

LINEBARGER GOGGAN BLAIR & SAMPSON, LLP

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Media Inquiries
Call: 844-577-7628
Email: cmsmedia@lgbs.com

Homestead Exemption Audit Generates Millions for Nueces County

Law firm uses new techniques and data sources to identify properties with inappropriate exemptions

(Corpus Christi, TX) – March 9, 2016 – A collaborative project involving the leadership and staff of the Nueces County Appraisal District and the Linebarger Goggan Blair & Sampson law firm has resulted in the discovery and assessment of nearly \$2.4 million in tax revenue previously shielded by inappropriate homestead exemptions.

“In any community there are likely numerous property owners with homestead exemptions who shouldn’t have them,” said Linebarger Partner Paul Chapa. “The problem is no one has devised an effective and systematic way to audit the books for those improper exemptions, until now.”

“I have nothing but high praise for this team effort,” said Nueces County Chief Appraiser Ramiro “Ronnie” Canales. “I’m proud of my staff for the diligence and professionalism they applied to this project, and I couldn’t be more pleased with the creativity and support we received from our partners at Linebarger Goggan.”

The Linebarger staff developed a proprietary algorithm and purchased rights to multiple nationwide data sources to research properties and detect those likely to have an invalid exemption. The firm then worked with the NCAD staff to complete the investigation and contact the property owners.

“Many property owners who had improper exemptions were completely innocent. They didn’t know the rules. Once we explained the rules, most were willing to accept that the exemption did not apply,” Chapa said.

He added that there were some people who did know the rules but were trying to game the system. “We got to them, too, and most of them were willing to stand down when confronted.”

The most common instances of an improper exemption were circumstances in which the original property owner was deceased, the owner was applying exemptions on more than one property, or where the owner was not using the property as a principal residence. The audit identified over 1,000 properties in Nueces County with an improper exemption.

“In addition to generating \$2.4 million in revenue that will go to fund various services throughout the County, this process returned over \$500 million to the appraisal rolls for the various jurisdictions – a reliable and recurring source of revenue,” Chapa said.

“Most people understand the need to pay their fair share of taxes and that’s all we were asking that folks do once our audit identified them,” Chapa added. “I’m proud that we were able to generate some much needed revenue for Nueces County and we’ve begun reaching out to other communities to offer the same proprietary service. I am confident we’ll see similar results elsewhere,” he said.

About Linebarger Goggan Blair & Sampson, LLP

Linebarger Goggan is a national law firm with whose practice is dedicated to the collection of delinquent accounts receivable for governmental entities. After over 40 years, our firm is proud to represent more than 2,300 state and local governments throughout the country. The revenue recovered by Linebarger Goggan helps support essential public services. To learn more about our law firm, please visit us at <http://www.lgbs.com>.

Editor’s Note: If you’d like to discuss this issue with Paul Chapa, contact Linebarger Goggan Blair & Sampson, LLP Director of Public Affairs Joe Householder to arrange an interview.