

IN THE CIRCUIT COURT OF JACKSON COUNTY, AT KANSAS CITY
STATE OF MISSOURI

STATE OF MISSOURI, ex rel.)
Attorney General Andrew Bailey,)
P.O. Box 899)
Jefferson City, MO 65102)

and)

STATE TAX COMMISSION,)
P.O Box 146)
421 East Dunklin St)
Jefferson City, MO 65102)

Relators/Plaintiffs,)

v.)

Case No. _____

Division _____

JACKSON COUNTY, MISSOURI,)
Serve at: 415 E. 12th St, 2nd Floor,)
Kansas City, MO 64106)

JACKSON COUNTY LEGISLATURE,)
through its members in their official)
capacities,)
Serve at: 415 E. 12th St, 2nd Floor,)
Kansas City, MO 64106)

FRANK WHITE, JR., in his official)
capacity as Jackson County)
Executive,)
Serve at: 415 E. 12th St)
Kansas City, MO 64106)

GAIL MCCANN BEATTY, in her)
official capacity as Jackson County)
Director of Assessment,)
Serve at: 415 E. 12th St, Ste 1M,)
Kansas City, MO 64106)

JACKSON COUNTY BOARD OF)
EQUALIZATION, through its)
members in their official capacities,)
Serve at: 415 E. 12th St,)
Rooms 104 and 102)
Kansas City, MO 64106)
))
and)
))
TYLER TECHNOLOGIES, INC.,)
Serve at: Registered Agent)
222 E Dunklin, Ste 102)
Jefferson City, MO 65101)
))
Respondents/Defendants.)

PETITION FOR WRIT OF MANDAMUS, INJUNCTIVE RELIEF,
DECLARATORY RELIEF, AND RELIEF UNDER THE
MISSOURI MERCHANDISING PRACTICES ACT
(EC)

Jackson County’s 2023 Assessments were not only unlawful, but the failures were systemic – from failing to provide proper notice and inspections under the law, to coercing property owners to drop their appeals. Repeatedly, Jackson County violated the rights of property owners, adding insult to injury at a time in which inflation is already a scourge upon Missouri citizens.

Those affected by Jackson County’s systemic failures under the law were not just a hand full of citizens; instead, tens of thousands and even hundreds of thousands of citizens and property owners are impacted. When property values are not assessed in accordance with the law, citizens may be

overtaxed without an effective avenue for relief, along with a myriad of other collateral consequences. For thousands of citizens with little opportunity to improve their financial situations and simply struggling to make ends meet under normal circumstances, such as senior citizens living on a fixed income, the consequences of Jackson County's unlawful conduct can be severe.

Unlawful assessments by Jackson County and the company it hired to complete its statutorily-mandated work resulted in at least a 30 percent average increase in real property values. Shockingly, many Jackson County real property owners received real property assessment increases in excess of 100 percent.

Because Respondents and Defendants Jackson County, Missouri, the Jackson County Legislature, Frank White, Jr., Gail McCann Beatty, and the Jackson County Board of Equalization (collectively, "the County"), along with Respondent and Defendant Tyler Technologies, Inc. (collectively, "Defendants") failed to lawfully carry out their duties and obligations, Jackson County real property owners are bearing the brunt of this system-wide breakdown. The Missouri Attorney General and the State Tax Commission, as authorized by law, therefore, bring this action as Relators/Plaintiffs to ensure the citizens of Missouri that own real property in Jackson County are not unjustly taxed and their rights are protected.

PARTIES

1. Andrew Bailey is the Attorney General of the State of Missouri and brings this action in his official capacity pursuant to Chapter 407 and Sections 27.060 and 138.410, RSMo,¹ and the authority granted to the office at common law.

2. The State Tax Commission is an agency of the State of Missouri. The State Tax Commission exercises general supervision over all assessing officers of the State, county boards of equalization, and all laws concerning the general property tax. § 138.410.1, RSMo. In executing its powers, the State Tax Commission “shall call upon the attorney general ... to assist ... in the enforcement of laws with the supervision of which this commission is charged.” § 138.410.2.

3. Jackson County, Missouri (“County”) is a constitutional home rule charter county. *See* Jackson Co. Charter.

4. The Jackson County Legislature (“County Legislature”) is vested with all legislative power of Jackson County. Jackson Co. Charter, art. II, § 1.1. The County Legislature provides “for the assessment, levy, equalization, and collection of all taxes now or hereafter authorized by the constitution or by law and prescribe a method or system to facilitate the assessment, calculation, extension and collection of taxes.” *Id.* § 16.7. As of

¹ All statutory citations are to the current version of the Missouri Revised Statutes, as amended, unless otherwise noted.

the date of this filing, the individual members of the County Legislature are DaRon McGee, Megan Marshall, Jalen Anderson, Donna Peyton, Manuel Abarca IV, Venessa Huskey, Charlie Franklin, Jeanie Lauer, and Sean Smith.

5. Frank White, Jr., is the County Executive of Jackson County (“County Executive”). The County Executive is responsible for administration of the affairs of Jackson County and has the power to correct errors in assessment and tax records.

6. Gail McCann Beatty is the Director of the Jackson County Assessment Department, (“County Assessor”) and is responsible for assessment of real property in Jackson County.

