



The Existing Local Option for Transportation *An Analysis of Existing Local Transportation Funding Tools*

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KEY FINDINGS

- Local transportation funding options exist with the sales tax.
- Many municipalities have chosen not to use this tool—despite assertions of a funding “crisis.”
- Before authorizing additional taxing capacity, cities should first exhaust currently available options.
- Voters in cities who have elected to make transportation a priority should not be penalized for neighboring cities that choose not to make transportation a priority.

Introduction

After a favorable vote from the Senate on Tuesday¹, local option transportation tax legislation is moving to the House for the next round of vigorous debate.

The legislation, which proposes to give local communities the ability to call elections to seek billions in new transportation taxes and fees, has many concerned that now is not the time for such a bill—particularly since the specter of a national recession has yet to pass.*

Nevertheless, state and local officials have vigorously pushed this legislation through the process under the banner of a perceived transportation funding “crisis.” Local governments, as they argue, *need* more transportation tools.

However, the point these officials have overlooked is that communities already have transportation tools available to them.

Using Existing Transportation Tools: Transit Authorities

Voters may currently choose to make transportation a priority by allocating between 0.25 percent and one percent of local sales tax revenue to create and fund a transit authority², so long as the total local sales tax rate³ does not exceed two percent.

With up to a full percent of local sales tax revenue available for transit authorities, communities can set aside a significant portion of their tax revenue solely for transportation-related improvements.

Setting Priorities

If there is truly a transportation funding crisis on hand, then why have so many Texans in large urban areas chosen to fund other priorities besides transportation with their local sales tax revenue?

Texans in many large cities choose not to allocate a full one percent of local sales tax revenue for transportation, opting instead to focus on economic development, crime control, and/or various other regional concerns.

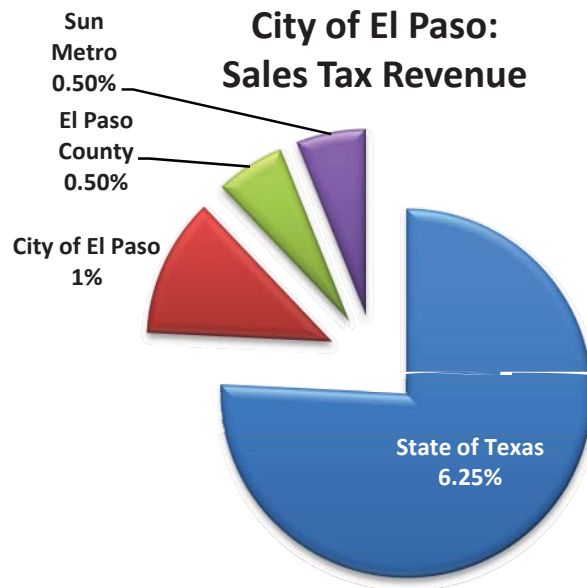
The Legislature should take note: not every community has made transportation financing a top priority and, in fact, some communities (example: San Antonio) would rather not use their full taxing capacity than fully fund transportation.

Three of the state’s major metropolitan cities—El Paso, San Antonio, and Fort Worth—have committed less than the maximum permissible amount of local sales tax revenue to fund transportation. Here’s a quick breakdown of where voters in these areas have chosen to put their money instead.

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*Justin Keener, Testimony before the House Transportation Committee: Local Option Transportation Legislation, the Texas Public Policy Foundation, April 2009.

Figure 1: State and Local Sales and Use Tax Rates, City of El Paso, TX



Source: City of El Paso FY 2009 Budget, Financial Summaries⁴

El Paso: Sun Metro

Sun Metro serves as the transportation authority in El Paso and it receives a one-half cent sales tax⁵ approved by voters in 1987⁶. The remainder of available sales tax revenue goes to fund the city (1 percent) and the county (0.5 percent)⁷.

San Antonio: VIA Metropolitan Transit

The residents of San Antonio and the surrounding areas are served by the VIA Metropolitan Transit which receives its funding through a half percent of local sales tax revenue⁸. Additionally, in 2004, voters also created an Advanced Transportation District (ATD)⁹ which receives part of its funding through a quarter of a percent of sales tax revenue.¹⁰

All told, residents of San Antonio have set aside three-quarters of a percent in local sales tax revenue to fund transportation-related improvements. The remaining sales tax revenue goes to fund the city (1 percent) and the Edwards Aquifer Protection (EAP) program and the Parks Development and Expansion (PDE) program (0.125 percent)

while one-eighth of a percent capacity is left unused.¹¹

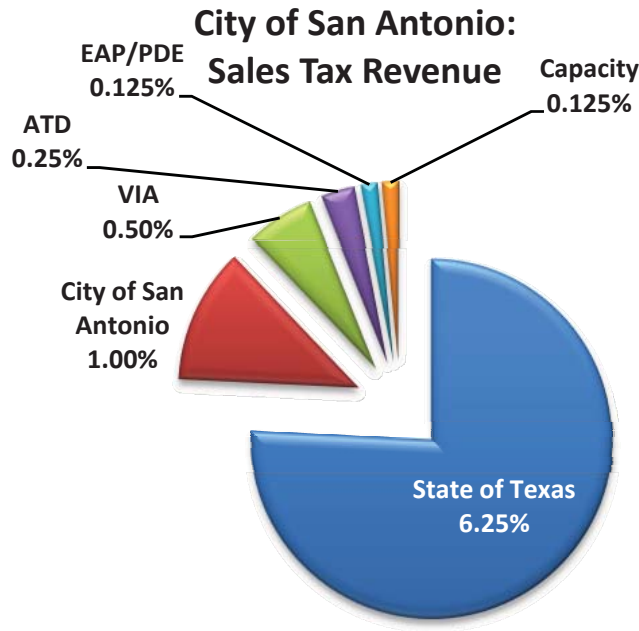
It deserves to be reiterated that San Antonio retains unused sales tax capacity that could go to fund transportation if voters saw fit.

Fort Worth: The Fort Worth Transportation Authority (The T)

Residents in Fort Worth are served by the Fort Worth Transportation Authority (The T) which receives a half percent of local sales tax revenue¹²; the remaining three-fourths of available revenue are used to help fund allocated to the city (1 percent) and a Crime Control and Prevention District Fund (0.5 percent)¹³.

