

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:	§	Case No. 25-33487 (MVL)
	§	
TRICOLOR HOLDINGS, LLC, et al¹	§	
	§	
Debtors.	§	Chapter 7

**TEXAS TAXING AUTHORITIES' JOINT LIMITED OBJECTION
TO TBK BANK, SSB'S MOTION FOR (I) RELIEF FROM THE
AUTOMATIC STAY AND (II) ADEQUATE PROTECTION**

TO THE HONORABLE MICHELLE V. LARSON:

NOW COME the Texas Taxing Authorities², secured creditors and parties in interest herein, and file this Joint Limited Objection to *TBK Bank, SSB's Motion for (I) Relief from the Automatic Stay and (II) Adequate Protection* (the "Motion"), respectfully showing as follows:

1. The Texas Taxing Authorities are subdivisions of the State of Texas and, as such, are authorized to levy and assess *ad valorem* taxes on the value of property located within their taxing jurisdictions as of January 1 of each tax year, pursuant to Texas Property Tax Code Section 32.01.

2. The Texas Taxing Authorities hold secured pre-petition claims for *ad valorem* property taxes against all of the business personal property of the Debtors located within Texas.

These claims are secured by prior, perfected, continuing, and enforceable tax liens upon the

¹ The Debtors in these Chapter 7 cases are as follows: Tricolor Holdings, LLC, TAG Intermediate Holding Company, LLC, Tricolor Auto Group, LLC, Tricolor Auto Acceptance, LLC, Tricolor Insurance Agency, LLC, Tricolor Home Loans LLC dba Tricolor Mortgage, Tricolor Real Estate Services, LLC, TAG California Holding Company, LLC, Flexi Compras Autos, LLC, TAG California Intermediate Holding Company, LLC, Tricolor California Auto Group, LLC, Tricolor California Auto Acceptance, LLC, Risk Analytics LLC, Tricolor Tax, LLC, Tricolor Financial, LLC, Tricolor Auto Receivables LLC, TAG Asset Funding, LLC, and Apoyo Financial, LLC.

² Texas Taxing Authorities means all Texas ad valorem taxing entities represented by the firms of Perdue Brandon Fielder Collins & Mott LLP, Linebarger Goggan Blair & Sampson LLP, and McCreary Veselka Bragg & Allen PC, including but not limited to Carrollton-Farmers Branch ISD, Castleberry ISD, Cooke CAD, Fort Bend ISD, City of Houston (for Perdue Brandon Fielder Collins & Mott's accounts), Kingsbridge MUD, Midland County, West Keegans Bayou Improvement District; Bexar County, Dallas County, Ector CAD, Fort Bend County, City of Frisco, Gainesville ISD, Grayson County, Hidalgo County, City of Houston (for Linebarger Goggan Blair & Sampson's accounts), Houston City College, Houston ISD, Irving ISD, Kaufman County, Lewisville ISD, Lone Star College System, City of McAllen, Navarro County, Nueces County, Parker CAD, City of Richardson, Rockwall CAD Tarrant County, Wise County; Bel



property of the Debtors, as provided by Sections 32.01 and 32.05(b) of the Texas Property Tax Code.

3. Section 32.01 provides:

(a) On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed for the year on the property, whether or not the taxes are imposed in the year the lien attaches. The lien exists in favor of each taxing unit having power to tax the property.

(b) A tax lien on inventory, furniture, equipment, and other personal property is a lien in solido and attaches to inventory, furniture, equipment, and other personal property that the property owner owns on January 1 of the year the lien attaches or that the property owner subsequently acquires.

(d) The lien under this section is perfected on attachment and...perfection requires no further action by the taxing unit.

TEX TAX CODE § 32.01(a)-(b), (d).

4. Further, pursuant to section 32.05(b) of the Texas Property Tax Code, the Texas Taxing Authorities' liens are superior to the claims of creditors of the property's owners and to claims of persons holding liens on the property. Section 32.05(b) provides that "...a tax lien provided by this chapter takes priority over the claim of any creditor of a person whose property is encumbered by the lien. TEX. PROP. TAX CODE § 32.05(b); *See also Central Appraisal District of Taylor County v. Dixie-Rose Jewels, Inc.*, 894 S.W.2d 841 (Tex. App. – Eastland 1995, no writ) (bank's foreclosure of its purchase money lien on personal property did not defeat or destroy the taxing unit's statutory tax lien). Further, "the priority given to a tax lien by Subsection (b) prevails, regardless of whether the debt, lien, future interest, or other encumbrance existed before attachment of the tax lien." TEX. PROP. TAX CODE § 32.05(b-1). The tax liens arise on January 1 of each tax year and "float" to after acquired property. *See City of Dallas v. Cornerstone Bank*, 879 S.W. 2d 264 (Tex. App. - Dallas 1994). The tax liens are *in solido* liens and are liens on all property of the Debtor. *See In re Universal Seismic*, 288 F.3d 205

(5th Cir. 2002). The tax lien is also unavoidable. *See In re Winns*, 177 B.R. 253 (Bankr. W.D. Tex. 1995).

5. By its Motion, TBK Bank, SSB (“TBK”) seeks lift of the automatic stay in order to exercise its legal remedies against the Collateral and Vehicles identified in the Motion. To the extent the Collateral and Vehicles are located or were previously located in the Texas Taxing Authorities’ jurisdictions, the Collateral and Vehicles are subject to the Texas Taxing Authorities’ senior secured *ad valorem* tax liens, and as such, the Texas Taxing Authorities object to the Motion to the extent that it lifts the stay as to TBK only.

6. The Texas Taxing Authorities further object to the Motion to the extent TBK requests a superpriority administrative expense claim that primes the Texas Taxing Authorities’ senior *ad valorem* property taxes that are incurred as an administrative expense of the estate pursuant to 11 U.C.S. § 503(b).

7. The Texas Taxing Authorities assert their liens, as first priority liens, must be satisfied from the property subject to the Motion prior to payment of TBK, or, in the alternative, the automatic stay should lift as to the Texas Taxing Authorities as well in order to preserve their secured lien position.

8. The Texas Taxing Authorities further request that TBK be ordered to provide the Texas Taxing Authorities advance notice of their foreclosure of any and all of the Collateral and Vehicles so as to provide the Texas Taxing Authorities a reasonable opportunity to protect their interest in and to such property.

PRAYER

WHEREFORE, PREMISES CONSIDERED, the Texas Taxing Authorities respectfully request that the Court (i) lift the automatic stay concurrently as to the Texas Taxing Authorities; (2) provide for any administrative expense claim granted TBK be subordinate to any administrative expense claim of the Texas Taxing Authorities; and (3) order TBK to provide the Texas Taxing Authorities with advance notice of foreclosure of any and all Texas collateral, as well as grant such other and further relief as may be just.

Dated: October 17, 2025

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned does hereby certify that a true and correct copy of the foregoing document was served by the Electronic Case Filing System for the United States Bankruptcy Court for the Northern District of Texas on October 17, 2025.

/s/ Julie Anne Parsons

Julie Anne Parsons