MCCREARY, VESELKA, BRAGG & ALLEN, P.C.
ATTORNEYS AT LAW
700 Jeffrey Way, Suite 100
Round Rock, Texas 78665

2025 PROPERTY TAX CASES
And Attorney General's Opinions

Last updated: December 31, 2025

Cases

Bexar Appraisal District v. Abasto Properties LLC
No. 04-22-00675-CV (Tex. App. – San Antonio, December 10, 2025, no pet. hist.) (not reported)

Issues: Unequal-appraisal claims; expert testimony; attorney's fees

A 240,000 square foot cold-storage facility was divided into sixty condominiums. Different companies each owned units of 4,000 square feet each, plus a one-sixtieth interest in the common areas. Each icy condominium was appraised separately. In 2018, the appraisal district appraised each unit at $250,000. The appraised value increased to $510,000 in 2019 and $531,000 in 2020. Following unsuccessful protests, the owners sued the district based on unequal appraisal claims. In a jury trial, the district's expert, Wood, testified that these were the only cold-storage condominiums in the county and that they were all appraised equally. The property owner's expert, Craig, however, looked at large cold-storage facilities that were not divided into condominiums. He compared the per-square-foot values of those large facilities to the per-square-foot value of the condominiums and concluded that the appraisals were unequal. Craig testified that the equalized values of the condominiums should be $180,000 for 2018, $200,000 for 2019, and $209,000 for 2020. The jury sided with the district for 2018, but the equalized values that the jurors found for 2019 and 2020 were only slightly higher than the ones claimed by Craig. The trial court entered judgment based on the jury verdict and awarded attorneys' fees to the property owners. The district appealed.

The court of appeals affirmed the trial court's judgment. In a lengthy opinion, the higher court first considered whether Craig should have been allowed to testify. The court reasoned that Craig's opinions were "based on a reliable foundation." Applying an extremely liberal idea of comparability, the court noted that Craig's comparables were also cold-storage facilities and that the district had identified them as being of the same general type as the condominiums. Differences in size could be dealt with through adjustments. The trial court did not abuse its discretion by allowing Craig to testify, and his testimony was sufficient to support the jury's verdict. In the court's words, "This case boils down to a battle of the experts, and the jury is the sole judge of the credibility of the witnesses and the weight to be given to their testimony." The court also thought that the

jury could have taken the district's low value for 2018 and considered it as evidence relevant to 2019 and 2020. The jury was free to determine its own values; it was not constrained to choose between the values claimed by the experts.

The court of appeals also decided several other issues. The district's appraised values for the condominiums were admissible as evidence. The trial court did not abuse its discretion by excluding sales prices of some of the condominiums because the district had not properly identified the sales as rebuttal evidence and because the sales had not been properly adjusted.

The court of appeals also affirmed the trial court's award of attorneys' fees to the property owners. Although §42.29 of the Tax Code says that a trial court "may" award attorneys' fees to a prevailing property owner, the court of appeals stated that the award of attorneys' fees was mandatory. The billing records introduced by the property owners' lawyers were sufficient to establish the amounts. The trial court could calculate the §42.29 cap on attorneys' fees even though the tax rates were not in evidence.

Exxon Mobil Global Services v. State Office of Administrative Hearings
No. 15-24-00034-CV (Tex. App. – 15th Dist., December 5, 2025, no pet. hist.) (to be published)

Issues: Appeals to SOAH

Exxon Mobil Global Services (EMGS) protested the appraisal of bpp at two locations. Unsatisfied with the ARB's order, EMGS decided to appeal the ARBs orders to SOAH. But the appraisal district had classified the property as industrial, and industrial property cannot be the subject of a SOAH appeal. SOAH's administrative law judge saw the industrial classification and rejected the appeal. EMGS wanted a hearing at which to argue that the property was not really industrial, but the judge did not conduct the hearing. EMGS sued the judge and SOAH and asked the trial court to order a SOAH hearing. The defendants filed a plea to the jurisdiction in the trial court and claimed that they were immune from the suit. The trial court dismissed the case, and EMGS appealed.

The court of appeals affirmed the trial court's dismissal of the case. The court of appeals noted that EMGS was trying to contest the appraisal district's classification of the property. EMGS could have protested the classification before the ARB. If such a protest had been unsuccessful, EMGS could have appealed the issue to a court. Those steps, if EMGS had pursued them, would have protected EMGS's due-process rights. But EMGS hadn't done either of those things. In a SOAH appeal a property owner can assert claims of erroneous value and/or unequal value, but the owner cannot claim that its property was misclassified. The administrative law judge had no duty to hold a hearing on a question that she had no authority to consider or decide. SOAH and the judge were immune from EMGS's suit. One judge on the court of appeals wrote a confused but spirited dissent.