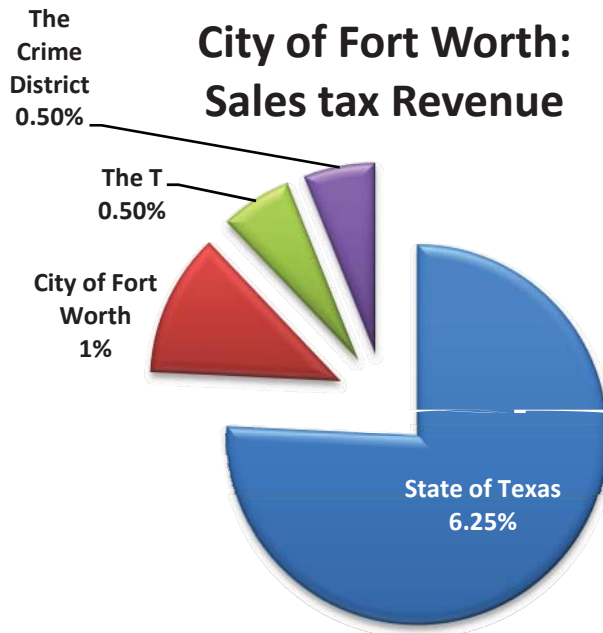
El Paso, San Antonio, and Fort Worth are three of Texas’ biggest metropolitans who—in spite of a transportation funding “crisis”—choose not to fund transit authorities to their fullest. Rather, these cities have chosen to make other areas a priority. Many cities go even farther and choose to not to participate in a transit authority altogether.

Figure 2: State and Local Sales and Use Tax Rates, City of San Antonio, TX



Source: Adopted Annual Operating & Capital Budget, FY 2009¹⁴

Figure 3: State and Local Sales and Use Tax Rates, City of Fort Worth, TX



Source: City of Fort Worth, Financial Management Services¹⁵

Transportation as a Lesser Priority

Many officials contend that Texas faces a funding “crisis” and, as such, local governments need more transportation tools to meet the challenges ahead. But the reality is that many local governments are not fully using the tools they already have—i.e. transit authorities that are not receiving all that they could.

Additionally, many communities choose not to put any local sales tax dollars towards transit authorities.

Central Texas’ MTA—Capital Metro—is a prime example. When the transit authority was first organized, it had nine founding members. Today, only five of the founding members still belong¹⁶. The other communities have shifted their focus elsewhere.

To its credit, it should be noted that Capital Metro has added other members over time, but the illustration remains valid: not all cities have acted as though a transportation funding “crisis” existed and, in fact, many have shifted their priorities to other areas.

Cities choosing to exclude themselves from funding a transit authority through local sales tax revenue are not limited to Central Texas.

Using data gathered from the North Central Texas Council of Governments, there are over 170 municipalities in the North Central Texas area who do not dedicate any portion of their local sales tax revenue to an MTA, while only 20 cities in the region have chosen to participate in the Dallas Area Rapid Transit (DART)¹⁸, the T¹⁹, or the Denton County Transportation Authority (DCTA)²⁰.

Supporters of local option legislation argue that communities across the state are struggling to find transportation dollars with the tools they have. Yet clearly, there are over 170 communities in the North Central Texas Region that represent a significant portion of the area’s population that have chosen other budget priorities, as illustrated by their lack of participation in DART, the T, or DCTA.

Texans living in these communities don’t believe transportation is a big enough issue to dedicate local sales tax revenue to, but what if they did? How much revenue could be generated if they agreed to shift budget priorities to focus on transportation?

Available Revenue: A Look at North Texas

How much revenue could the North Central Texas Region generate if every local community agreed to shift their local sales tax revenue to fully fund transportation?

Using local sales and use tax information provided by

Table 1: Capital Metro

CAPITAL METRO	
Founding Member Cities/Areas	Are They Members Today?
Austin	✓
West Lake Hills	✗
Rollingwood	✗
San Leanna	✓
Cedar Park	✗
Leander	✓
Lago Vista	✓
Pflugerville	✗
Anderson Mill area of Williamson County	✓

Source: *Approved Budget and Business Plan of Capital Metropolitan Transportation Authority*¹⁷

Table 2: Comparison of MTA Member Cities & Non-Member Cities within the Metropolitan Planning Organization Boundaries

North Central Texas Transit Authority Member/Non-Member Cities						
Member Cities						
Addison	Carrollton	Cockrell Hill	Dallas	Farmers Branch	Garland	Glenn Heights
Highland Park	Irving	Plano	Richardson	Rowlett	University Park	Fort Worth
Blue Mound	Grapevine	Richland Hills	Denton	Lewisville	Highland Village	
Non-Member Cities						
Aledo	Cedar Hill	Eules	Italy	Maypearl	Pilot Point	Sunnyvale
Allen	Celeste	Everman	Josephine	McLendon-Chisholm	Ponder	Talty
Alma	Celina	Fairview	Joshua	McKinney	Post Oak Bend	Terrell
Alvarado	Chico	Farmersville	Justin	Melissa	Princeton	The Colony
Alvord	Cleburne	Fate	Kaufman	Mesquite	Prosper	Tolar
Anna	Colleyville	Ferris	Keene	Midlothian	Quinlan	Trophy Club
Annetta	Combine	Flower Mound	Keller	Milford	Red Oak	Venus
Annetta North	Commerce	Forest Hill	Kemp	Millsap	Rhome	Watauga
Annetta South	Cool	Forney	Kennedale	Mobile City	Rio Vista	Waxahachie
Argyle	Coppell	Frisco	Krugerville	Murphy	River Oaks	Weatherford
Arlington	Copper Canyon	Garrett	Krum	Nevada	Roanoke	West Tawakoni
Aubrey	Corinth	Godley	Lake Bridgeport	New Fairview	Rockwall	Westlake
Aurora	Cottonwood	Granbury	Lake Dallas	New Hope	Rosser	Weston
Azle	Crandall	Grand Prairie	Lake Worth	Newark	Royse City	Westover Hills
Balch Springs	Cresson	Grandview	Lakeside	Neylandville	Runaway Bay	Westworth Village
Bardwell	Cross Roads	Grays Prairie	Lakewood Village	North Richland Hills	Sachse	White Settlement
Bartonville	Cross Timber	Greenville	Lancaster	Northlake	Saginaw	Willow Park
Bedford	Crowley	Hackberry	Lavon	Oak Leaf	Saint Paul	Wilmer
Benbrook	Dalworthington Gardens	Haltom City	Lincoln Park	Oak Point	Sanctuary	Wolfe City
Blue Ridge	Decatur	Haslet	Lipan	Ovilla	Sanger	Wylie
Boyd	DeSoto	Heath	Little Elm	Palmer	Sansom Park	
Briaroaks	Dish	Hebron	Lone Oak	Pantego	Scurry	
Bridgeport	Double Oak	Hickory Creek	Lowry Crossing	Paradise	Seagoville	
Burleson	Duncanville	Hudson Oaks	Lucas	Parker	Shady Shores	
Caddo Mills	Edgecliff Village	Hurst	Mabank	Pecan Hill	Southlake	
Campbell	Ennis	Hutchins	Mansfield	Pelican Bay	Springtown	