7. The Jackson County Board of Equalization (“Board of Equalization” or “Board”) is a board established pursuant to Missouri law. It is responsible for hearing all appeals from the County Assessor’s property valuation and correcting and adjusting assessments accordingly. § 138.060, RSMo. By law, the Board consists of three members appointed by the County Executive and two additional members. Jackson Cnty. Charter, art. XI, § 1.1-3. As of the date of this filing, the individual members of the Board include V. Edwin Stoll, Forestine A. Beasley, and Lauren Allen.

8. Tyler Technologies, Inc. (“Tyler Technologies”) is a corporation headquartered in Plano, Texas and registered in Missouri. Tyler Technologies

specializes in providing software and services to the public sector.

JURISDICTION AND VENUE

9. This Court has subject matter jurisdiction pursuant to Article V, Section 14 and Article X, Section 23 of the Missouri Constitution, Chapter 407 and Sections 139.300.4, 478.070, 526.010, and 527.010, RSMo, and Missouri Supreme Court Rules 87, 92, and 94.

10. The acts and injuries alleged in this complaint occurred in the State of Missouri.

11. The Court has personal jurisdiction over Defendants. Defendants and their employees, agents, and officers performed the acts alleged in this action within the course and scope of their agency and employment within the State of Missouri.

12. The Court has specific personal jurisdiction over Defendant Tyler Technologies. Tyler Technologies, in connection with the acts alleged in this action, and through its employees, agents, and officers, did the following: (1) conducted business in and from the State of Missouri; (2) formed a contract within the State of Missouri; and (3) committed tortious acts in the State of Missouri. Tyler Technologies is registered in Missouri, has offices in Jefferson City and St. Louis, Missouri, and conducts regular and substantial business within the State of Missouri by providing appraisal, reassessment, and other services to government entities. Tyler Technologies' employees,

agents, and officers performed acts related to Jackson County's property assessment process within the State of Missouri.

13. Venue is proper in this Court pursuant to Sections 407.100.7, 508.010.4, and 508.060, RSMo.

MISSOURI MERCHANDISING PRACTICES ACT

14. Section 407.020 of the Missouri Merchandising Practices Act (“MMPA”) provides in pertinent part:

The act, use or employment by any person of any deception, fraud, false pretense, false promise, misrepresentation, unfair practice or the concealment, suppression, or omission of any material fact in connection with the sale or advertisement of any merchandise in trade or commerce or the solicitation of any funds for any charitable purpose, as defined in section 407.453, in or from the state of Missouri, is declared to be an unlawful practice... Any act, use or employment declared unlawful by this subsection violates this subsection whether committed before, during or after the sale, advertisement, or solicitation.

15. Section 407.100.1, RSMo, provides:

Whenever it appears to the attorney general that a person has engaged in, is engaging in, or is about to engage in any method, act, use, practice or solicitation, or any combination thereof, declared to be unlawful by this chapter, the attorney general may seek and obtain, in an action in a circuit court, an injunction prohibiting such person from continuing such methods, acts, uses, practices, or solicitations, or any combination thereof, or engaging therein, or doing anything in furtherance thereof.

16. “Person” is defined as “any natural person or his legal representative, partnership, firm, for-profit or not-for-profit corporation, whether domestic or foreign, company, foundation, trust, business entity or association, and any agent, employee, salesman, partner, officer, director, member, stockholder, associate, trustee or cestui que trust thereof.” § 407.010(5), RSMo.

17. “Merchandise” is defined as “any objects, wares, goods, commodities, intangibles, real estate, or services.” § 407.010(4), RSMo.

18. “Trade” or “commerce” is defined as the “advertising, offering for sale, sale, or distribution, or any combination thereof, of any services and any property, tangible or intangible, real, personal, or mixed, and any other article, commodity, or thing of value wherever situated. The terms ‘trade’ and ‘commerce’ include any trade or commerce directly or indirectly affecting the people of this state.” § 407.010(7), RSMo.

19. Defendant Tyler Technologies has advertised, marketed, and sold merchandise in trade or commerce within the meaning of Section 407.010, RSMo.

20. Pursuant to Section 407.145, RSMo, the Attorney General has promulgated rules explaining and defining terms Sections §§ 407.010-407.145 of the Merchandising Practices Act. The rules relevant to the Merchandising Practices Act allegations herein include the provisions of 15 CSR 60.

GENERAL ALLEGATIONS

21. Pursuant to Article X, Section 1 of the Missouri Constitution, counties and other political subdivisions may exercise taxing authority under the “power granted to them by the general assembly for county, municipal and other corporate purposes.”

22. The County Legislature has the power to provide for and prescribe a method or system to facilitate the assessment and collection of all taxes. Jackson Co. Charter, art. II, § 16.7.

23. The County Executive administers the County’s tax system.

24. The County Executive has the power to correct errors in assessment and tax records, appoint department directors, coordinate and supervise the work of the departments, officers and agencies subject to his control, and “shall assign all duties and functions prescribed by law or this charter for the county assessor.” Jackson Co. Charter, art. III, § 6.1, 3, 9, art. IV, § 5.

25. The County Executive delegates the administration of tax system to the Jackson County Assessment Department and the County Assessor.

