

## Robert Myers

---

**From:** Jeffrey C. Hodges <jhodges@tarrantcounty.com>  
**Sent:** Wednesday, July 22, 2020 2:50 PM  
**To:** Robert Myers  
**Subject:** Collection Percentages

**<EXTERNAL EMAIL> This email originated from outside of the organization. Please review the sender information and email content for legitimacy before clicking links or opening attachments.**



### TARRANT COUNTY TAX OFFICE

100 E Weatherford St, Room 105  
Fort Worth, Texas 76196-0301  
817-884-1100

[Taxoffice@tarrantcounty.com](mailto:Taxoffice@tarrantcounty.com)

**Wendy Burgess**  
**Tax Assessor-Collector**

July 21, 2020

Mr. Robert Myers  
Budget Director  
City of North Richland Hills  
4301 City Point Dr.  
North Richland Hills TX 76180

### **Re: Certified Estimate of Anticipated Collection Rate for Tax Year 2020**

Dear Mr. Myers:

Texas Tax Code Sec. 26.04(b) requires your Tax Collector to certify your entity's anticipated collection rate for the current year. New law now requires the collector to look at the preceding three years to determine that rate. (Sec. 26.04(h-1))

To find the estimated collection rate, the collector must first estimate the taxing unit's total debt collections from July 1 of the current year through June 30 of the next year. This estimate equals the total tax dollars that will be collected for current debt taxes, delinquent taxes, special appraisal rollback taxes (e.g. agriculture, etc.), penalties and interest. The anticipated collection rate of a taxing unit is a rate certifies by the collector and can be no lower than the lowest actual collection rate of the taxing unit for any of the preceding three years and may even exceed 100%.

The collector compares this amount to what the taxing unit plans to levy for paying debt service in the current fiscal year.

Dividing the estimated collections by the required debt payments gives the estimated collection rate. *For example, the collector projects the taxing unit will take in \$950,000 in debt revenues before July 1 of next year. The taxing unit's budget calls for it to levy \$1 million in debt service taxes for the current year. The anticipated collection rate is \$950,000 divided by \$1 million, or 95 percent.*

Using an anticipated collection rate of less than 100 percent in the calculations creates a higher debt levy than necessary to service the debt. Delinquent taxes from prior years may generate more than a 100 percent rate

If the actual collection rate for 2019 exceeded the anticipated rate for that year, the collector must also certify the amount of debt taxes collected in excess of the anticipated rate. When calculating the debt rate for 2020, the rate must be adjusted to compensate for any excess debt collections in 2019.

Your taxing unit's actual collection rates for the preceding three years are:

|         |        |        |
|---------|--------|--------|
| 2017    | 2018   | 2019   |
| 100.04% | 99.96% | 98.45% |

**Based on the data above, the estimated anticipated collection rate for your entity for tax year 2020 is 100.00%**

**Your excess debt collection for the 2019 tax year is \$0.00.**

If I may be of further assistance to you, please call me at (817) 884-1082 or email [jhodges@tarrantcounty.com](mailto:jhodges@tarrantcounty.com).

Sincerely,

Jeff Hodges, CTA, PCC  
Assessment Manager  
Office of Wendy Burgess  
Tarrant County Tax Assessor-Collector