Source: North Central Texas Council of Governments, Regional Directory ²¹

the Comptroller's office (*see Appendix A*), the Foundation estimates that in calendar year 2008, more than \$300 million⁴ could have been generated for transportation if the municipalities had shifted their focus to funding transit authorities, as is currently done by several D/FW metropolitan cities.

Conclusion

There is an argument that without new tools to raise taxes and fees, local transportation needs will go unmet. The facts say otherwise.

Local governments already have a powerful array of transportation tools at their disposal—one of which is a transit authority, which a local community can create and fund by dedicating a portion of its local sales tax revenue to it.

Many cities, large and small, already use sales taxes for transit authorities to generate significant amounts of revenue for transportation. But some officials claim it's not enough and that local governments need bigger tax-raising tools.

But local communities have already cast their vote. To find evidence of this, all one has to do is look to how voters have structured their communities' local sales tax revenue.

A number of cities—both large and small—have chosen to

either underfund or eliminate sales tax revenue for transit authorities. This should send a signal to the Legislature that local communities have placed their priorities somewhere other than transportation. Regions of the state have the tools they need to raise additional transportation dollars.

Giving cities and counties additional mechanisms to raise taxes and fees for transportation projects ignores the limitations of taxpayers—a particularly harmful public policy choice during a recession.

Rather than giving local governments new opportunities to enhance their revenue options, the Legislature should call on local governments to review their budgets and eliminate waste to apply those funds towards transportation, and to consider re-prioritizing their sales tax dollars to provide for transportation — rather than other purposes.

At the state level, the Legislature should continue working towards ending the billions of dollars lost from transportation funding diversions—a move that will improve transportation funding considerably.

Rewarding misplaced priorities with more money doesn't help anyone. ★

Endnotes

¹ Texas Comptroller of Public Accounts. "Allocation Historical Summary: MTA/CTD/CTA Summaries." <http://ecpa.cpa.state.tx.us/allocation/AllocHist.jsp?jsessionid=0000AyCl-j8JdmSXTUJS36e2jCa:-1>.

² United States Census Bureau. Population Estimates Program. http://factfinder.census.gov/servlet/DTTable?_bm=y&-geo_id=04000US48&-ds_name=PEP_2008_EST&-redoLog=false&-mt_name=PEP_2008_EST_G2008_T001.

³ Bureau of Labor Statistics. Consumer Price Index, U.S. All items, 1982-84=100 <http://www.bls.gov/cpi/home.htm>.

⁴ Estimate assumes a one percent city tax levy for non-transportation uses with all remaining existing levy costs transferred to fund a transit authority.

Appendix A: Sales Tax Allocation Data for Calendar Year 2008

City	City Tax	County Tax	Special District	% of City Tax Revenue Available for Transportation	% of Special District Revenue Available for Transportation	Total Available Revenue
<u>Aledo</u>	0.015	0.005	-	33.33%	-	
	\$351,937.50	\$6,566,470.80	-	\$117,312.50	\$-	\$117,312.50
<u>Allen</u>	0.02	-	-	50%	-	
	\$20,156,179.50	-	-	\$10,078,089.75	\$-	\$10,078,089.75
<u>Alma</u>	0.0125	-	-	20%	-	
	\$50,573.68	-	-	\$10,114.74	\$-	\$10,114.74
<u>Alvarado</u>	0.02	-	-	50%	-	
	\$1,181,659.37	-	-	\$590,829.69	\$-	\$590,829.69
<u>Alvord</u>	0.015	0.005	-	33.33%	-	
	\$106,014.59	\$5,214,899.75	-	\$35,338.20	\$-	\$35,338.20
<u>Anna</u>	0.02	-	-	50%	-	
	\$707,742.97	-	-	\$353,871.49	\$-	\$353,871.49
<u>Annetta</u>	0.01	0.005	-	-	-	
	\$25,238.67	\$6,566,470.80	-	\$-	\$-	\$-
<u>Annetta North</u>	0.0125	0.005	-	20%	-	
	\$19,646.80	\$6,566,470.80	-	\$3,929.36	\$-	\$3,929.36
<u>Annetta South</u>	0.01	0.005	-	-	-	
	\$9,394.04	\$6,566,470.80	-	\$-	\$-	\$-
<u>Argyle</u>	0.0175	-	0.0025	43%	100%	
	\$469,965.91	-	\$63,437.85	\$201,413.96	\$63,437.85	\$264,851.81
<u>Arlington</u>	0.0175	-	-	43%	-	
	\$81,851,456.56	-	-	\$35,079,195.67	\$-	\$35,079,195.67
<u>Aubrey</u>	0.02	-	-	50%	-	
	\$600,522.91	-	-	\$300,261.46	\$-	\$300,261.46
<u>Aurora</u>	0.01	0.005	-	-	-	
	\$20,894.77	\$5,214,899.75	-	\$-	\$-	\$-
<u>Azle</u>	0.0125	-	0.0025	20%	100%	
	\$2,150,973.27	-	\$396,946.93	\$430,194.65	\$396,946.93	\$827,141.58
<u>Balch Springs</u>	0.02	-	-	50%	-	
	\$5,049,420.74	-	-	\$2,524,710.37	\$-	\$2,524,710.37
<u>Bardwell</u>	0.01	-	-	-	-	
	\$11,178.07	-	-	\$-	\$-	\$-
<u>Bartonville</u>	0.0175	-	-	43%	-	
	\$167,711.70	-	-	\$71,876.44	\$-	\$71,876.44
<u>Bedford</u>	0.02	-	-	50%	-	
	\$9,585,193.58	-	-	\$4,792,596.79	\$-	\$4,792,596.79
<u>Benbrook</u>	0.015	-	0.005	33%	100%	
	\$2,622,176.52	-	\$753,562.46	\$874,058.84	\$753,562.46	\$1,627,621.30
<u>Blue Ridge</u>	0.02	-	-	50%	-	
	\$71,871.03	-	-	\$35,935.52	\$-	\$35,935.52

