

Brenham | Washington County Economic Development

Quarterly Newsletter

Volume 5, Issue 1

Spring, 2024

The Connection Between Sales Tax and Economic Development

Sales tax revenue seems to be a bit of a mystery in our community. My goal is to provide a little history and information, and show the connection between sales tax and Economic Development.

When you shop in Brenham, you pay 8.25% in sales tax

My research shows that taxing goods started 4,000 years ago in Ancient Egypt, but really took on a new life in Rome with Julius Caesar. Although Texas had a sales tax for limited items, it wasn't until 1961 when the first broad-based tax was enacted. This general sales tax, currently at 6.25% for State revenue, became the foundation of the Texas tax system. Municipal sales tax began in 1967, and currently, the maximum local rate is 2.00%.

When you shop in Brenham, you pay 8.25% in sales tax. This is the breakdown:

Current Sales Tax in Brenham, TX

State Tax	6.25%
Washington County	.50%
Brenham, TX	1.50%
TOTAL	8.25%

In 1995, Brenham sales tax was 1.00%, but voters approved taking an additional .50% which is broken down as .125% to use for property tax relief and .375% to use for economic development (Type B) activity.

That .375% is managed by the Brenham Community Development Corporation (BCDC) and funds from this amount are dispersed as follows:

- 35% Economic Development
- 65% Community Recreation

Those percentages may seem low, but they translate into millions of dollars.

Sales Tax Revenue Over The Years (Charts on page 3)

City of Brenham

2021	\$7,965,560
2022	\$9,156,877
2023	\$9,743,231
2024 Adopted Budget	\$9,727,487

Washington County

2021	\$3,576,154
2022	\$4,324,193
2023	\$4,715,863
2024 Adopted Budget	\$4,580,000

Does sales tax revenue impact property tax revenue? YES!!

Continued on p. 2

CONSOLIDATED TAX COLLECTIONS OF WASHINGTON COUNTY
2023 TAX STATEMENT
DYANN WHITE, TAX ASSESSOR-COLLECTOR

Make checks payable to:
 CONSOLIDATED TAX COLLECTIONS
 OF WASHINGTON COUNTY
 P.O. BOX 2199
 BRENHAM, TEXAS 77834-2199
 (979)277-3740

SAMPLE

Owner Name and Address
XXX

Prop ID Number XXXXXX	Geographical ID 3803-003-00600
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If Paid in Month	Tax Due
October 2023	4,051.89
November 2023	4,064.26
December 2023	4,076.63
January 2024	4,089.00
February 2024	4,375.24
March 2024	4,457.02
April 2024	4,538.78
May 2024	4,620.56
June 2024	4,702.37

In January Pay
4,089.00

Taxes are payable October 1, 2023 and become delinquent on February 1, 2024

DETACH HERE AND RETURN WITH PAYMENT
 RETAIN THIS PORTION FOR YOUR RECORDS

DYANN WHITE
 TAX ASSESSOR-COLLECTOR
 Phone: 979-277-3740

PROPERTY ID NUMBER
XXXXX

NAME & ADDRESS	PROPERTY DESCRIPTION	PROPERTY GEOGRAPHICAL ID
Owner ID: XXXXXXXX Pct: 100.000%	XXXX - Liberty Village S/D, BLOCK XXXXXXXXXXXXXXXX	XXXXXXXXXX-003-00600

CITY TAXES REDUCED BY SALES TAX 130.96
 COUNTY TAXES REDUCED BY SALES TAX 228.56

LAND MARKET VALUE	IMPROVEMENT	APPRaised VALUE	HOMESTEAD EXEMPTION	OTHER EXEMPTION	TAXABLE VALUE	RATE PER \$100	TAX DUE
50,000	244,950	294,950	0	0	294,950	1.35205	1,352.05

TAXING ENTITY	ASSESSED	HOMESTEAD EXEMPTION	066 OR DIS. EXEMPTION	OTHER EXEMPTION	FREEZE YEAR and CEILING	TAXABLE VALUE	RATE PER \$100	TAX DUE
BRENHAM ISD	294,950	100,000	0	0		194,950	.7693000	1,499.75
BLINN COLLEGE	294,950	0	0	0		294,950	.0363000	107.07
WASHINGTON COUNTY	294,950	0	0	0		294,950	.3017000	889.86
WASHINGTON CO FM	294,950	3,000	0	0		291,950	.0823000	240.27
CITY OF BRENHAM	294,950	0	0	0		294,950	.4584000	1,352.05

