

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

IN THE MATTER OF EQUALIZATION  
OF VALUE OF REAL PROPERTY  
WITHIN CUSTER COUNTY FOR TAX  
YEAR 2022

COUNTY NUMBER 21: CUSTER

FINDINGS AND ORDER  
(No Show Cause Hearing)

The Tax Equalization and Review Commission, as part of its statewide equalization proceedings, finds that the levels of value for real property in Custer County for tax year 2022 meet the requirements of law.

**I. APPLICABLE LAW**

1. The Commission is required to meet annually to equalize the assessed values and special values of all real property based on the abstracts submitted by the county assessors. The Commission must also equalize the values of real property valued by the state.<sup>1</sup>
2. To achieve equalization, the Commission is authorized 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.<sup>2</sup>
3. An acceptable range is the percentage of variation from a standard for valuation as measured by an established indicator of central tendency of assessment. Acceptable ranges are: (a) For agricultural land and horticultural land, 69% to 75% of actual value, except that for school district taxes levied to pay the principal and interest on bonds that are approved by a vote of the people on or after January 1, 2022, the acceptable range is 44% to 50% of actual value; (b) for lands receiving special valuation, 69% to 75% of special valuation as defined in Neb. Rev. Stat. § 77-1343, except that for school district taxes levied to pay the principal and interest on bonds that are approved by a vote of the people on or after January 1, 2022, the acceptable range is 44% to 50% of special valuation; and (c) for all other real property, 92%

---

<sup>1</sup> Neb. Rev. Stat. § 77-5022 (Reissue 2018).

<sup>2</sup> Neb. Rev. Stat. § 77-5023(1) (2021 Supp.).

to 100% of actual value.<sup>3</sup> The median has been adopted by the Commission as the preferred established indicator of central tendency.<sup>4</sup>

4. An assessment/sales ratio is a tool used under professionally accepted mass appraisal methods to measure and evaluate the level and uniformity of assessed values. The ratio is determined by dividing the assessed value of a parcel of real property by its sales price. The assessment/sales ratio is expressed as a percentage.<sup>5</sup>
5. Nebraska law requires the Property Tax Administrator to make annual comprehensive assessment ratio studies of the average level and degree of uniformity of the assessments as well as compliance with assessment requirements for each major class of real property subject to the property tax in each county.<sup>6</sup>
6. The annual reports and opinions of the Property Tax Administrator shall contain statistical and narrative reports informing the Commission of the level of value and quality of assessment of the classes and subclasses of real property within each county. A certification of the opinion of the Property Tax Administrator regarding the level of value and quality of assessment of the classes and subclasses of real property in each county shall also be included.<sup>7</sup> The Property Tax Administrator may also make recommendations for consideration by the Commission.<sup>8</sup>
7. The Commission may consider provisions of state and federal law, regulations, court cases, treatises and periodicals identified in its rules, and any evidence admitted in the course of the hearing. No other factual information may be considered. The Commission may evaluate the evidence using its experience, technical competence, and specialized knowledge.<sup>9</sup>

## **II. FINDINGS OF FACT**

1. The annual Reports and Opinions of the Property Tax Administrator, informing the Commission and certifying the opinion of the Property Tax Administrator of the level of

---

<sup>3</sup> Neb. Rev. Stat. § 77-5023(2) (2021 Supp.).

<sup>4</sup> 442 Neb. Admin. Code Ch. 9 § 004 (2011).

<sup>5</sup> 442 Neb. Admin. Code Ch. 9 § 002.02 (2011).

<sup>6</sup> Neb. Rev. Stat. § 77-1327(3) (Reissue 2018).

<sup>7</sup> Neb. Rev. Stat. § 77-5027(3) (Reissue 2018).

<sup>8</sup> Neb. Rev. Stat. § 77-5027(4) (Reissue 2018).

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

value and quality of assessments of real property in Custer County for tax year 2022, were timely received by the Commission.

2. The level of value for any class or subclass of real property described below is determined by its median assessment/sales ratio as indicated by the Reports and Opinions of the Property Tax Administrator 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.
3. The level of value for the residential class of real property is 93% of actual or fair market value.<sup>10</sup>
4. The level of value for the commercial class of real property is 99% of actual or fair market value.<sup>11</sup>
5. The level of value for the agricultural land and horticultural land class of real property not receiving special valuation is 73% of actual or fair market value,<sup>12</sup> and the level of value of such land for school district taxes levied to pay the principal and interest on bonds that are approved by a vote of the people on or after January 1, 2022, is 50% of actual or fair market value.<sup>13</sup>
6. The levels of value for the residential, commercial, and agricultural land and horticultural land classes of real property are within the applicable acceptable ranges established by law.
7. For each subclass of the residential, commercial, and agricultural land and horticultural land classes of real property: (a) the level of value is within the applicable acceptable range, (b) the number of sales for a subclass is insufficient to provide a reliable statistical study, or (c) an adjustment by a percentage of value is not supported by clear and convincing evidence.
8. No adjustment by a percentage of value of any class of real property or a subclass thereof is supported by clear and convincing evidence.

---

<sup>10</sup> Exhibit 21:17.

<sup>11</sup> Exhibit 21:17.

<sup>12</sup> Exhibit 21:17.

<sup>13</sup> Exhibit 21:16.

**III. CONCLUSION OF LAW**

No adjustment of any class or subclass of real property in Custer County is required by law.

**IV. ORDER**

- 1. No order proposing an adjustment of the value for a class or subclass of real property in Custer County for tax year 2022 shall be entered and no further proceedings shall be held to determine whether an adjustment should be made.
- 2. A copy of this order shall be provided to the Tax Commissioner and the Property Tax Administrator, the Custer County Assessor, and the Custer County Clerk.
- 3. This order is effective the date it is signed and sealed.

**Signed and Sealed:** May 11, 2022

\_\_\_\_\_  
Steven A. Keetle, Commissioner

\_\_\_\_\_  
James D. Kuhn, Commissioner

\_\_\_\_\_  
Robert W. Hotz, Commissioner