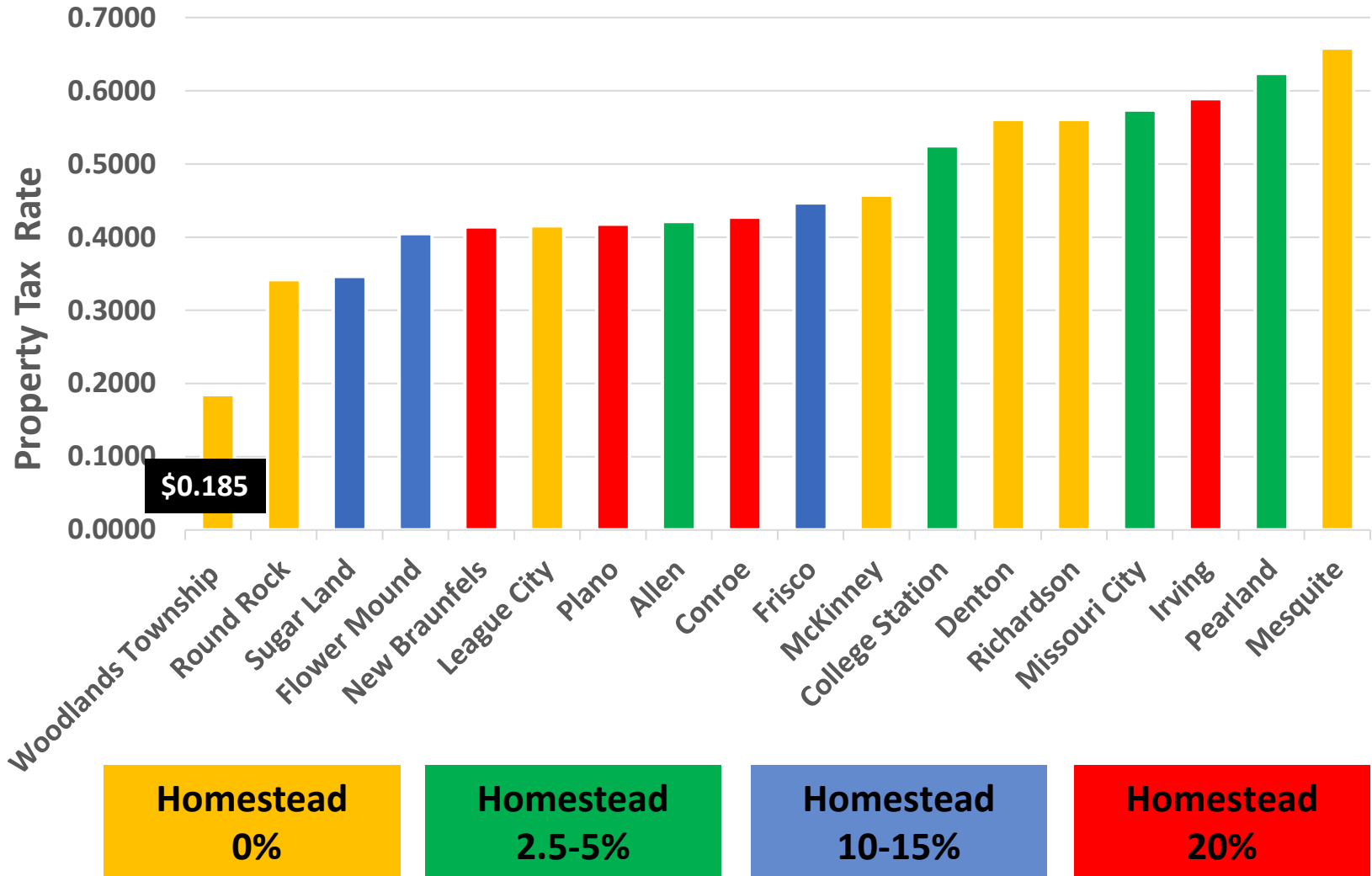
The Woodlands Township *65 and Older/Disability Exemption Homestead Exemption*

June 28, 2023

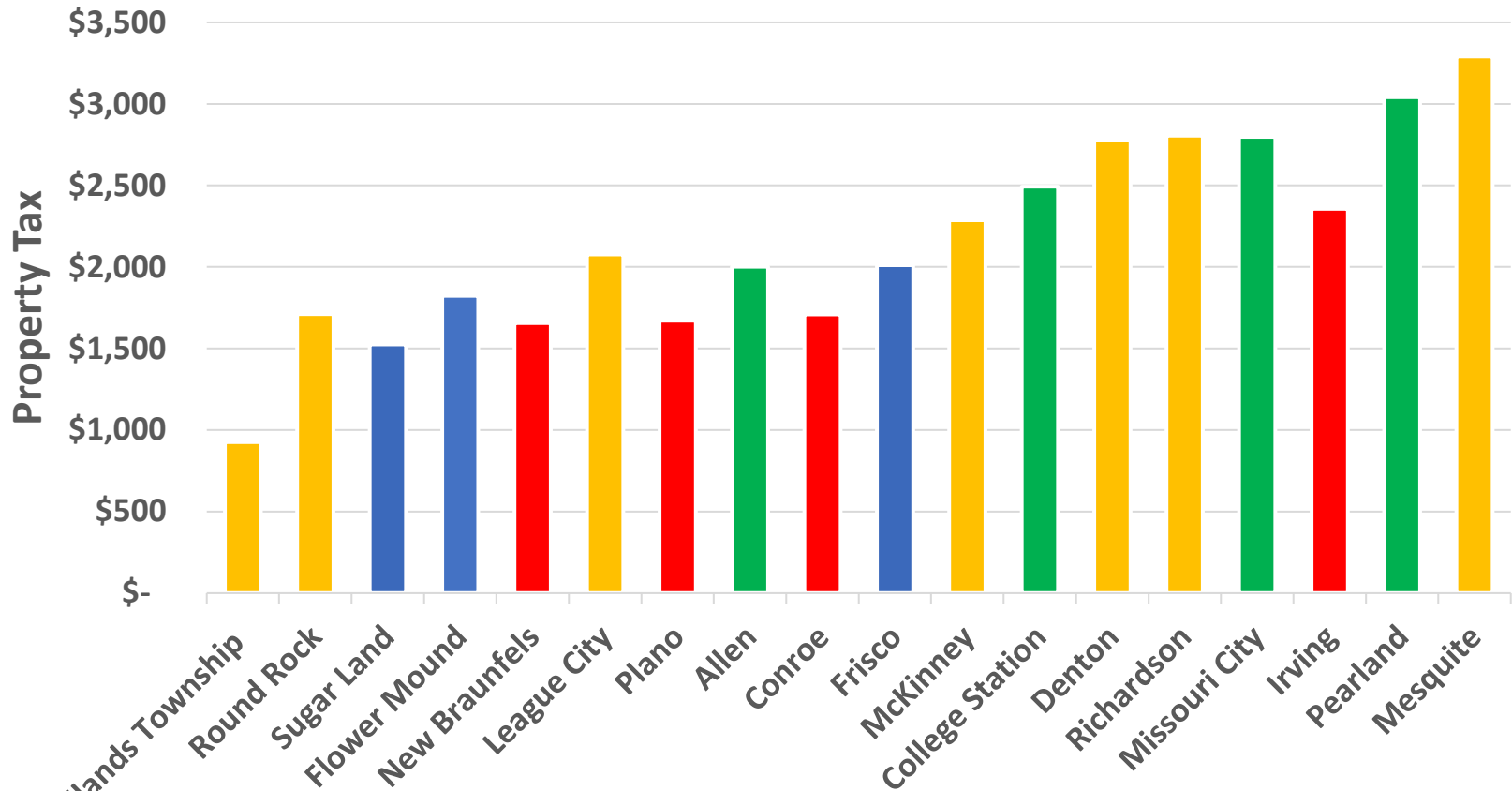
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Peer Cities Property Tax Rates and Level of Homestead Exemption %



