

J. L. Gross & Company
AD VALOREM TAX SERVICES

12042 Blanco Rd., Suite 306
San Antonio, TX 78216

January 29, 2009

Ms. Sylvia Romo, CPA, RTA, CTA
Bexar County Tax Assessor-Collector
233 N Pecos La Trinidad
San Antonio, TX 78207

RE: Refund Policy Change Request

Ms. Romo:

We are writing you in regards to your policy requiring any refunds for a property to be paid to the person or company that originally paid the tax bill for the year the refund is due. While we understand the reasons behind this policy in most cases, it is causing several problems for some property owners, and we request that you change or amend this policy at the written request of the property owner or their agent.

In particular, we are concerned with this policy when the refund is due to a change in value because of a lawsuit. In several instances, your office has sent the refunds from a lawsuit to the mortgage company that paid the taxes for the year indicated in the lawsuit, as per your policy. However, our clients have experienced difficulties in getting these monies either distributed to them or applied to their account. This is especially true when the refund was sent to a prior mortgage company, but that company no longer manages the loan for the property, either because the owner has refinance to another mortgage company, or the property has been sold, or some other circumstance has necessitated changing mortgage companies.

When we have requested refunds for our clients from these lawsuits, we submitted a copy of the Agreed Final Judgment; but, we have been instructed by your office not to submit a copy of the Judgment. In these Agreed Final Judgments, the court instructs who any refund should be paid to.

As per the Agree Final Judgment, Section 4(3), the court instructs the "[The] Appraisal District shall advise the appropriate-collector to... (3) refund to the *Plaintiff* any amount due pursuant to Section 42.43, Texas Tax Code..." (Emphasis added). In the case of these lawsuits, the Plaintiff is generally the property owner, not the mortgage company, and refunds should be made to the property owner as stated by the court decision.

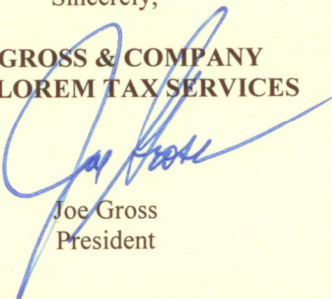
Section 42.43, Texas Tax Code states "(a) If the final determination of an appeal that decreases the property owner's tax liability occurs after that property owner has paid his taxes, the taxing unit shall refund the property owner the difference between the amount of taxes paid and the amount of taxes for which the property owner is liable." Again, the mortgage company collects and escrows the property taxes for the owner and pays the tax bill, but it is still the owner that ultimately pays the property taxes.

We request that in the case of refunds due to Litigation, the Tax Office consider changing its policy and pay any refunds due to the lawsuit according to the instructions in the Agree Final Judgment directed by the court. We will be happy to provide a copy of the Agreed Final Judgment with our written request for a refund.

Please contact us to let us know your response on this matter. Please also call if you have any questions.

Sincerely,

J.L. GROSS & COMPANY
AD VALOREM TAX SERVICES



Joe Gross
President

• A Property Service Company of •
The TransEquitable Corporation