

SALES AND USE TAX- SPECIAL ELECTION

MAY 4, 2024



What is the purpose of a Sales and Use Tax?

- The purpose of sales and use taxes is to generate revenue for state and local governments. These taxes can fund various public services, such as infrastructure projects, education, healthcare, and other government functions.



ECONOMIC DEVELOPMENT CORPORATION

- In the summer of 2023 the Daingerfield Economic Development Corporation brought a proposition to the City Council to adopt a sales and use tax that would split the revenue between a property tax discount for residents and the Daingerfield Economic Development Corporation Type B to fund community improvement projects in the City of Daingerfield. The City Council voted to place the proposition before the Citizens for approval at the May 4, 2024 election.
- While this proposal does not introduce a new tax, it aims to modify the existing property tax discount, enabling a portion of the sales tax to be allocated to the Daingerfield Economic Development Corporation-Type B



ABOUT THE BALLOT

- There is one proposition on the Sales and Use Tax Ballot. Voters will have the option to vote "for" or "against" the proposition.



KEY ELECTION DATES

- Register to vote by April 4
- Early Voting, April 22-26 & 29-30
- Election Day, Saturday, May 4

ABOUT TYPE B ECONOMIC DEVELOPMENT PROJECTS

Type B corporations, specifically Economic Development Corporations (EDCs), have the authority to finance a diverse array of projects, covering land, buildings, equipment, and facilities. This includes targeted infrastructure and improvements for sports and athletic facilities, tourism and entertainment facilities, convention facilities, public parks, and affordable housing. Additionally, Type B EDCs can allocate funds for related amenities like stores, restaurants, concessions, parking, transportation facilities, and associated street, water, and sewer facilities.

In a broader scope, Type B EDCs are empowered to support public safety facilities, recycling facilities, streets, roads, drainage, and related improvements. Their mandate extends to general municipally owned improvements, as well as covering maintenance and operating costs associated with various projects.

ABOUT THE PROPOSITION

- The Ordinance ordering the Special Election-Abolish- Approve a Sales and Use Tax may be viewed <https://cityofdaingerfield.com/elections>

PROPOSITION

“The lowering of the current one-half (1/2) of one percent sales and use tax allocated for property tax relief to one-fourth (1/4) of one percent and to thereby adopt a sales and use tax of one-fourth (1/4) of one percent to be used to reduce the property tax rate and the adoption of a Local Government Code Section 505.251 sales and use tax of one-fourth (1/4) of one percent to undertake projects authorized by and described in Section 505 of the Development Corporation Act”

BREAKDOWN OF PROPOSITION

(A vote **For** the Proposition is a vote to reduce the current one-half (1/2) of one percent sales and use tax allocated for property tax relief to one-fourth (1/4) of one percent and to adopt a Local Government Code Section 505.251 sales and use tax of one-half (1/2) of one percent to undertake economic development projects authorized by and described in Section 505 of the Development Corporation Act)

(A vote **Against** the Proposition is a vote against reducing the current one-half (1/2) of one percent sales and use tax allocated for property tax relief to one-fourth (1/4) of one percent and a vote against adopting a Local Government Code Section 505.251 sales and use tax of one-fourth (1/4) of one percent to undertake economic development projects authorized by and described in Section 505 of the Development Corporation Act).