Property Tax Paid on a \$500,000 Home in each Peer City (net of Homestead Exemption)



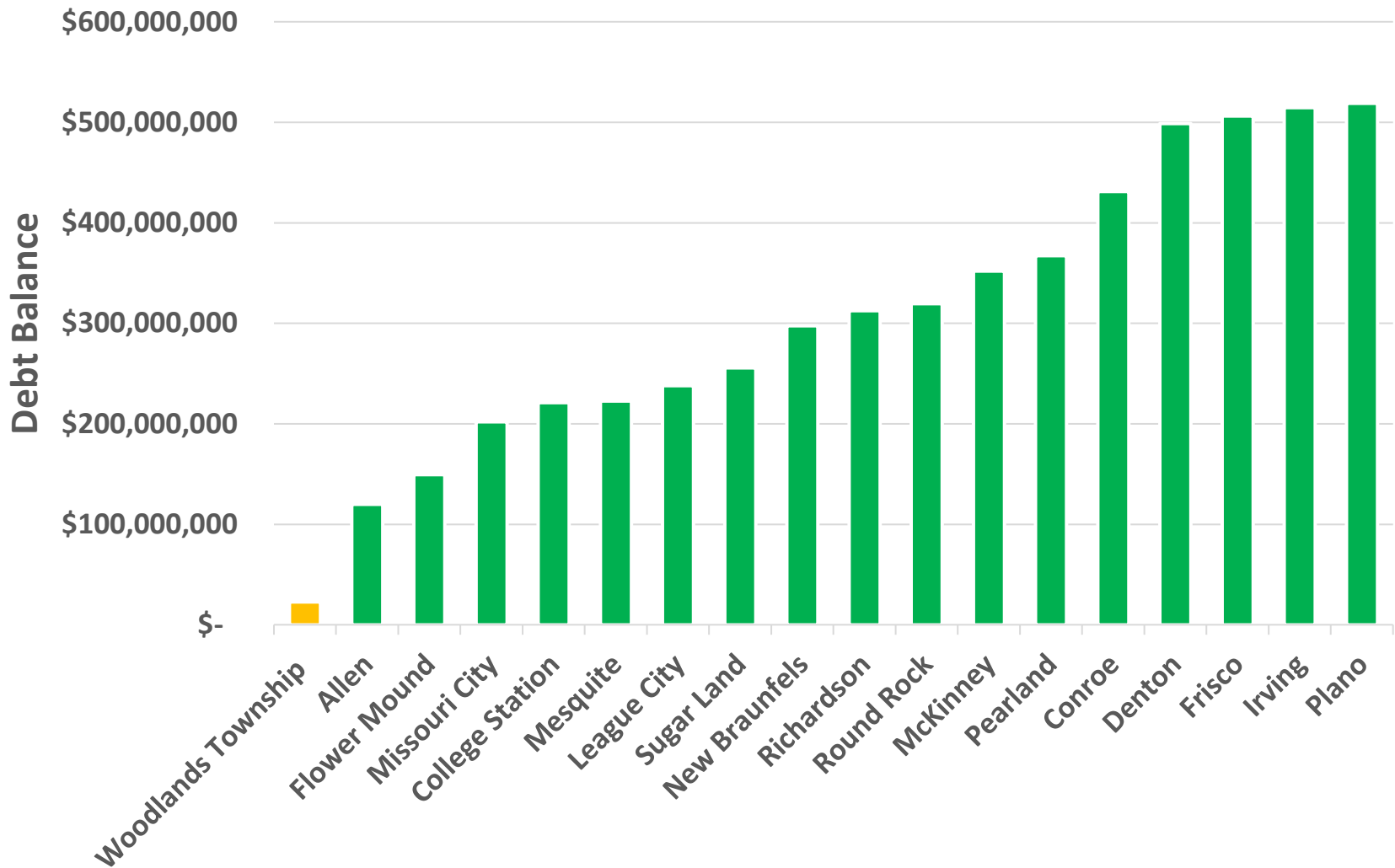
**Homestead
0%**

**Homestead
2.5-5%**

**Homestead
10-15%**

**Homestead
20%**

Total Property Tax Supported Debt Balances for Peer Cities

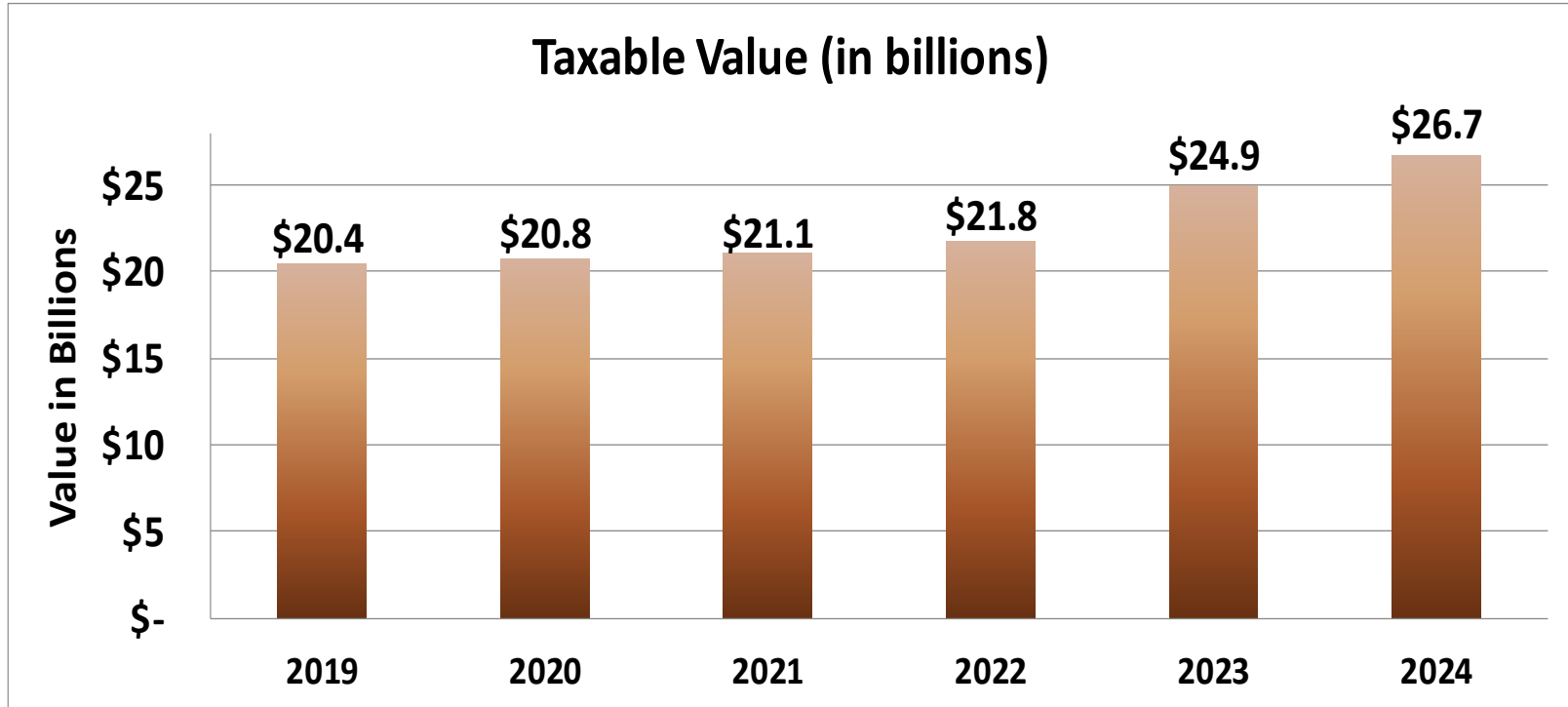


