

ORDINANCE NO. 2011-12-___

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS PROVIDING FOR THE TAXATION OF GOODS IN TRANSIT; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, Senate Bill 1 passed by the 82nd Texas Legislature amended Section 11.253 of the Tax Code regarding the exemption for goods-in-transit; and

WHEREAS, Tax Code Section 11.253 was amended to prohibit a taxing unit from taxing goods-in-transit in a tax year that begins on or after January 1, 2012 unless the governing body of the taxing unit takes action on or after October 1, 2011, to provide for the taxation of goods-in-transit; and

WHEREAS, the governing body is required by the new legislation to take action to tax goods-in-transit after public hearing; and

WHEREAS, previously the City Council took action to tax goods-in-transit; and

WHEREAS, the City may choose to opt out of the local exemption for goods-in-transit by holding a public hearing and taking action to continue to tax such goods on or after October 1, 2011 but prior to January 1, 2012, otherwise, such property will be subject to exemption from taxation; and

WHEREAS, the City desires to continue to tax goods-in-transit beginning tax year 2012; and

WHEREAS, the City Council has conducted a public hearing as required by Section 1-n(d), Article VII, Texas Constitution, at which citizens were provided an opportunity to speak;

NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, THAT:

Section 1. The findings set forth above are found to be true and correct and are hereby incorporated into the body of this Ordinance for all purposes as if fully set forth herein.

Section 2. That beginning tax year 2012, and continuing thereafter until further action is taken by the City Council, goods-in-transit, as defined by Tax Code Section 11.253, shall be subject to property taxation by the City.

Section 3. That it is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this Ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this ordinance, since the same would have been enacted by the City Council without the incorporation of this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

Section 4. This Ordinance shall become effective from and after the date of its final passage and publication as provided by law and is accordingly so ordained.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, ON THE 6th DAY OF DECEMBER, 2011.

CITY OF MCKINNEY, TEXAS

BRIAN LOUGHMILLER
Mayor

CORRECTLY ENROLLED:

SANDY HART, TRMC, MMC
City Secretary
BLANCA I. GARCIA
Assistant City Secretary

DATE: _____

APPROVED AS TO FORM:

MARK S. HOUSER
City Attorney