TEXAS COURT OF APPEALS, FOURTH DISTRICT, SAN ANTONIO

Rolling Oaks Mall LLC v. Bexar Appraisal District

No. 04-25-00241-CV (Tex. App.—San Antonio Feb. 25, 2026) · No. 04-25-00241-CV · Decided February 25, 2026

SUMMARY

The Texas Fourth Court of Appeals reversed a summary judgment in favor of Bexar Appraisal District in a dispute over Rolling Oaks Mall LLC's 2021 ad valorem tax valuation. The court held that the bankruptcy court's dismissal of the Mall's request for a tax determination under 11 U.S.C. § 505, as interpreted by the reviewing federal district court, constituted abstention rather than a merits determination. Accordingly, res judicata, collateral estoppel, and mootness did not bar the state-court tax challenge, and the case was remanded for further proceedings.

CASE DETAILS

COURT	Texas Court of Appeals, Fourth District, San Antonio
WRITING FOR THE COURT	Lori I. Valenzuela; Rebeca C. Martinez, Chief Justice; Irene Rios, Justice; Lori I. Valenzuela, Justice
JURISDICTION	Texas Court of Appeals, Fourth District, San Antonio
DECIDED	February 25, 2026
DOCKET	04-25-00241-CV
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	Appeal from a summary judgment granting Bexar Appraisal District's motion and denying Rolling Oaks Mall LLC's competing motion concerning the District's affirmative defenses in a property-tax valuation suit.
STANDARD OF REVIEW	De novo review of summary judgment. The court reviews both parties' summary-judgment evidence, determines all questions presented, and renders the judgment the trial court should have rendered.
PRECEDENTIAL VALUE	Published Texas Court of Appeals memorandum opinion
PARTIES	Rolling Oaks Mall LLC v. Bexar Appraisal District

TOPICS

property tax · bankruptcy · summary judgment · res judicata · appellate procedure

PRACTICE AREAS

property tax | bankruptcy | civil procedure | appellate procedure | commercial litigation

QUESTIONS PRESENTED

1. Whether the bankruptcy court's dismissal of Rolling Oaks's 11 U.S.C. § 505 proceeding, as reviewed by the federal district court, was a merits determination that barred the state tax suit.
2. Whether the District established as a matter of law its affirmative defenses of res judicata, collateral estoppel, and mootness.
3. Whether Rolling Oaks was entitled to summary judgment negating those affirmative defenses.
4. Whether judicial estoppel barred Rolling Oaks from pursuing its state-court tax challenge.

HOLDINGS

1. The federal district court's ruling controlled and established that the bankruptcy court exercised its discretion to abstain from determining Rolling Oaks's tax liability; the dismissal therefore was not a merits adjudication of the ad valorem tax issue.
2. The District could not prevail as a matter of law on res judicata, collateral estoppel, or mootness because the bankruptcy court did not issue a final merits judgment on the tax liability and a live controversy remained in the state tax suit.
3. Rolling Oaks established as a matter of law that the District's affirmative defenses failed, and the trial court erred by denying Rolling Oaks's motion for summary judgment.
4. Judicial estoppel did not bar Rolling Oaks from pursuing its state-court tax challenge because Rolling Oaks did not prevail in the bankruptcy proceeding and consistently maintained that the state tax suit could continue if the § 505 proceeding did not resolve the valuation dispute.

KEY QUOTATIONS

> *"Section 505(a)(1) permits, but does not require, the bankruptcy court to determine a debtor's tax liability."* (at 5)

> *"In sum, because a live controversy continues to exist between the parties on account of the bankruptcy court's abstention, rather than ruling, on the merits of the Mall's section 505 proceeding, the District cannot prevail as a matter of law on its affirmative defenses of res judicata, collateral estoppel, or mootness."* (at 9)

> *"Accordingly, we hold that judicial estoppel does not bar the relief the Mall seeks."* (at 11)

FACTUAL BACKGROUND

Rolling Oaks Mall disputed Bexar Appraisal District's appraisal of its 2021 ad valorem tax liability and pursued the required administrative and state-court tax-review process. During that process, Rolling Oaks and its parent entered Chapter 11 bankruptcy, and a proof of claim for the appraised tax amount was filed without a timely objection by Rolling Oaks. Rolling Oaks separately sought a determination of its tax liability under 11 U.S.C. §

505, but the bankruptcy court abstained and dismissed the proceeding; the federal district court affirmed that abstention. The state trial court then treated the bankruptcy dismissal as precluding the pending state tax suit.