26. The County Assessor is responsible for assessing all real and personal property in Jackson County in accordance with Section 137.115, RSMo, and all applicable provisions of Chapter 137, RSMo.

27. The County Assessor is required to “annually assess all real

property, including any new construction and improvements to real property, and possessory interests in real property at the percent of its true value in money set in subsection 5 of this section.” § 137.115.1, RSMo.

28. The County Assessor must determine new assessed values “as of January first of each odd-numbered year” and enter those values “in the assessor’s books.” *Id.* These “assessed values shall apply in the following even-numbered year, except for new construction and property improvements which shall be valued as though they had been completed as of January first of the preceding odd-numbered year.” *Id.*

29. The Assessor must notify the property owner of any increase in the value of real property by June 15 “and, in a year of general reassessment, the county shall notify the record owner of the projected tax liability likely to result from such an increase.” *Id.* § 137.180.1-2.

30. Before the County Assessor may increase the property valuation of a residential parcel by more than fifteen percent, excluding new construction or improvements, the Assessor must conduct a physical inspection. § 137.115.10.

31. When such a physical inspection is required, the Assessor must “notify the property owner of that fact in writing and shall provide the owner clear written notice of the owner’s rights relating to the physical inspection.” § 137.115.11.

32. “If a physical inspection is required, the property owner may request that an interior inspection be performed during the physical inspection. The owner shall have no less than thirty days to notify the assessor of a request for an interior physical inspection.” *Id.*

33. A physical inspection required by Section 137.115.10, RSMo, must at least include “an on-site personal observation and review of all exterior portions of the land and any buildings and improvements to which the inspector has or may reasonably and lawfully gain external access” and “an observation and review of the interior of any buildings or improvements on the property upon the timely request of the owner.” § 137.115.12. Merely observing “the property via a drive-by inspection or the like shall not be considered sufficient to constitute a physical inspection as required by this section.” *Id.*

34. “Every person who thinks himself aggrieved by the assessment of his property may appeal to the county board of equalization.” § 137.275.

35. The County Board of Equalization is responsible for “determin[ing] all appeals from the valuation of property made by the assessor, and shall correct and adjust the assessment accordingly.” § 138.060.1.

36. When hearing assessment appeals, the Board of Equalization, shall not apply a presumption that the Assessor’s valuation is correct.

§ 138.060.1.

37. In counties like Jackson County, “for any property whose assessed valuation increased at least fifteen percent from the previous assessment unless the increase is due to new construction or improvement, the assessor shall have the burden to prove that the assessor’s valuation does not exceed the true market value of the subject property.” § 138.060.1.

38. Further, on appeal, when a physical inspection is required by section 137.115, “the assessor shall have the burden to establish the manner in which the physical inspection was performed and shall have the burden to prove that the physical inspection was performed in accordance with section 137.115.” § 138.060.1.

39. If “the assessor fails to provide sufficient evidence to establish that the physical inspection was performed in accordance with section 137.115, the property owner shall prevail on the appeal as a matter of law.” § 138.060.1.

40. Real property owners may appeal decisions by the Board of Equalization to the State Tax Commission. § 138.430.

41. The County Legislature granted a third party, Tyler Technologies, a contract of approximately \$17.9 million to perform certain services related to appraisal and reassessment in connection with the 2023 assessment of real properties in Jackson County.

42. Tyler Technologies represents and advertises itself as experienced in providing mass appraisal services, experts in data collection and property valuation, and capable of helping entities deliver fair and equitable property valuations.

43. Through its contract with Jackson County, Tyler Technologies agreed to perform certain services in accordance with specified deadlines; these services included (among others): data collection through an exterior parcel-by-parcel review; image gathering; sales verification; neighborhood delineation; and market value estimates for every parcel.

44. Tyler Technologies also was required to conduct its exterior parcel-by-parcel reviews using its computer-assisted mass appraisal (“CAMA”) program with data to be entered into the CAMA system. The company represents itself as using its software to collate multiple forms of data to arrive at accurate and fair property valuations.

45. County Defendants have used Tyler Technologies to conduct informal reviews of assessment challenges filed by Jackson County real property owners.

46. Tyler Technologies promised and represented itself as able and intending to perform its contractually obligated services accurately, reliably, and in accordance with the terms, including time constraints, of the contract.

47. Tyler Technologies was contractually obligated to perform these

services accurately, reliably, and in accordance with Missouri law.

48. Tyler Technologies owed Jackson County real property owners a duty to perform its services related the 2023 assessment of real properties in Jackson County in accordance with the applicable standard of care.

49. Tyler Technologies has advertised, marketed, and sold merchandise in trade or commerce within the meaning of Section 407.010, RSMo.

50. The legal, contractual relationship between Defendant Tyler Technologies and County Defendants in connection with the sale and advertisement of the services referenced in this Petition is covered by the MMPA.

51. The legal relationship between Defendant Tyler Technologies and Jackson County real property owners in connection with the sale and advertisement of the services referenced in this Petition is covered by the MMPA. A direct contractual relationship between these Tyler Technologies and Jackson County real property owners is not needed for this to be so.

