

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

IN THE MATTER OF THE	)	
EQUALIZATION OF VALUE	)	COUNTY NUMBER 35
OF REAL PROPERTY WITHIN	)	FINDINGS AND ORDERS
GARDEN COUNTY, NEBRASKA,	)	(No Show Cause Hearing)
FOR TAX YEAR 2008	)	

**SUMMARY**

The Tax Equalization and Review Commission, as part of its equalization proceedings held pursuant to Neb. Const. art. IV, §28; Neb. Rev. Stat. §77-5022 *et. seq.*, (Reissue 2003, Cum. Supp. 2006, and Supp. 2007) finds that the levels of value of real property in Garden County for tax year 2008 satisfy the requirements of Neb. Const. art. VIII, §1, and Neb. Rev. Stat. §77-5023 (Supp. 2007).

**I.  
REPORT AND OPINION  
OF THE PROPERTY TAX ADMINISTRATOR**

Garden County (“County”), as required by Neb. Rev. Stat. §77-1514 (Supp. 2007), timely filed its Abstract of Assessment for 2008. The Property Tax Administrator ("Administrator"), based on that abstract and other information available to the Administrator, has filed certain statistical and narrative reports with the Nebraska Tax Equalization and Review Commission (“Commission”) and further has certified the Administrator's opinion regarding the level of value and the quality of assessments of real property in Garden County for tax year 2008, as required by Neb. Rev. Stat. §77-5027 (Cum. Supp. 2006).

## **II. REVIEW OF ASSESSMENT PRACTICES**

The level of value for any class or subclass of real property is indicated by its median assessment-sales ratio unless that ratio is deemed unreliable, the sample from which the ratio is drawn is not representative of the class or subclass, or the level of value has been determined based on other generally accepted mass appraisal techniques.

The uniformity and proportionality of assessments (the “quality” of assessments), under professionally accepted mass appraisal methods, are measured through the use of the Coefficient of Dispersion (“COD”) and the Price Related Differential (“PRD”).

## **III. APPLICABLE LAW**

1. The Commission is required to meet annually to equalize the assessed value, special value or recapture value of all real property as submitted by the county assessors on the abstracts of assessment and equalize the values of real property which is valued by the state. Neb. Rev. Stat. §77-5022 (Cum. Supp. 2006).
2. The Commission is required to raise or lower the valuation of a class or subclass of real property as necessary to achieve equalization. Neb. Rev. Stat. §77-5027 (Cum. Supp. 2006).
3. To achieve equalization the Commission is required to increase or decrease the value of a class or subclass of real property in any county or taxing authority or of real property

valued by the state so that all classes or subclasses of real property in all counties fall within an acceptable range. Neb. Rev. Stat. §77-5023(1) (Supp. 2007).

4. An acceptable range is the percentage of variation from a standard for valuation as measured by an established indicator of central tendency of assessment.  
Neb. Rev. Stat. §77-5023(2) (Supp. 2007).
5. The median has been adopted by Commission as the preferred established indicator of central tendency. 442, Neb. Admin. Code, ch 9, §004 (10/07).
6. The acceptable ratio range for the median of the “Assessment-Sales Ratio” is from 69% to 75% of actual or fair market value for the class and subclasses of agricultural land and horticultural land not receiving special valuation pursuant to Neb. Rev. Stat. §77-1344; 69% to 75% of special valuation and 69% to 75% of recapture valuation for the class and subclasses of agricultural land and horticultural land receiving special valuation pursuant to Neb. Rev. Stat. §77-1344; and 92% to 100% of actual or fair market value for all other classes and subclasses of real property. Neb. Rev. Stat. §77-5023(2) (Supp. 2007).
7. Whether or not the level of value determined by the Commission falls within the acceptable range may be determined to a reasonable degree of certainty relying upon generally accepted mass appraisal techniques. Neb. Rev. Stat. § 77-5023(5) (Supp. 2007).
8. The appropriate COD range for the residential class and subclasses of real property is between 0 and 15 and the appropriate COD range for all other classes and subclasses of real property is between 0 and 20. 442 Neb. Admin. Code, ch 9, §005.02 (10/07).

9. The appropriate PRD range for all classes and subclasses of real property is between .98 and 1.03. 442 Neb. Admin. Code, ch 9, §005.03 (10/07).

#### **IV. EVIDENCE BEFORE THE COMMISSION**

The Commission may consider and utilize the provisions of the Constitution of the United States, the Constitution of Nebraska, the laws of the United States, the laws of Nebraska, the Code of Federal Regulations, the Nebraska Administrative Code, any decision of the several courts of the United States or the State of Nebraska, and the legislative history of any law, rule, or regulation, without making the document a part of the record. The Commission may without inclusion in the record consider and utilize published treatises, periodicals, and reference works pertaining to the valuation or assessment of real or personal property or the meaning of words and phrases if the document is identified in the Commission's rules and regulations.

Neb. Rev. Stat. §77-5016(3) (Supp. 2007). The Commission pursuant to statute has identified various published treatises, periodicals and reference works for its consideration and utilization.

