

## **The importance of this case and Amicus Brief to the Supreme Court of Texas**

### 1. Open Courts Guarantee – Tex. Const. art. I, § 13

Issue: The Court of Appeals' dismissal insulates fraud claims from any judicial remedy by forcing them into the ARB process.

Constitutional Question: Can the Legislature or lower courts constitutionally bar judicial review of systemic fraud claims by confining them to an administrative scheme that lacks discovery, subpoena power, or fraud-adjudication authority?

***Why Should the Supreme Court of Texas Care: This is a classic “open courts” problem—if ARBs are the exclusive forum, then property owners have no meaningful remedy for fraud. That is exactly the type of constitutional anomaly the Supreme Court of Texas exists to resolve.***

### 2. Due Course of Law – Tex. Const. art. I, § 19

Issue: *Patel v. TDLR* (2015) established that regulations are unconstitutional if “so burdensome as to be oppressive.”

Constitutional Question: Does forcing property owners to rely exclusively on ARB remedies—while barring fraud claims from judicial courts—create an “oppressive” burden inconsistent with due course of law protections?

***Why Should the Supreme Court of Texas Care: Patel is the Supreme Court of Texas own precedent. Extending it to property taxation would be a doctrinal development of Texas constitutional law, which justifies granting review.***

### 3. Equal & Uniform Taxation – Tex. Const. art. VIII, § 1(b)

Issue: CADs allegedly apply non-uniform valuation methods, create arbitrary class codes, and manipulate data outside appraisal software.

Constitutional Question: Do systematic departures from uniform appraisal methods, applied unequally to similarly situated properties, violate the “equal and uniform” requirement of art. VIII, § 1(b)?

***Why Should the Supreme Court of Texas Care: The Supreme Court of Texas is the ultimate guardian of the state’s uniformity mandate, and systemic non-uniformity across counties is squarely within its constitutional oversight role.***

### 4. Takings Without Compensation – Tex. Const. art. I, § 17

Issue: When property is taxed at fraudulently inflated “market values,” equity is stripped without

compensation.

Constitutional Question: Does systemic overvaluation resulting in forced loss of equity amount to a “taking” under art. I, § 17?

***Why Should The Supreme Court of Texas Care: Expands the boundary of takings jurisprudence into the property-tax context—again, a constitutional development.***

#### 5. Separation of Powers / Judicial Review of Fraud

Issue: Allowing CADs and ARBs to police themselves while invoking sovereign immunity effectively insulates constitutional violations from judicial oversight.

Constitutional Question: Does administrative exclusivity, when applied to fraud by a government entity, impermissibly violate the separation of powers by depriving courts of their constitutional role to check executive abuses?

***Why Should The Supreme Court of Texas Care: Goes directly to the Court’s institutional role as the guarantor of judicial access.***

#### 6. Statewide Importance (Art. VIII & the School Finance System)

Issue: Property valuations are the revenue backbone for school finance and the Permanent School Fund bond guarantee.

Constitutional Question: Does systemic overvaluation in CADs threaten the constitutional requirement of equal and uniform taxation and the integrity of the school finance system?

***Why Should The Supreme Court of Texas Care: This is not just Denton County—it’s systemic and affects billions in state-backed school district bonds. That’s exactly the kind of statewide crisis the Supreme Court of Texas exists to address.***

#### **Bottom line:**

There are significant Texas constitutional issues involved, particularly:

Open Courts (art. I, § 13) – no meaningful judicial remedy for fraud.

Due Course (art. I, § 19) – Patel test applied to ARB exclusivity.

Equal & Uniform (art. VIII, § 1) – systemic non-uniform valuation.

Takings (art. I, § 17) – equity stripping via fraudulent tax base.

Separation of Powers – insulating fraud from judicial review.

These are precisely the kind of constitutional questions of statewide importance that SCOTX can and should grant review on.

## **Questions Presented**

### 1. Open Courts Guarantee (Tex. Const. art. I, § 13).

Whether the Court of Appeals erred by holding that fraud claims against a Central Appraisal District are barred by “administrative exclusivity,” thereby depriving taxpayers of any judicial remedy for systemic fraud, in violation of the constitutional guarantee that courts shall be open and every person shall have a remedy by due course of law.