52. For 2023, Defendants assessed the value of over 300,000 properties, including over 275,000 residential parcels.

53. Of the over 275,000 residential parcels assessed, 90 percent were assessed as having increased in value and over 75 percent were assessed as having increased in value by more than 15 percent.

SPECIFIC ALLEGATIONS

54. Defendants failed to comply with the law in conducting the 2023 assessment of real property in Jackson County.

55. These illegal assessments resulted in at least a 30 percent average increase in real property values. Many Jackson County real property owners received increases in excess of 100 percent.

56. The improperly conducted assessments also resulted in wild inconsistencies. For example, on information and belief, neighboring homes that were substantially similar and had been assessed at the same value during the prior assessment, were assessed in 2023 as being over 30 percent apart in value. There are also homes that vary wildly in value but Defendants valued similarly merely due to physical proximity.

57. There are several ways in which Defendants failed to comply with the law in conducting the 2023 real property assessments.

58. First, Defendants either did not notify all applicable real property owners of increases in the valuations of their properties or only provided notifications after the June 15 deadline set out by Section 137.180, RSMo. Defendants did not consistently postmark notices that were received late.

59. Second, when a physical inspection was required, Defendants either did not provide notice or did not provide legally compliant and/or timely notice to all applicable property owners of their rights relating to

physical inspection as required by Section 137.115.11, RSMo.

60. Third, Defendants did not perform all necessary physical inspections of real property as required by Sections 137.115.10, .11, and .12, RSMo, before increasing the value of such property by more than 15 percent since the last assessment.

61. Tyler Technologies did not perform all parcel-by-parcel reviews even though Defendants used these as physical inspections. When performed, these parcel-by-parcel reviews generally consisted of taking photos of some but not “all exterior portions” of the properties “to which the inspector” could “reasonably and lawfully gain external access.” § 137.115.12.

62. Defendants’ evidence that the parcel-by-parcel reviews were done reliably and accurately, if at all, is lacking.

63. In at least one instance when a physical inspection was required, Defendant Tyler Technologies and/or other defendants supposedly conducted exterior review though they did not provide any prior notice. On informal review, Defendants showed the property owner that they were relying on a photo of the exterior of the property over five years out of date.

64. For another property in which Defendants did not provide prior notice of exterior physical inspection, even though a physical inspection was required, Defendants were never able to show the property owner that they collected any photos or other data of his home related to a physical

inspection.

65. In another instance when a physical inspection was supposed to be conducted, Defendants marked down that an inspection was refused even though the property owner was never given notice of inspection.

66. Because Defendants failed to properly provide notice of physical inspection, or to provide such notice at all, as required by Section 137.115.11, RSMo, Jackson County property owners were not granted at least “thirty days to notify the assessor of a request” “that an interior inspection be performed during the physical inspection.” This added to the deficiency of the physical inspections.

67. Defendant Tyler Technologies failed to meet most of its deadlines, including its January 2023 deadline to complete final value estimates. Tyler Technologies’ failure to timely complete its duties contributed to County Defendants missing their assessment deadlines.

68. Since Defendants systematically failed to properly and timely provide Jackson County property owners with the statutorily required notice of valuation increases, Jackson County property owners on a widespread scale have been unable to take advantage of the statutorily provided administrative remedies and have been denied their rights.

69. Even though the County has asserted that Defendant Board of Equalization extended the deadline to file an appeal to July 31, 2023, in at

least some instances, there were formidable obstacles to filing an appeal. For instance, the website for filing an appeal was riddled with technical issues and property owners would wait for hours in the telephone queue without receiving an answer or would be disconnected when they reached the front of the queue.

70. Even where Jackson County property owners have managed to file an appeal with the Jackson County Board of Equalization, in several ways, Defendants' actions have systematically made it impossible for Jackson County property owners to be treated to fair and effective administrative review.

71. First, Defendants have conducted the optional additional layer of administrative review that takes place prior to or in lieu of a hearing with the Board of Equalization in a manner that confuses Jackson County real property owners that seek review and pressures them to accept assessment values and sign away their administrative remedies. Generally, the optional review starts with the assumption that the Assessor's valuation is correct and without the Assessor ever having to prove the assessed value is legitimate. The pressure works to cause property owners to accept illegitimate assessment values in several compounding ways.

- a. Defendants do not consistently make it clear to Jackson County real property owners seeking administrative review that the

informal review is optional, leaving many thinking that it is a mandatory prerequisite to receiving a hearing with the Board of Equalization.