CITY TAXES REDUCED BY SALES TAX 130.96
 COUNTY TAXES REDUCED BY SALES TAX 228.56

Total Taxes Due By Jan 31, 2024	4,089.00
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TAXING UNIT	OCTOBER	NOVEMBER	DECEMBER	JANUARY
*BRENHAM ISD	1,499.75	1,499.75	1,499.75	1,499.75
BLINN COLLEGE	103.86	104.93	106.00	107.07
WASHINGTON COUNTY	863.17	872.07	880.96	889.86
WASHINGTON CO FM	233.06	235.46	237.87	240.27
*CITY OF BRENHAM	1,352.05	1,352.05	1,352.05	1,352.05
TOTAL	4,051.89	4,064.26	4,076.63	4,089.00

*Please note that this taxing unit does not offer early payment discounts.

Penalty & Interest if paid after Jan 31, 2024		
If Paid in Month	P&I Rate	Tax Due
February 2024	7%	4,375.24
March 2024	9%	4,457.02
April 2024	11%	4,538.78
May 2024	13%	4,620.56
June 2024	15%	4,702.37

Total Tax Due may include Additional Penalty up to 20% incurred on April 1 or July 1 of the year of delinquency (Tax Code Section 23.11) or Additional Late AG Penalty of 10% (Tax Code Section 23.54). Taxpayers who were 65 years of age or older, or disabled on January 1, 2023 and have filed an application for exemption may pay the taxes on their HOMESTEAD in four equal installments. Contact your Tax

Remember I said that the City used .125% for property tax relief? Well, in 1988, Washington County voters approved .50% sales tax for property tax relief too.

Property tax relief is REAL and you can find it on your property tax statement!

On the sample statement above, this tax-

payer saved a total of \$359.52.

The City of Brenham uses their portion of sales tax and property tax as revenue for the general fund to pay for city services. Washington County gets the majority of their revenue from property tax to fund county services, but uses the sales tax purely for property tax relief.

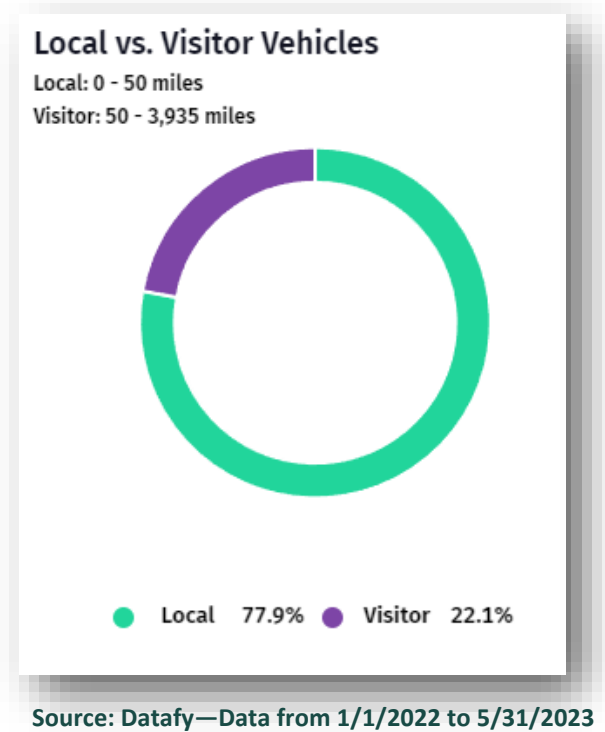
Continued from page 2

When you shop in Burton, you'll pay 8.25% in sales tax too. Their breakdown mirrors that of Brenham but the full 1.50% goes to city services.

