

***Collin County Community College District Board of Trustees***

2023-05-1-X

May 23, 2023

Resource: Melissa Irby  
Chief Financial Officer

**AGENDA ITEM:** Report Out of the Finance and Audit Committee and Consideration of Approval of a Resolution for changes to Residential Local Tax Exemptions

**DISCUSSION:** Collin College currently offers annual property tax exemptions of \$30,000 to taxpayers over the age of 65 and \$20,000 to taxpayers who qualify for a disability exemption and an additional homestead exemption of the greater of \$5,000 or 1% of the appraised value of a residential homestead.

Property values are accelerating at a rapid rate in Collin County because of the desirability of the neighborhoods and schools. Even though the tax rate imposed by the College is only approximately 3.7% of the overall property tax bill of a taxpayer who owns a residential homestead, the College is mindful of the impact of rising property tax values.

Section 11.13(n) of the Texas Property Tax Code allows the governing body of a taxing unit to exempt from taxation a percentage of a residence homestead if the exemption is adopted by the governing body prior to July 1, 2023. The code also provides that, if a taxing unit establishes such an exemption, the minimum exemption of any residence homestead shall be \$5,000.

A resolution will be presented that affirms and increases the property tax exemptions to \$100,000 for an over 65 exemption, \$100,000 for a disabled person exemption, and increases the residential homestead exemption to the greater of \$5,000 or 20% of the appraised value of the residential homestead in the College's taxing jurisdiction effective for the 2024 tax year. The exemptions authorized by the resolution shall remain effective for each successive tax year until otherwise amended or repealed by the Board of Trustees or other appropriate authority.

**DISTRICT PRESIDENT'S  
RECOMMENDATION:**

The District President recommends approval of the resolution for changes to residential local exemptions effective for the 2024 tax year. The exemptions authorized by the resolution shall remain effective for each successive tax year until otherwise amended or repealed by the Board of Trustees or other appropriate authority.

**SUGGESTED MOTION:**

This item comes as a motion and second out of committee. A suggested motion would be, "Mr. Chairman, I make a motion that the Board of Trustees of Collin County Community College District approves the resolution for changes to residential local exemptions effective for the 2024 tax year."

DRAFT