- b. Adding to the lack of clarity, Defendants do not consistently tell property owners whether the review they are receiving is their informal or formal review, leaving property owners in the dark as to whether their procedural protections apply.
- c. Often, informal reviews are conducted by Tyler Technologies employees and/or representatives that are not trained to and/or do not provide property owners seeking review with due process protections.
- d. Defendants also do not adhere to procedural protections of Section 138.060, RSMo, in conducting informal reviews. Defendants contradict Section 138.060 by applying an assumption that the Assessor's valuation is correct. Also, instead of placing the burden on the Assessor to prove the assessment, as Section 138.060 generally requires for properties whose assessed valuation increased by at least 15 percent from the previous assessment, Defendants place the initial burden on property owners seeking review to disprove the assessment. Thus, the less experienced and/or sophisticated a property owner is in such

matters, the more likely that property owner is to cave to pressure to accept an assessment value regardless of whether it is legitimate. Since property owners are put in this untenable uphill battle, they are forced to expend extra resources preparing for review to better their chances of avoiding this fate.

e. Further, at the informal reviews, property owners that were required to receive a physical inspection are not shown that a physical inspection was conducted. Thus, though at the Board of Equalization level this would mean, assuming Section 138.060 is followed, that the property owner necessarily prevails as a matter of law, at the informal review the lack of physical inspection is not noted and does not lead to this result.

f. This is made worse by the fact that property owners are pressured to accept the values offered to them at this level. For instance, when it is made clear to property owners that is an informal rather than formal review, Defendants tell the property owners that if they do not accept the value offered they are at risk of receiving a higher value at the Board of Equalization. Thus, a property owner that should have but did not receive a physical inspection is made to believe that she might receive a higher valuation if she further pursues her administrative

remedies even though Section 138.060 mandates that she prevail as a matter of law.

- g. The property owners that give in to this unscrupulous pressure and sign a stipulation as part of the informal review are signing away their administrative remedies.

72. Second, because Defendants did not perform legally compliant physical inspections and because the Board of Equalization has not required the Assessor to prove the Assessor conducted legally compliant physical inspections, the Board has improperly placed the burden of proof on property owners to prove their cases despite the mandates of section 138.060. This is particularly prejudicial to consumers because, on appeal before the State Tax Commission, the standard of review as stated in decades of Missouri court decisions grants the Board of Equalization a presumption of correct assessment.² If the burden of proof is improperly placed upon taxpayers during their appeal before the Board of Equalization, then the Board's decision and the presumption of correct assessment are necessarily adversely impacted, cannot function as intended, and are prejudicial to property owners.

² See, e.g., *Deedle, LLC, Complainant, v. Jake Zimmerman, Assessor, St. Louis County, Missouri, Respondent*, Nov. 17, 2023, Appeal No. 21-15883 through 21-15891 at *1 (“Complainant failed to present substantial and persuasive evidence to rebut the presumption of correct assessment by the BOE as to each of the subject properties.”).

73. Third, Jackson County real property owners that sought administrative review have reported encountering inconsistent rules and processes as well as having their efforts for review being foiled by technical issues on the part of Defendants, such as Defendants' website not working and/or Defendants' telephone disconnecting after property owners spent hours in a telephone queue waiting to be heard.

74. Fourth, Defendants have made the physical conditions of seeking review virtually unbearable. For instance, a property owner appearing in person for review may be forced to wait upwards of five hours beyond the scheduled appointment time before being heard. If the property owner leaves for even a short time the property owner risks their name being called, missing their appointment, and having to start the process over again. Unsuspecting property owners that expect to be seen at or around their appointment time find themselves stranded without food, water (except for the building's drinking fountain), or their essential medical devices or treatments.

75. Despite Jackson County property owners being mandated to pay property taxes by December 31, as of December 18, 2023, over 15,000 assessment appeals remain unresolved by the Board of Equalization.

76. Due to the systemic lack of timely and proper notice, lack of required physical inspection, and an illegally performed and dysfunctional

appeals process, Defendants have subjected Jackson County property owners to taxation based on illegally increased assessment values without recourse in the form of functioning administrative relief.

77. Under Section 27.060, RSMo,

The attorney general shall institute, in the name and on the behalf of the state, all civil suits and other proceedings at law or in equity requisite or necessary to protect the rights and interests of the state, and enforce any and all rights, interests or claims against any and all persons, firms or corporations in whatever court or jurisdiction such action may be necessary; and he may also appear and interplead, answer or defend, in any proceeding or tribunal in which the state's interests are involved.

78. Per Section 27.060, RSMo, and the common law, the Attorney General may bring a *parens patriae* suit representing both individual taxpaying property owners of Jackson County as well as the interests of the State.

79. Under Section 527.010, RSMo, courts can further “declare rights, status, and other legal relations whether or not further relief is or could be claimed. The declaration may be either affirmative or negative in form and effect; and such declarations shall have the force and effect of a final judgment or decree.” *See also* Supreme Court Rule 87.

80. Under Article X, Section 23 of the Missouri Constitution, a taxpayer has standing to bring an action in circuit court to enforce provisions

of sections 16 through 22 of Article X of the Missouri Constitution.

81. Individual taxpaying property owners of Jackson County are harmed by having to pay taxes on illegally increased assessments. Even though Missouri law, under certain conditions and in certain ways, limits the maximum authorized tax levy, many Jackson County real property owners are nevertheless subject to an increased tax burden.

82. There are Jackson County real property owners that face an unexpected tax burden increase in excess of \$1,000, or hundreds of dollars a month more for 2023 than in 2022.

83. For individuals already facing financial difficulties, including senior citizens that rely on a fixed income and have limited ability to increase their earning power, such an increase imposes a severe or impossible financial burden.

84. For property owners that provide housing to tenants, such increases often mean that the property owners are forced to raise rental rates. The property owners then risk losing their tenants, and the tenants risk losing their housing.