South ½ Block 8 Venture v. Travis Central Appraisal District

No. 03-23-00764-CV (Tex. App. -- Austin, November 26, 2025, no pet. hist.) (to be published)

Issues: Religious exemptions

A Christian Science church owned and operated a reading room in downtown Austin. The property received an exemption as a place of worship. Then the church partnered with owners of adjacent properties to create a for-profit joint venture. Each of the owners conveyed its property to the venture so that the properties could be converted into a "joint income producing property." That conversion, however, did not occur right away. Instead, each partner continued to use and occupy the property that it had conveyed to the venture. The venture leased the property to the church, and it continued to be a reading room operated by the church. Each partner was responsible for the expenses related to the property that it had conveyed. The venture could dispose of a property only if all the partners consented. The venture agreement provided that a partner could withdraw at any time. If the venture still held the property that had belonged to the withdrawing partner, that property would be conveyed back to the partner.

Following the conveyance of the reading room, the appraisal district cancelled its exemption because the property was no longer owned by a religious organization. Following an unsuccessful protest, the venture sued the district. The trial court entered a summary judgment for the district, and the venture appealed.

The court of appeals reversed the trial court's judgment and entered summary judgment for the venture. The higher court ruled that the church was really the owner because it had equitable title to the property. "An equitable owner is a party who has a present right to compel the legal-title holder of land to convey its legal title to that party." By withdrawing from the venture, the church could recover the legal title to the reading room. That, combined with the church's power to control the property meant that the church was the owner for purposes of the exemption.

Westview Drive Investments v. Harris Central Appraisal District
No. 01-25-00205-CV (Tex. App. – Houston [1st Dist.], November 25, 2025, no pet. hist.) (not reported)

Issues: Circuit breaker, interlocutory appeals

As the result of a lawsuit and a settlement agreement, Westview's apartment complex was appraised at just under $5 million in 2023. In 2024, the appraisal district appraised the complex at $28 million. The ARB cut that value in half, but Westview sued the district seeking a further reduction. Westview claimed that the complex's 2024 market value was even lower than the agreed 2023 value. It also claimed that the new circuit-breaker law (§23.231 of the Tax Code) limited the 2024 value. The parties disagreed about whether the new law limited 2024 values. Westview filed a motion for summary judgment, which was denied by the trial court. Westview attempted an immediate appeal of the trial court's order denying its motion.

The court of appeals discussed a new rule that allows an interlocutory appeal under certain circumstances, Rule 168 of the Texas Rules of Civil Procedure. An interlocutory appeal is one that happens before the trial court has decided all the issues in a case and issued a final judgment. If both the trial court and the court of appeals agree, Rule 168 allows an interlocutory appeal if there is a "controlling question of law as to which there is a substantial ground for difference of opinion." A party filing such an appeal must explain "why an immediate appeal may materially advance the ultimate termination of the litigation." The trial court agreed to let Westview file an appeal concerning whether the circuit breaker limited the 2024 value. The court of appeals, however, refused to consider the appeal. The higher court explained that the circuit breaker would only become an issue if the trial court determined that the 2024 market value of Westview's complex was more than twenty percent higher than the agreed 2023 value. Until the trial court determined the 2024 value, the applicability of the circuit breaker was not ripe for consideration by either court. The higher court denied Westview's petition for an interlocutory appeal.

Duncan House Charitable Corp. v. Harris County Appraisal District
No. 14-24-00682-CV (tex. App. – Houston [14th Dist.], November 13, 2025, no. pet. hist.) (not published)

Issues: Charitable exemptions

This is the latest chapter in a long-running dispute. It involves a historic house that was Cantrell's principal residence. But he owned only an undivided one-half interest in the house. The other half was owned by Duncan House, a corporation that claimed to be a charitable organization created to preserve the house. Cantrell applied for and received homestead exemptions on his half of the house. Duncan House applied for a charitable exemption for its half, but the appraisal district denied the application. Following an unsuccessful protest, Duncan House sued the district. The trial court entered a summary judgment for the district, and Duncan House appealed.

The court of appeals affirmed the judgment for the district. The higher court explained that in order to qualify for a charitable exemption under §11.18 of the Tax Code, a property must be used exclusively by charitable organizations with only *incidental* use by others. In this case, Cantrell had the right to use and possess the whole house, even though he claimed to use only a small part of it. In his homestead exemption application, Cantrell had claimed that he occupied his undivided half of the house as his residence. His use was more than incidental to any use by Duncan House; it was the primary use of the house.

White Star Energy, Inc. v. Ridgefield Permian Minerals, LLC
No. 08-24-00063-CV (Tex. App. – El Paso, October 31, 2025, no pet. hist.) (to be published)

Issues: challenging tax sales

This case relates back to massive tax foreclosure suits filed in West Texas in the late 1990's. Taxing units sued Bradford and served her by posting. Bradford defaulted, and her mineral interests were sold to White Star in a sheriff's sale. More than twenty years later, Richfield approached Bradford and bought her remaining interest in the minerals, if any. Richfield then sued White Star claiming that the tax sale had been void because the service by posting had violated her due-process rights. Richfield argued that the 1998 and 1999 tax rolls had included an address for Bradford and that she should have been served in person. White Star argued that Richfield's suit was too late because it was not filed withing one year following White Star's recording of its sheriff's deed as required by §33.54 of the Tax Code. Richfield moved for summary judgement and included copies of the old tax rolls. The trial court entered a summary judgment for Richfield, and White Star appealed.