PROCEDURAL HISTORY

Rolling Oaks challenged the District's appraisal of its 2021 ad valorem taxes through the administrative process, paid the required taxes, and appealed the adverse administrative ruling to the Bexar County district court. While the administrative process was pending, Rolling Oaks and its parent filed Chapter 11 bankruptcy; Rolling Oaks then brought an adversary proceeding under 11 U.S.C. § 505, which the bankruptcy court dismissed with prejudice after abstaining from determining the tax liability. The federal district court affirmed the abstention decision. The state trial court thereafter granted the District summary judgment based on res judicata, collateral estoppel, and mootness, and the Mall appealed.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

Reverse the trial court's orders, render judgment for Rolling Oaks Mall LLC on the District's affirmative defenses of res judicata, collateral estoppel, and mootness, and remand for further proceedings consistent with the opinion.

CASES CITED

- Valence Operating Co. v. Dorsett, 164 S.W.3d 656, 661 (Tex. 2005)
- Gill v. Hill, 688 S.W.3d 863, 868 (Tex. 2024)
- Pollard v. Hanschen, 315 S.W.3d 636, 639 (Tex. App.—Dallas 2010, no pet.)
- Draughon v. Johnson, 631 S.W.3d 81, 88 (Tex. 2021)
- In re Vanguard Nat. Res., LLC, 603 B.R. 310, 316 (Bankr. S.D. Tex. 2019)
- In re Luongo, 259 F.3d 323, 330 (5th Cir. 2001)
- In re Lorax Corp., 295 B.R. 83, 90 (Bankr. N.D. Tex. 2003)
- In re Washington Prime Grp., Inc., No. H-22-2922, 2023 WL 3764552 (S.D. Tex. June 1, 2023)
- In re Washington Prime Grp., Inc., No. H-22-2922, 2023 WL 4906609, at *1–2 (S.D. Tex. Aug. 1, 2023)
- Matthews ex rel. M.M. v. Kountze Indep. Sch. Dist., 484 S.W.3d 416, 418 (Tex. 2016)
- Barr v. Resolution Tr. Corp. ex rel. Sunbelt Fed. Sav., 837 S.W.2d 627, 628 (Tex. 1992)
- City of San Antonio v. Cortes, 468 S.W.3d 580, 586 (Tex. App.—San Antonio 2015, pet. denied)
- Heckman v. Williamson County, 369 S.W.3d 137, 162 (Tex. 2012)
- Briscoe v. Goodmark Corp., 102 S.W.3d 714, 716 (Tex. 2003)
- Jones v. Baker, No. 01-22-00013-CV, 2023 WL 5353374, at *4 (Tex. App.—Houston [1st Dist.] Aug. 22, 2023, no pet.) (mem. op.)

- In re C.C., No. 02-17-00058-CV, 2017 WL 4819407, at *2 (Tex. App.—Fort Worth Oct. 26, 2017, no pet.) (mem. op.)
- Banta Oilfield Servs., Inc. v. Mewbourne Oil Co., 568 S.W.3d 692, 701 (Tex. App.—Texarkana 2018, pet. denied)
- George Fleming & Fleming & Assocs., L.L.P. v. Wilson, 694 S.W.3d 186, 191 (Tex. 2024)
- Ferguson v. Bldg. Materials Corp. of Am., 295 S.W.3d 642, 643 (Tex. 2009) (per curiam)

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