

Bond Case Briefs

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Pascagoula-Gautier School District v. Board of Supervisors of Jackson County

Supreme Court of Mississippi - October 20, 2016 - So.3d - 2016 WL 6125423

School district and city brought action against county board of supervisors, challenging board's approval of tax assessor's methodology in assessing taxes on lessee of county property located in school district but not within city boundaries.

The Circuit Court granted board's demand for jury trial, denied plaintiffs' motion to join lessee as party, and ultimately granted board's motion to dismiss for lack of standing. Plaintiffs appealed.

The Supreme Court of Mississippi held that:

- Plaintiffs experienced adverse effect different than that of general public due to tax assessment of leased property and, thus, plaintiffs had standing to bring action against board, and
- Trial court abused its discretion by refusing to order joinder of lessee of county property.

City and school district in which leased county property was located, as taxing authorities and direct recipients of revenue from taxes collected on property, experienced adverse effect different than that of general public due to approval by county board of supervisors of tax assessor's methodology in assessing taxes on such property and, thus, school district and city had standing to bring action against board challenging tax assessment, despite lack of statutory authority to sue. City and school district funding was reduced by any allegedly improperly low tax assessment, city was required to set higher millage rate for rest of taxpayers in order to meet budget, and school district had to incur costs encountered in raising millage rates.

Trial court abused its discretion by refusing to order joinder of lessee of county property, in action by city and school district challenging approval by county board of supervisors of tax assessor's methodology in assessing taxes on leased property, which was located in school district. Lessee was subject to joinder either as party that needed to be joined for just adjudication, or had waived right to object to being joined due to unfettered participation in the case.