

What is a Mud?

Everything You Need to Know

A Municipal Utility District, or MUD, is a special purpose district that provides electricity, water, sewage, drainage, flood control and other services to properties within the MUD's boundaries. MUDs are also encouraged to establish and maintain parks, recreational facilities and common elements for their residents.

How is a MUD created and how does it work?

Property owners that reside within a desired district or land developers can petition the Texas Commission on Environmental Quality to create a MUD, following the process described in the Texas Water Code. Residents within the political subdivision may vote to establish the MUD, which is represented by a board of directors, elected by the constituents. The board will establish all necessary policies in the interest of its residents and customers. The board also has the authority to adopt and enforce all necessary taxes, fees and charges deemed necessary to provide services. A MUD differs from a Public Utility District, or PUD, in that PUDs are generally created by the local government.

What is the tax rate for a MUD?

Much like all tax rates, the tax rate for a MUD varies on the individual needs of each district.

How do I know if I'm in a MUD?

A copy of the most recent tax bill for your property should show a breakdown of each of the taxing districts.