Components of Property Tax Revenue



Taxable Property Values

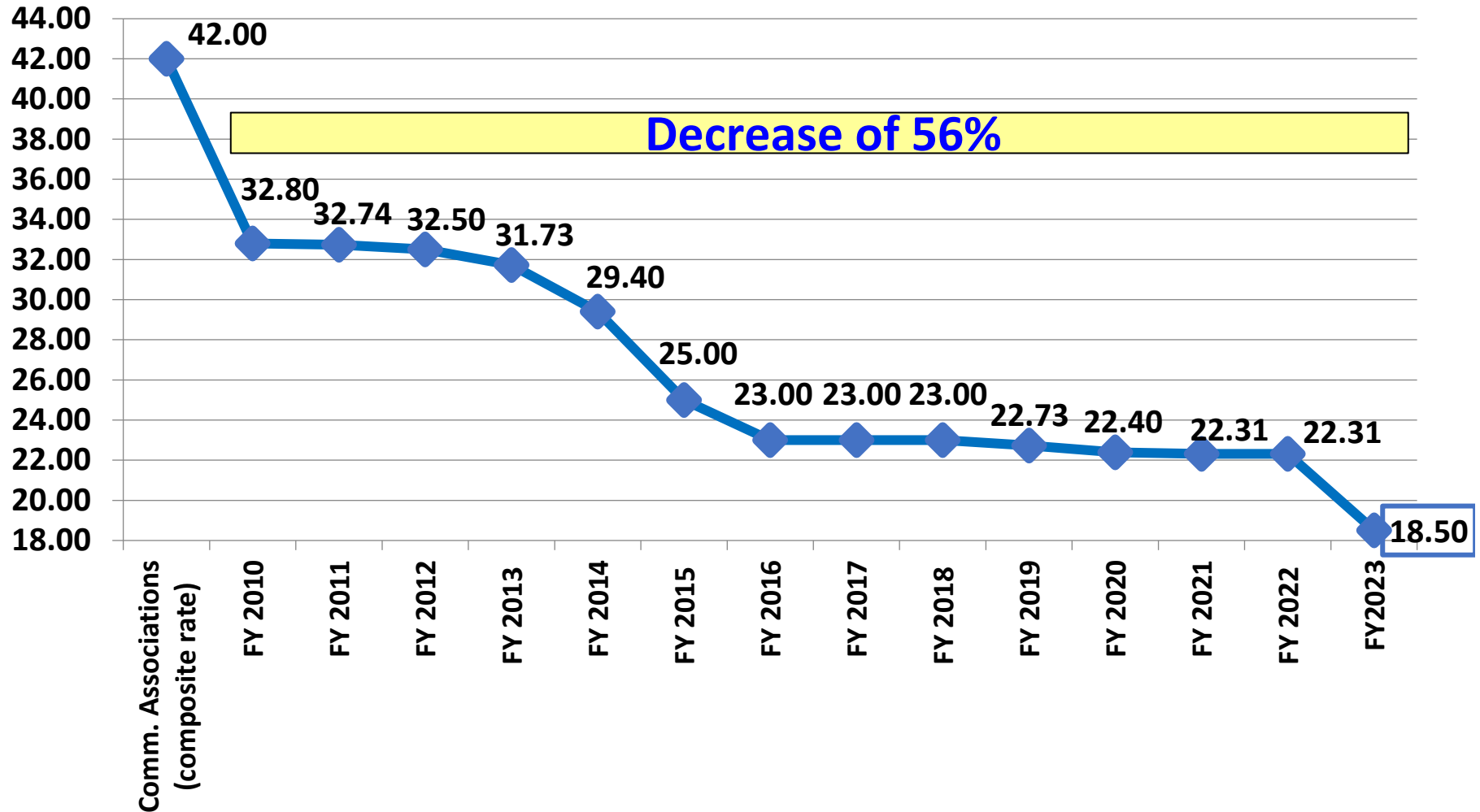
Budget Years 2019 - 2024



	2019	2020	2021	2022	2023	2024 Preliminary
Increase - revaluation	1.1%	1.1%	0.5%	2.6%	13.8%	7.2%
Increase - new property	1.2%	1.0%	1.1%	1.1%	0.9%	TBD

