# Taxation and Revenue Options

Cities and Counties may generate revenue through a variety of sources. There are, however, limits on these tax rates. There are also legal limits on when and how much you may change these tax rates.

**Property Tax**

Cities and counties may raise funds through property taxes. These may only be raised once a year and may not be increased by more than 1% per year.

**Sales Tax**

Cities and counties may raise funds through sales taxes. Cities and Counties may only charge 1.5% more than the state rate. The current state is 8.2%.

**Utility Tax**

Cities and county may charge a tax on utilities provided within their jurisdiction. These include telephone service, cellular phone service, natural gas service, electrical service, water service and sewer service. This tax rate may be no higher than 6.9%.

**Fees for Services**

Cities and counties may charge fees for services they provide. Examples of things this may include are garbage service, park user fees, building permits and water and sewer service.

**Issuance of Bonds**

Cities and counties may raise funds through the issuance of bonds. These function similar to a loan from a bank. They must be for a set amount and repaid over a set period of time with interest.