City	City Tax	County Tax	Special District	% of City Tax Revenue Available for Transportation	% of Special District Revenue Available for Transportation	Total Available Revenue
<u>Boyd</u>	0.015	0.005	-	33%	-	
	\$453,510.55	\$5,214,899.75	-	\$151,170.18	\$-	\$151,170.18
<u>Briar Oaks</u>	0.01	-	-	-	-	
	\$14,597.21	-	-	\$-	\$-	\$-
<u>Bridgeport</u>	0.015	0.005	-	33%	-	
	\$4,770,928.92	\$5,214,899.75	-	\$1,590,309.64	\$-	\$1,590,309.64
<u>Burleson</u>	0.02	-	-	50%	-	
	\$11,385,608.92	-	-	\$5,692,804.46	\$-	\$5,692,804.46
<u>Caddo Mills</u>	0.015	0.005	-	33%	-	
	\$152,870.20	\$2,945,433.90	-	\$50,956.73	\$-	\$50,956.73
<u>Campbell</u>	0.0125	0.005	-	20%	-	
	\$22,639.46	\$2,945,433.90	-	\$4,527.89	\$-	\$4,527.89
<u>Cedar Hill</u>	0.02	-	-	50%	-	
	\$12,285,802.93	-	-	\$6,142,901.47	\$-	\$6,142,901.47
<u>Celeste</u>	0.0125	0.005	-	20%	-	
	\$53,651.17	\$2,945,433.90	-	\$10,730.23	\$-	\$10,730.23
<u>Celina</u>	0.02	-	-	50%	-	
	\$72,896.74	-	-	\$286,448.37	\$-	\$286,448.37
<u>Chico</u>	0.015	0.005	-	33%	-	
	\$624,854.77	\$5,214,899.75	-	\$208,284.92	\$-	\$208,284.92
<u>Cleburne</u>	0.015	-	-	33%	-	
	\$10,646,871.54	-	-	\$3,548,957.18	\$-	\$3,548,957.18
<u>Colleyville</u>	0.015	-	0.005	33%	100%	
	\$3,754,327.21	-	\$1,034,852.15	\$1,251,442.40	\$1,034,852.15	\$2,286,294.55
<u>Combine</u>	0.015	-	-	33%	-	
	\$23,486.86	-	-	\$7,828.95	\$-	\$7,828.95
<u>Commerce</u>	0.015	0.005	-	33%	-	
	\$1,113,412.86	\$2,945,433.90	-	\$371,137.62	\$-	\$371,137.62
<u>Cool</u>	0.01	0.005	-	0%	-	
	\$22,123.47	\$6,566,470.80	-	\$-	\$-	\$-
<u>Coppell</u>	0.0175	-	0.025	43%	100%	
	\$20,551,374.85	-	\$1,536,121.60	\$8,807,732.08	\$1,536,121.60	\$10,343,853.68
<u>Copper Canyon</u>	0.01	-	-	-	-	
	\$174,167.80	-	-	\$-	\$-	\$-
<u>Corinth</u>	0.0175	-	0.025	43%	100%	
	\$1,792,584.89	-	\$213,144.61	\$768,250.67	\$213,144.61	\$981,395.28
<u>Cottonwood</u>	-	-	-	-	-	
	-	-	-	\$-	\$-	\$-
<u>Crandall</u>	0.02	-	-	50%	-	
	\$356,161.64	-	-	\$178,080.82	\$-	\$178,080.82

City	City Tax	County Tax	Special District	% of City Tax Revenue Available for Transportation	% of Special District Revenue Available for Transportation	Total Available Revenue
<u>Cresson</u>	0.01	0.005	-	-	-	
	\$295,534.71	\$6,566,470.80	-	\$-	\$-	\$-
<u>Cross Roads</u>	0.0175	-	-	43%	-	
	\$476,011.34	-	-	\$204,004.86	\$-	\$204,004.86
<u>Cross Timber</u>	-	-	-	-	-	
	-	-	-	\$-	\$-	\$-
<u>Crowley</u>	0.015	-	0.005	33%	100%	
	\$1,321,141.61	-	\$372,574.55	\$440,380.54	\$372,574.55	\$812,955.09
<u>Dalworthington Gardens</u>	0.015	-	0.005	33%	100%	
	\$320,292.17	-	\$101,614.72	\$106,764.06	\$101,614.72	\$208,378.78
<u>Decatur</u>	0.015	0.005	-	33%	-	
	\$3,847,199.39	\$5,214,899.75	-	\$1,282,399.80	\$-	\$1,282,399.80
<u>DeSoto</u>	0.02	-	-	50%	-	
	\$6,944,720.86	-	-	\$3,472,360.43	\$-	\$3,472,360.43
<u>Dish</u>	-	-	-	-	-	
	-	-	-	\$-	\$-	\$-
<u>Double Oak</u>	0.01	-	-	-	-	
	\$95,036.70	-	-	\$-	\$-	\$-
<u>Duncanville</u>	0.02	-	-	50%	-	
	\$7,205,081.71	-	-	\$3,602,540.86	\$-	\$3,602,540.86
<u>Edgecliff Village</u>	0.01	-	-	-	-	
	\$71,611.48	-	-	\$-	\$-	\$-
<u>Ennis</u>	0.015	-	-	33%	-	
	\$4,356,259.20	-	-	\$1,452,086.40	\$-	\$1,452,086.40
<u>Eules</u>	0.0175	-	0.0025	43%	100%	
	\$12,620,520.17	-	\$1,687,930.12	\$5,408,794.36	\$1,687,930.12	\$7,096,724.48
<u>Everman</u>	0.0175	-	0.0025	43%	100%	
	\$471,143.69	-	\$53,522.63	\$201,918.72	\$53,522.63	\$255,441.35
<u>Fairview</u>	0.02	-	-	50%	-	
	\$586,462.49	-	-	\$293,231.25	\$-	\$293,231.25
<u>Farmersville</u>	0.02	-	-	50%	-	
	\$503,966.14	-	-	\$251,983.07	\$-	\$251,983.07
<u>Fate</u>	0.015	-	0.005	33%	100%	
	\$246,185.21	-	\$240,932.30	\$82,061.74	\$240,932.30	\$322,994.04
<u>Ferris</u>	0.02	-	-	50%	-	
	\$271,882.04	-	-	\$135,941.02	\$-	\$135,941.02
<u>Flower Mound</u>	0.015	-	0.005	33%	100%	
	\$8,735,126.09	-	\$834,777.18	\$2,911,708.70	\$840,370.67	\$3,752,079.37
<u>Forest Hill</u>	0.0175	-	0.025	43%	100%	
	\$2,075,965.44	-	\$279,158.13	\$889,699.47	\$279,158.13	\$1,168,857.60