Property Tax Rate

Tax Rate Per \$100 valuation

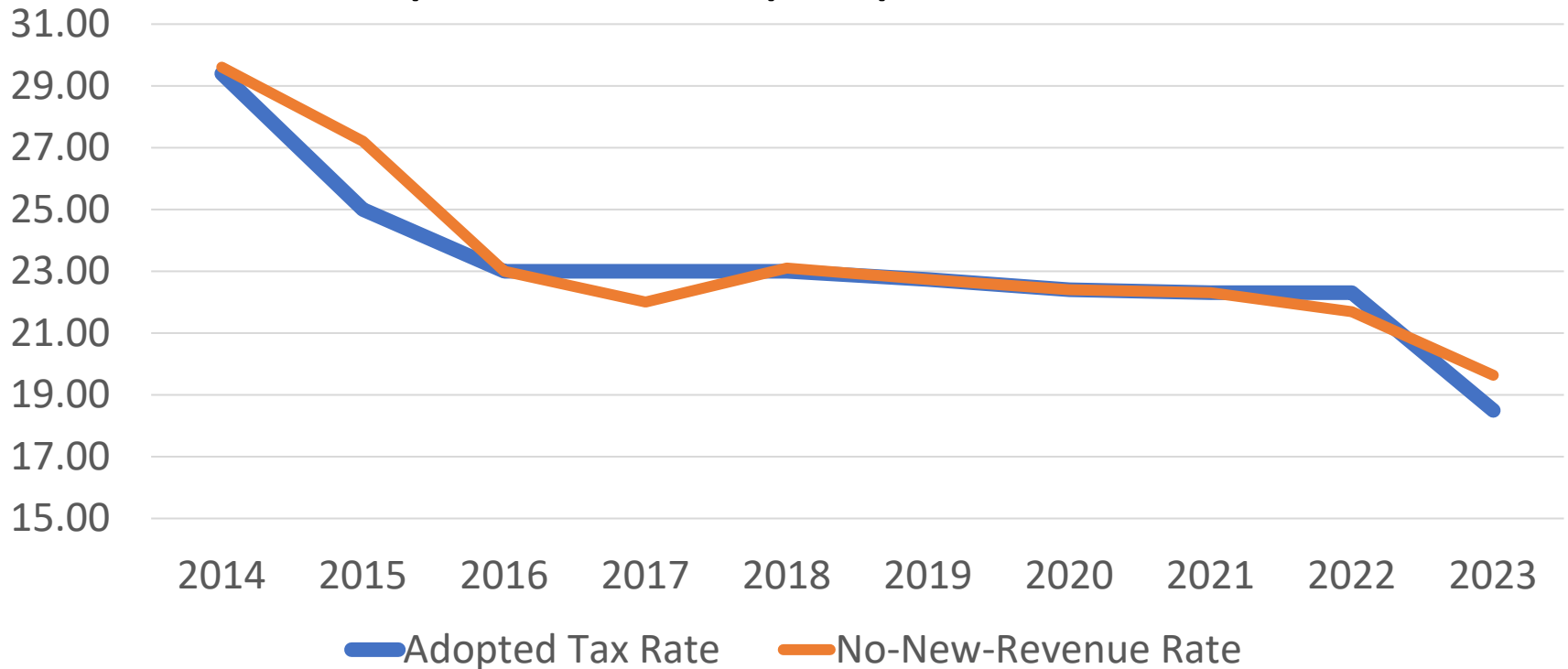


Property Tax Rate

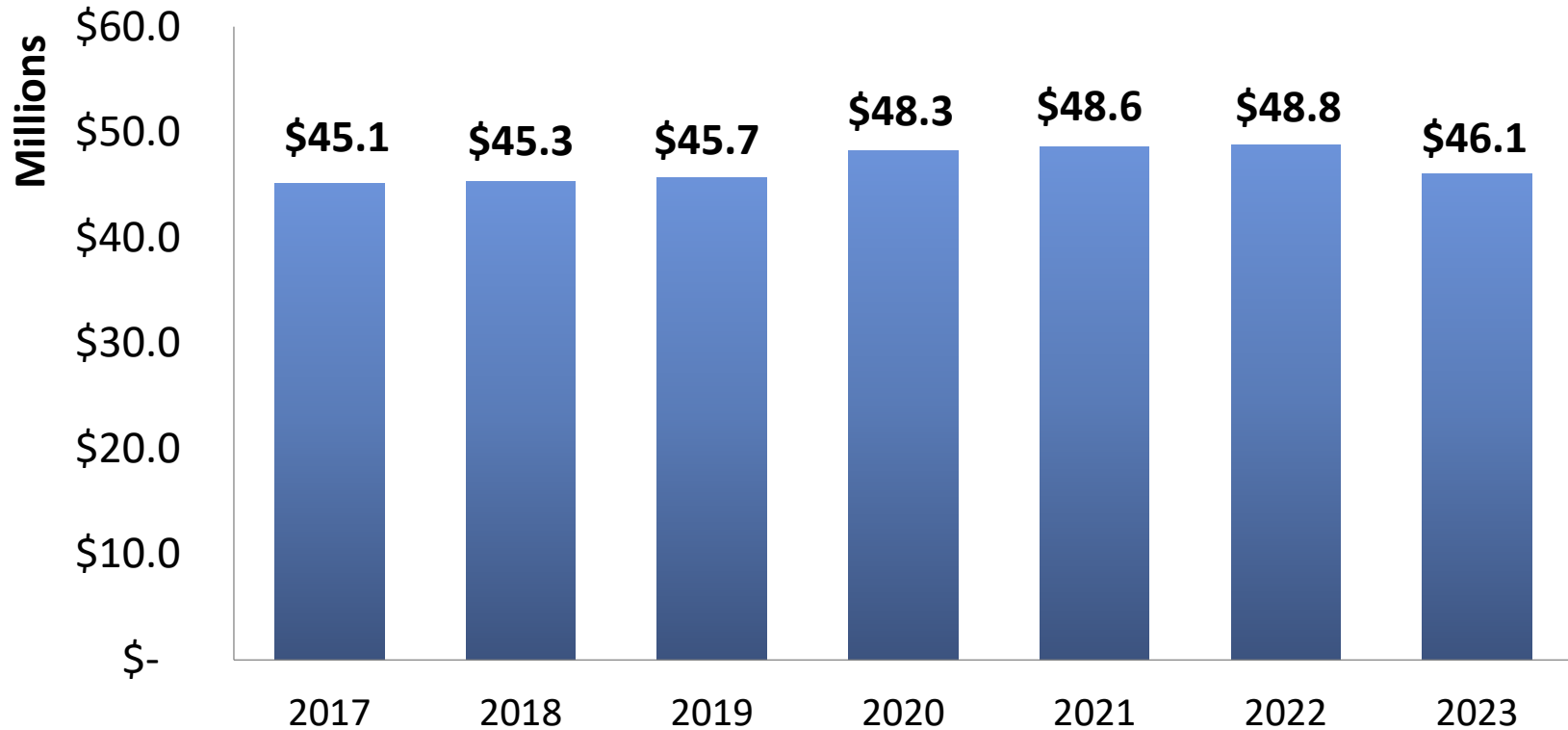
No-New-Revenue Rate

- Tax rate that produces the same amount of revenue for the same properties taxed in both years

