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### **RECA Releases Annual Index Measuring Tax Burden on Austin Families**

(AUSTIN-Aug. 27, 2014) - Today, the Real Estate Council of Austin (RECA) released its annual index measuring the tax burden on the average Austin family. The 2013 numbers show that the median income for a family of four has decreased while local taxes have increased. For the year 2013, an astonishing 9.5 percent of the average Austin family's income went to local property taxes, sales taxes and utility transfers.

"The percentage of family income that goes to local taxes has been steadily trending upward since RECA began maintaining this index with data from 1989. This trend conflicts with the goal of keeping Austin an affordable community, where ordinary workers and their families can afford to live, small business owners can do business and new employers will choose to bring jobs," said KC Willis, RECA 2014 board chair.

The *Combined Cost of Governments Index* tracks greater Austin's six taxing entities: the City of Austin, Travis County, Austin Independent School District, Capital Metro, Austin Community College and Central Health. RECA releases this index annually to all of these taxing entities to be considered when they set their tax rates.

The growth in our region results in more taxes for city and county budgets. At the same time, the demand for services grows. However, local taxing entities need to consider that a higher tax burden contributes to driving up the cost of living for ordinary families in Austin.

According to the index, the median family income dropped from \$75,900 in 2012 to \$73,200 in 2013. The combined cost of taxes paid to the City of Austin, Travis County, Austin Community College, Central Health and Capital Metro cost the average family \$6,940.52 in 2013, up from \$6,841.06 in 2012.

"As we are evaluating property valuations and taxes in our region, this index is another piece of the puzzle," said RECA board Chair KC Willis. "We should be including the question of whether the cost of government is too high in the discussion."

"All the taxing jurisdictions we include in this index are holding public hearings in the coming weeks to set their tax rates. We encourage them to consider the growing gap between income and tax burden for Austin families," said Willis.

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*The Real Estate Council of Austin (RECA) addresses issues affecting the commercial real estate community in Central Texas. With more than 1,650 members, the non-profit organization represents a broad spectrum of the Central Texas economy, ranging from landowners and developers to the various service professions that facilitate the industry. Commercial real estate development brings new jobs to Central Texas while protecting existing jobs and increasing tax revenue, which is used to fund our public schools, city services, infrastructure and parks.*