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City of Austin's Property Tax Lawsuit is a Capital City Revenue Grab

Senator Bettencourt asks for Senate to Study Remedy in Interim

Austin - The City of Austin has compiled a list of over 15,000 property owners that they expect to 'serve' as defendants in the lawsuit they filed on August 24th. Somewhat humorously, among the property owners listed to be served are property owners that may enjoy property tax exemptions, such as religious organizations and governmental entities such as Austin ISD.

"As I predicated, the City is going to have to serve approximately 15,000 taxpayers as individual defendants in the suit; many of whom did not even protest their appraised value. They will all be very surprised about being part of the Capital City revenue grab in Travis County," said Senator Bettencourt.

To get to this point, the City of Austin has twisted the protest process before both the Appraisal Review Board and the district court in a manner totally unintended by its drafters over 30 years ago. The City's suit goes beyond property values and attacks key taxpayer protections, such as equal and uniform and the lack of sales price disclosure, as unconstitutional. The right of a city to appeal the values of a class of properties is not the proper venue to raise constitutional claims aimed at tilting the property tax system dramatically against taxpayers.

"The misuse of the protest process by the City of Austin is the reason that I have asked the Lieutenant Governor for an interim charge on this issue. The courts are not the proper place for deciding policy issues that are the sole prerogative of the Legislature," stated Senator Bettencourt.

Home values all across the state are set to rise, with increases of 15% in Houston, 11% in San Antonio, 12% in Austin and 9% in Dallas. At the same time, taxpayers' incomes are not rising nearly as fast, especially with the downturn in oil prices.

"Texans cannot withstand a system that increases their property tax bills 2 ¹/₂ times faster than their paychecks. Taxpayers need additional relief from their property tax burden going forward, not additional efforts by local taxing units to increase property values," added Senator Bettencourt.