442 Neb. Admin. Code, ch 5, §32 (10/07). The Commission heard testimony and received exhibits. No other information or evidence, except that permitted by law, may be considered.

Neb. Rev. Stat. §77-5016(3) (Supp. 2007). The Commission may evaluate the evidence presented utilizing its experience, technical competence, and specialized knowledge.

Neb. Rev. Stat. §77-5016(5) (Supp. 2007).

**V.  
FINDINGS OF FACT**

The Commission finds and determines the following concerning classes and subclasses of real property in Garden County:

**A.  
PROCEDURAL**

1. A statistical and narrative report informing the Commission of the level of value and the quality of assessments of real property in Garden County and certifying the opinion of the Property Tax Administrator regarding the level of value and the quality of assessment of real property in Garden County, for the tax year 2008 was timely received by the Commission. (E35).
2. The level of value for any class or subclass of real property is indicated by its median assessment-sales ratio unless that ratio is deemed unreliable, the sample from which it is drawn is not representative of the class or subclass, or the level of value has been determined by the Property Tax Administrator based on other generally accepted mass appraisal techniques.

**B.  
RESIDENTIAL CLASS OF REAL PROPERTY  
AND ITS SUBCLASSES**

3. The level of value indicated by the median for the residential class of real property is 98% of actual or fair market value, the COD is 15.34, and the PRD is 106.96, as shown by the Reports and Opinions of the Property Tax Administrator. (E35:17).

4. The statistical studies of the level of value and the quality of assessments are reliable and representative of the level of value and the quality of assessments for the residential class of real property.
5. The level of value for the residential class of real property as indicated by the median is within the applicable acceptable range set by state law as determined to a reasonable degree of certainty relying upon generally accepted mass appraisal techniques.
6. The level of value for each subclass of the residential class of real property is either within the applicable acceptable range, the number of sales for a subclass is insufficient to provide a reliable statistical study of the subclass, or an adjustment by a percentage of value is not supported by clear and convincing evidence.
7. The quality of assessment practices for the residential class of real property is appropriate as shown by the COD.
8. The quality of assessment practices for the residential class of real property is not appropriate as shown by the PRD.
9. The quality of assessment practices for the class of residential real property cannot be improved by a percentage adjustment to the level of value for the class nor can the quality of assessment practices within a subclass be improved by a percentage adjustment to the level of value for the subclass.
10. An adjustment by a percentage to the level of value of a subclass of the residential class of real property might improve a measure of the quality of assessment practices for the class of residential real property but an adjustment for that purpose is not warranted.

11. No increase or decrease by a percentage of the value of the residential class of real property, or a subclass thereof, is supported by clear and convincing evidence.

**C.  
COMMERCIAL CLASS OF REAL PROPERTY  
AND ITS SUBCLASSES**

12. The level of value indicated by the median for the commercial class of real property is 99% of actual or fair market value, the COD is 15.55, and the PRD is 105.79, as shown by the Reports and Opinions of the Property Tax Administrator. (E35:38).
13. The statistical studies of the level of value and the quality of assessments are reliable and representative of the level of value and the quality of assessments for the class of commercial real property.
14. The level of value for the class of commercial real property as indicated by the median is within the applicable acceptable range set by state law as determined to a reasonable degree of certainty relying upon generally accepted mass appraisal techniques.
15. The level of value for each subclass of the commercial class of real property is either within the applicable acceptable range, the number of sales for a subclass is insufficient to provide a reliable statistical study of the subclass, or an adjustment by a percentage of value is not supported by clear and convincing evidence.
16. The quality of assessment practices for the class of commercial real property is appropriate as shown by the COD.
17. The quality of assessment practices for the class of commercial real property is not appropriate as shown by the PRD.

18. The quality of assessment practices for the class of commercial real property cannot be improved by a percentage adjustment to the level of value nor can the quality of assessment practices within a subclass be improved by a percentage adjustment to the level of value for the subclass.
19. An adjustment by a percentage to the level of value of a subclass of the commercial class of real property might improve a measure of the quality of assessment practices for the class but an adjustment for that purpose is not warranted.
20. No increase or decrease by a percentage of the value of the commercial class of real property, or a subclass thereof, is supported by clear and convincing evidence.

**D.**  
**THE AGRICULTURAL LAND AND HORTICULTURAL LAND**  
**CLASS OF REAL PROPERTY**  
**NOT RECEIVING SPECIAL VALUATION AND ITS SUBCLASSES**

21. The level of value indicated by the median for the real property class of agricultural land and horticultural land not receiving special valuation is 73% of actual or fair market value, the COD is 15.77, and the PRD is 105.09, as shown by the Reports and Opinions of the Property Tax Administrator. (E35:57).
22. The statistical studies of the level of value and the quality of assessments are reliable and are representative of the level of value and the quality of assessments for the real property class of agricultural land and horticultural land not receiving special valuation.
23. The level of value as indicated by the median for the real property class of agricultural land and horticultural land not receiving special valuation is within the applicable



acceptable range set by state law as determined to a reasonable degree of certainty relying upon generally accepted mass appraisal techniques.

