

Maximum Compressed Tax Rate (MCR) 2021/2022

In a statewide effort to reduce property tax rates and increase state funding for public education, the state introduced the compression of the Maintenance & Operations property tax rate beginning with the 2019/20 year. The information regarding the calculation can be found in the Texas Administrative Code 19 TAC, 61.1000. The calculation of this rate is to be provided as part of the budget adoption effective for the 2021/22 year.

Below are three versions of calculations of the M&O compressed tax rate at \$1.05170.

M&O \$1.05170

I&S .12622

Total \$1.17792

Texas Education Agency

These numbers are illustrative only and do not constitute a legal opinion of the TEA. Districts should in all cases consult with their tax attorney before adopting a tax rate.		
ECTOR COUNTY ISD		
District's total adopted TY 2020 M&O tax rate	\$1.0547	
Enter TY 2020 Tax effort adopted by district in response to a disaster under 26.08 (a-1), Tax	\$ -	Enter TY 2020 disaster pennies
District's total adopted TY 2020 M&O tax rate net of pennies adopted to respond to disaster	\$1.0547	
Maximum Tier one tax rate (limited to 90% of highest taxing district)	\$0.9134	
Golden Pennies	\$0.0800	
Copper Pennies	\$0.0583	
Unequalized pennies for certain Harris County districts under special law	\$0.0000	
TY 2021 Total tax rate with no increase	\$1.0517	
Voter Approval (Rollback) Tax Rate for TY 2021		
Section 26.08 (n) (A) District Maximum Compressed Tax Rate (MCR)	\$0.9134	
(B) (i) Districts TY 2020 enrichment Tax rate	\$0.1383	
(B) (ii) 5 cents if applicable	\$0.0000	
Enter TY 2021 Tax effort adopted by district in response to a disaster under 26.08 (a-1), Tax	\$ -	Enter any disaster pennies adopted for TY 2021
TY 2021 I&S Tax Rate	\$ 0.1262	Enter debt service tax rate
Voter Approval Tax Rate	\$1.17792	

TASBO's Center for School Finance

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ECTOR COUNTY ISD HB1525.

DISTRICT NAME: 068901 ECTOR COUNTY ISD 6/2/2021	2021-22 Estimated Foundation School Program for Maintenance & Operations (M&O)		
	pre-HB1525 with Standard Inputs	HB1525 As Finally Passed Standard Inputs	Difference
ADA	29,450.000	29,450.000	0.000
WADA (Sum of Subch B & C Allotments / District BA)	38,960.139	39,332.878	372.739
Current Year M&O DPV (T2)	\$15,714,170,238	\$15,714,170,238	\$0
M&O Collections (before recapture)	\$165,872,559	\$165,872,559	\$0
Tier 1 Collections	\$144,060,089	\$144,060,089	\$0
Tier 2 Collections Equalized to the \$98.56/96th Percentile Yield (golden penny)	\$12,617,481	\$12,617,481	\$0
Tier 2 Collections Equalized at \$49.28 (copper penny)	\$9,194,989	\$9,194,989	\$0
VTCS 2784g Collections (Excluded from Tiers 1 and 2)	\$0	\$0	\$0
Tier 1 Maximum Compressed Rate (MCR) (NOTE: SCP WAS REDUCED BY APPROPRIATIO	0.9134	0.9134	0.0000
Adopted M&O Rate **	1.0517	1.0517	0.0000
District Tier 1 Rate	0.9134	0.9134	0.0000
Tier 2 Golden Pennies - equalized at \$98.56	0.0800	0.0800	0.0000
Tier 2 Copper Pennies - equalized at \$49.28	0.0583	0.0583	0.0000
VTCS 2784g Pennies (Excluded from Tiers 1 and 2)	0.0000	0.0000	0.0000

Omar Garcia, BOK Financial Securities; ESC 13

Sec 48.255(b): St Compression % (SCP) = lesser of:	HB 1525 Carried Forw	
	Effective 20-21	Current Law 21-22
(1)	0.93	0.93
OR:		
(2) $SCP = PYCP \times 1.025 / (1 + ECPV)$		
Prior Yr Compression Percentage (PYCP)	0.93	0.9164
Estimated Comptroller's Property Value growth (ECPV)	0.0401	0.0184
SCP =	0.9164	0.9223
OR:		
(3) Prior-yr %	0.93	0.9164
SCP [Lesser of (1), (2), or (3)]	0.9164	0.9134
Sec 48.2551(b): Max Compressed Tax Rate (MCR): Lesser of (1) or (2):		
(1) $MCR = (1.025 \times ((PYDPV+E) \times PYMCR)) / DPV$		
Prior Yr District Property Value (PYDPV)	15,771,631,371	15,430,253,572
Expiration of Ch 313 or some Ch 311 value limitation (E)	0	0
Prior Yr Maximum Compressed Rate (PYMCR)	0.93	0.9164
District Current Yr Property Value (DPV)	15,430,253,572	15,584,556,108
% OF VALUE GROWTH	-2.1645%	1.0000%
MCR if value growth is less than 2.5%	0.93	0.9164
MCR if value growth is equal to or exceeds 2.5%	N/A	N/A
MCR	0.9300	0.9164
OR, (2) State Compression Rate (SCP)	0.9164	0.9134
MCR [Lesser of (1) or (2)]	0.9164	0.9134
NOTE #1: All MCRs have to be within 90% of all MCRs in the state: If MCR is less than SCR x .9, MCR = SCR x .9, else it just the MCR; This is the template's calculated MCR (not official - read Note #2 below	0.9164	0.9134