

# MEMORANDUM

**DATE:** July 1, 2021

**TO:** Mayor Jayne Lankford & City Council

**VIA:** Mercy Rushing, City Manager

**FROM:** Cindy Karch, City Secretary CK

**SUBJECT:** Freeze property tax for residents over 65 and disabled (Effective 1/1/2022)  
Repeal \$6,000 Exemption for residents over 65 and disabled (Effective 1/1/2023)

## Background Information:

Currently the City of Mineola only offers a \$6,000 exemption for those over 65 and disabled. However, there is no freeze for these tax payers. Here is a breakdown of what other taxing entries in Wood County are doing:

Taxing Entity	Local Amount	Freeze Ceilings
City of Mineola	\$6,000	No
City of Alba	0	No
City of Hawkins	0	No
City of Quitman	0	Yes
City of Winnsboro	\$10,000	Yes
City of Yantis	\$10,000	No
Wood County	\$20,000	Yes
Mineola ISD	0	Yes

## Recommendation:

Adopt an ordinance to allow citizens over 65 and disabled to freeze their property tax amount effective the 2022 tax year. Then, adopt an ordinance removing the \$6,000 exemption amount effective 2023. By adopting it effective next year, this will allow all of those with the \$6,000 exemption to freeze their taxes at that 2022 rate including the \$6,000. Then in 2023, anyone who turns 65 or disabled and applies for a new exemption will be able to freeze their taxes at the 2023 rate. **This method will not cost the city any lost revenue and will not raise any taxes for those currently holding the exemption.**

Currently there are 488 properties that have the over 65/Disabled exemption. Exemptions and freezes are only allowed on their homestead, not any other property they may own.

## Final Disposition:

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY COUNCIL FOR THE CITY OF MINEOLA, TEXAS REPEALING SECTION 40-1 (AD VALOREM TAX HOMESTEAD EXEMPTION FOR PERSONS SIXTY-FIVE YEARS OF AGE OR OLDER) OF CHAPTER 40 (TAXATION) OF THE MINEOLA CODE OF ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City Council for the City of Mineola, Texas has previously adopted a \$3,000.00 real property homestead exemption applicable to all persons sixty-five (65) years of age or older, and has codified said exemption as Section 40-1 in the Mineola Code of Ordinances; and

**WHEREAS**, the City Council has previously provided a tax limitation and/or freeze concerning ad valorem taxes on residential homesteads of persons sixty-five (65) years of age or older or disabled persons; and

**WHEREAS**, the City Council finds the repeal of Section 40-1 should be effective for the tax year 2023, with such repeal being necessary to ensure that all affected individuals receive the tax benefits provided herein.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL FOR THE CITY OF MINEOLA, TEXAS AS FOLLOWS:**

**I.  
Repeal**

A. By the passage of this Ordinance, Section 40-1 (ad valorem tax homestead exemption for persons sixty-five (65) years or older) of Chapter 40 (Taxation) is hereby repealed in its entirety.

**II.  
Severability**

Should any clause, section, phrase or provision of this Ordinance be declared illegal, unconstitutional or unenforceable by any court of competent jurisdiction, any such finding shall not affect the remaining sections of this Ordinance.

**III.  
Effective Date**

This Ordinance shall become effective January 1, 2023.

**PASSED AND APPROVED** by the City Council for the City of Mineola, Texas, this  
\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

APPROVED BY:

\_\_\_\_\_  
JAYNE LANKFORD, Mayor

ATTEST:

\_\_\_\_\_  
CINDY KARCH, City Secretary