

# **Bond Case Briefs**

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## **TAX - TEXAS**

### **Busse v. South Texas Independent School District**

**Supreme Court of Texas - May 8, 2026 - S.W.3d - 2026 WL 1279764 - 69 Tex. Sup. Ct. J. 641**

Taxpayers and consolidated independent school district located in Willacy County brought action for declaratory and injunctive relief against regional school district that was originally formed as rehabilitation district for persons with disabilities, alleging that regional district's annual levy of ad valorem taxes in county violated contract-with-the-voters doctrine and, because tax lacked voter approval, constituted ultra vires conduct under state constitution.

The 197th District Court denied regional district's plea to the jurisdiction. Regional district filed interlocutory appeal. The Corpus Christi - Edinburg Court of Appeals reversed and rendered. Taxpayers and consolidated school district petitioned for review, which was granted.

The Supreme Court held that:

- Taxpayers had standing to seek declaratory judgment, but
- Consolidated school district lacked standing.

Taxpayers had constitutional standing to seek declaration that regional school district's annual ad valorem tax was unlawful and to seek injunction barring regional district's tax assessment and barring county's impending collection of tax, and thus taxpayer standing doctrine did not apply, where taxpayers alleged particularized pocketbook injury in fact that was traceable to district that would be redressed by the requested relief.

Consolidated school district challenging regional school district's ad valorem tax failed to establish redressability required to confer constitutional standing on consolidated district to seek declaratory judgment related to regional district's tax assessment, absent showing beyond pure speculation that granting requested injunctive relief would make it substantially likely that voters would approve tax increase in hypothetical future election, that consolidated district would offer higher salaries to potential staff, or that regional district would serve more individuals with disabilities.