

**NEWS RELEASE**

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Township Board sets tax rate, 2022 Budget

THE WOODLANDS, TEXAS (August 27, 2021) – The Woodlands Township Board of Directors set its 2021 tax rate and approved its 2022 Budget in a public meeting held on Wednesday, August 25, 2021.

The Board received a presentation on the proposed 2021 Property Tax Rate and 2022 Budget, which can be [found here](#), and held a public hearing to allow public feedback. The Board of Directors approved a 2021 property tax rate of \$0.2231 per \$100 of taxable value, which is the same rate as the 2020 tax rate. A debt service rate of \$0.0146 and maintenance and operations rate of \$0.2085 comprise the total 2021 tax rate of \$0.2231.

The Board approved a \$132,335,901 budget for 2022. The Board of Directors previously held meetings on July 23, 24 and 28 and August 16 and 17, 2021 to review and discuss the 2022 Consolidated Budget. The budget includes many services provided by The Woodlands Township including enhanced law enforcement services, highly-rated fire protection services, parks and recreation, covenant administration, waste collection and recycling, streetscape maintenance, transportation, capital reserve and more.

When applied to taxable property values of \$21.7 billion, the proposed tax rate is projected to generate \$48,672,680 in revenues to help fund the Township's 2022 consolidated budget of \$132.3 million.

The Woodlands Township's budget is funded 49% from sales and hotel taxes, 37% from property taxes, and 14% from other revenues. According to the state controller, local governments raise about \$1 in sales tax revenue for every \$7 in property tax revenue, which puts The Woodlands Township in a unique and favorable position.

In addition to the annual budget, the Township has a comprehensive 5-year budget plan and a 30-year capital replacement plan for parks, pools, pathways, fire department and many other facilities and amenities.

"The Township's financial health is the result of a strong sales tax base, conservative fiscal management, long-term strategic planning, and comprehensive efforts to address cost-effective methods of service delivery that our residents expect," said Township Chairman of the Board Gordy Bunch.

The approved tax rate of \$0.2231 is greater than the no-new revenue rate of \$0.2169 certified by the



Montgomery County Tax Assessor but less than the voter-approval rate of \$0.2314.

In 2010, the composite tax rate in The Woodlands was 42 cents per \$100 value and this year is 22.31 cents per \$100 value, which is a decrease of 47% over the period of 11 years.

The Woodlands Township's tax percentage of the overall residential tax bill is an average of 11.7% for homes in Montgomery County and 8.7% for homes in Harris County.

The tax rate is important for a number of reasons, but particularly because voters in The Woodlands will be going to the polls this fall to vote on Incorporation of The Woodlands. The Woodlands Township Board of Directors voted to place Incorporation on the November 2, 2021 ballot at a meeting on Friday, August 13, 2021.

Through the Incorporation election, voters of The Woodlands will have a choice in determining the type of government they want – to remain as a special purpose district or to become the City of The Woodlands.

Based on an Incorporation Study and current conditions, the maximum initial tax rate for Incorporation as the City of The Woodlands was established at 22.31 cents per \$100 valuation, which is what taxpayers are paying today in The Woodlands. The maximum initial tax rate is part of the ballot proposition this November. Please visit www.thewoodlandstownship-tx.gov and www.thewoodlandsincorporationstudy.com to learn the very latest information on this important topic for The Woodlands.

By law, whether as a Township or a city, once a property tax rate is adopted, any property tax rate in subsequent years that would exceed 3.5% of the previous year's maintenance and operations rate would require voter approval.

In addition to adopting the budget and tax rate, at its Regular Meeting on Wednesday, August 25, 2021, the Board of Directors:

- Heard public comment
- Received reports from Village Associations
- Took no action related to the Coronavirus (COVID-19) pandemic
- Discussed Incorporation Planning Study matters and the related November 2, 2021 ballot propositions
- Received a community update from the American Heart Association
- Received the financial report
- Approved the purchase of two replacement fire engines

For more information, please visit www.thewoodlandstownship-tx.gov.