The court of appeals reversed the trial court's judgment. The higher court explained that a void tax sale can be challenged at any time, even twenty years after the sale. Violation of a defendant property owner's due-process rights can lead to a tax sale being void. The party challenging the tax sale, however, must prove the due-process violation. In a case like this one (where a party argues that the statute of limitations does not apply), that means proving that the taxing units had an address for the defendant property owner *and that the owner could have been found and served at that address*. Richfield had offered no evidence that the taxing units could have found Bradford at the address on the old tax rolls and served her there. Thus, it was not entitled to a summary judgment. Each case must be decided based on its particular facts. The court of appeals sent the case back to the trial court for further proceedings. One judge on the court of appeals wrote a separate opinion encouraging the trial court to take a more thorough look at the circumstances leading to the posting of the notice to Bradford.

Johnson v. Bastrop Central Appraisal District
2025 WL 2989173 (Tex. App. – Austin, October 24, 2025, no pet. hist.) (not reported)

Issues: Open space agricultural appraisal; exhaustion of remedies

Johnson kept horses on about nineteen acres of land. The appraisal district denied his 2018 application for 1-d-1 appraisal. After an unsuccessful protest before the ARB, he sued the appraisal district. His case was still pending five years later when he attempted to add an erroneous-value claim and a claim for a declaratory judgment. The district filed a plea to the jurisdiction pointing out that he had not raised his erroneous-value claim before the ARB. The district filed a motion for summary judgment with respect to Johnson's claim for a 1-d-1 appraisal. Before the trial court considered the district's motions, it referred the parties to nonbinding arbitration. The arbitrator ruled for Johnson, but the district rejected that ruling. The trial court then granted both the plea to the jurisdiction and the summary judgement for the district, and Johnson appealed.

The court of appeals affirmed the trial court's decisions. The higher court explained that Johnson had not exhausted administrative remedies with respect to his erroneous value claim, so he could not raise it in court. Johnson had not satisfied the chief appraiser's

degree-of-intensity standards for 1-d-1 appraisals. Degree-of-intensity requirements adopted by a chief appraiser are presumed to be valid and may not be overturned by a court unless the chief appraiser acted contrary to a statute. The courts were free to reject the arbitrator's decision.

Johnson could not seek a declaratory judgement because the Tax Code provided Johnson with adequate remedies for an allegedly incorrect appraisal. When a statute provides an avenue for attacking an agency's order, a declaratory judgment action will not lie to provide redundant remedies. Johnson could not recover attorney's fees under §42.225 of the Tax Code because the courts' ruling was less favorable to him than the arbitrator's ruling.

Robertson Central Appraisal District v. Hoppess
2025 WL 2934519 (Tex. App. – Waco. October 16, 2015, no pet. hist.) (not reported)

Issues: Exclusivity of Tax Code remedies

Hoppess and other property owners protested the appraisals of their properties in 2013, alleging that the appraisal district's appraisals were erroneous and unequal as a result of the district's handling of pipeline easements. Unsuccessful before the ARB, the property owners sued the district. In addition to an ordinary appeal of an ARB order under Chapter 42 of the Tax Code, the owners asserted claims for a declaratory judgment and an injunction. In addition to suing the district, they sued the chief appraiser and the chairman of the district's board of directors. The owners repeated this process and added new tax years to their suit all the way through 2021. They also asked the trial court to certify their suit as a class action. The defendants filed a plea to the jurisdiction asking the court to dismiss everything except the ordinary Chapter 42 appeals. The trial court denied the defendants' plea, and they appealed.

The court of appeals reversed the trial court's decision. The higher court explained that the Tax Code's procedures and remedies are exclusive. No other procedures or remedies are available to a property owner, not a declaratory judgment and not an injunction. The court of appeals dismissed the property owners' claims for those redundant remedies. The higher court, however, did not dismiss the owners' claim to have their Chapter 42 claims certified as a class action limited to only those owners who had exhausted their administrative remedies before the ARB. The opinion isn't clear, but the court of appeals apparently did not grant class-action status to the case. It merely declined to dismiss the owners' request for class-action status. The court of appeals sent the case back to the trial court for further proceedings.

Cantu v. Pasadena Independent School District
2025 WL 2934048 (Tex. App. – Houston [14th Dist.], October 16, 2025, no pet. hist.) (not reported)

Issues: Delinquent tax suits.

Taxing units sued Cantu for delinquent taxes. He filed motions in the trial court alleging that he had made payments to the taxing units. His motions asked the court to order the taxing units to explain what they had done with his alleged payments. The taxing units never responded to his motions. After a trial, the court entered judgment for the taxing units, and Cantu appealed.