### 2. Due Course of Law (Tex. Const. art. I, § 19).

Whether forcing taxpayers to rely exclusively on limited administrative remedies before an Appraisal Review Board—an entity without discovery powers, subpoena authority, or fraud-adjudication competence—creates a burden so oppressive as to violate this Court’s standard in *Patel v. Texas Department of Licensing & Regulation*, 469 S.W.3d 69 (Tex. 2015).

### 3. Equal & Uniform Taxation (Tex. Const. art. VIII, § 1(b)).

Whether the systematic use of non-uniform appraisal methods, arbitrary class codes, and extra-statutory “workarounds” that produce grossly disparate valuations of similar properties violates the Texas Constitution’s mandate that taxation be “equal and uniform.”

### 4. Takings Without Compensation (Tex. Const. art. I, § 17).

Whether repeated overvaluation of property, resulting in the stripping of equity through forced taxation on unrealized gains, constitutes a taking of private property for public use without just compensation.

### 5. Separation of Powers.

Whether doctrines of “administrative exclusivity” and sovereign immunity may constitutionally insulate systematic government fraud from judicial review, thereby denying courts their constitutional role to check executive abuses and protect Texans’ property rights.

### 6. Statewide Importance: School Finance & Bond Integrity.

Whether systemic overvaluation by appraisal districts, used to support billions of dollars in school district bonds guaranteed by the Texas Permanent School Fund, creates a constitutional crisis of statewide importance under Article VIII’s taxation requirements and warrants immediate review by this Court.

## Case References and Parallels

### 1. Texas Disposal Systems Landfill, Inc. v. Travis CAD (2024)

- **SCOTX (Supreme Court of Texas) Focus:** Whether taxpayers can use *market value evidence* in an **equal-and-uniform** valuation challenge, or whether they're restricted to ARB protest grounds.
- **Parallel to Vexler Case:**
  - Shows SCOTX *will* step in when **procedural doctrines threaten to cut off meaningful equal-and-uniform remedies**.
  - Supports your **Open Courts** and **Due Course** arguments — SCOTX already recognized that *limiting judicial review* too narrowly undermines fairness.

### 2. Mills CAD v. Oncor Electric Delivery Co. (2024)

- **SCOTX Focus:** Whether certain agreements under Tax Code §1.111(e) deprive courts of jurisdiction.
- **Parallel to Your Case:**
  - Confirms SCOTX takes cases about **jurisdictional limits on courts in appraisal disputes**.
  - Aligns with Vexler case **administrative exclusivity vs. judicial review** issue.

### 3. Bexar CAD v. Johnson (2024)

- **SCOTX Focus:** Case granted on valuation dispute issues; part of a cluster of appraisal cases in 2023–2024.
- **Parallel to Vexler Case:**
  - Reinforces that **SCOTX views CAD litigation as recurring and important enough** to grant review, especially where taxpayer rights are implicated.

### 4. Valero Refining v. Galveston CAD (2017, applied in later cases)

- **SCOTX Focus:** Equal-and-uniform refinery valuations; whether Valero could use comparisons across refineries.
- **Parallel to Vexler Case:**
  - Supports Vexler's **Equal & Uniform Taxation** claim.
  - Shows SCOTX will look at whether appraisal methods themselves **violate constitutional mandates of uniformity**.

### 5. Willacy CAD v. Sebastian Cotton & Grain (2018)

- **SCOTX Focus:** Challenges under Tax Code §25.25 corrections and appraisal procedures.
- **Parallel to Vexler Case:**
  - Confirms SCOTX does not shy away from **systemic appraisal disputes**, especially when **agricultural land and tax equity** are involved.
  - Resonates with your **agriculture/farm overvaluation** point.

Strategic Alignment for Vexler Case

## Vexler Petition Issues

- **Administrative exclusivity blocks fraud claims** → *Parallels Mills CAD (jurisdiction) + Patel (due course).*
- **Equal & uniform violations through manipulated methods** → *Parallels Texas Disposal Landfill + Valero.*
- **Constitutional Open Courts and Takings issues** → *A logical extension beyond the narrower valuation cases SCOTX has already reviewed.*
- **Statewide systemic crisis (PSF bonds, municipal market)** → *Adds urgency & statewide importance, not yet squarely addressed by SCOTX in recent cases.*

**Bottom line:** The Supreme Court of Texas has, in the last five years, **reviewed multiple CAD cases** involving **equal-and-uniform taxation** and **jurisdictional barriers to court review**. Vexler’s filed petition fits directly into those doctrinal tracks — but raises them on a **broader constitutional and statewide scale**.