Comparison of Township Adopted Rate vs. No-New-Revenue Rate

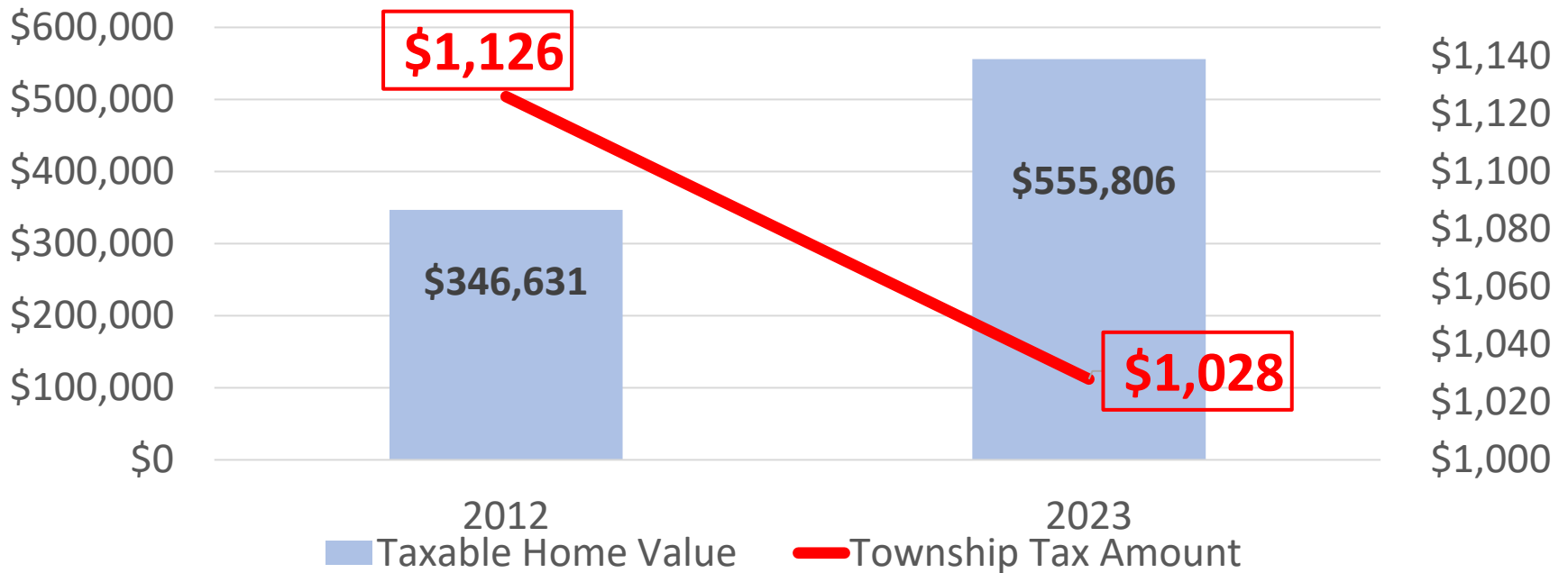


Property Tax Revenue 2017-2023



How the rate reduction has impacted the tax levy

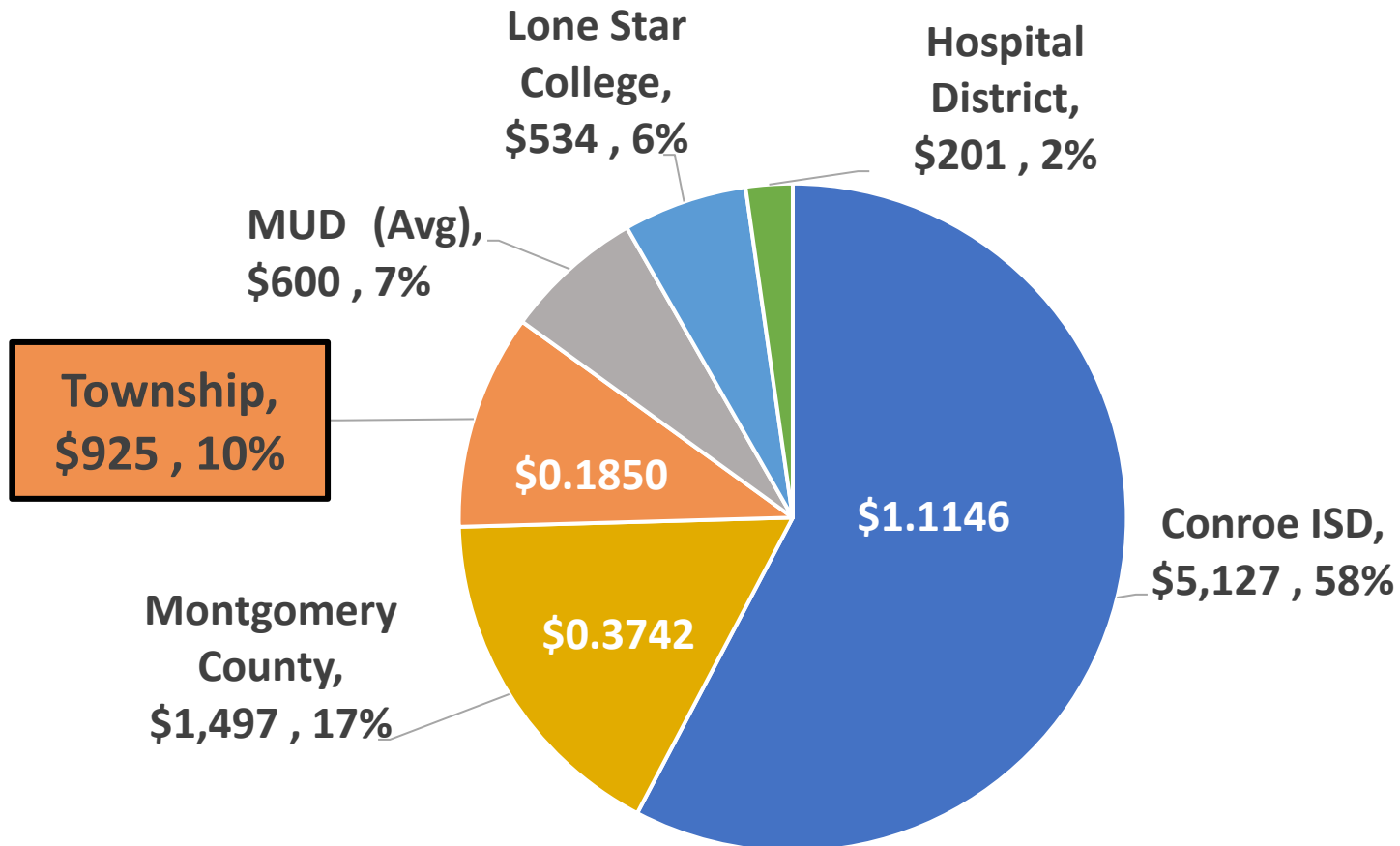
Township Property Tax



- As taxable property value increased, the Board lowered the tax rate to manage the tax burden for property owners.
- The Board relied on non-property tax sources of revenue to help fund costs for existing services as well as provide enhanced services in the areas of public safety, parks and recreation, and community maintenance.

