

## **CITY OF HELOTES SALES AND USE TAX SPECIAL ELECTION**

On July 22, 2021, the Helotes City Council approved [Ordinance No. 21-12](#), authorizing a special election to be held on November 2, 2021, on a proposition to vote for or against an increase in the local sales and use tax rate by 0.25% (quarter-cent). This would bring the total sales and use tax rate in the city from 8.00% to 8.25%.

### **SALES AND USE TAX FAQs**

The City of Helotes currently has 0.25% (quarter-cent) of local sales and use tax capacity available. Increases in the local sales and use tax rate must be approved by the registered voters of the city and can be adopted in one-eighth of one cent increments.

#### ***Q - What is a sales and use tax?***

A - In Texas, sales tax is applied to the purchase of most goods and services. Texas sales tax varies by location. There is a statewide sales tax of 6.25%. In addition, local taxing jurisdictions such as cities, can impose a sales tax of up to 2.00%, for a maximum tax rate of 8.25%.

#### ***Q - What is the current sales and use tax rate in Helotes?***

A - The current total sales and use tax rate in the City of Helotes is 8.00%. If the proposed additional sales and use tax of 0.25% (quarter-cent) is approved by Helotes voters during the November 2, 2021, election, the rate would increase to 8.25%.

The current sales and use tax rate for Helotes breaks down as follows:

- 6.25% - State of Texas;
- 0.50% - City of Helotes Economic Development Corporation (HEDC);
- 1.00% - City of Helotes General Fund; and
- 0.25% - City of Helotes Street Maintenance, reauthorized by voters in May 2019.

#### ***Q - If approved by Helotes voters, what would the revenue from the new quarter-cent sales and use tax be used for?***

A - The proposed quarter-cent sales and use tax revenue would increase the City of Helotes General Fund from 1.00% to 1.25%. Proceeds in the General Fund pay for services that include police, fire, the maintenance and beautification of city parks, public works, special community events, and certain infrastructure improvements. The additional quarter-cent sales and use tax will continue to be used for these purposes.

***Q - How much revenue is a quarter-cent sales and use tax expected to generate?***

A - If approved, the quarter-cent would generate approximately \$300,000.00 in revenue during Fiscal Year 2021-2022.

***Q - If disapproved by Helotes voters, what would be the effect?***

A - A vote against the proposed quarter-cent sales and use tax may cause revenue loss and possible negative impacts on city services.

***Q - Will my property tax rate change?***

A - No, this election has nothing to do with property tax rates in Helotes.

***Q - What is the ballot question?***

A - At the November 2, 2021, election, voters may vote “FOR” or “AGAINST” the proposition:

“The adoption of a local sales and use tax in the City of Helotes at the rate of one and one quarter percent (1.25%).”

***Q - What are the current sales and use tax rates of neighboring cities?***

A – Below are the current sales and use tax rates of a few neighboring cities:

- Boerne 8.25%
- Bandera 8.25%
- Castroville 8.25%
- Leon Valley 8.25%
- Shavano Park 8.25%
- Hollywood Park 8.25%
- San Antonio 8.25%

***Q - Where else can I find information on the sales and use tax in Texas?***

A – For more information, visit the [Texas Comptroller of Public Accounts website](#).