85. The State has an interest in ensuring the State's assessment, tax levying, and tax collection process is legally carried out. Further, the State Tax Commission may invoke Section 138.410, RSMo, which authorizes the Attorney General to "represent the commission in any litigation which it may

wish to institute or in which it may become involved in the discharge of its duties.”

86. The State has an interest in protecting Missouri citizens from incurring harms through the imposition of undue tax burdens.

87. The State’s interests are, therefore, implicated by the levying of unauthorized taxes against Jackson County real property owners resulting from an illegally conducted assessment process and the concomitant denial of access to effective administrative relief.

**COUNT I – UNLAWFUL LEVY OF TAXES IN VIOLATION OF
ARTICLE X, SECTION 22 OF THE MISSOURI CONSTITUTION
DUE TO FAILURE TO PROVIDE PROPER NOTICE OF
ASSESSMENT INCREASE**

88. Plaintiffs incorporate by reference all previous allegations in this petition.

89. Article X, Section 22 of the Missouri Constitution prohibits counties from levying any tax, license or fees, not authorized by law.

90. Defendants systematically failed to provide Jackson County real property owners with notice of an increase in the assessed value of their respective properties in accordance with Section 137.180, RSMo, by either not providing notice, not providing timely notice, or providing notice that did not comply with legal requirements.

91. As a result, Defendants have subjected Jackson County property

owners to taxation based on illegally increased assessment values without the opportunity to take advantage of the statutorily provided administrative remedies.

92. Accordingly, Defendants have levied and/or caused to be levied against such Jackson County property owners a tax not authorized by law in violation of Article X, Section 22 of the Missouri Constitution.

93. Jackson County real property owners are harmed by having to pay taxes not authorized by law. Additional harms to these property owners arise from being subjected to unlawful taxation, including increased tax burdens, losing tenants, and having to spend time and other resources accounting for uncertain tax burdens and resolving assessment issues.

**COUNT II – UNLAWFUL LEVY OF TAXES IN VIOLATION
OF ARTICLE X, SECTION 22 OF THE MISSOURI
CONSTITUTION DUE TO FAILURE TO PROVIDE
PROPER NOTICE OF PHYSICAL INSPECTION**

94. Plaintiffs incorporate by reference all previous allegations in this petition.

95. Article X, Section 22 of the Missouri Constitution prohibits counties from levying any tax, license or fees, not authorized by law.

96. Defendants systematically failed to provide Jackson County real property owners with notice of physical inspection in accordance with Section 137.115.11, RSMo, by either not providing notice, not providing timely notice,

or providing notice that did not comply with legal requirements.

97. As a result, Defendants have subjected Jackson County property owners to taxation based on assessment values that were illegally increased above 15 percent without recourse in the form of meaningful and functioning administrative relief.

98. Accordingly, Defendants have levied and/or caused to be levied against such Jackson County property owners a tax not authorized by law in violation of Article X, Section 22 of the Missouri Constitution.

99. Jackson County real property owners are harmed by having to pay taxes not authorized by law. Additional harms to these property owners arise from being subjected to unlawful taxation, including increased tax burdens, losing tenants, and having to spend time and other resources accounting for uncertain tax burdens and resolving assessment issues.

COUNT III – UNLAWFUL LEVY OF TAXES IN VIOLATION OF ARTICLE X, SECTION 22 OF THE MISSOURI CONSTITUTION DUE TO FAILURE TO PERFORM REQUIRED PHYSICAL INSPECTIONS OR ALLOWING MEANINGFUL ADMINISTRATIVE REVIEW

100. Plaintiffs incorporate by reference all previous allegations in this petition.

101. Defendants systematically failed to properly perform the required physical inspections in accordance with Sections 137.115.10, .11, and .12, RSMo, by either not physically inspecting properties, not inspecting

properties in accordance with the law, and/or performing inspections without providing property owners with an opportunity for interior physical inspection.

102. On appeal, the Board of Equalization failed to require the County to prove a proper physical inspection was completed for the subject properties and, therefore, failed to adhere to Section 138.060, RSMo. The State Tax Commission even issued a formal letter to the Jackson County Board of Equalization instructing on this issue.

103. Thus, even where such property owners whose property increased in assessed value by over 15 percent were able to appeal to the Board of Equalization, property owners that did not then receive from the Board of Equalization an adjusted assessment value of a maximum increase of 15 percent or less did not receive meaningful administrative review.

104. As a result, Defendants have subjected Jackson County real property owners to taxation based on assessed values that were illegally increased above 15 percent.

105. Accordingly, Defendants have levied and/or caused to be levied against such Jackson County property owners a tax not authorized by law in violation of Article X, Section 22 of the Missouri Constitution.

106. Jackson County real property owners are harmed by having to pay taxes not authorized by law. Additional harms to these property owners

arise from being subjected to unlawful taxation, including increased tax burdens, losing tenants, and having to spend time and other resources accounting for uncertain tax burdens and resolving assessment issues.

**COUNT IV – UNLAWFUL LEVY OF TAXES IN VIOLATION OF
ARTICLE X, SECTION 22 OF THE MISSOURI CONSTITUTION DUE
TO A DYSFUNCTIONAL ADMINISTRATIVE REVIEW PROCESS**

107. Plaintiffs incorporate by reference all previous allegations in this petition.

108. Defendants systematically failed to properly execute the assessment appeals process in accordance with Missouri law, including sections 138.060, RSMo.