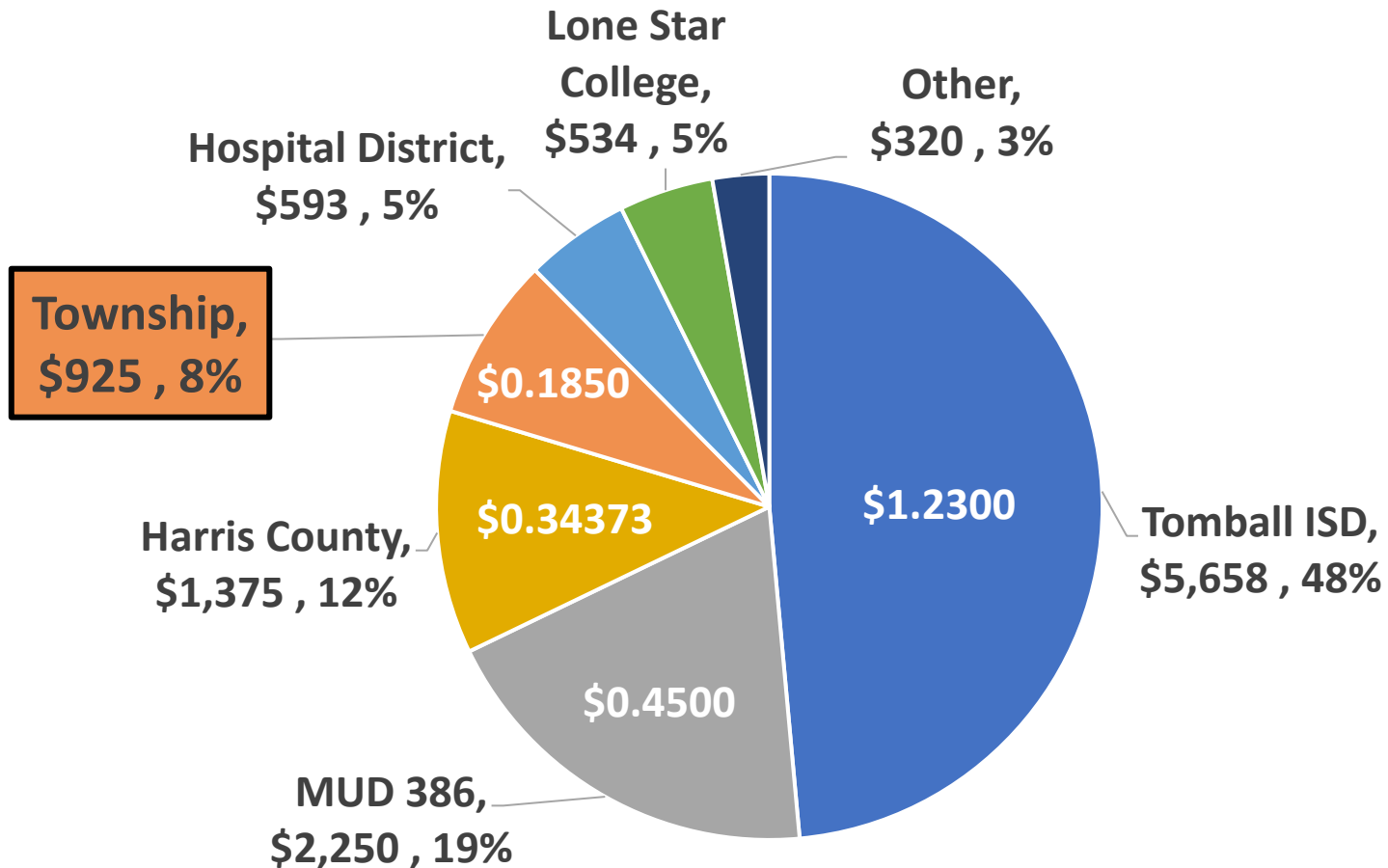
Current Allocation of Total Property Tax Levy on \$500,000 Home

Montgomery County - \$8,884

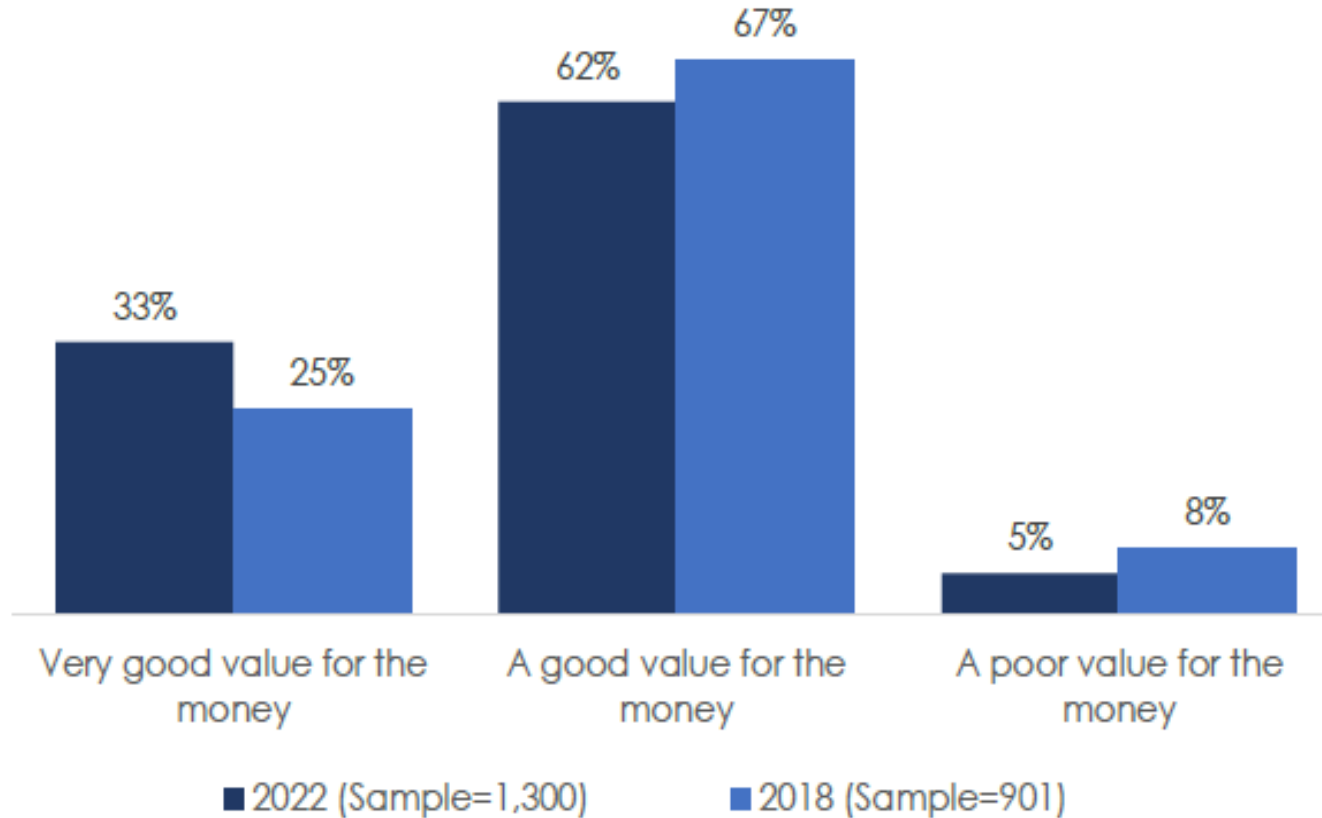


Current Allocation of Total Property Tax Levy on \$500,000 Home

Harris County - \$11,655



How would you rate the services of the Township today in terms of value for the money?



