BEFORE THE NEBRASKA TAX EQUALIZATION AND REVIEW COMMISSION

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<tr><td>CHERI L. WORM
APPELLANT,

v.

LANCASTER COUNTY
BOARD OF EQUALIZATION,
APPELLEE.</td><td>CASE NO: 25A 0930

DECISION AND ORDER AFFIRMING THE DECISION OF THE LANCASTER COUNTY BOARD OF EQUALIZATION</td></tr>
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I. BACKGROUND

1. The Subject Property is an improved agricultural parcel in Lancaster County, parcel number 08-17-200-003-000.
2. The Lancaster County Assessor (the County Assessor) assessed the Subject Property at $462,600 for tax year 2025.
3. Cheri L. Worm (the Taxpayer) protested this value to the Lancaster County Board of Equalization (the County Board).
4. The County Board determined that the taxable value of the Subject Property was $462,600 for tax year 2025.
5. The Taxpayer appealed the determination of the County Board to the Tax Equalization and Review Commission (the Commission).
6. A Single Commissioner hearing was held on July 14, 2026, at the Tax Equalization and Review Commission Hearing Room, Nebraska State Office Building, Lincoln, Nebraska, before Commissioner Jackie S. Russell.
7. Rodney Hollman was present at the hearing for the Taxpayer.
8. Sue Bartek (Appraiser) and Paul Hattan were present for the County Board.

II. APPLICABLE LAW

9. All real property in Nebraska subject to taxation shall be assessed as of the effective date of January 1.[1]
10. The Commission's review of a determination of the County Board of Equalization is de novo.[2]
11. When the Commission considers an appeal of a decision of a county board of equalization, there are two burdens of proof.[3]
12. The first involves a presumption 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.[4] 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.[5]
13. The second burden of proof requires that 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.[6] The burden of showing such valuation to be unreasonable rests upon the taxpayer on appeal from the action of the board.[7]

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[1] Neb. Rev. Stat. § 77-1301(1) (Cum. Supp. 2024).
[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] *Pinnacle Enters., Inc. v. Sarpy Cty. Bd. of Equalization*, 320 Neb. 303, 309, 27 N.W.3d 1, 6 (2025). See also *Brenner*, 276 Neb. at 283, 753 N.W.2d at 811 (quoting *Ideal Basic Indus. v. Nuckolls Cty. Bd. of Equal.*, 231 Neb. 653, 654-55, 437 N.W.2d 501, 502 (1989)).
[4] *Pinnacle Enters.*, 320 Neb. at 309, 27 N.W.3d at 6 (quoting *Cain v. Custer Cty. Bd. of Equal.*, 315 Neb. 809, 818, 1 N.W.3d 512, 521 (2024)). See also *Brenner*, 276 Neb. at 283, 753 N.W.2d at 811 (quoting *Ideal Basic Indus.*, 231 Neb. at 654-55, 437 N.W.2d at 502).
[5] *Pinnacle Enters.*, 320 Neb. at 309, 27 N.W.3d at 6.
[6] *Id.* See also *Brenner*, 276 Neb. at 283-84, 753 N.W.2d at 811.
[7] *Pinnacle Enters.*, 320 Neb. at 309, 27 N.W.3d at 6. See also *Brenner*, 276 Neb. at 283-84, 753 N.W.2d at 811.

14. 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.[8] Proof that the order, decision, determination, or action was unreasonable or arbitrary must be made by clear and convincing evidence.[9]
15. The Taxpayer must introduce competent evidence of actual value of the Subject Property in order to successfully claim that the Subject Property is overvalued.[10] The County Board need not put on any evidence to support its valuation of the property at issue unless the Taxpayer establishes that the County Board's valuation was unreasonable or arbitrary.[11]
16. In an appeal, the Commission may determine any question raised in the proceeding upon which an order, decision, determination, or action appealed from is based.[12] The Commission may consider all questions necessary to determine taxable value of property as it hears an appeal or cross appeal.[13] The Commission may take notice of judicially cognizable facts, may take notice of general, technical, or scientific facts within its specialized knowledge, and may utilize its experience, technical competence, and specialized knowledge in the evaluation of the evidence presented to it.[14] The Commission's Decision and Order shall include findings of fact and conclusions of law.[15]

