

**BEFORE THE NEBRASKA TAX EQUALIZATION AND REVIEW COMMISSION**

Bel Fury Investments Group, LLC,  
Appellant,

v.

Douglas County Board of Equalization,  
Appellee.

Case Nos: 18R 0298 & 19R 0523

Decision and Order Affirming  
County Board of Equalization

Background

1. The Subject Property is a single family dwelling, with a legal description of: Homewood Park Lot 15 Block 3 40x115.
2. The Douglas County Assessor (the Assessor) assessed the Subject Property at \$57,500 for tax year 2018 and \$62,700 for tax year 2019.
3. Bel Fury Investments Group (the Taxpayer) protested this value to the Douglas County Board of Equalization (the County Board) and requested an assessed value of \$42,100 for tax year 2018 and \$51,400 for tax year 2019.
4. The County Board determined that the taxable value of the Subject Property was \$57,500 for tax year 2018 and \$62,700 for tax year 2019.
5. The Taxpayer appealed the determinations of the County Board to the Tax Equalization and Review Commission (the Commission).
6. A Single Commissioner hearing was held on March 16, 2020, at the Commission Hearing Room, Sixth Floor, Nebraska State Office Building, 301 Centennial Mall South, Lincoln, Nebraska, before Commissioner James D. Kuhn.
7. Scott W. Bloemer was present at the hearing for the Taxpayer.
8. Stan Mlotek (the Appraiser) was present for the County Board.

Applicable Law

9. All real property in Nebraska subject to taxation shall be assessed as of the effective date of January 1.<sup>1</sup>
10. The Commission's review of the determinations of the County Board of Equalization is de novo.<sup>2</sup>
11. When considering an appeal a presumption exists that the "board of equalization has faithfully performed its official duties in making an assessment and has acted upon

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<sup>1</sup> Neb. Rev. Stat. § 77-1301(1) (Reissue 2018).

<sup>2</sup> See Neb. Rev. Stat. § 77-5016(8) (Reissue 2018), *Brenner v. Banner Cty. Bd. of Equal.*, 276 Neb. 275, 286, 753 N.W.2d 802, 813 (2008). "When an appeal is conducted as a 'trial de novo,' as opposed to a 'trial de novo on the record,' it means literally a new hearing and not merely new findings of fact based upon a previous record. A trial de novo is conducted as though the earlier trial had not been held in the first place, and evidence is taken anew as such evidence is available at the time of the trial on appeal." *Koch v. Cedar Cty. Freeholder Bd.*, 276 Neb. 1009, 1019 (2009).

sufficient competent evidence to justify its action.”<sup>3</sup> That presumption “remains until there is competent evidence to the contrary presented, and the presumption disappears when there is competent evidence adduced on appeal to the contrary. From that point forward, the reasonableness of the valuation fixed by the board of equalization becomes one of fact based upon all the evidence presented. The burden of showing such valuation to be unreasonable rests upon the taxpayer on appeal from the action of the board.”<sup>4</sup>

12. The order, decision, determination or action appealed from shall be affirmed unless evidence is adduced establishing that the order, decision, determination, or action was unreasonable or arbitrary.<sup>5</sup>
13. Proof that the order, decision, determination, or action was unreasonable or arbitrary must be made by clear and convincing evidence.<sup>6</sup>
14. A Taxpayer must introduce competent evidence of actual value of the Subject Property in order to successfully claim that the Subject Property is overvalued.<sup>7</sup>
15. The Commission’s Decision and Order shall include findings of fact and conclusions of law.<sup>8</sup>

#### Findings of Fact & Conclusions of Law

16. The Taxpayer stated the value of the Subject Property is higher than that of a very similar comparable property. The Taxpayer provided a Property Record File (PRF) for a property located at 2505 S 61<sup>st</sup> Street for the 2018 appeal. The comparable property is assessed at \$27,500 as compared to the Subject Property being assessed at \$57,500. The Appraiser noted that the Subject Property has a basement with 240 square foot of minimal finish whereas the comparable property is built on a slab. The Appraiser also noted other differences such as the properties being in different neighborhoods, 33 years difference in age, different quality rating, different HVAC, different interior finish, additional half bath in the Subject Property and a wood deck on the Subject Property.
17. The Taxpayer offered a property located at 1903 S 55<sup>th</sup> Street for the 2019 appeal. The Taxpayer stated he felt this was a good comparable to the Subject Property, yet it was being valued lower than the Subject Property. When the Commission analyzed the PRF for the comparable and the Subject Property, the comparable was being valued at \$69,300 whereas the Subject Property was valued at \$62,700.
18. The Taxpayer asserted that the January 2019 preliminary value for the Subject Property was \$53,400 but when the final valuation was received, the value was \$62,700. The

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<sup>3</sup> *Brenner v. Banner Cty. Bd. of Equal.*, 276 Neb. 275, 283, 753 N.W.2d 802, 811 (2008).

<sup>4</sup> *Id.*

<sup>5</sup> Neb. Rev. Stat. § 77-5016(9) (Reissue 2018).

<sup>6</sup> *Omaha Country Club v. Douglas Cty. Bd. of Equal.*, 11 Neb. App. 171, 645 N.W.2d 821 (2002).

<sup>7</sup> Cf. *Josten-Wilbert Vault Co. v. Bd. of Equal. for Buffalo Cty.*, 179 Neb. 415, 138 N.W.2d 641 (1965) (determination of actual value); *Lincoln Tel. and Tel. Co. v. County Bd. of Equal. of York Cty.*, 209 Neb. 465, 308 N.W.2d 515 (1981) (determination of equalized taxable value).

<sup>8</sup> Neb. Rev. Stat. § 77-5018(1) (Reissue 2018).

Appraiser stated the Subject Property's neighborhood was being reviewed at the beginning of 2019 and valuations for that neighborhood were changed after the preliminary valuations were sent out.

19. The Taxpayer stated the Subject Property is only a one bedroom home but the Assessor has it listed as a two bedroom. The Taxpayer feels the value should be lowered due to the discrepancy in bedrooms. The Appraiser stated they do not determine the value based on the number of bedrooms but rather the square footage of the home, so any differences in bedroom counts would have no effect on the valuation.
20. The Taxpayer has not produced competent evidence that the County Board failed to faithfully perform its duties and to act on sufficient competent evidence to justify its actions.
21. The Taxpayer has not adduced clear and convincing evidence that the determinations of the County Board are arbitrary or unreasonable and the decisions of the County Board should be affirmed.

## ORDER

### IT IS ORDERED THAT:

1. The Decisions of the County Board of Equalization determining the taxable value of the Subject Property for tax years 2018 and 2019 are affirmed.
2. The taxable value of the Subject Property for tax years 2018 and 2019 is:

	<u>2018</u>
Land	\$ 7,500
<u>Improvements</u>	<u>\$50,000</u>
Total	\$57,500

	<u>2019</u>
Land	\$ 7,500
<u>Improvements</u>	<u>\$55,200</u>
Total	\$62,700

3. This Decision and Order, if no further action is taken, shall be certified to the Douglas County Treasurer and the Douglas County Assessor, pursuant to Neb. Rev. Stat. § 77-5018 (Reissue 2018).
4. Any request for relief, by any party, which is not specifically provided for by this Decision and Order is denied.
5. Each Party is to bear its own costs in this proceeding.
6. This Decision and Order shall only be applicable to tax years 2018 and 2019.
7. This Decision and Order is effective on July 2, 2020.

Signed and Sealed: July 2, 2020

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James D. Kuhn, Commissioner