



LYNDA GUNSTREAM, RTA
ORANGE COUNTY
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January 5, 2007

West Orange-Cove CISD
PO Box 1107
Orange, TX 77631-1107

RE: Tax Suit AOIO011-T; Tax Account # 000059-001401

Attention: Dr. Collins

This is a request to place on the school board's agenda for action a request by David Lilley for refund of taxes paid in June of 2003. The payment was made by Mr. Lilley in an attempt to redeem his property the county foreclosed on and sold to bidder, William Snyder. The former owner has a statutory right to redeem the property from the purchaser for a designated amount of time; however, he must meet very specific redemption requirements in order to do so. In the end Mr. Lilley was not granted redemption rights and is now requesting refund of taxes paid in accordance with the redemption attempt. The attached letter from the Linebarger law firm gives a little more detail about the case.

Under Property Tax Code Sec 31.11 if a refund request is in excess of \$2,500, I am required to have the governing body of each taxing entity approve the refund. The County Commissioner's Court made their approval for refund on December 18, 2006.

The attached chart shows the breakdown of the payment. If approved, the refund amount will be applied and deducted from your entity's weekly collection distribution report just as normal refunds are done. In order for the refund to be processed during this high collection month without conflict of funds availability, your prompt attention in this matter will be appreciated.

If you have any questions, please feel free to contact me at 882-7989 or Linebarger Attorney, Steve Bird at (512) 447-6675.

Sincerely,

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Lynd~stream
Tax Assessor-Collector

Cc: Alan Sanders, Attorney at Law
Sanders & Sanders, LLP
PO Box 519
Orange, TX 77631

David Lilley Acct # 000059-001401

Breakdown of payment applied on 6/24/2003

Year	1993	1994	1996	1996	1997	19998	1999	2000	2002	TOTAL
COUNTY		250.49	506.79	747.29	705.79	215.39	650.97	642.17	520.82	4,239.71
F/M		3.69	7.27	10.77	10.39	3.07	9.22	8.62	6.59	69.62
CITYOR		510.73	934.38	1,357.97	1,308.52	379.28	1,140.66	1,113.53	832.70	7,577.77
PORT		10.20	20.30	30.56	28.87	8.31	24.19	21.99	12.31	166.73
DRAIN		0.21	79.21	126.68	160.36	53.82	169.79	157.95	119.69	867.71
WOCCISD	241.96	2,364.85	1,845.10	2,775.80	2,622.38	2,433.28	2,264.73	2,050.51	1,521.80	18,120.41
SUB TOTAL	241.96	3,140.17	3,393.05	5,049.07	4,836.31	3,093.15	4,259.56	3,994.77	3,013.91	31,021.95
ATTYFEE	36.29	471.02	508.97	757.36	725.45	463.97	638.94	599.22	452.09	4,653.31
TOTALPYMT	278.25	3,611.19	3,902.02	5,806.43	5,561.76	3,557.12	4,898.50	4,593.99	3,466.00	35,675.26

WOCCISD

Year	1993	1994	1996	1996	1997	1998	1999	2000	2002	TOTAL
BASETAX	107.54	1,110.26	917.96	1,468.68	1,481.57	1,474.71	1,480.21	1,454.26	1,323.30	10,818.49
PENALTY	12.90	133.23	110.16	176.24	177.79	176.97	177.63	174.51	132.33	1,271.76
INTEREST	121.52	1,121.36	816.98	1,130.88	963.02	781.60	606.89	421.74	66.17	6,030.16
TOTAL	241.96	2,364.85	1,845.10	2,775.80	2,622.38	2,433.28	2,264.73	2,050.51	1,521.80	18,120.41

LINEBARGER GOGGAN BLAIR & SAMPSON, LLP

ATTORNEYS AT LAW 1949
SOUTH I.H. 35 P. O. BOX
17428 AUSTIN, TEXAS
78760

512/447-6675
FAX 512/443-3494

Douglas Steven Bird

email tosteve.bird@publicans.com

December 28, 2006

Mrs . Lynda Gunstream
Tax Assessor-Collector, Orange County
P.O. Box 1568
Orange, Texas 77631-1568

RE: Tax Suit AOI00II-T: Orange County, et al v. David Lilley, et al; Tax account
number 59-1401

Dear Lynda:

This letter is intended to memorialize the refund issues surrounding the above referenced property. I appreciate your assistance throughout this process.

Here is a brief factual background surrounding this property. We foreclosed on the property in September 2002. The property was offered for sale pursuant to that judgment in October 2002 and no bids were received at that auction. The property was therefore struck off to the taxing units in trust. Subsequently, a bid in the amount of \$6,800 was received and accepted by Mr. Bill Snyder. That payment was applied to the extent possible against the tax liability on the property. Consistent with statute, after application of Mr. Snyder's payment, the balance of taxes were adjusted off.

During the redemption period an attempt by Mr. Lilley, the former owner, to redeem his property was initiated. Because the property was sold for less than the total tax liability, Mr. Lilley was required by law to tender not only the purchase price of Mr. Snyder (\$6,800) but to also pay all of the back taxes that were adjusted off (\$35,675.26). Mr. Lilley did so and in June of 2003 your office applied that tender to those taxes in full. I am enclosing copies of the paid receipts evidencing that transaction.

Mr. Snyder disputed the attempted redemption by Mr. Lilley and filed suit in the 163rd District Court asking that the redemption be set aside. The Court eventually decided that the redemption was not valid. This decision by Judge Powell, effectively recognized Mr. Snyder as the owner of the property and determined that Mr. Lilley's attempted redemption in June of 2003 was not valid.

In light of the decision by the Court, Mr. Lilley has requested that his redemption tender be returned in full. Our firm has held in our IOLTA account the portion of Mr. Lilley's initial redemption monies that were allocated for Mr. Snyder. This includes Mr. Snyder's purchase price of \$6,800 plus all statutory redemption penalties for a total of \$8,874.25. I have asked our

Mrs. Lynda Gunstream
Tax Assessor-Collector, Orange County
December 28, 2006
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accounting department to issue a check payable to Mr. Lilley's attorney, Alan Sanders for this amount. I would expect that this check will be ready for delivery in the next 7 - 10 days.

It is necessary at this point for the redemption tax payment by Mr. Lilley be refunded as well. This amount totals \$35,675.26. Please take whatever steps are necessary to secure these funds and to issue a check to Mr. Sanders as the attorney for Mr. Lilley. When combined with the check from our firm the total refund to Mr. Lilley will be \$44,549.51. Please keep in mind that once these taxes are unpaid and the refund issued, any tax balance shown on this account will need to be adjusted off as uncollectible.

Again, I appreciate your assistance throughout this process and should you have any questions please do not hesitate to contact me.

Very Truly Yours,

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Attorney at Law

Xc: Alan Sanders, Attorney at Law
Sanders & Sanders, LLP
P.O. Box 519
Orange, TX 77631