

Bond Case Briefs

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TAX - TEXAS

City of Austin v. Travis Central Appraisal District

Court of Appeals of Texas, Austin - November 10, 2016 - S.W.3d - 2016 WL 6677937

City brought action seeking judicial review of appraisal review board's order, which denied city's challenge to level of appraisal for vacant land and commercial real property for 2015 tax year, and challenging constitutionality of provisions of Tax Code concerning unequal appraisal protests by property owners.

The District Court granted a plea to the jurisdiction filed by a group of commercial property owners and a motion for summary judgment filed by a separate commercial property owner. City appealed.

The Court of Appeals held that:

- City failed to plead injury sufficient to confer standing to challenge constitutionality of Tax Code provisions, and
- City failed to exhaust its administrative remedies in connection with its challenge to appraisal levels.

City failed to establish injury sufficient to confer standing to challenge constitutionality of provisions of Tax Code allowing appraisal district to defeat property owner's unequal appraisal protest by demonstrating that median appraised value of reasonable number of comparable properties exceeded appraised value of owner's property. City was not charged with giving effect to provisions or ensuring their fulfillment, as provisions did not describe or concern any mechanism by which tax units were to assess, impose or, collect ad valorem taxes, and fact that city would eventually calculate and impose ad valorem taxes based on property values determined by appraisal district failed to demonstrate an injury that was concrete and particularized to city, as opposed to its property owners.

City failed to exhaust its administrative remedies in connection with its challenge to level of appraisals for vacant land and commercial property for 2015 tax year, and district court thus lacked subject-matter jurisdiction to consider city's petition for judicial review of appraisal review board's order denying city's challenge petition. Although city's attorneys and representatives attended hearing on its challenge petition, it did not present a case on the merits of its challenge, but rather presented a joint motion requesting that the review board enter an order denying its challenge petition, thus depriving the review board of any opportunity to decide the merits of the petition.