### Cases Granted Review by SCOTX (Last 5 Years)

#### 1. Texas Disposal Systems Landfill, Inc. v. Travis Central Appraisal District (2024)

Issue: Whether trial courts are limited to the grounds asserted before the Appraisal Review Board (ARB), or may also consider market value evidence in an equal-and-uniform valuation suit.

Ruling: SCOTX held the trial court’s jurisdiction isn’t restricted to protest grounds; market value evidence remains relevant in equal-and-uniform challenges.

#### 2. Mills Central Appraisal District v. Oncor Electric Delivery Co. NTU, LLC (2024, consolidated with Oncor v. Wilbarger CAD)

Issue: Whether subject-matter jurisdiction is triggered by the presence of Section 1.111(e) agreements affecting appraisal.

Ruling: Jurisdiction is not implicated by those agreement questions; remanded for further proceedings.

#### 3. Bexar Appraisal District v. Johnson (2024)

Issue: Though specifics are not in the summary, this involved an appraisal dispute and was granted review. The mere grant indicates substantive or procedural significance.

#### 4. Valero (GCAD) appraisal dispute—Equality & Uniformity/Jury Decision

Issue: Valero challenged unequal refinery valuation; the Court held Houston-area refinery comparisons valid.

Impact: SCOTX affirmed trial court jurisdiction to hear equal-and-uniform challenge.

5. Willacy CAD v. Sebastian Cotton & Grain, Ltd. (2018, slightly beyond five years)

Issue: Several Tax Code challenges including corrections under Section 25.25; SCOTX decided procedural rights in protest and corrections.

## Summary Table

Year Case Name Key Issue:

2024 Texas Disposal Landfill v. Travis CAD Equal & Uniform vs. market value scope

2024 Mills CAD / Oncor v. Wilbarger CAD Jurisdiction under Tax Code §1.111(e)

2024 Bexar CAD v. Johnson Appraisal dispute on review (specifics varied)

Pre-2020 Valero v. GCAD Equal & Uniform valuation via jury evidence

Out of these, several touch on issues directly related to the Vexler petition: equal-and-uniform challenges, scope of judicial review of ARB decisions, and proper valuation methods.

## Why This Matters

SCOTX does review appraisal district valuation disputes—especially when statewide tax policy or judicial review procedures are implicated.

## Comparative Authorities

This case presents no novel departure from this Court’s jurisprudence. To the contrary, it arises squarely within the categories of appraisal litigation that this Court has repeatedly granted review in recent years.

The constitutional questions posed here—**equal and uniform taxation, open courts, due course of law, and the limits of administrative exclusivity**—are natural extensions of the Court’s existing precedent.

### I. Equal and Uniform Taxation – *Texas Disposal Systems Landfill, Inc. v. Travis CAD (2024)*

In *Texas Disposal Systems Landfill*, this Court addressed whether a taxpayer in an equal-and-uniform valuation suit may rely on **market value evidence** even if that evidence was not part of its protest before the Appraisal Review Board. The Court held that such evidence is admissible, confirming that **trial courts must be able to reach the merits of equal-and-uniform claims without being artificially confined by administrative protest boundaries.**

Here, Petitioners likewise challenge **systematic departures from uniform appraisal methods**, including arbitrary class codes and extra-statutory manipulations of data. As in *Texas Disposal*, this Court’s intervention is necessary to ensure that constitutional guarantees of equal and uniform taxation are not hollowed out by procedural barriers.

## **II. Jurisdiction and Administrative Exclusivity – *Mills CAD v. Oncor Electric Delivery Co.* (2024)**

In *Mills CAD v. Oncor*, the Court clarified that questions regarding appraisal agreements under Tax Code § 1.111(e) do not strip trial courts of subject-matter jurisdiction. By rejecting overbroad readings of “administrative exclusivity,” the Court reaffirmed that **judicial review remains vital when appraisal disputes implicate broader legal rights**.