The court of appeals affirmed the trial court's judgment for the taxing units. The higher court explained that the trial court had jurisdiction over the case, and the taxing units had standing to sue for their delinquent taxes. The taxing units' pleadings did not have to address the payments allegedly made by Cantu. It was sufficient for the taxing units to allege that the taxes were delinquent. Once a taxing establishes a prima facie case by introducing its delinquent-tax records, the burden of proof shifts to the defendant with respect to any alleged payments. Cantu offered no evidence to support his claims about payments. The taxing units' failure to respond to Cantu's motions din not signal that they agreed to those motions. Although the trial court didn't enter separate orders specifically addressing Cantu's motions, the court's judgement did determine those motions when it stated that, "any relief requested and not granted is denied." Any error that the trial court might have made was harmless.

Van Horne v. Central Appraisal District of Taylor County
2025 WL 2797281 (Tex. App. – Eastland, October 2, 2025, no pet. hist.) (not reported)

Issues: Delinquent tax suits; service of process

The appraisal district, exercising its contractual authority to collect taxes, filed a delinquent-tax suit over property held in the name of an unincorporated association. Van Horne was the defendant named in the suit because he was the managing director of the association and had unfettered discretion to manage its business. A process server was unable to find Van Horne. The district filed an affidavit describing the process server's multiple unsuccessful attempts. The trial court then issued an order allowing substituted service. The process server attached copies of the suit papers to Van Horne's front door. Van Horne appeared for the trial, which resulted in a judgment for the district. Van Horn Appealed.

The court of appeals affirmed the trial court's judgment and rejected Van Horne's various arguments. The court of appeals explained that Van Horne was a proper defendant because he was effectively doing business in the name of the unincorporated association. The higher court ruled that substituted service on Van Horne was proper under Rule 106 of the Texas Rules of Civil Procedure and in light of the process server's affidavit. The trial court had subject-matter jurisdiction, i.e., the authority to hear and decide the case. It also had personal jurisdiction over Van Horne because he appeared for the trial. Van Horne could not claim an exemption for the property because he had not even applied to the district for the exemption. The court of appeals also rejected Van Horne's claim that he was immune from the suit based on "matters of conscience."

AC Denton LLC v. Denton Central Appraisal District
2025 WL 2679332 (Tex. App. – Fort Worth, September 18, 2026, no pet. hist.) (not reported)

Issues: Delivery of notice; limitations on appeals

Denton filed a protest and then an appeal for 2023. While that lawsuit was pending Denton filed a 2024 protest, which was heard and determined by the ARB. The ARB mailed notice of its order to Denton's agent by certified mail. Denton failed to file amended pleadings to add its 2024 claims to the pending suit until about four months after the ARB's notice was delivered to its agent. When Denton did add its 2024 claim, the district responded with a plea to the jurisdiction raising the fact that Denton's amended pleading was not filed within the 60 days allowed by §42.21 of the Tax Code. The trial court dismissed the case, and Denton appealed.

The court of appeals affirmed the dismissal of Denton's 2024 claims. Denton admitted that its agent had received the ARB's notice but claimed that the agent's mailroom had mishandled the notice. The notice wasn't seen by the right person until well after its delivery. The court of appeals responded that the relevant fact was that the ARB had done its duty to deliver the notice. The relevant date was the date on which the notice reached Denton's agent. The mishandling of the notice by the mailroom did not change the date of delivery or Denton's deadline for amending its suit.

Engie IR Holdings, LLC v. Collegiate Independent School District
2025 WL 2670278 (Tex. App. – 15th Dist., September 18, 2025, no pet. hist.) (not reported)

Issues: Texas Economic Development Act

This case involves a statute that has expired and a peculiar set of facts. We will give it only a cursory summary. The Texas Economic Development Act expired at the end of 2022. Before it expired, the school district received an application for a value limitation from Engie Solar. The district sent the application to the comptroller for review. At about the same time, Engie Solar was merging into a related company called Engie IR, but the comptroller was not notified of the merger. The comptroller issued a certificate of limitation for Engie Solar. The district then sent a proposed agreement between itself and Engie Solar to the comptroller for review. The comptroller notified the district that he could not approve the agreement. The district nevertheless went ahead and signed an agreement with Engie IR, which was identified in the agreement as a successor to Engie Solar. About a month later, the comptroller notified the district that he was withdrawing his earlier certificate of limitation. Engie IR and the district then sued the comptroller. The trial court dismissed the case based on the comptroller's sovereign immunity. Eugenie and the district appealed.

The court of appeals affirmed the dismissal of the case. The court of appeals explained that the agreement between the district and Engie IR had never been valid in the first place because it did not have the comptroller's approval. An agreement under the act required the comptroller's approval *before* it was entered. The court didn't have to address the question of the comptroller's authority to withdraw a certificate of limitation after the expiration of the Act because this agreement was never valid in the first place.