City	City Tax	County Tax	Special District	% of City Tax Revenue Available for Transportation	% of Special District Revenue Available for Transportation	Total Available Revenue
<u>Forney</u>	0.02	-	-	50%	-	
	\$3,300,618.11	-	-	\$1,650,309.06	\$-	\$1,650,309.06
<u>Frisco</u>	0.02	-	-	50%	-	
	\$39,809,254.00	-	-	\$19,904,627.00	\$-	\$19,904,627.00
<u>Garrett</u>	0.01	-	-	-	-	
	\$26,335.56	-	-	\$-	\$-	\$-
<u>Godley</u>	0.02	-	-	50%	-	
	\$638,840.77	-	-	\$319,420.39	\$-	\$319,420.39
<u>Granbury</u>	0.015	0.005	-	33%	-	
	\$6,104,810.93	\$4,594,666.51	-	\$2,034,936.98	\$-	\$2,034,936.98
<u>Grand Prairie</u>	0.0175	-	0.025	43%	100%	
	\$38,295,770.52	-	\$4,851,012.56	\$16,412,473.08	\$4,851,012.56	\$21,263,485.64
<u>Grandview</u>	0.02	-	-	50%	-	
	\$405,583.17	-	-	\$202,791.59	\$-	\$202,791.59
<u>Grays Prairie</u>	0.01	-	-	-	-	
	\$3,156.54	-	-	\$-	\$-	\$-
<u>Greenville</u>	0.015	0.005	-	-	-	
	\$5,512,610.62	\$2,945,433.90	-	\$-	\$-	\$-
<u>Hackberry</u>	0.01	-	-	-	-	
	\$24,521.10	-	-	\$-	\$-	\$-
<u>Haltom City</u>	0.0175	-	0.025	43%	100%	
	\$8,819,932.85	-	\$1,197,526.29	\$3,779,971.22	\$1,197,526.29	\$4,977,497.51
<u>Haslet</u>	0.02	-	-	50%	-	
	\$866,698.29	-	-	\$433,349.15	\$-	\$433,349.15
<u>Heath</u>	0.02	-	-	50%	-	
	\$724,776.77	-	-	\$362,388.39	\$-	\$362,388.39
<u>Hebron</u>	0.005	-	-	-	-	
	\$21,482.94	-	-	\$-	\$-	\$-
<u>Hickory Creek</u>	0.0175	-	-	43%	-	
	\$1,367,389.03	-	-	\$586,023.87	\$-	\$586,023.87
<u>Hudson Oaks</u>	0.015	0.05	-	33%	-	
	\$1,442,207.25	\$6,566,470.80	-	\$480,735.75	\$-	\$480,735.75
<u>Hurst</u>	0.015	-	0.005	33%	100%	
	\$15,105,065.79	-	\$4,853,506.53	\$5,035,021.93	\$4,853,506.53	\$9,888,528.46
<u>Hutchins</u>	0.02	-	-	50%	-	
	\$1,288,575.84	-	-	\$644,287.92	\$-	\$644,287.92
<u>Italy</u>	0.02	-	-	50%	-	
	\$260,572.52	-	-	\$130,286.26	\$-	\$130,286.26
<u>Josephine</u>	0.01	-	-	-	-	
	\$16,003.76	-	-	\$-	\$-	\$-

City	City Tax	County Tax	Special District	% of City Tax Revenue Available for Transportation	% of Special District Revenue Available for Transportation	Total Available Revenue
<u>Joshua</u>	0.02	-	-	50%	-	
	\$1,067,020.68	-	-	\$533,510.34	\$-	\$533,510.34
<u>Justin</u>	0.02	-	-	50%	-	
	\$1,203,466.26	-	-	\$601,733.13	\$-	\$601,733.13
<u>Kaufman</u>	0.02	-	-	50%	-	
	\$1,523,685.46	-	-	\$761,842.73	\$-	\$761,842.73
<u>Keene</u>	0.02	-	-	50%	-	
	\$414,692.34	-	-	\$207,346.17	\$-	\$207,346.17
<u>Keller</u>	0.0175	-	0.0025	43%	100%	
	\$7,422,637.10	-	\$1,245,929.35	\$3,181,130.19	\$1,245,929.35	\$4,427,059.54
<u>Kemp</u>	0.0175	-	-	43%	-	
	\$175,041.15	-	-	\$75,017.64	\$-	\$75,017.64
<u>Kennedale</u>	0.02	-	-	50%	-	
	\$1,332,866.65	-	-	\$666,433.33	\$-	\$666,433.33
<u>Krugerville</u>	0.02	-	-	50%	-	
	\$67,899.70	-	-	\$33,949.85	\$-	\$33,949.85
<u>Krum</u>	0.0175	-	-	43%	-	
	\$252,327.26	-	-	\$108,140.25	\$-	\$108,140.25
<u>Lake Bridgeport</u>	0.015	0.005	-	33%	-	
	\$21,028.59	\$5,214,899.75	-	\$7,009.53	\$-	\$7,009.53
<u>Lake Dallas</u>	0.02	-	-	50%	-	
	\$1,082,829.13	-	-	\$541,414.57	\$-	\$541,414.57
<u>Lake Worth</u>	0.0175	-	0.0025	43%	100%	
	\$5,727,421.46	-	\$801,182.10	\$2,454,609.20	\$801,182.10	\$3,255,791.30
<u>Lakeside</u>	0.01	-	-	-	-	
	\$81,989.10	-	-	\$-	\$-	\$-
<u>Lakewood Village</u>	-	-	-	-	-	
	-	-	-	\$-	\$-	\$-
<u>Lancaster</u>	0.02	-	-	50%	-	
	\$5,559,770.27	-	-	\$2,779,885.14	\$-	\$2,779,885.14
<u>Lavon</u>	0.015	-	-	33%	-	
	\$111,280.93	-	-	\$37,093.64	\$-	\$37,093.64
<u>Lincoln Park</u>	0.02	-	-	50%	-	
	\$97,043.22	-	-	\$48,521.61	\$-	\$48,521.61
<u>Lipan</u>	0.01	0.005	-	-	-	
	\$31,496.19	\$4,594,666.51	-	\$-	\$-	\$-
<u>Little Elm</u>	0.02	-	-	50%	-	
	\$2,757,031.70	-	-	\$1,378,515.85	\$-	\$1,378,515.85
<u>Lone Oak</u>	0.0125	0.005	-	20%	-	
	\$53,616.14	\$2,945,433.90	-	\$10,723.23	\$-	\$10,723.23

