

Resolution Spotlight

The Resolutions adopted by the members of the County Judges and Commissioners Association of Texas (CJCAT) at the Annual Conference originate among members of Commissioners Courts and serve as the CJCAT Legislative Platform.

Support for Expedited Process to Protect Consistent and Predictable Tax Rolls County Judge or Commissioner → CJCAT → Legislature

A law passed in 2019 amended the Tax Code to allow taxpayers to contest their appraisal and only pay the undisputed amount of their taxes until resolution.

When contested appraisals involve high-value mineral interests and industrial plants, the difference between the proposed value and their estimates is left to be contested in court, explained CJCAT Legislative Director Rick Thompson. This can result in several years of litigation, in many cases leaving the taxing entities to fill in the void with increased tax rates to cover the difference.

“The property owners disputing the request are not subject to penalties or interest; consequently, there is not an incentive for a quick resolution,” added Scurry County Judge Dan Hicks.

The year the law was passed, Scurry County’s largest taxpayer, an energy infrastructure company, disputed their taxes and has continued to do so every year except for 2024. Approximately 24 percent of the value was undisputed, Hicks specified. At one point, the company had roughly \$27 million in unpaid taxes dating back almost seven years due to entities including Scurry County, Snyder ISD, Ira ISD, Western Texas College, Cogdell Memorial Hospital, and the city of Snyder.

“This company was able to afford this because they can keep the funds they are not paying without fear of interest or penalties,” Hicks emphasized. “This company is our largest taxpayer, and it puts an unfair burden on the remainder of the taxpayers. As taxing entities, we cannot and would not shift that burden to the other taxpayers to make up what they won't pay. We cannot budget around what their contested amount is, and we have to include their TOTAL appraised value in our budgets.”

Hicks has spoken with every one of his legislators over the last six years leading up to every legislative session.

“We need to find a way to fix the Tax Code or find a way to speed up the process so we are not seven years into a lawsuit waiting on a decision,” Hicks maintained.

As of press time, the appraisal district had settled the lawsuit with the company for approximately \$13 million, with Scurry County receiving approximately \$3.6 million.

“The payment was timely, but it is unfortunate that it took so long to get,” Hicks stated.

Members of Commissioners Courts worked with the CJCAT to develop the following resolution.

Support for Expedited Process to Protect Consistent and Predictable Tax Rolls

WHEREAS, the timely and accurate appraisal of mineral interest and industrial property is essential to the fiscal stability of the various taxing entities therein, including counties; and

WHEREAS, protracted litigation regarding property tax valuations under the Texas Tax Code, specifically involving high-valued mineral interests and industrial plants, has created significant budgetary uncertainty for local government operations; and

WHEREAS, Texas Tax Code Section 42.08 (b)(1) requires property owners to pay the portion of the taxable value that is not in dispute during the pendency of an appeal, yet the long-term resolution of these funds remains stalled in the judicial system for years; and

WHEREAS, there is no incentive for the property owners to settle the claim during the pendency of the protest because the property owners are not subject to penalties or interest; and

WHEREAS, the current backlog of appraisal disputes places an undue burden on both the county and local taxpayers who rely on consistent and predictable tax rolls; and

WHEREAS, an expedited judicial or administrative process for resolving high-stakes mineral and industrial appraisal disputes would serve the interests of transparency and governmental efficiency;

NOW, THEREFORE, BE IT RESOLVED that the County Judges and Commissioners Association of Texas supports the implementation of an expedited process for the resolution of property tax disputes involving complex mineral interests and large-scale industrial assets.