Evans v. County of Comal
2025 WL 2626413 (Tex. App. – Austin, September 12, 2025, no pet.) (not reported)

Issues: Delinquent taxes

The county sued the Evanses for delinquent taxes. They claimed that they had not paid the taxes because they were waiting for the ARB to hear their protest about a homestead exemption. The trial court entered judgment for the county, and the Evanses appealed.

The court of appeals affirmed the judgment for the county. The higher court explained that the Evanses' pending protest did not prohibit the county's delinquent-tax suit. The county was not required to go through any administrative steps before filing its suit. A property owner who files a protest is not excused from his/her duty to pay undisputed taxes before those taxes become delinquent. The county had every right to sue the Evanses and to collect its taxes.

Ovation Services, LLC v. Buckner Foods, Inc.
2025 WL 2625740 (Tex. App. – Dallas, September 11, 2025, no pet. hist.) (not reported)

Issues: Transferred tax liens

Cedartree held a mortgage on property owned by Buckner. Then Buckner began taking out property tax loans from Propel. Propel acquired the tax liens on Buckner's property for the years 2012-2015. The lien transfer documents were properly recorded. Beginning with the 2016 tax year, Buckner found another property-tax lender called FGMS that it liked better than Propel. In addition to lending money to pay Buckner's taxes for 2016 and the following years, FGMS agreed to refinance Buckner's existing loans from Propel. In mid-2017, FGMS paid Buckner's debt to Propel. The contract between Buckner and FGMS was recorded, and it said that FGMS was subrogated to the tax liens that Propel had held. Those liens were consolidated with the newer tax liens that FGSM acquired from the taxing units when it paid Buckner's more recent taxes. Propel refused to sign documents transferring the liens to FGSM. Instead it recorded releases of those liens.

In 2019, Buckner stopped making payments. Ovation, acting as FGMS's loan servicer, sued Buckner to foreclose the tax liens. Ovation discovered that Cedartree had foreclosed its mortgage and sold the property to Tri-Speed. Ovation added Tri-Speed as a party to its foreclosure suit. Buckner never answered Ovation's suit, but Tri-Speed appeared and denied that FGSM held valid liens on the property. The trial court ruled for Tri-Speed. The

court concluded that any liens that FGSM held were lost when Cedartree foreclosed its mortgage and Tri-Speed bought the property. Ovation appealed.

The court of appeals reversed the trial court's judgment and ruled for Ovation. The higher court explained that the tax liens were validly transferred from the taxing units to Propel when it paid Buckner's delinquent taxes in the relevant years. When FGSM paid off Propel, it acquired the tax liens by subrogation even though Propel did not sign off on the deal. Those liens maintained their high priority (over Cedartree"s mortgage) when FGSM acquired them. Propel's releases were meaningless because the liens had already been acquired by FGSM when Propel filed them. Tri-Speed was not prejudiced by the transfer of the high-priority tax liens from Propel to FGSM. The recorded contract between Buckner and FGSM was sufficient to put Tri-Speed on notice of FGSM's claim to the liens. Tri-Speed was not a bona fide purchaser of the property. It bought the property subject to the tax liens held by FGSM.

Ho v. Harris County
2025 WL 2446038 (Tex. App. – Houston [1st Dist.], August 26, 2025, no pet. hist.) (not reported)

Issues: Governmental immunity; delinquent tax suits

The county filed a delinquent tax suit on behalf of itself and other taxing units. The suit named several defendants, including Ho, who was sued in rem only. The county was seeking to foreclose its tax lien but not to claim any money from Ho. Ho paid the taxes under protest. Then, she filed a counterclaim against the county and its TAC. She sought declaratory and injunctive relief and accused the county and the TAC of unlawfully taking her property. She wanted to recover the taxes she had paid. The county and the TAC claimed immunity from the suit and filed a plea to the jurisdiction. The trial court dismissed Ho's claims, and she appealed.

The court of appeals affirmed the dismissal of Ho's claims. The county and the TAC were protected by governmental immunity. The court of appeals acknowledged some court opinions holding that if a governmental body sues a person for money damages, the governmental body waives its immunity with respect to a related counterclaim. But the county had not sued Ho for money damages, and counterclaims have not been allowed in delinquent-tax cases. A governmental official may be sued over an *ultra vires* action, an action that the official had no authority to take. But a TAC has the authority to collect taxes and to file delinquent-tax suits. Ho's counterclaims did not allege any *ultra vires* actions by the TAC. Even when an ultra vires suit is allowed, a court can grant only prospective relief, not the kind of money judgement that Ho was seeking. She had also failed to plead proper takings claim. No court has recognized a takings claim in connection with a delinquent tax suit.

KOYOE Society v. Central Appraisal District of Taylor County
2025 WL 2346889 (Tex. App. – August 14, 2025, pet. denied) (not reported)

Issues: Delinquent tax suits; religious exemptions

The appraisal district, exercising its contractual authority to collect taxes, sued KOYOE. KOYOE responded that it was a religious organization, exempt from taxation, immune from suit, and not subject to the trial court's authority. KOYOE had never even filed an application for a religious exemption. Following a trial, the court entered judgement for the district. KOYOE appealed.

