



Legislation Text

File #: 22-4761, **Version:** 1

Resolution - A Resolution Authorizing a Contract Between the City of Mansfield, Texas and Tarrant County and the County's Tax Assessor/Collector for the Collection of the City of Mansfield, Texas Tax Collection Services

Approve the Contract between the City of Mansfield, Texas and Tarrant County and the County's Tax Assessor/Collector, to collect property taxes on behalf of the City of Mansfield, Texas

Staff recommends that the City Council of the City of Mansfield, Texas approve the Contract by authorizing the City Manager or his designee to enter into a contract with Tarrant County and the County's Tax Assessor/Collector for the City's tax collection services.

Over 20 years ago, the City of Mansfield, Texas managed its own tax collection office until the City contracted with Tarrant County's tax collection office for the collection of the City's property taxes. The decision was determined on the costs of the City providing the collection services compared to the cost of Tarrant County providing the collection services. Tarrant County was able to provide the services at a cost below what the City's cost of services were at the time. This is still true today.

City staff performs a simple analysis every year to determine if this cost of service is more economical for the City's taxpayer whether the service is provided by the County or the City. Staff has reviewed the decision model again and concluded that it is more economical for the City to contract with the County's Tax office for the collection of the City's property taxes than it is for the City of Mansfield, Texas re-establish its own Tax Collection Office. The cost per account is \$0.98 cents per account within Tarrant County and the cost per account outside Tarrant County, Johnson and Ellis County, is \$2.00 per account. According to the latest collection figures provided by Tarrant County, the City has 63,415 total tax accounts. Through discussions with the County's Tax office, the City has 7,559 accounts outside Tarrant County. This means there are 55,856 accounts within Tarrant County with the remaining accounts in Johnson and Ellis County. The math projects the total cost of these services to be \$69,856.88 for fiscal year 2023 (\$54,738.88 Tarrant County + \$15,118.00 Johnson/Ellis County).

General Fund

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