

Haynes Boone Earns Texas Supreme Court Victory for TCAD, Shaping Future of Tax Protest Scheme

June 25, 2024 Mark Trachtenberg, Ryan Pitts

PRACTICES Litigation, Appellate

Haynes Boone Partner [Mark Trachtenberg](#) and Associate [Ryan Pitts](#) secured a significant win in the Texas Supreme Court for the Travis Central Appraisal District (TCAD) in a long-running dispute over the valuation of a landfill owned by Texas Disposal Systems Landfill Inc. (Texas Disposal).

The Court delivered an important and favorable 7-2 decision, which both solidified the broad jurisdiction of trial courts in cases brought by appraisal districts and set critical precedents for property tax litigation statewide.

"We are thrilled with the Texas Supreme Court's decision," Trachtenberg said. "This ruling not only vindicates TCAD's position but also ensures a more comprehensive and equitable approach to property appraisals across Texas. It sets a strong precedent that will ensure that litigated appraisals properly account for fair market value."

The dispute began in 2019, when an administrative appraisal review board (ARB) drastically reduced the landfill's appraisal value by over 80 percent after Texas Disposal contested the initial appraisal as unequal and non-uniform compared to similar properties. TCAD challenged this reduction in court, but the case was initially dismissed for lack of jurisdiction. The Third Court of Appeals in Austin overturned this dismissal, leading Texas Disposal to seek a review by the Texas Supreme Court.

In its ruling, the Court made three key determinations:

1. Trial courts have broad jurisdiction to hear claims from appraisal districts.
2. The scope of litigation initiated by appraisal districts over administrative determinations of taxpayer protests is limited "to the protest the appraisal review board heard."
3. Appraisal districts can discover and present evidence of fair market value even if the taxpayer's original protest was solely based on claims of unequal and non-uniform appraisal.

The third point is especially important for appraisal districts throughout Texas. It overturns previous court rulings that prevented appraisal districts from presenting evidence of a property's market value if a taxpayer's protest was solely based on claims of unequal and non-uniform appraisal. This Texas Supreme Court decision corrects that issue, marking a significant victory for appraisal districts and ensuring more accurate and fair property appraisals statewide.

This pivotal decision reaffirms the authority of appraisal districts to challenge incorrect appraisal determinations in court and will enhance the accuracy and fairness of property appraisals statewide.

The Haynes Boone [Appellate Group](#) received the highest ranking in Texas in *Chambers USA's* 2023 guide and was described in the guide as "a destination appellate practice." The group is

known for precedent-setting victories in bet-the-company appeals and has earned the respect of judges nationwide.