The court of appeals affirmed the trial court's judgment and rejected KOYOE's arguments. The higher court explained that KOYOE was required to file an exemption application if it wanted an exemption for its property. The district had all the authority that it needed to levy and collect taxes on KOYOE's property. The district had standing to file the delinquent-tax suit, and KOYOE was subject to the courts' authority. None of that violated KOYOE's First Amendment rights to the free exercise of its religion.

Garcia v. Garcia
2025 WL 2312409 (Tex. App. – Houston [14th Dist.], August 12, 2025, no pet.) (not reported)

Issues: Tax sales

Williams filed a fraudulent deed purporting to convey a lot owned by Gibbs to himself. Twelve years later taxing units sued Williams for delinquent taxes on the lot. The suit led to a tax sale, and Ramirez purchased the lot. Years later the person who traced his title to Ramirez sued the person who traced her title to Gibbs. The issue was whether the tax sale had conveyed the lot even though Williams had not owned it. The trial court ruled that the tax sale had not conveyed anything. The opposing party appealed.

The court of appeals reversed the trial court's judgment. The court of appeals ruled that the tax sale had conveyed the lot to Ramirez. The court explained that under §34.01 of the Tax Code, a tax sale conveys "good and perfect title" to the interest owned by the defendant in the delinquent tax suit. In this instance, Williams was the only defendant named in the delinquent tax suit, but the taxing units' pleadings said that they were suing any unknown parties owning or claiming any interest in the lot. That meant that the tax sale conveyed all interests in the lot and Ramirez acquired full title to it. The party who traced his ownership back to Ramirez was the rightful owner of the lot.

Mullerin v. Uresti
2025 WL 1909402 (Tex. App. – San Antonio, July 9, 2025, no. pet.) (not reported)

Issues: Governmental immunity, exhaustion of remedies

Mullerin acquired property in April of 2021. She paid the 2021 taxes without protest. She protested the 2022 appraisal of the property but was not satisfied with the ARB's order. Instead of filing an ordinary appeal under Chapter 42 of the Tax Code, Mullerin sued the chief appraiser and the county tax assessor-collector. She sought an injunction and a

refund of the taxes she had paid for 2021. The TAC didn't file an answer on time, but before the trial court could enter a default judgment, he filed a general denial. About six months later, the TAC filed a plea to the jurisdiction alleging governmental immunity. The trial court granted the plea to the jurisdiction and dismissed Mullerin's claims against the TAC. Mullerin appealed.

The court of appeals affirmed the trial court's order. The court of appeals explained that governmental immunity protects a local government against most lawsuits. It also applies to a suit filed against a public official in his/her official capacity. Mullerin's suit concerned actions by the TAC in furtherance of his official duties. It didn't matter that the TAC had not asserted his immunity in his original answer because governmental immunity can be raised at any stage of a lawsuit. The principle even bars suits for injunctions and declaratory judgments. A narrow exception may apply where a person pays taxes under duress and has a valid claim for repayment. Mullerin's claims, however, had to do with alleged appraisal errors. She was bound to follow the Tax Code's exclusive procedures for a property owner complaining about an appraisal. The Code does not allow a suit against a TAC. Thus, there was no waiver of the TAC's governmental immunity.

Franks v. Texas Comptroller of Public Accounts
717 S.W.3d 453 (Tex. App. – Eastland, May 30, 2025, no pet. hist.)

Issues: Governmental Immunity, Texas Economic Development Act

This case concerns the now defunct Texas Economic Development Act (Chapter 313 of the Tax Code), which allowed a school district to limit a property's taxable value in the interest of economic development. The Act expired at the end of 2022. In order to grant a value limitation, a school district had to refer the proposal to the comptroller for a review. The comptroller would consider whether the proposed project was likely to generate enough tax revenue to offset the losses from the value limitation and whether the limitation was a determining factor for the company proposing the project. If the comptroller's answer was yes, he would issue a certificate of limitation. The school board could then decide about granting the limitation. In this instance, the comptroller issued a certificate for a proposed wind farm, and the school board granted the limitation.

Franks owned property in the school district and objected to the limitation. She sued the comptroller (but not the school district) to challenge his certificate. The comptroller filed a plea to the jurisdiction, which was sustained by the trial court. Franks appealed.

The court of appeals affirmed the trial court's dismissal of the case. The higher court ruled that the comptroller was immune from the suit. He was acting within his authority when he reviewed the economic data and made his determinations about the proposed project. He had that authority even though the developer did not own the land and the proposed wind farm did not exist yet.

Recall that in the mid-1990's there was widespread hysteria about governmental "takings" of private property rights. The legislature enacted a law, which it called the "Private Real

Property Rights Preservation Act," Chapter 2007 of the Government Code. Franks argued that the law waived the comptroller's immunity, but the court of appeals disagreed. The law did not apply to a comptroller's decision under the Economic Development Act.