City	City Tax	County Tax	Special District	% of City Tax Revenue Available for Transportation	% of Special District Revenue Available for Transportation	Total Available Revenue
<u>Lowry Crossing</u>	0.01	-	-	-	-	
	\$35,264.93	-	-	\$-	\$-	\$-
<u>Lucas</u>	0.01	-	-	-	-	
	\$163,132.62	-	-	\$-	\$-	\$-
<u>Mabank</u>	0.02	-	-	50%	-	
	\$1,131,795.63	-	-	\$565,897.82	\$-	\$565,897.82
<u>Mansfield</u>	0.02	-	-	50%	-	
	\$14,498,323.45	-	-	\$7,249,161.73	\$-	\$7,249,161.73
<u>Maypearl</u>	0.015	-	-	33%	-	
	\$86,283.80	-	-	\$28,761.27	\$-	\$28,761.27
<u>McLendon-Chisholm</u>	0.01	-	0.005		100%	
	\$9,676.53	-	\$240,932.30	\$-	\$240,932.30	\$240,932.30
<u>McKinney</u>	0.02	-	-	50%	-	
	\$33,592,023.47	-	-	\$16,796,011.74	\$-	\$16,796,011.74
<u>Melissa</u>	0.02	-	-	50%	-	
	\$1,393,022.69	-	-	\$696,511.35	\$-	\$696,511.35
<u>Mesquite</u>	0.02	-	-	50%	-	
	\$33,888,471.88	-	-	\$16,944,235.94	\$-	\$16,944,235.94
<u>Midlothian</u>	0.02	-	-	50%	-	
	\$3,698,659.39	-	-	\$1,849,329.70	\$-	\$1,849,329.70
<u>Milford</u>	0.01	-	-	-	-	
	\$10,517.80	-	-	\$-	\$-	\$-
<u>Millsap</u>	.01	.005	-	-	-	
	\$24,659.83	\$6,566,470.80	-	\$-	\$-	\$-
<u>Mobile City</u>	0.01	-	0.005	-	100%	
	\$87,496.88	-	\$240,932.30	\$-	\$240,932.30	\$240,932.30
<u>Murphy</u>	0.02	-	-	50%	-	
	\$1,249,623.63	-	-	\$624,811.82	\$-	\$624,811.82
<u>Nevada</u>	0.0175	-	-	43%	-	
	\$46,904.13	-	-	\$20,101.77	\$-	\$20,101.77
<u>New Fairview</u>	0.015	0.005	-	33%	-	
	\$696,538.43	\$5,214,899.75	-	\$232,179.48	\$-	\$232,179.48
<u>New Hope</u>	0.01	-	-	-	-	
	\$17,810.54	-	-	\$-	\$-	\$-
<u>Newark</u>	0.015	-	-	33%	-	
	\$68,069.82	-	-	\$22,689.94	\$-	\$22,689.94
<u>Neylandville</u>	0.01	0.005	-	-	-	
	\$38,019.22	\$2,945,433.90	-	\$-	\$-	\$-
<u>North Richland Hills</u>	0.015	-	0.005	33%	100%	
	\$13,220,143.78	-	\$4,150,341.11	\$4,406,714.59	\$4,150,341.11	\$8,557,055.70

