

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

ROSE M. NELSON
APPELLANT,

CASE NO: 23R 0708

V.

MORRILL COUNTY BOARD
OF EQUALIZATION, EDDY G.
AND NADINE M. MCNABB
APPELLEE.

DECISION AND ORDER
REVERSING THE DECISION
OF THE MORRILL COUNTY
BOARD OF EQUALIZATION

I. BACKGROUND

1. The Subject Property is an improved rural residential parcel in Morrill County, parcel number 200077638.
2. The Morrill County Assessor (the County Assessor) assessed the Subject Property at \$583,835 for tax year 2023.
3. Rose M. Nelson (the Taxpayer) protested this value to the Morrill County Board of Equalization (the County Board) and requested an assessed value of \$423,760 for tax year 2023.
4. The County Board determined that the taxable value of the Subject Property was \$525,000 for tax year 2023.
5. Rose M. Nelson appealed the determination of the County Board to the Tax Equalization and Review Commission (the Commission).
6. A Single Commissioner hearing was held on September 12, 2024, at Fairfield Inn and Suites by Marriott, 902 Winter Creek Drive, Scottsbluff, NE 69361, before Commissioner James D. Kuhn.
7. Robert M. Brenner, Attorney, and Rose M. Nelson (the Assessor) were present at the hearing.

8. Kirk M. Fellhoelter, Morrill County Attorney, was present for the County Board.
9. Eddy G. McNabb was present at the hearing for the Taxpayer.

II. APPLICABLE LAW

10. All real property in Nebraska subject to taxation shall be assessed as of the effective date of January 1.¹
11. The Commission's review of a determination of the County Board of Equalization is de novo.²
12. 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 sufficient competent evidence to justify its action."³ 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."⁴
13. 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.⁵

¹ Neb. Rev. Stat. § 77-1301(1) (Cum. Supp. 2020).

² 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, 759 N.W.2d 464, 473 (2009).

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

⁴ *Id.* at 283-84.

⁵ Neb. Rev. Stat. § 77-5016(9) (Reissue 2018).

14. Proof that the order, decision, determination, or action was unreasonable or arbitrary must be made by clear and convincing evidence.⁶
15. A Taxpayer must introduce competent evidence of actual value of the Subject Property in order to successfully claim that the Subject Property is overvalued.⁷
16. The Commission's Decision and Order shall include findings of fact and conclusions of law.⁸

III. FINDINGS OF FACT & CONCLUSIONS OF LAW

17. The Assessor stated an inspection of the Subject Property was conducted to ensure the Property Record File (PRF) was accurate. After the inspection, the Assessor recommended no change to the assessment to the County Board. The County Board took action to adjust the value lower. The Assessor was unsure what information the County Board relied on to quantify the action.
18. The Assessor provided the PRF for the Subject Property with the recommended corrections. The Assessor provided PRFs for comparable properties. The Assessor stated she increased rural residential property to stay in compliance with Neb. Rev. Stat. 77-5023 requiring residential properties to be assessed within the acceptable range of 92% to 100% of actual value.
19. The Appellee argued that the Assessor's 28% increase to rural residential property was based on a limited number of sales and did not feel that 6 sales were enough to warrant such an increase. The Appellee lowered the assessment but did not offer any evidence or support showing how they arrived at the final value of the Subject Property.
20. The Appellee did not provide any evidence to support a lower value for the Subject Property, however, "[T]he County Board need not put on

⁶ *Omaha Country Club v. Douglas Cty. Bd. of Equal.*, 11 Neb. App. 171, 174-75, 645 N.W.2d 821, 826 (2002).

⁷ *Josten-Wilbert Vault Co. v. Bd. of Equal. for Buffalo Cty.*, 179 Neb. 415, 418, 138 N.W.2d 641, 643 (1965) (determination of actual value); *Lincoln Tel. and Tel. Co. v. Cty. Bd. of Equal. of York Cty.*, 209 Neb. 465, 468, 308 N.W.2d 515, 518 (1981) (determination of equalized taxable value).

⁸ Neb. Rev. Stat. § 77-5018(1) (Reissue 2018).

any evidence to support its valuation of the property at issue unless the taxpayer establishes the Board's valuation was unreasonable or arbitrary.”⁹

21. The Taxpayer stated the Subject Property needs many updates as the components are original and will need repaired or replaced. The Taxpayer provided photos of perceived deficiencies. The Taxpayer did not quantify how the repairs or deficiencies affected the value of the Subject Property.
22. The Taxpayer provided numerous PRF's of comparable properties. Part of the PRF was provided, however no full detailed PRF was provided for any of the comparable properties. Without a detailed PRF, the Commission can not analyze the comparability of a property with the Subject Property.
23. If a taxpayer's property is assessed in excess of the value at which others are taxed, then the taxpayer has a right to relief. However, the burden is on the taxpayer to show by clear and convincing evidence that the valuation placed upon the taxpayer's property when compared with valuation placed on other similar property is grossly excessive.¹⁰ This burden requires evidence of the assessed and market value for both the Subject Property and a comparable property.
24. Competent evidence can be “evidence tending to show that the valuation” adopted by a county board of equalization is questionable. In this case, the Assessor provided evidence to support her valuation. The Assessor provided the residential correlation for Morrell County, showing that due to increasing sales prices as compared to assessments, an increase to all valuation groups in Morrell County was necessary to achieve equalization.

IV. ORDER

IT IS ORDERED THAT:

1. The decision of the County Board of Equalization determining the taxable value of the Subject Property for tax year 2023 is vacated and reversed.

⁹ *Wheatland Indus. v. Perkins Cty. Bd. of Equal.*, 304 Neb. 638, 647, 935 N.W.2d 764, 771 (2019).

¹⁰ *Cabela's, Inc. v. Cheyenne Cny. Bd. of Equal'n*, 8 Neb. App. 582 (1999).

2. The taxable value of the Subject Property for tax year 2023 is:

Total \$583,835

3. This Decision and Order, if no further action is taken, shall be certified to the Morrill County Treasurer and the Morrill 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 year 2023.
7. This Decision and Order is effective on August 26, 2025.

Signed and Sealed: August 26, 2025



James D. Kuhn, Commissioner