Property Tax Revenue Impacts



Taxable Property Value

Property Tax Revenue

Property Tax Rate

Exemptions

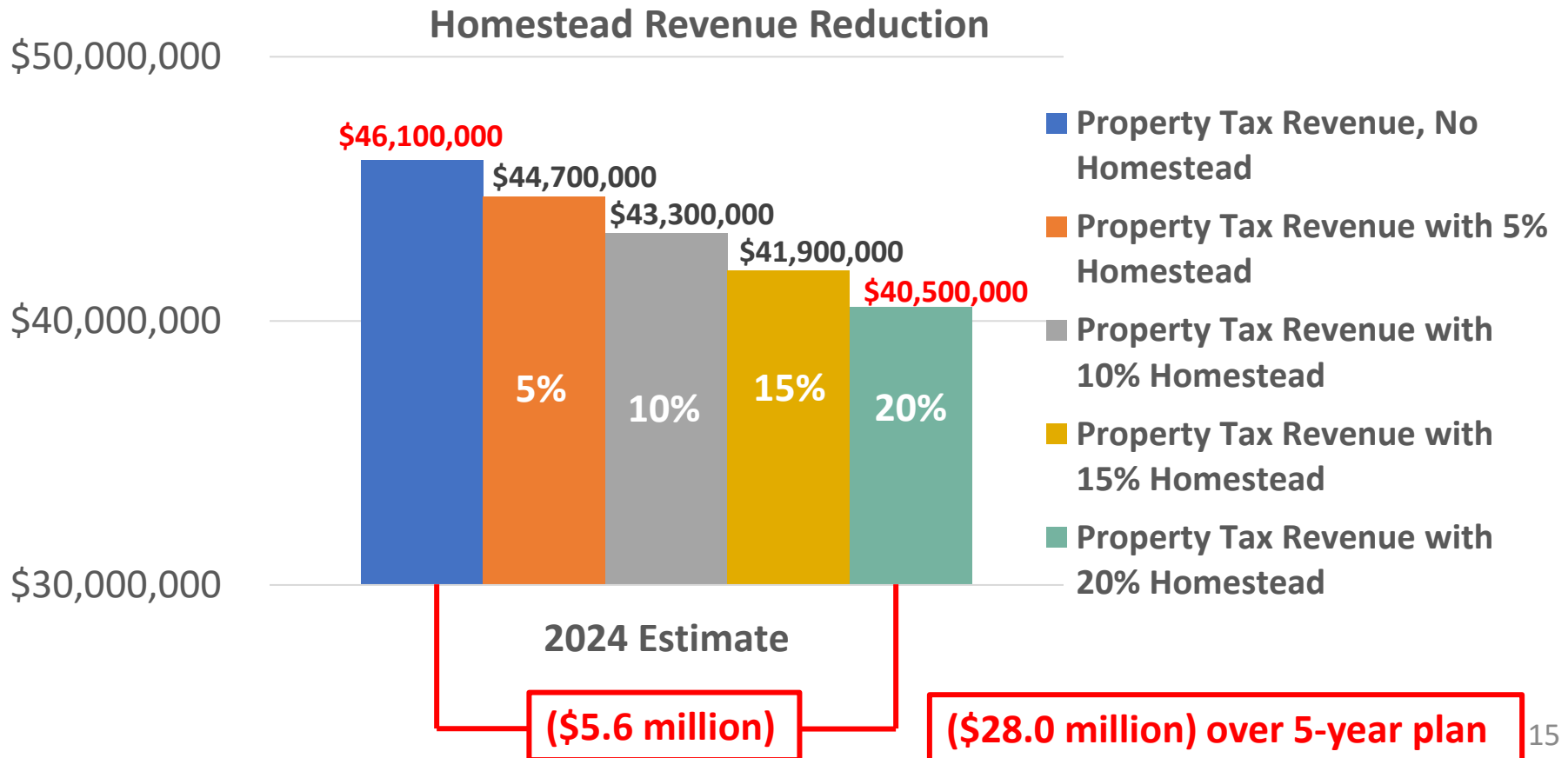
- Voluntary (can be rescinded)
- Impacts targeted groups (residential homestead; age 65 and older/disabled)
- Deadline to submit is June 30 (prior to budget workshops)
- Township exemption for persons 65 and older or disabled = ~~\$40,000~~ **\$50,000**

Tax Rate Reduction

- Statutory limits on rate growth (3.5% without voter approval)
- Impacts ALL taxpayers (residential/commercial)
- Deadline to submit is Sept. 15 (after budget workshops)
- Township Board has consistently lowered the tax rate to manage taxpayer levy

Homestead Exemption

- Applies to homestead residential properties only
- **Each 5% of exemption = approximately \$1.4 million reduction in revenue**



Homestead Exemption

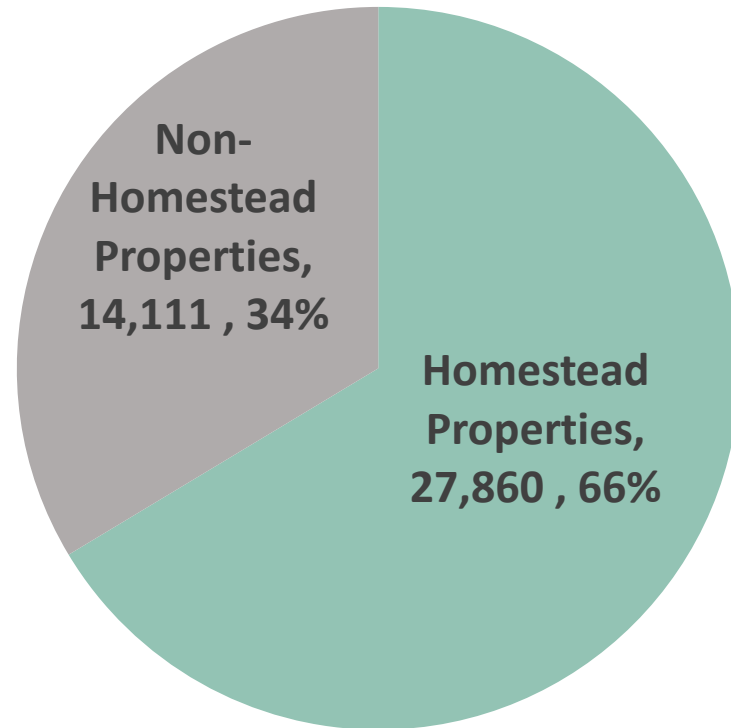
There are 41,971 real properties accounts in the Township.

66% of real property accounts qualify for a Homestead Exemption.