City	City Tax	County Tax	Special District	% of City Tax Revenue Available for Transportation	% of Special District Revenue Available for Transportation	Total Available Revenue
<u>Northlake</u>	0.02	-	-	50%	-	
	\$404,696.46	-	-	\$202,348.23	\$-	\$202,348.23
<u>Oak Leaf</u>	0.0175	-	-	43%	-	
	\$29,511.24	-	-	\$12,647.67	\$-	\$12,647.67
<u>Oak Point</u>	0.0175	-	-	43%	-	
	\$126,146.51	-	-	\$54,062.79	\$-	\$54,062.79
<u>Ovilla</u>	0.0175	-	-	43%	-	
	\$162,134.07	-	-	\$69,486.03	\$-	\$69,486.03
<u>Palmer</u>	0.02	-	-	50%	-	
	\$169,803.57	-	-	\$84,901.79	\$-	\$84,901.79
<u>Pantego</u>	0.02	-	-	50%	-	
	\$2,334,132.75	-	-	\$1,167,066.38	\$-	\$1,167,066.38
<u>Paradise</u>	0.015	0.005	-	33%	-	
	\$83,954.13	\$5,214,899.75	-	\$27,984.71	\$-	\$27,984.71
<u>Parker</u>	0.01	-	-	-	-	
	\$133,145.56	-	-	\$-	\$-	\$-
<u>Pecan Hill</u>	0.01	-	-	-	-	
	\$5,364.66	-	-	\$-	\$-	\$-
<u>Pelican Bay</u>	0.01	-	-	-	-	
	\$4,174.49	-	-	\$-	\$-	\$-
<u>Pilot Point</u>	0.02	-	-	50%	-	
	\$780,045.42	-	-	\$390,022.71	\$-	\$390,022.71
<u>Ponder</u>	0.0175	-	-	43%	-	
	\$198,903.92	-	-	\$85,244.54	\$-	\$85,244.54
<u>Post Oak Bend</u>	0.015	-	-	33%	-	
	\$5,933.69	-	-	\$1,977.90	\$-	\$1,977.90
<u>Princeton</u>	0.02	-	-	50%	-	
	\$738,341.67	-	-	\$369,170.84	\$-	\$369,170.84
<u>Prosper</u>	0.02	-	-	50%	-	
	\$1,742,461.62	-	-	\$871,230.81	\$-	\$871,230.81
<u>Quinlan</u>	0.015	0.005	-	33%	-	
	\$843,487.57	\$2,945,433.90	-	\$281,162.52	\$-	\$281,162.52
<u>Red Oak</u>	0.02	-	-	50%	-	
	\$1,712,016.97	-	-	\$856,008.49	\$-	\$856,008.49
<u>Rhome</u>	0.015	0.005	-	33%	-	
	\$229,934.02	\$5,214,899.75	-	\$76,644.67	\$-	\$76,644.67
<u>Rio Vista</u>	0.015	-	-	33%	-	
	\$163,901.39	-	-	\$54,633.80	\$-	\$54,633.80
<u>River Oaks</u>	0.015	-	0.005	33%	100%	
	\$469,960.47	-	\$129,733.93	\$156,653.49	\$129,733.93	\$286,387.42

City	City Tax	County Tax	Special District	% of City Tax Revenue Available for Transportation	% of Special District Revenue Available for Transportation	Total Available Revenue
<u>Roanoke</u>	0.02	-	-	50%	-	
	\$8,472,289.64	-	-	\$4,236,144.82	\$-	\$4,236,144.82
<u>Rockwall</u>	0.02	-	-	50%	-	
	\$13,061,171.51	-	-	\$6,530,585.76	\$-	\$6,530,585.76
<u>Rosser</u>	0.01	-	-	-	-	
	\$4,716.02	-	-	\$-	\$-	\$-
<u>Royse City</u>	0.02	-	-	50%	-	
	\$1,089,458.04	-	-	\$544,729.02	\$-	\$544,729.02
<u>Runaway Bay</u>	0.015	0.005	-	33%	-	
	\$65,163.28	\$5,214,899.75	-	\$21,721.09	\$-	\$21,721.09
<u>Sachse</u>	0.015	-	-	33%	-	
	\$15,663,220.81	-	-	\$5,221,073.60	\$-	\$5,221,073.60
<u>Saginaw</u>	0.01625	-	0.00375	38%	100%	
	\$4,608,783.15	-	\$1,162,353.86	\$1,772,608.90	\$-	\$1,772,608.90
<u>Saint Paul</u>	0.01	-	-	-	-	
	\$30,054.52	-	-	\$-	\$-	\$-
<u>Sanctuary</u>	0.0125	0.005	-	20%	-	
	\$18,532.48	\$6,566,470.80	-	\$3,706.50	\$-	\$3,706.50
<u>Sanger</u>	0.02	-	-	50%	-	
	\$872,370.72	-	-	\$436,185.36	\$-	\$436,185.36
<u>Sansom Park</u>	0.015	-	0.005	33%	100%	
	\$257,409.02	-	\$64,064.84	\$85,803.01	\$64,064.84	\$149,867.85
<u>Scurry</u>	0.01	-	-	-	-	
	\$21,422.11	-	-	\$-	\$-	\$-
<u>Seagoville</u>	0.02	-	-	50%	-	
	\$2,774,134.67	-	-	\$1,387,067.34	\$-	\$1,387,067.34
<u>Shady Shores</u>	0.01	-	-	-	-	
	\$62,643.10	-	-	\$-	\$-	\$-
<u>Southlake</u>	0.015	-	0.005	33%	100%	
	\$14,519,650.90	-	\$4,559,260.70	\$4,839,883.63	\$4,559,260.70	\$9,399,144.33
<u>Springtown</u>	0.015	0.005	-	33%	-	
	\$898,168.65	\$6,566,470.80	-	\$299,389.55	\$-	\$299,389.55
<u>Sunnyvale</u>	0.02	-	-	50%	-	
	\$2,089,751.68	-	-	\$1,044,875.84	\$-	\$1,044,875.84
<u>Talty</u>	0.0175	-	-	43%	-	
	\$54,821.71	-	-	\$23,495.02	\$-	\$23,495.02
<u>Terrell</u>	0.02	-	-	50%	-	
	\$7,200,897.16	-	-	\$3,600,448.58	\$-	\$3,600,448.58
<u>The Colony</u>	0.02	-	-	50%	-	
	\$5,916,751.00	-	-	\$2,958,375.50	\$-	\$2,958,375.50