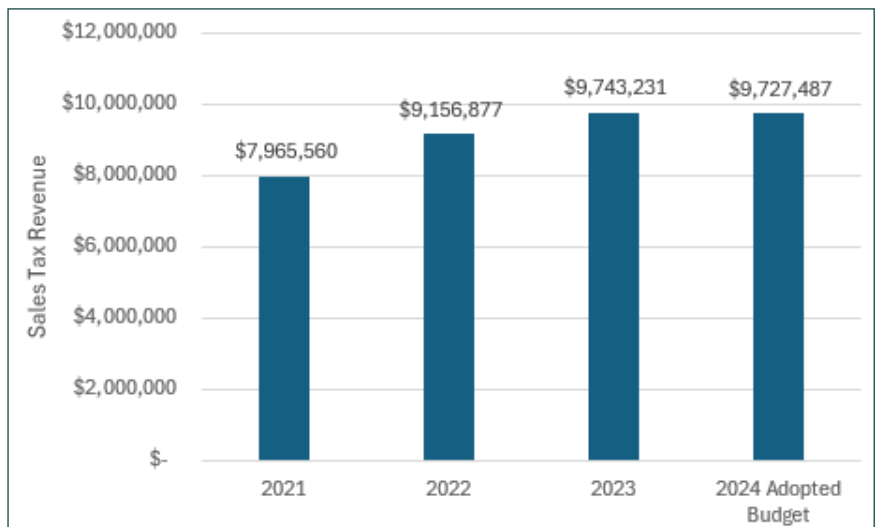
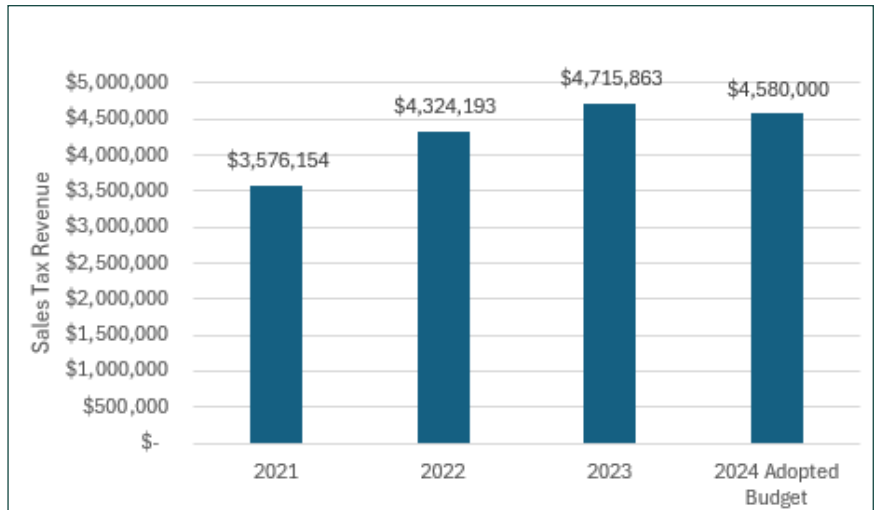
With new retail space getting filled, we expect that revenues will continue to increase.

Local Sales Tax Revenue Continues To Increase

The data we've received shows a lot of visitors coming from out of the area so they are helping to increase our sales tax revenue (see chart to the right). This is definitely something to watch! ♦



Sales Tax Revenue



Top Industries for Sales Tax—Brenham (YTD)

**Building Materials Stores
(Retail)**

Department Stores (Retail)



**Full-Service Restaurants
(Food)**

**Other Non-store Retailers
(Retail)**



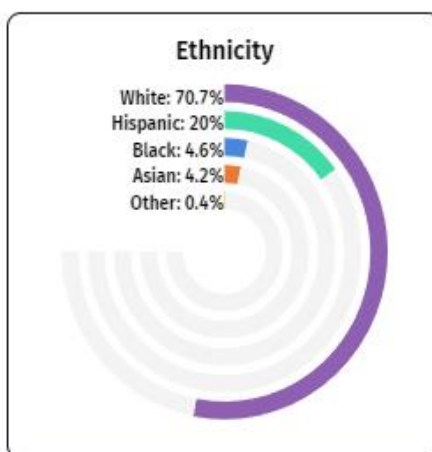
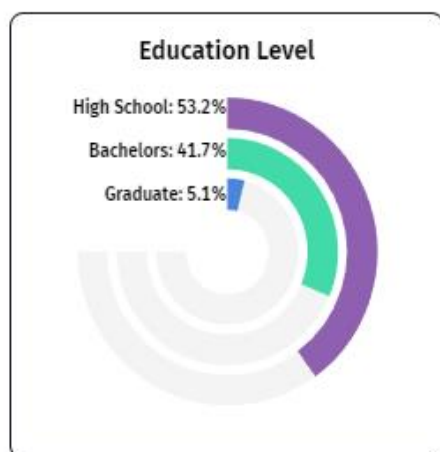
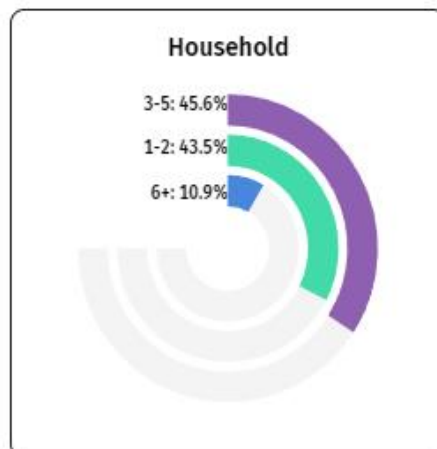
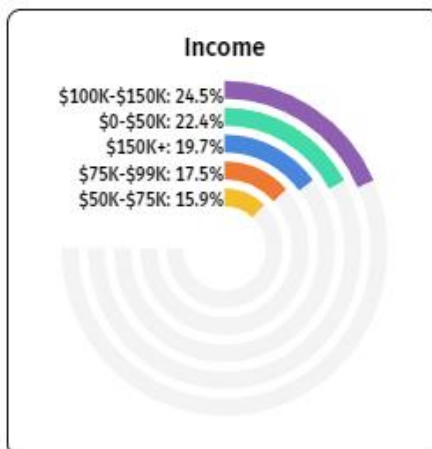
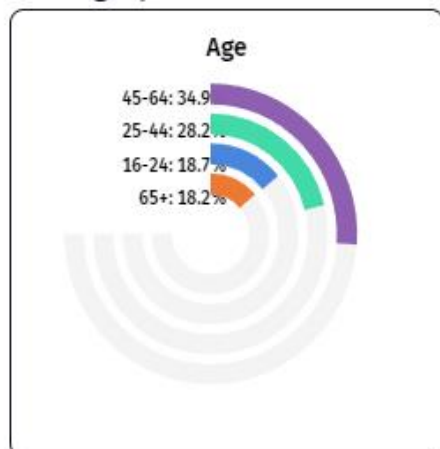
**Specialty Trade Contractors
(General Services)**