109. As a result, Defendants subjected Jackson County real property owners to taxation based on illegally increased assessment values without providing property owners with the opportunity to meaningfully engage with the statutorily mandated administrative remedies.

110. Accordingly, Defendants have levied and/or caused to be levied against such Jackson County property owners a tax not authorized by law in violation of Article X, Section 22 of the Missouri Constitution.

111. Jackson County real property owners are harmed by having to pay taxes not authorized by law. Additional harms to these property owners arise from being subjected to unlawful taxation, including increased tax burdens, losing tenants, and having to spend time and other resources

accounting for uncertain tax burdens and resolving assessment issues.

**COUNT V – NEGLIGENCE: FAILURE TO PROVIDE PROPER
NOTICE OF ASSESSMENT INCREASE**

112. Plaintiffs incorporate by reference all previous allegations in this petition.

113. Defendants systematically failed to execute their statutorily-mandated duty to provide notice to Jackson County real property owners of real property assessed valuation increases on or before June 15.

114. As a result, taxes levied on such properties are not authorized by law and are void.

115. Jackson County owners of real property that did not receive notice as required by Section 137.180, RSMo, have suffered and will suffer harm, including in the form of increased tax burdens, losing tenants, and having to spend time and other resources accounting for uncertain tax burdens and resolving assessment issues.

**COUNT VI – NEGLIGENCE: FAILURE TO PROVIDE PROPER
NOTICE OF PHYSICAL INSPECTION**

116. Plaintiffs incorporate by reference all previous allegations in this petition.

117. Defendants systematically failed to execute their statutorily mandated duty to provide Jackson County real property owners with notice of physical inspection in accordance with Section 137.115.11, RSMo, by either

not providing notice, not providing timely notice, or providing notice that did not comply with legal requirements.

118. As a result, taxes levied on such properties based on an increase in assessment value above 15 percent are not authorized by law and are void.

119. Jackson County owners of real property that did not receive notice as required by Section 137.115.11, RSMo, have suffered and will suffer economic harm, including in the form of increased tax burdens, losing tenants, and having to spend time and other resources accounting for uncertain tax burdens and resolving assessment issues.

**COUNT VII – NEGLIGENCE: FAILURE TO PERFORM REQUIRED
PHYSICAL INSPECTIONS OR ALLOWING MEANINGFUL
ADMINISTRATIVE REVIEW**

120. Plaintiffs incorporate by reference all previous allegations in this petition.

121. Defendants systematically failed to execute their statutorily mandated duty to properly perform the required physical inspections in accordance with Sections 137.115.10, .11, and .12, RSMo, by either not physically inspecting properties, not inspecting properties in accordance with the law, and/or performing inspections without providing property owners with an opportunity for interior physical inspection.

122. On appeal, the Board of Equalization failed to require the County to prove a proper physical inspection was completed for the subject properties

and, therefore, failed to adhere to Section 138.060, RSMo.

123. Thus, even where such property owners whose property increased in assessment value by over 15 percent were able to obtain review from the Board of Equalization, property owners that did not then receive from the Board of Equalization an adjusted assessment value of a maximum increase of 15 percent or less did not receive meaningful administrative review.

124. As a result, taxes levied on such properties based on an increase in assessment value above 15 percent are illegal and void.

125. Jackson County owners of real property that did not receive proper physical inspections as required by Section 137.115.11, RSMo, have suffered and will suffer economic harm, including in the form of increased tax burdens, losing tenants, and having to spend time and other resources accounting for uncertain tax burdens and resolving assessment issues.

COUNT VIII – NEGLIGENCE: DYSFUNCTIONAL ADMINISTRATIVE REVIEW PROCESS

126. Plaintiffs incorporate by reference all previous allegations in this petition.

127. Defendants systematically failed to properly execute the assessment appeals process in accordance with Missouri law, including section 138.060, RSMo.

128. As a result, Jackson County real property owners with increased

assessment values were not afforded the opportunity to engage in meaningful and legally compliant administrative review.

129. Accordingly, taxes levied on such properties based on an increase in assessment value are not authorized by law and are void.

130. Jackson County owners of real property that had their assessment values increased, have suffered and will suffer economic harm, including in the form of increased tax burdens, losing tenants, and having to spend time and other resources accounting for uncertain tax burdens and in navigating a dysfunctional administrative review process in seeking to resolve assessment issues.

COUNT IX – MANDAMUS
(Against County Defendants)

131. Relators and Plaintiffs incorporate by reference all previous allegations in this petition.

132. County Respondents and Defendants have present, imperative, unconditional ministerial duties they are required to perform in assessing real property values pursuant to Missouri law. These include: (1) performing a physical inspection in accordance with Section 137.115, RSMo, as a prerequisite to increasing the property valuation of a residential parcel by more than 15 percent; (2) providing timely notice of physical inspection and at least thirty days to request an interior physical inspection when a physical

inspection is required pursuant to Section 137.115, RSMo; (3) providing property owners with the opportunity to be heard through appeal as required by Section 137.275; (4) determining all appeals from the valuation of property made by the Assessor and making corrections and adjustments as necessary in accordance with Chapter 138, RSMo, and Missouri law generally; and (5) executing all other mandatory acts.

