

Sec. 1. - Taxation.

- (a) The city council shall have power, and is hereby authorized annually, after the budget is adopted, to levy and collect taxes up to the maximum authorized by the Constitution of Texas based on the assessed value of all real and personal property in the city, not exempt by the Constitution and laws of Texas from taxation; provided that, except as provided in paragraph (b) below, the maximum tax rate for all purposes shall not exceed sixty-eight cents (\$0.68) per one hundred dollars (\$100.00) of assessed value. The maximum tax rate limitation shall remain in full force and effect until changed by Charter amendment or by ordinance duly adopted after a referendum election at which a majority of the registered voters voting at such election approved adoption of the ordinance.
- (b) The maximum tax rate the city council may levy in support of debt service for any tax-supported obligations which are authorized by the voters of the city at an election held after April 4, 1993, shall be limited to the tax rate limitation provided in the Texas Constitution. In the event any such voter-approved obligations are refunded by the issue of refunding obligations as authorized under Texas law, the debt service on such refunding obligations shall be subject to the maximum tax rate limitation in paragraph (a) above unless: (i) the refunding results in a net present value savings to the city as determined by the Texas Attorney General, or (ii) such refunding obligations are authorized by the voters of the city at an election held for such purpose.
- (c) If for any cause the city council shall fail or neglect to pass a tax ordinance for any year, levying taxes for that year, the tax ordinance last passed shall be considered in force and effect as the tax ordinance for the year for which the city council so failed to pass a tax ordinance, and the failure to pass such ordinance in any year shall not invalidate the collection of the tax for that year.
- (d) The city council may also prescribe the date when taxes shall become due and prescribe penalties for nonpayment before they become delinquent.
- (e) The city council may also levy, assess and collect any other types of taxes as provided by state law, provided that no such tax shall be greater than is authorized by such statute.