



Taxes

Local Property (Ad Valorem) Taxes Applicable to Hillsboro Businesses

- 2010-11 ad valorem tax rates applicable to Hillsboro business locations include:

○ City of Hillsboro	\$0.818331
○ Hill County	\$0.391735
○ Hillsboro ISD	\$1.410000
○ Hill College	\$0.078984
○ Lateral Roads	<u>\$0.065061</u>
TOTAL	\$2.764111 per \$100 valuation

Example: a combined tax assessed value of \$1 million in real estate and business personal property = local property tax of \$27,641.11.

- Possible inventory tax exemptions:
 - Triple Freeport: City, County, and Hillsboro Independent School District.
 - "Goods in transit" stored in 3PL warehouse: City and School District.

Sales Tax Applicable to Hillsboro Business

- Local businesses that only produce or wholesale do not collect sales tax on those transactions. Sales tax is collected at point of retail sale.
- Total Hillsboro sales tax is 8 ¼%, consisting of:

○ State sales tax	6 ¼%
○ Municipal sales tax	1 3/8%
○ County sales tax	½%
○ Local Economic Development sales tax	<u>1/8%</u>
TOTAL	8 ¼%

State and Federal Taxes

Please consult State of Texas www.window.state.tx.us/taxes and US Treasury www.irs.gov regarding State and Federal taxes.

For more information, contact
 City of Hillsboro
 Economic Development
 254-582-5776 (direct)
hedc@hillsborotx.org

