

ORDINANCE 70
SALES AND USE TAX 1% INCREASE

AN ORDINANCE OF THE CITY OF THE LOG CABIN, TEXAS AMENDING THE SALES AND USE TAX FROM 7.25% TO 8.25%, WHICH WAS VOTED IN FAVOR OF DURING THE MAY 1ST 2021 ELECTION BY THE MAJORITY OF THE VOTERS OF LOG CABIN CITY, TEXAS.

SECTION I: REQUIREMENTS OF THE COMPTROLLER'S OFFICE

To notify businesses, and for the sales tax increase to go into effect, the city needs to pass an ordinance stating that it was approved and specify how the 1% percent is to be used. Then the election results, this ordinance, and minutes from the meeting will be sent to the Comptroller so that that office can notify the businesses of the rate change in the City of Log Cabin. Once this is completed it will go into effect October 1, 2021.

SECTION II: SALES TAX INCREASES AND USES

Use of the 1% increase is limited to the following categories:

- A. Economic development
- B. Municipal Development
- C. Property tax relief
- D. Sports and Community venue
- E. Street maintenance and repair

The City Council of Log Cabin City chose to use it on street maintenance and repair. A resolution must be passed by the city council every four years in September to approve the next use of the sales tax increase. It can remain the same or be changed, limited to the categories above, by the city council. The next resolution will need to be completed September 2025 and every 4 years after that.

SECTION III: REVIEW AND UPDATE

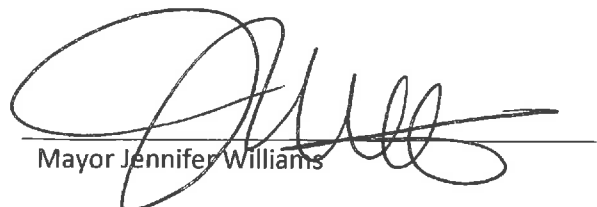
Per Texas Tax Code Sec. 327.007. REAUTHORIZATION OF TAX. (a) Unless imposition of the sales and use tax authorized by this chapter is reauthorized as provided by this section, the tax expires on: (1) the fourth anniversary of the date the tax originally took effect under Section 327.005

It is the responsibility of the City of Log Cabin to stay current and aware of any categories that may be added, removed, or updated. See Texas State Tax Code. If there are any changes, this ordinance will need to be updated to correspond with the State Law and Comptroller's office.

Let it be known that on the 27th day of May 2021 that the City Council of Log Cabin City passed and approved this ordinance for the 1% sales and use tax increase to be used on street maintenance and repair for the fiscal years of October 2021 through September of 2025.



City Secretary Leara Thorp



Mayor Jennifer Williams