Petitioners here raise a parallel concern: that doctrines of administrative exclusivity are being used to bar **fraud and constitutional claims** from judicial review entirely, forcing taxpayers into ARBs that lack discovery powers, subpoena authority, or jurisdiction to adjudicate fraud. Just as in *Mills CAD*, this Court’s review is required to preserve meaningful judicial oversight.

## **III. Due Course of Law – *Patel v. Texas Department of Licensing & Regulation* (2015)**

In *Patel*, this Court struck down an economic regulation that imposed “oppressive” burdens disproportionate to any legitimate governmental interest. The Court emphasized that **Tex. Const. art. I, § 19 provides substantive protections against laws and procedures that leave citizens without a meaningful remedy**.

The same principle applies here. Forcing property owners to litigate systemic fraud exclusively before ARBs, with no discovery and no capacity to address fraud, creates an **illusory remedy**. Under *Patel*, such an arrangement is unconstitutional. Petitioners’ claims thus fall squarely within the framework of due course protections already articulated by this Court.

## **IV. Equal and Uniform Methodology Challenges – *Valero Refining v. Galveston CAD* (2017)**

In *Valero*, this Court recognized that a taxpayer could use comparisons across refineries to demonstrate unequal appraisal. The Court underscored that **uniformity in taxation requires more than labels—it requires actual methodological consistency across similarly situated properties**.

Petitioners allege widespread creation of arbitrary class codes, manipulation of property records, and disparate valuations of like properties. These allegations are not unlike the valuation inconsistencies at issue in *Valero* but raised here as a systemic pattern affecting entire classes of property owners. This Court’s prior willingness to review methodology-based constitutional challenges confirms the appropriateness of review here.

## **V. Agricultural and Rural Taxation – *Willacy CAD v. Sebastian Cotton & Grain* (2018)**

In *Willacy CAD*, the Court reviewed statutory and procedural questions arising from corrections to agricultural land appraisals under § 25.25 of the Tax Code. The Court’s grant of review confirmed that **agricultural land and rural taxation disputes raise issues of statewide significance deserving this Court’s oversight.**

Petitioners here present evidence of systematic **overvaluation of farmland**, which places agricultural constituencies at disproportionate risk of foreclosure. The constitutional stakes—equal and uniform taxation, due course of law, and open courts—are no less significant than those addressed in *Willacy*.

## **VI. Takings Without Compensation – Tex. Const. art. I, § 17**

Although this Court has not yet squarely addressed whether systematic equity-stripping through overvaluation constitutes a “taking,” its **takings jurisprudence has consistently extended beyond physical appropriation to regulatory and economic deprivations of property rights.** The constitutional question presented here is a logical and necessary extension of that doctrine.

## **VII. Statewide Importance**

Finally, the Supreme Court of Texas has repeatedly recognized that it may grant review where issues present questions of **statewide importance**. See Tex. Gov’t Code § 22.001(a)(6). Here, systemic appraisal inflation underpins **billions of dollars in school district bonds guaranteed by the Permanent School Fund**, exposing not only taxpayers but also the integrity of Texas’s municipal bond market. The issue is thus not parochial, but **structural and statewide**.

## **Conclusion of Authorities**

Taken together, these authorities confirm that Petitioners’ claims lie within categories of disputes the Supreme Court of Texas has repeatedly reviewed. Far from being routine tax complaints, the issues here implicate fundamental constitutional protections, jurisdictional access to the courts, and the financial integrity of the state’s tax and bond systems. Review is therefore both appropriate and necessary.

## **Jurisdictional Statement**

This case presents questions of exceptional constitutional and statewide importance. The Court of Appeals’ decision insulates **systemic fraud in property appraisals** from any judicial remedy by confining taxpayers to appraisal boards that lack authority to adjudicate fraud. That result violates the **Open Courts guarantee** (Tex. Const. art. I, § 13) and **Due Course of Law protections** (art. I, § 19), as recognized in *Patel v. TDLR*. It also undermines the mandate of **Equal and Uniform Taxation** (art. VIII, § 1(b)) and strips equity in violation of the **Takings Clause** (art. I, § 17). Because these appraisal practices directly underpin billions of dollars in **Permanent School Fund–guaranteed bonds**, the case implicates not only constitutional rights of Texans but also the financial stability of the State. Review is therefore proper under **Tex. Gov’t Code § 22.001(a)(2) and (6)**.