133. County Respondents and Defendants failed to perform the ministerial duties identified in this Petition and so failed to assess real property values pursuant to Missouri law.

134. Jackson County real property owners hold an existing, clear, unconditional legal right to have their respective properties assessed in accordance with the law and through the acts identified in this Petition.

135. County Respondents and Defendants have subjected Jackson County real property owners to great injury and injustice due to their failure to execute these ministerial duties in conducting the assessment process. The County has imposed harms such as, among others, illegally increased tax burdens, the risk of losing tenants, and the need to incur extra expense in navigating a dysfunctional administrative review process.

136. County Respondents and Defendants are subject to being compelled by mandamus to carry out their ministerial duties identified in this petition and all ministerial duties necessary to assessing real property

values pursuant to Missouri law.

COUNT X – MMPA: FALSE PROMISE
(Against Tyler Technologies, Inc.)

137. Plaintiffs incorporate by reference all previous allegations in this petition.

138. Defendant Tyler Technologies violated section 407.020 of the MMPA by engaging in false promises in connection with the sale and advertisement of its services.

139. Defendant Tyler Technologies falsely promised that it intended, was able, and/or was likely to perform appraisal, reassessment, and related services accurately, reliably, and in a timely manner.

COUNT XI – MMPA: MISREPRESENTATION
(Against Tyler Technologies, Inc.)

140. Plaintiffs incorporate by reference all previous allegations in this petition.

141. Defendant Tyler Technologies violated section 407.020 of the MMPA by engaging in misrepresentations in connection with the sale and advertisement of its services.

142. Defendant Tyler Technologies misrepresented itself as able and/or intending to perform its appraisal, reassessment, and related services accurately, reliably, and in a timely manner.

COUNT XII – MMPA: UNFAIR PRACTICES

(Against Tyler Technologies, Inc.)

143. Plaintiffs incorporate by reference all previous allegations in this petition.

144. Defendant Tyler Technologies violated section 407.020 of the MMPA by engaging in unfair practices in connection with the sale and advertisement of its services.

145. Defendant Tyler Technologies' conduct in holding informal reviews of Jackson County real property owners' assessments was unscrupulous and contrary and offensive to the statutory scheme of administrative review established by Chapters 137 and 138, RSMo, and subjected Jackson County real property owners to the risk of being subject to illegal taxation.

146. Defendant Tyler Technologies conducted itself in the informal reviews of Jackson County real property owners' assessments in a manner that presented a risk of substantial injury to consumers.

COUNT XIII – NEGLIGENCE
(Against Tyler Technologies, Inc.)

147. Plaintiffs incorporate by reference all previous allegations in this petition.

148. Defendant Tyler Technologies failed in its duty to perform its services related the 2023 assessment of real properties in Jackson County in

accordance with the applicable standard of care.

149. It was foreseeable that Jackson County real property owners would be harmed by Defendant Tyler Technologies breaching its duty.

150. Due to this breach, Jackson County real property owners have suffered and will suffer harm, including economic harm in the form of increased tax burdens, losing tenants, and having to expend extra spend time and other resources accounting for uncertain tax burdens and in navigating a dysfunctional administrative review process.

RELIEF

WHEREFORE, Relators/Plaintiffs pray for relief as follows:

1. An order declaring that any increase in assessed value of implicated real properties is void.
2. Preliminary and permanent injunctive relief against Defendants collecting and/or levying any real property tax based on an increase in assessed value.
3. As to County Respondents and Defendants, a preliminary and permanent order in mandamus compelling County Respondents and Defendants to comply with Missouri law in executing its mandatory ministerial duties in making taxation assessments of real property in Jackson County, Missouri.
4. As to Defendant Tyler Technologies, a finding that Defendant

violated the provisions of § 407.020.

5. As to Defendant Tyler Technologies, preliminary and permanent injunctive relief enjoining Defendant and its agents, servants, employees, representatives, and other individuals acting at its direction from engaging in any of the acts and practices described herein that this Court declares unlawful.

6. As to Defendant Tyler Technologies, an award of a civil penalty in such amounts as allowed by law for each violation of Section 407.020.

7. As to Defendant Tyler Technologies, an award of restitution as may be necessary to restore to any person who has suffered any ascertainable loss as a result of Defendant's unlawful practices.

8. As to Defendant Tyler Technologies, an additional award equal to 10% of any restitution awarded in this action payable to the State to the credit of the Merchandising Practices Revolving Fund as required by Section 407.140.3.

9. As to Defendant Tyler Technologies, disgorgement of any ill-gotten gains acquired in connection with its unlawful practices.

10. Monetary damages for Jackson County real property owners as appropriate.

11. An award of any penalties and liabilities provided by law for public officers, officers of corporations and individuals failing to comply with

the provisions of chapter 138, and of all laws relating to the general property tax.

12. Any penalties, forfeitures, removals and punishments for violation of the laws in respect to the assessment and taxation of property.

13. An award of costs and attorneys' fees.

14. All other relief that this Court deems just and proper.

Respectfully submitted,

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