

Bond Case Briefs

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TAX - TEXAS

Odyssey 2020 Academy, Inc. v. Galveston Central Appraisal District

Supreme Court of Texas - June 11, 2021 - S.W.3d - 2021 WL 2386137 - 64 Tex. Sup. Ct. J. 1304

Taxpayer, a public open-enrollment charter school, sought review of county appraisal district's denial of ad valorem exemption from county taxes for private property that taxpayer leased with contractual agreement for taxpayer to pay property owners' ad valorem taxes.

The District Court granted summary judgment for appraisal district. Taxpayer appealed. The Court of Appeals affirmed. Taxpayer petitioned for review, which was granted.

The Supreme Court held that:

- Taxpayer was not entitled to ad valorem exemption for public property, and
- Taxpayer was not entitled to exemption for school property.

Taxpayer, a public open-enrollment charter school, was not entitled to ad valorem tax exemption from county taxes under public property clause of State Constitution or under state constitutional section providing exemption for property of counties, cities, and towns owned and held for public purposes, for private property that taxpayer leased with contractual agreement for taxpayer to pay property owners' ad valorem taxes, even if property was characterized as public property under statute governing a charter school's lease of property with state funds, where there was no actual public ownership of property.

Issue of whether taxpayer, a public open-enrollment charter school, was entitled to ad valorem tax exemption from county taxes for leased private property under constitutional section providing exemption for property of counties, cities, and towns owned and held for public purposes was not properly before Supreme Court, where taxpayer did not ask county appraisal district for exemption, taxpayer did not raise exemption in trial court, taxpayer did not assign the failure to grant exemption as error in Court of Appeals, taxpayer did not mention exemption in its petition seeking Supreme Court's review, and taxpayer raised exemption for first time in its merits brief after it was addressed in an amicus brief.

Taxpayer, a public open-enrollment charter school, was not entitled to ad valorem tax exemption from county taxes under school property clause of State Constitution authorizing exemptions for school buildings and furniture used for school purposes, for private property that taxpayer leased with contractual agreement for taxpayer to pay property owners' ad valorem taxes, where property owners and taxpayer, as school operator, where not same people or entities.