

# Taxpayers win appraisal bout

AG: Properties that overlap districts, have differing values should be taxed on lower sum

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The Texas attorney general sided Tuesday with taxpayers over taxing entities in a ruling designed to clear up confusion over how properties should be taxed when they overlap in adjacent tax appraisal districts.

The opinion contends that when two appraisal districts calculate differing property values, both entities should adopt the lower property value for taxing purposes.

Theoretically, that would mean

affected homeowners should pay less in 2004 property taxes than their current tax bills require.

The impact on taxing entities, such as Dallas County, the Dallas Independent School District and the city of Dallas, still is unclear. Officials said they probably would lose an insignificant amount of tax revenue.

But Foy Mitchell, chief appraiser of the Dallas Central Appraisal District, said he doesn't consider the attorney general's opinion binding and still contends that the tax law violates the Texas Constitution, which requires equal and uniform taxation.

He said he still must confer with the tax district's attorney to decide whether to accept lower appraised

# Taxpayers earn victory over question of adjacent districts

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values in the handful of contested cases that the ruling might affect.

Tuesday's decision by Attorney General Greg Abbott brought smiles to Peter Rosenfeld, a homeowner in Far North Dallas who has been fighting the Dallas appraisal district over his 2004 tax bill.

Mr. Rosenfeld's property had been appraised by the Collin Central Appraisal District at \$260,083, while the Dallas appraisal district determined that it was worth \$269,970.

Because of a new state law requiring appraisal districts to equalize such appraisals, Mr. Rosenfeld assumed that the Dallas appraisal district would adopt the lower Collin value. But it balked.

Mr. Mitchell has said he grudgingly follows the law in most cases, but occasionally, when a neighboring appraisal district reduced a home value below what Dallas thought was market value, he doesn't budge. He said he considers such a reduction as an unfair break to the individual homeowner at the expense of the rest of the district's taxpayers.

Now, the attorney general has ruled that when appraisals vary, both districts must use the lower

figure.

"I fought tooth and nail to have this looked at," Mr. Rosenberg said. "I'm happy about the outcome."

There are about 50,000 to 60,000 properties in the Dallas appraisal district that also lie in an adjoining district. Not all would be affected, because in most cases Dallas' valuation does not differ with the valuation of a neighboring district.

Mr. Mitchell has his own request before the attorney general — to rule on whether the tax law violates the constitution.

He said those who already have paid their tax bill for 2004 have no recourse if they think the attorney general's opinion gives them a chance to challenge their higher appraisal from Dallas. He said lawsuits must be filed within 45 days of receiving a tax appraisal.

Mr. Rosenfeld, however, assumes the attorney general ruling means he will save \$70 on his city of Dallas taxes. Because his property lies in Collin County and the Plano Independent School District, where the lower appraised property value had been adopted, his tax bill for those entities will remain unchanged.

Though his assumed windfall would be modest, Mr. Rosenberg

said he pursued the matter on principle.

"Mr. Mitchell stuck his finger in my nose and said he was not going to follow the law, and I said, 'Yes you will,'" Mr. Rosenberg said. "The attorney general apparently agrees."

Ryan Brown, budget director for Dallas County, said he did not know how much less tax revenue the county would receive because of the ruling, but he predicted it would be negligible. Even if all 50,000 affected properties had slightly lower payments, they represent only 5 percent of the 900,000 parcels in the county. The attorney general's ruling had been requested by the Harris County Appraisal District, where Houston is, because of similar disagreements with neighboring appraisal districts over the value of overlapping properties.

Initial property tax payments are due to appraisal districts by Jan. 31. Mr. Rosenberg said the Dallas district should send out new notices to affected property owners to notify them about their reduced tax obligation. Mr. Mitchell said that he didn't plan on doing that but that he still must confer with the district's attorney.