Real Property Breakdown

Properties that do not benefit from homestead exemption:

- Commercial
- Small Businesses
- Restaurants
- Rental
- Apartments
- Senior Living Facilities

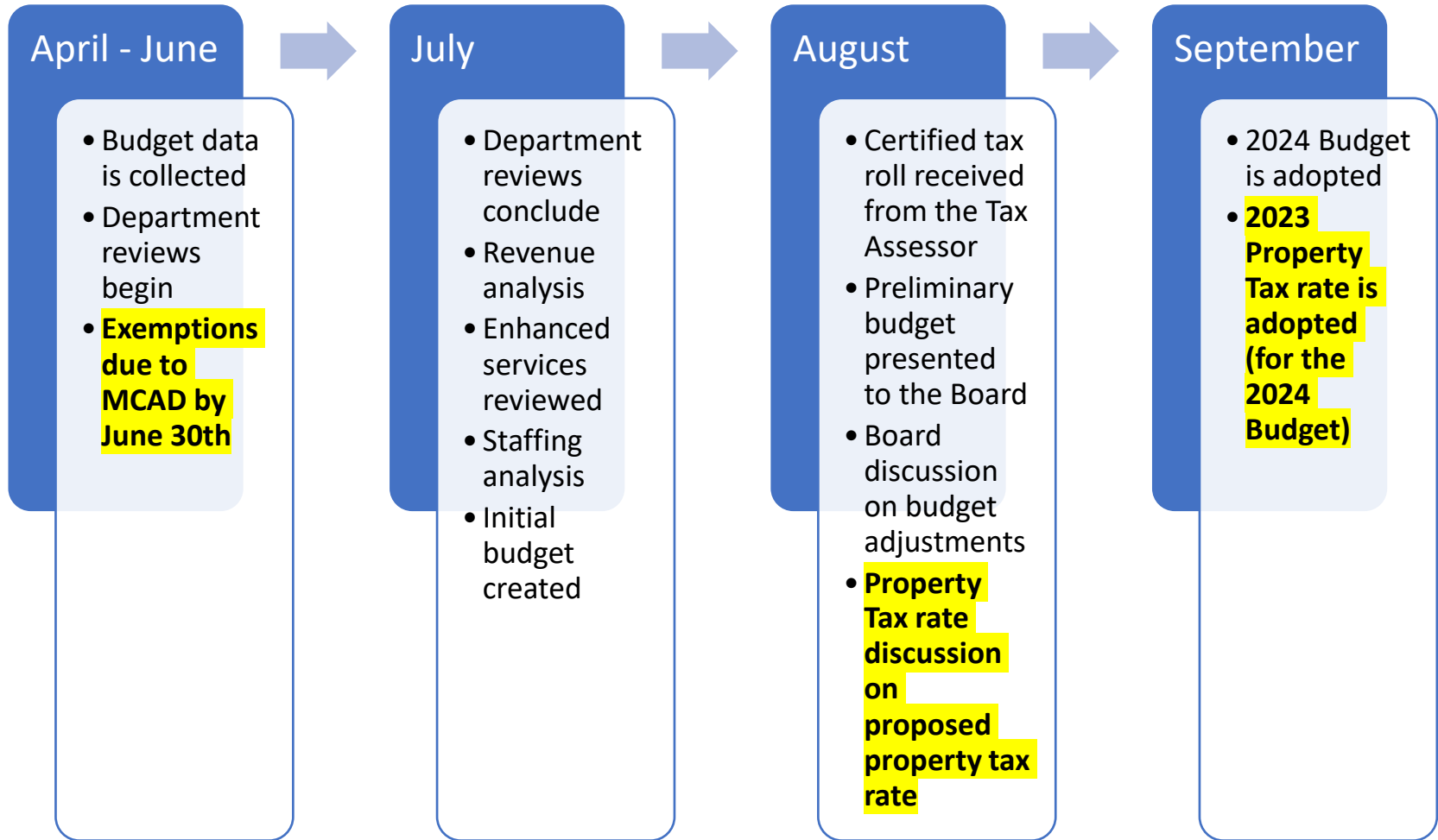


Homestead Exemption

**Shifts tax burden to non-homestead properties
(commercial, small businesses, restaurants, renters, senior living facilities)**

Excess Ongoing Revenues	Homestead Exemption % for Homestead Properties Only		Lower Tax Rate for All Properties
\$1.4 million	5%	OR	0.55 cents
\$2.8 million	10%	OR	1.10 cents
\$4.2 million	15%	OR	1.65 cents
\$5.6 million	20%	OR	2.20 cents

The Timeline for Setting Exemptions vs Rate



Potential 2024 Budget Items

Budget Impact Item – Operating Expense Increases	Cost Estimate
Montgomery County Sheriff’s Office – existing staff	\$485,104
Montgomery County Sheriff’s Office Vehicles – existing staff	\$399,340
MCSO request for 5 additional staff	\$476,620
MCSO request for vehicles for 5 additional staff	\$407,104
MCSO request for new equipment	\$84,786
Harris County Constable Pct. 4 – existing staff	\$128,893
Harris County Constable Pct. 4 request for 2 additional staff	\$232,800
Additional detective and vehicle for Safe Harbor program	\$169,211
Rate increase for Alpha & Omega approved by Board	\$218,000
Total Cost Increase for Law Enforcement/Security	\$2,601,858
Transfer of ownership of The Woodlands Waterway	\$470,000
Streetscape Maintenance (tree removal, forestry mgmt.)	\$528,000
Solid Waste Contract	\$395,000

Potential 2024 Budget Items

Budget Impact Item – Operating Expense Increases	Cost Estimate
Fire Department Facilities Maintenance/Supplies	\$163,900
Fire Department Equipment Expenses	\$117,200
Fire Department Training	\$108,600
Communication Initiatives approved by the Board	\$100,000
Computer Support	\$224,500
Software licenses	\$156,900
Aquatics facilities/equipment/maintenance	\$56,000
Park and pathway maintenance	\$55,300
Property and liability insurance	\$38,000
Public safety at community-wide events	\$29,200
Village Associations' request for additional funding	\$25,000
Market-based adjustments to staff compensation	TBD
New staff requests	TBD

Potential 2024 Budget Items

Capital Expenses not funded by Reserve	Cost Estimate
HW242 Pathway Connector to I45	\$350,000
Major Park Renovation (planning)	\$175,000
Aquatic Improvements	\$160,000
Fire Department Radio System	\$438,000
Fire Department Microwave Network Towers	\$350,000
Fire Department Training Tools/Equipment	\$304,000
Fire Department Brush Truck	\$225,000
Fire Department Station Improvements	TBD
Parks Operations Facility Improvements	TBD
South Gosling Property Improvements	TBD
Grogan's Mill Village Center Improvements	TBD
Sports Tourism (development of add'l sports fields)	TBD
Village Associations' Requests	TBD

Next Steps

- **Adopt resolution to increase the 65 and Older/Disability exemption from \$40,000 to \$50,000**