**Telecommunications
Services (Professional
Services)**



Who is visiting Brenham?

Demographics



Filters include in-state and out of state visitors traveling a minimum of 50 miles between 1/1/2023—3/9/2024.

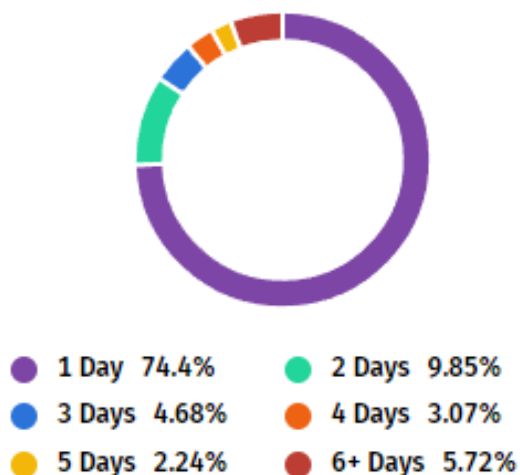
Source: Datafy 2024

Where are visitors to Brenham coming from and how long do they stay??

Top Ten States

- Texas
- Louisiana
- Florida
- Oklahoma
- California
- Georgia
- Mississippi
- Alabama
- Arkansas
- Missouri

Visitor Days by Length of Stay



Avg Length of Stay: 1.4 Days

Data over the last 14 months. Source: Datafy 2024

ARTIFICIAL INTELLIGENCE IS HERE



FREE

**LIVE Webinar - Using AI And
ChatGPT In Your Business**

MAY 2, 2024 - 10-11 AM


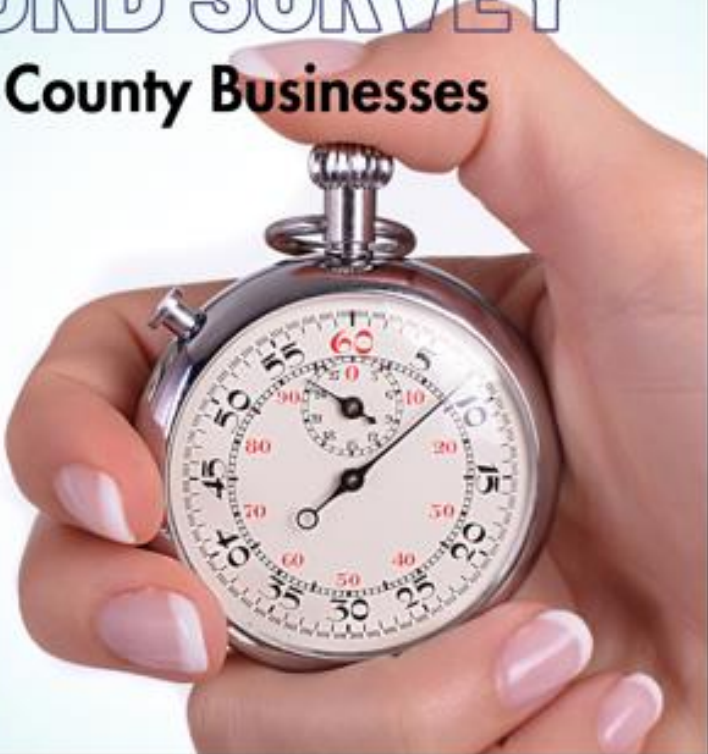
Sign-Up

<https://tinyurl.com/5y972b3s> or click on QR code

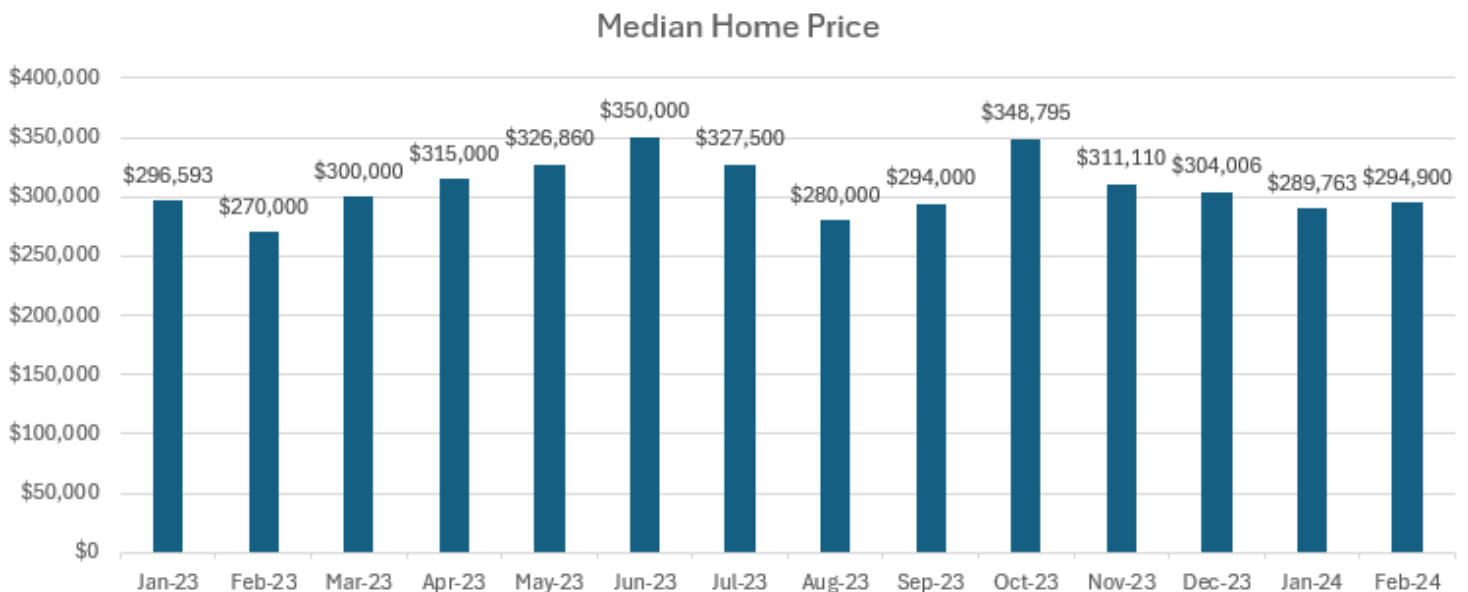
Wage Survey

30 SECOND SURVEY
Washington County Businesses

SCAN
the QR Code



Washington County, Tx Housing Snapshot



Source: South Central Board of Realtors, Texas Realtors and Texas A&M University Texas Real Estate Research Center

Economic Development Partner



As an integral part of Washington County's thriving economy, the Chamber of Commerce is committed to fostering growth and prosperity within our community. One of the essential mechanisms for sustaining our local economy is the implementation of a sales tax. Sales tax plays a pivotal role in funding vital services and infrastructure projects that benefit all residents and businesses in our county. From maintaining roads and public transportation to supporting education and healthcare initiatives, the revenue generated from sales tax ensures that Washington County remains a vibrant and attractive place to live, work, and visit. Furthermore, a modest sales tax allows us

to reduce the burden on property owners and provide a more equitable means of funding essential services. By spreading the responsibility across a broader base, we can ensure that everyone contributes their fair share towards the betterment of our community. We understand that no one enjoys paying taxes, but we firmly believe that the benefits far outweigh the costs. Together, we can continue to invest in the future of Washington County and build a prosperous environment for generations to come.

May God continue to bless you, your business, and your family,

Jamie Rankin
President & CEO



www.BrenhamED.com



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Brenham-Washington County

Brenham | Washington County
Economic Development

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