



RED OAK, TEXAS

City of Red Oak, Texas

Economic Development Department

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Taxes & Cost of Doing Business (City, County, State, Federal)

Property Tax Rates

Ad Valorem Tax Rates

(Per \$100 Assessed Value)

City of Red Oak	\$0.697464
Red Oak ISD	\$1.325600
Ellis County	<u>\$0.339338</u>
Total Property Tax	\$2.362402

Property Tax Exemptions

Residence homestead exemptions are listed below.

Homestead – 10%

Over 65 - \$20,000

Over 65 – Frozen

Disabled Person – 3,000

Sales Tax Rates

State Sales Tax 6.25%

City Sales Tax 1.00%

Industrial Development (Type A) 0.50% (1/2 Cent)

Economic Development (Type B) 0.50% (1/2 Cent)

Total Sales Tax 8.25%

Income Tax

The State of Texas does not impose a personal or corporate income tax.

Corporate Franchise Tax

A corporate franchise tax is levied in Texas in place of a corporate income tax. The tax is levied on businesses organized in the corporate form in Texas. Corporations are taxed at the rate of the greater of \$2.50 per \$1,000 of net taxable capital or 4.5% of net taxable earned surplus.

Hotel / Motel Occupancy Tax

The State of Texas imposes a hotel/motel occupancy tax of 6% with individual cities having the option to increase the tax rate up to 7%. The total Hotel / Motel Occupancy Tax Rate in the City of Red Oak is 13%.