The higher court further ruled that Franks lacked standing to challenge the comptroller's certificate. She was not injured by the certificate. Her grievance was with the school board's decision to grant the value limitation, not with the comptroller's determination.

Thompson v. Landry
2025 WL 1350003 (Tex., May 9, 2025)

Issues: Challenging a tax sale

Landry inherited real property when her grandmother died in the 1980s. In 2004, taxing units filed a suit seeking many years of delinquent taxes. They named the grandmother as a defendant and served her by posting a notice at the courthouse. When no answer was filed, the court entered a default judgment and ordered the sale of the property. Thompson bought the property and recorded the sheriff's deed in early 2007. Thompson paid the taxes on the property in subsequent years. At all relevant times, Landry and her husband lived on the property. In 2009, her husband leased the property from Thompson and paid rent for a while. In 2016, Thompson sought to evict the Landrys.

In 2018, Landry filed a suit to challenge the old delinquent-tax judgment and sale. She claimed that the service by posting violated her due-process rights. Thompson argued that §33.54 of the Tax Code requires a person challenging a tax sale to file suit within two years after the sheriff's deed is filed. In this case, more than ten years had passed since Thompson's deed was recorded. Thompson also raised the equitable defenses of laches and estoppel. The trial court granted Landry's motion for summary judgment and denied Thompson's. That summary judgment voided the tax sale and awarded the property to Landry.

The court of appeals partially reversed the trial court and sent the case back down for consideration of factual issues. The intermediate court ruled, however, that Thompson's limitations defense as well as her equitable defenses would not block Landry's suit. At Thompson's request, the Texas Supreme Court agreed to consider the case.

The Supreme Court disagreed with the lower courts. The high Court ruled that if Landry had known about the tax sale during the two-year limitations period, she was required to challenge the sale during that period. That was an unresolved question of fact. The Supreme Court also ruled that Thompson could assert her equitable defenses in response to Landry's claim. If Landry had learned about the sale tax and let years pass while appearing to accept it or while doing nothing, she could be equitably barred from challenging the sale. The Supreme Court sent the case back to the trial court for consideration of the unresolved factual issues.

Vexler v. Spencer

2025 WL 1271691 (Tex. App. – Fort Worth, May 1, 2025, pet. denied) (not reported)

Issues: Governmental immunity, exhaustion of remedies

Several property owners, without going through the protest process, sued the appraisal district and its chief appraiser. They complained about the district "recklessly" and "fraudulently" raising values over the course of several years. They complained that the district wasn't following §23.01(b) of the Tax Code, which directs an appraisal district to comply with USPAP when doing mass appraisals. At the same time, they argued that §23.01(b) was unconstitutional. They sought injunctive and declaratory relief and money damages. The district and the chief appraiser filed pleas to the jurisdiction asserting governmental immunity. The trial court dismissed the case, and the property owners appealed.

The court of appeals affirmed the dismissal of the case. The higher court explained that a property owner who disagrees with a tax appraisal must follow the Tax Code's protest process. The owner can't make up alternative procedures and remedies. The Declaratory Judgments Act does not create an alternative. If a property owner doesn't follow the Code's procedures, the law does not waive the immunity that protects an appraisal district and its chief appraiser from suit.

The court of appeals also explained that the property owners lacked standing to assert their claims. A person whose only interest in a governmental policy is as a citizen or a taxpayer has no standing to challenge the policy in court. The person needs to show that he/she has suffered some particular individual injury as a result of the policy. These property owners failed to do that. They had an opportunity to amend their pleadings and try a different approach, but they hadn't done that. The court of appeals declined to give them another opportunity.

Editor's Comment: In 1983, the Eastland Court of Appeals ruled in *Brooks v. Bachus* that a property owner who disagrees with a tax appraisal must follow the Tax Code's protest procedures. There is no alternative. Over the next forty-two years, hundreds of other court opinions have made the same point. It is amazing that some people still don't understand.

Long v. Atascosa Central Appraisal District
2025 WL 1241900 (Tex. App. – San Antonio, April 30, 2025, pet. denied) (not reported)

Issues: Delivery of notices; exhaustion of remedies

Rachel conveyed land to her uncle George in late January 2022, just one month after she inherited it. The deed from Rachel to George was recorded right away. The land had long been appraised as 1-d-1 land. About five weeks after Rachel conveyed the land to George, the appraisal district discovered the deed through which Rachel had acquired the land and listed her as the owner. A few days later, the district sent Rachel a notice that the 1-d-1 appraisal was being cancelled and that she would have to file her own application if she wanted it reinstated. On that same day, the district discovered Rachel's

deed to George and listed the land in George's name. About two months later, the district sent George a notice of appraised value showing the land appraised at its market value. Neither Rachel nor George filed a 1-d-1 application.

Near the end of 2022, George filed a failure-to-deliver-notice protest with the ARB complaining that the district had not sent him a notice specifically about the cancellation of the 1-d-1 appraisal. The ARB conducted a hearing and made a "determination" adverse to George but apparently did not issue a written order. Nevertheless, George took his claims to court in a suit filed against the district. The district pleaded that George had failed to exhaust his administrative remedies, and the trial court dismissed the case. George appealed.

