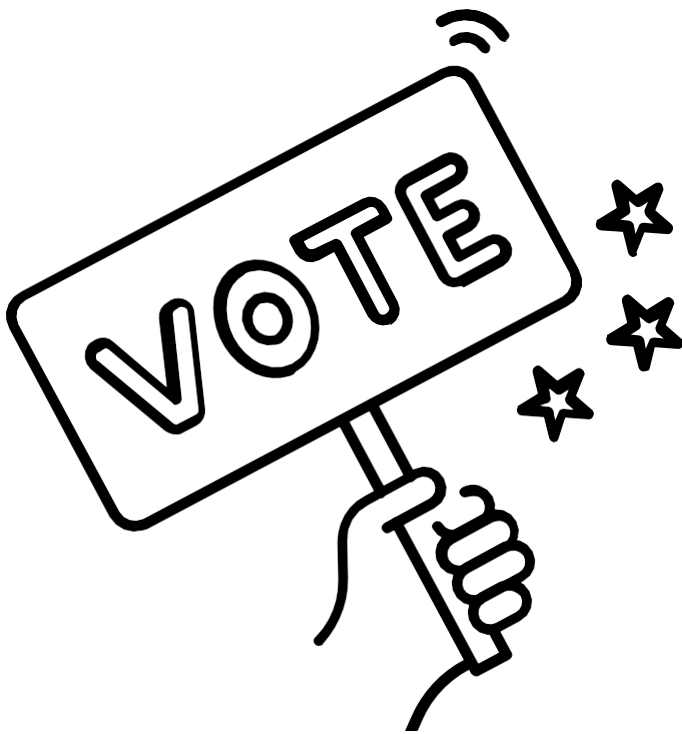


**City of
Shallowater
May 7, 2022
Special Election
Sales Tax
Proposition A
Information**



**SALES AND USE TAX
SPECIAL ELECTION**

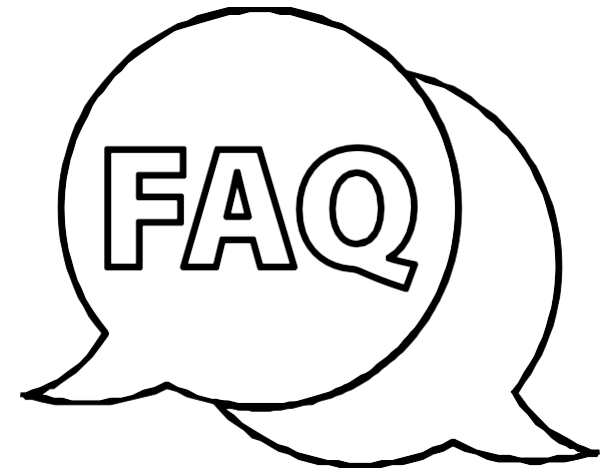
The Shallowater City Council voted to call a Special Election on May 7, 2022 on a proposition to vote for or against an increase in the local sales and use tax rate by 0.50% (half-cent). This would bring the total sales and use tax rate in the city from 7.75% to 8.25%.

EARLY VOTING: APRIL 25 - MAY 3

ELECTION DAY: SATURDAY, MAY 7

DEADLINE TO REGISTER: APRIL 7

The purpose of this FAQ brochure is to provide factual information.



**MAY 7, 2022
SPECIAL ELECTION
SALES TAX
PROPOSITION A**



SALES AND USE TAX FAQ

The City of Shallowater currently has **0.50% (half-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 Shallowater?

A - The current total sales and use tax rate in the City of Shallowater is 7.75%. If the proposed additional sales and use tax of 0.50% (half-cent) is approved by City of Shallowater voters during the May 7, 2022, election, the rate would increase to 8.25%. The current sales and use tax rate for Shallowater breaks down as follows:

- 6.25% State of Texas;
- 0.50% Lubbock County;
- and 1.00% City of Shallowater General Fund

Q - If approved by the City of Shallowater voters, what would the revenue from the new half-cent sales and use tax be used for?

A - The proposed half-cent sales and use tax revenue would increase the amount of Sales and Use tax the City of Shallowater receives from the State Comptroller from 1.00% to 1.50%. The General Fund pays for public safety services that include Fire, Police, and EMS, in addition to streets, Municipal Court, Young City Park, and other governmental activities. The additional half-cent sales and use tax will continue to be used for these purposes.

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

A - If approved, the half-cent would generate approximately \$95,000 in additional sales tax revenue during Fiscal Year 2022-2023.

Q - If disapproved by the City of Shallowater voters, what would be the effect?

A - A vote against the proposed half-cent sales and use tax will equal less revenue for the City of Shallowater.

Q - Will my property tax rate change?

A - No, this election has nothing to do with property tax rates in the City of Shallowater.

Q - What is the ballot question?

A - At the May 7, 2022, election, voters may vote "FOR" or "AGAINST" the proposition:

"A sales and use tax is adopted with the city at the rate of one and one-half (1.5)percent ."

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:

- Abernathy 8.25%
- Brownfield 8.25%
- Idalou 8.25%
- Littlefield 8.25%
- Lubbock 8.25%
- New Deal 8.25%
- Slaton 8.25%
- Wolfforth 8.25%

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

A - Please visit the Texas Comptroller of Public Accounts website for more information.

<https://comptroller.texas.gov/taxes/sales/>
