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Howard Jarvis Taxpayers Association v. Coachella Valley Water District

Court of Appeal, Fourth District, Division 2, California - November 26, 2025 - Cal.Rptr.3d - 2025 WL 3295747

Taxpayers' association filed combined petition for writ of mandate and reverse validation actions against water district challenging the constitutionality of groundwater replenishment charges that water district imposed indirectly on its domestic customers.

The Superior Court sustained a demurrer. Association appealed. The Court of Appeal affirmed in part and reversed in part. Thereafter, the Superior Court determined that the replenishment charges were unconstitutional taxes, after which the Superior Court entered a remedies order. Water district appealed, association cross-appealed, and appeals were consolidated.

The Court of Appeal held that:

- Domestic customers sustained economic injury, as required for association's standing as customers' representative;
- Replenishment charges were unconstitutional "taxes" without voter approval;
- Pleadings and government claims sufficiently informed water district that all three of its areas of benefit were subject of challenge;
- No prejudicial error resulted from grant of injunctive relief requiring water district to comply with constitutional amendment defining "tax";
- Replenishment charges were "assessments" subject to validation statutes; and
- Statute of limitations imposed by validation statutes were not equitably tolled by water district's purported fraud.

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