24. The level of value for each subclass of the real property class of agricultural land and horticultural land not receiving special valuation is either within the applicable acceptable range, the number of sales for a subclass is insufficient to provide a reliable statistical study of the subclass, or an adjustment by a percentage of value is not supported by clear and convincing evidence.
25. The quality of assessment practices for the real property class of agricultural land and horticultural land not receiving special valuation is appropriate as shown by the COD.
26. The quality of assessment practices for the real property class of agricultural land and horticultural land not receiving special valuation is not appropriate as shown by the PRD.
27. The quality of assessment practices for the real property class of agricultural land and horticultural land not receiving special valuation cannot be improved by an adjustment by a percentage to the level of value nor can the quality of assessment practices within a subclass be improved by a percentage adjustment to the level of value for the subclass.
28. An adjustment by a percentage to the level of value of a subclass of the real property class of agricultural land and horticultural land not receiving special valuation might improve a measure of the quality of assessment practices for the class but an adjustment for that purpose is not warranted.
29. No increase or decrease by a percentage of value for the real property class of agricultural land and horticultural land not receiving special valuation or a subclass thereof, is supported by clear and convincing evidence.

**E.**  
**RECAPTURE VALUE FOR THE REAL PROPERTY CLASS OF**  
**AGRICULTURAL LAND AND HORTICULTURAL LAND**  
**RECEIVING SPECIAL VALUATION AND ITS SUBCLASSES**

30. The statistical studies of recapture value for the real property class of agricultural land and horticultural land receiving special valuation are based on 2 sales of agricultural land and horticultural land class of real property receiving special valuation in a 3 year period. (E35:69). Those sales are insufficient to provide reliable statistical studies.
31. No increase or decrease by a percentage of the recapture value for the real property class of agricultural land and horticultural land receiving special valuation or a subclass thereof is supported by clear and convincing evidence.

**F.**  
**SPECIAL VALUE FOR THE REAL PROPERTY CLASS OF**  
**AGRICULTURAL LAND AND HORTICULTURAL LAND**  
**RECEIVING SPECIAL VALUATION AND ITS SUBCLASSES**

32. The level of value indicated by the median for special value for the real property class of agricultural land and horticultural land receiving special valuation is 73% of special value, the COD is 15.77, and the PRD is 105.09, as shown by the Reports and Opinions of the Property Tax Administrator. (E35:63).
33. The statistical studies of the level of value and the quality of assessment for special value for the real property class of agricultural land and horticultural land receiving special valuation are reliable and representative of the level of value and the quality of assessment for special value for the agricultural land and horticultural land of real property receiving special valuation.

34. The level of value as indicated by the median for special value of the real property class of agricultural land and horticultural land receiving special valuation is within the applicable acceptable range set by state law as determined to a reasonable degree of certainty relying upon generally accepted mass appraisal techniques.
35. The level of value for special value of each subclass of the real property class of agricultural land and horticultural land receiving special valuation is either within the applicable acceptable range, the number of sales for a subclass is insufficient to provide a reliable statistical study of the subclass, or an adjustment by a percentage of value is not supported by clear and convincing evidence.
36. The quality of assessment practices for special value of the real property class of agricultural land and horticultural land class receiving special valuation is appropriate as shown by the COD.
37. The quality of assessment practices for special value of the real property class of agricultural land and horticultural land receiving special valuation is not appropriate as shown by the PRD.
38. The quality of assessment practices for special value of the real property class of agricultural land and horticultural land receiving special valuation cannot be improved by a percentage adjustment to the level of value nor can the quality of assessment practices within a subclass be improved by a percentage adjustment to the level of value for the subclass.
39. An adjustment by a percentage to the level of value of special value for a subclass of the real property class of agricultural land and horticultural land receiving special valuation

might improve a measure of the quality of assessment practices for special value of the real property class of agricultural land and horticultural land receiving special valuation but an adjustment for that purpose is not warranted.

40. No increase or decrease by a percentage of special value for the real property class of agricultural land and horticultural land receiving special valuation or a subclass thereof is supported by clear and convincing evidence.

## **VII. CONCLUSIONS OF LAW**

1. The Commission has jurisdiction over Garden County and the subject matter of this order.
2. No adjustment to the value of a class or subclass of real property in Garden County is required by law.

## **VIII. ORDER**

### **IT IS THEREFORE ORDERED THAT:**

1. No order proposing an adjustment of the value for a class or subclass of real property in Garden County for tax year 2008, be entered and that no further proceedings be held to determine whether an adjustment should be made.
2. The Property Tax Administrator for the State of Nebraska, the Garden County Assessor, the Garden County Clerk, the Chairperson of the Garden County Board, and the Garden

County Attorney be notified of this order as required by Neb. Rev. Stat. §77-5028 (Supp. 2007).

**SIGNED AND SEALED** May 13, 2008.

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*Nancy J. Salmon*, Commissioner

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*Robert W. Hotz*, Commissioner

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*William C. Warnes*, Commissioner

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*Wm. R. Wickersham*, Commissioner