City	City Tax	County Tax	Special District	% of City Tax Revenue Available for Transportation	% of Special District Revenue Available for Transportation	Total Available Revenue
<u>Tolar</u>	0.015	0.005	-	33%	-	
	\$70,811.68	\$4,594,666.51	-	\$23,603.89	\$-	\$23,603.89
<u>Trophy Club</u>	0.002	-	-	50%	-	
	\$958,166.01	-	-	\$479,083.01	\$-	\$479,083.01
<u>Venus</u>	0.0175	-	-	43%	-	
	\$251,644.41	-	-	\$107,847.60	\$-	\$107,847.60
<u>Watauga</u>	0.015	-	0.005	33%	100%	
	\$3,900,317.64	-	\$1,192,934.64	\$1,300,105.88	\$1,192,934.64	\$2,493,040.52
<u>Waxahachie</u>	0.02	-	-	50%	-	
	\$10,934,925.72	-	-	\$5,467,462.86	\$-	\$5,467,462.86
<u>Weatherford</u>	0.015	0.005	-	33%	-	
	\$8,899,445.09	\$6,566,470.80	-	\$2,966,481.70	\$-	\$2,966,481.70
<u>West Tawakoni</u>	0.015	0.005	-	33%	-	
	\$142,087.81	\$2,945,433.90	-	\$47,362.60	\$-	\$47,362.60
<u>Westlake</u>	0.02	-	-	50%	-	
	\$3,618,887.61	-	-	\$1,809,443.81	\$-	\$1,809,443.81
<u>Weston</u>	0.01	-	-	-	-	
	\$3,101.48	-	-	\$-	\$-	\$-
<u>Westover Hills</u>	-	-	-	-	-	
	-	-	-	\$-	\$-	\$-
<u>Westworth Village</u>	0.015	-	0.005	33%	100%	
	\$1,374,539.45	-	\$460,050.55	\$458,179.82	\$460,050.55	\$918,230.37
<u>White Settlement</u>	0.015	-	0.005	33%	100%	
	\$2,803,179.54	-	\$873,618.75	\$934,393.18	\$873,618.75	\$1,808,011.93
<u>Willow Park</u>	0.015	0.005	-	33%	-	
	\$666,850.81	\$6,566,470.80	-	\$222,283.60	\$-	\$222,283.60
<u>Wilmer</u>	0.02	-	-	50%	-	
	\$170,935.33	-	-	\$85,467.67	\$-	\$85,467.67
<u>Wolfe City</u>	0.01	0.005	-	-	-	
	\$56,039.95	\$2,945,433.90	-	\$-	\$-	\$-
<u>Wylie</u>	0.02	-	-	50%	-	
	\$5,207,168.92	-	-	\$2,603,584.46	\$-	\$2,603,584.46
TOTAL						\$326,170,787.60*

Source: Texas Comptroller of Public Accounts, Local Sales and Use Tax, Allocation, Payment, Historical Summary²²

* Grand total includes sales tax collections from Hood, Hunt, Parker, and Wise counties.

ENDNOTES

- ¹ Senate Journal, Tuesday, April 14, 2009. <http://www.journals.senate.state.tx.us/sjrn/81r/pdf/81RSJ04-14-F.PDF#page=11>
- ² Texas Comptroller Susan Combs, "Rate Details and Other Information," Window on State Government, <http://www.window.state.tx.us/taxinfo/local/index.html>
- ³ Texas Comptroller Susan Combs, "Local Sales and Use Tax," Window on State Government. <http://www.window.state.tx.us/taxinfo/local/index.html>
- ⁴ City of El Paso, "General Fund Revenue and Expenditure Summary," pg.95: http://www.elpasotexas.gov/omb/_documents/fy2009_budget/5%20-%20Fin%20Summ.pdf
- ⁵ Ibid.
- ⁶ City of El Paso Mass Transit History. <http://www.elpasotexas.gov/sunmetro/sunhis.asp>
- ⁷ City of El Paso State Government, "General Fund Revenue and Expenditure Summary," pg.95: http://www.elpasotexas.gov/omb/_documents/fy2009_budget/5%20-%20Fin%20Summ.pdf
- ⁸ San Antonio Metropolitan Transit "VIA Facts & Figures," <http://www.viainfo.net/Organization/Facts.aspx>
- ⁹ Ibid
- ¹⁰ Ibid
- ¹¹ City of San Antonio Texas "Adopted Annual Operating & Capital Budget for Fiscal Year 2009," <http://www.sanantonio.gov/budget/pdf/Fy2009/FY%202009%20Adopted%20Budget%20Document%20web%20v2.pdf>
- ¹² City of Fort Worth, Financial Management Services Homepage, Tax Information, <http://www.fortworthgov.org/finance/>
- ¹³ Ibid.
- ¹⁴ City of San Antonio Texas "Adopted Annual Operating & Capital Budget for Fiscal Year 2009," pg 68: <http://www.sanantonio.gov/budget/pdf/Fy2009/FY%202009%20Adopted%20Budget%20Document%20web%20v2.pdf>
- ¹⁵ City of Fort Worth, Financial Management Services Homepage, Tax Information, <http://www.fortworthgov.org/finance/>
- ¹⁶ Austin Metro "Approved Budget and Business Plan," <http://www.capmetro.org/docs/FY2009Budget.pdf> 17
- ¹⁷ Ibid
- ¹⁸ Texas Comptroller Susan Combs, "Rate Details and Other Information," Window on State Government, <http://www.window.state.tx.us/taxinfo/local/index.html>
- ¹⁹ <http://www.grapevintexas.gov/Portals/0/Administrative%20Services/Grapevine%20FY08%20Budget.pdf> and <http://www.window.state.tx.us/taxinfo/local/index.html>
- ²⁰ Denton County Transportation Authority (DCTA), <http://www.dcta.net/>
- ²¹ Texas Comptroller Susan Combs, "Transit Sales and Use Tax," Window on State Government, <http://www.window.state.tx.us/taxinfo/local/index.html>
- ²² Texas Comptroller Susan Combs, "Local Sales Tax Rate Search," Window on State Government, <http://ecpa.cpa.state.tx.us/taxrates/RateCalc.jsp;jsessionid=0000KZ6mdLNDr6Clax20Io0UOv0:-1>



About the Authors

The Honorable Talmadge Heflin is the Director of the Texas Public Policy Foundation's Center for Fiscal Policy. For 11 terms, Talmadge served the people of Harris County as a state representative. Well regarded as a legislative leader on budget and tax issues by Democratic and Republican speakers alike, he for several terms was the only House member to serve on both the Ways and Means and Appropriations committees.

In the 78th Session, Talmadge served as chairman of the House Committee on Appropriations. He navigated a \$10 billion state budget shortfall through targeted spending cuts that allowed Texans to avoid a tax increase.

James Quintero is a fiscal policy analyst at the Texas Public Policy Foundation. He joined the Foundation's Center for Fiscal Policy in March 2008 and contributes to the following issues: restricting the growth of taxation; appropriations reform; increasing governmental transparency at both the state and local level; and instituting expenditure limits.

Prior to joining the Foundation, James completed his Master's of Public Administration degree with an emphasis in Public Finance at Texas State University–San Marcos. His Applied Research Project, "Regional Economic Development: An Economic Base Study and Shift-Share Analysis of Hays County, Texas" is currently featured on the TSU website. During the course of his graduate studies, he also worked as a Graduate Research Assistant for the university's Scholarships and Financial Aid Administration Department.

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