The court of appeals reversed the trial court's order. The higher court reasoned that George had exhausted his administrative remedies by filing a failure-to-deliver-notice protest and obtaining a "determination" from the ARB. He had a right to appeal by suing the district. The court ruled however that the district was immune from the claims that George attempted to assert under the Uniform Declaratory Judgements Act. Neither the trial court nor the court of appeals ruled on the question of whether the notices sent to Rachel and George were sufficient.

J-W Power Co. v. Henderson County Appraisal District
2025 WL 965963 (Tex. App. – Tyler, March 31, 2025, pet. denied) (not reported)

Issues: Corrections to appraisal rolls

This opinion harkens back to the pipeline compressor controversy that began years ago. The Texas Supreme Court surprised everyone in 2018 when it ruled that the Tax Code's method for appraising leased heavy equipment *was* constitutional. At that time, heavy equipment owners had filed many unsuccessful protests against appraisal districts who had insisted on appraising their property at its market value. But the owners had not appealed the adverse rulings from ARBs. As a result of the Supreme Court's ruling, the owners tried filing motions to correct appraisal rolls under §25.25 of the Tax Code raising the same claims that ARBs had previously rejected. Lower courts ruled that the owners could not reprise the same rejected claims, but the Supreme Court overruled them. So, the lower courts were left to consider the merits of the §25.25 motions. In this case, the trial court entered a summary judgment in favor of the appraisal district, and J-W Power appealed once again.

The court of appeals affirmed the summary judgment for the district. The court of appeals explained that there had not been any multiple appraisals of the compressors in question. The compressors located in Henderson County had not been appraised or taxed anywhere else. J-W Power had filed declarations and monthly statements with the appraisal district in Gregg County where it claimed that the compressors were really taxable, but it did not include the compressors located in Henderson County. J-W Power's vice president admitted that the compressors in question had never been on appraisal rolls in Gregg County

The court of appeals also explained that the compressors did exist in Henderson County. Even if J-W Power was correct that the law made the compressors legally taxable in Gregg County, there was no question that they actually existed in Henderson County. There was no basis for deleting them from the appraisal rolls in Henderson County as property that did not exist at the locations shown on those rolls.

Hesener v. Travis County
2025 WL 875812 (Tex. App. – Austin, March 21, 2025, pet. denied) (not reported)

Issues: Governmental immunity

Hesener sued the taxing units that taxed his property. He claimed that their tax liens were invalid and that they had no authority to tax his property. He sought declaratory and injunctive relief. The taxing units files a plea to the jurisdiction and a motion to have Hesener's complaints dismissed as baseless. They asserted that they were immune from the suit. The trial court dismissed the case, and Hesener appealed.

The court of appeals affirmed the trial court's dismissal of the case. The court of appeals explained that local governments are immune from suit unless a plaintiff can show that state law waives the immunity for a type of suit. The waiver of immunity must be "clear and unambiguous." There is no law allowing a suit of the type filed by Hesener. A taxpayer may sue a local government to recover an illegal tax that the taxpayer paid involuntarily or under duress, but that was not what Hesener was claiming. The taxing units were immune.

Jackson v. Harrison Central Appraisal District
2025 WL 653351 Tex. App. – Texarkana, February 26, 2025, pet. denied) (not reported)

Issues: Delinquent tax suits; exhaustion of remedies

The appraisal district acting as a tax collector sued Johnson for delinquent taxes. Johnson argued that her land should have an agricultural appraisal and that it was appraised unequally compared to nearby agricultural land. The district sought a summary judgment. The district's summary judgment evidence included the delinquent tax records and the chief appraiser's affidavit explaining that Johnson had never protested the appraisal of her property. Johnson offered no contradictory evidence. The trial court entered a summary judgment for the district and Johnson appealed.

The court of appeals affirmed the summary judgment for the district. The higher court explained that the delinquent tax records were sufficient to establish a prima facie case as to every material fact necessary to support the district's delinquent-tax claims. She could not contest the appraisal of her property because she had not filed a protest or exhausted the administrative remedies that might have been provided by the ARB.

Attorney General's Opinions

Opinion KP-0483
February 12, 2025

Issues: Collecting delinquent taxes

Section 33.07 allows a taxing unit to impose an extra penalty on delinquent taxes and use the money from that penalty to pay MVBA or another private law firm. But that penalty applies only to taxes that remain delinquent on July 1 of the year in which they become delinquent. A taxing unit that files suit against a delinquent taxpayer may recover its attorneys' fees for the suit under §33.48. A taxing unit may not recover both the §33.07 penalty and attorneys' fees under §33.48. In this opinion, the attorney general explains that if a taxing unit has adopted §33.07 penalties but its lawyers file a delinquent-tax suit before July 1, the taxing unit can recover its attorneys' fees under §33.48.