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[8] Neb. Rev. Stat. § 77-5016(9) (Reissue 2018).
[9] *Pinnacle Enters.*, 320 Neb. at 309, 27 N.W.3d at 6; *Omaha Country Club v. Douglas County Bd. of Equal.,* 11 Neb. App. 171, 645 N.W.2d 821 (2002).
[10] Cf. *Josten-Wilbert Vault Co. v. Bd. of Equal. for Buffalo County*, 179 Neb. 415, 138 N.W.2d 641 (1965) (determination of actual value) *abrogated on other grounds by Potts v. Bd. of Equalization*, 213 Neb. 37, 328 N.W.2d 175 (1982)); *Lincoln Tel. and Tel. Co. v. County Bd. of Equal. of York County,* 209 Neb. 465, 308 N.W.2d 515 (1981) (determination of equalized taxable value).
[11] *Wheatland Indus., LLC v. Perkins Cty. Bd. of Equalization*, 304 Neb. 638, 935 N.W.2d 764 (2019) (quoting *Bottorf v. Clay Cty. Bd. of Equal.*, 7 Neb. App. 162, 168, 580 N.W.2d 561, 566 (1998)).
[12] Neb. Rev. Stat. § 77-5016(8) (Reissue 2018).
[13] *Id.*
[14] Neb. Rev. Stat. § 77-5016(6) (Reissue 2018).
[15] Neb. Rev. Stat. § 77-5018(1) (Cum. Supp. 2024).

III. FINDINGS OF FACT & CONCLUSIONS OF LAW

17. The Subject Property is a two-story, single-family home built in 1890 with 1,923 square feet (SF) above grade. There is a walkout basement which was built in 2007 with 1,131 SF. The house has seven plumbing fixtures; a wood deck with 576 SF; a quality rating of 2.00 (fair); and condition, desirability, and utility (CDU) rating of 4 (typical). The parcel includes 20.47 acres of homesite and agricultural land.
18. The Taxpayer argued that the increase in the property valuation was arbitrary and unreasonable for one year for the improvement value.
19. The Taxpayer stated that the Subject Property value increased in value from $138,900 in tax year 2024 to $278,000 in tax year 2025.
20. The assessed value for real property may be different from year to year according to the circumstances.[16] For this reason, a prior year's assessment is not relevant to the subsequent year's valuation.[17]
21. The Appraiser stated that the Subject Property was reviewed in May of 2024 as part of the regular inspection cycle. An interior inspection was not done. During the exterior review, the Appraiser found that notated deferred maintenance had been cured including new windows, roof, siding, gutters, and a new front door with side lights. Because of these changes, the CDU rating was updated from 2 (fair) to 4 (typical) which increased the improvement value.
22. A county assessor must conduct a systemic inspection and review by class or subclass to ensure that the real property record data accurately reflects the property and that valuations

[16] *Affiliated Foods Coop. v. Madison Co. Bd. of Equal.*, 229 Neb. 605, 614, 428 N.W.2d 201, 206 (1988); see Neb. Rev. Stat. § 77-1502 (Reissue 2018).
[17] *Affiliated Foods Coop.*, 229 Neb. at 613, 428 N.W.2d at 206; *DeVore v. Board of Equal.*, 144 Neb. 351, 354-55, 13 N.W.2d 451, 452-53 (1944).

are uniform and proportionate.[18] All parcels must be inspected and reviewed at least once every six years.[19]

23. The Taxpayer confirmed at hearing the changes to the Subject Property were correct as indicated by the Appraiser in the county records.
24. The Taxpayer has not presented information to demonstrate that the CDU rating of 4 (typical) for the Subject Property for tax year 2025 was arbitrary or unreasonable.
25. The Taxpayer argued that the Subject Property's agricultural land class valuations should be the same or similar to Saline County agricultural land valuations and without such, lacks uniformity according to Neb. Rev. Stat. § 77-1359.
26. The Legislature has found that "agricultural land and horticultural land shall be a separate and distinct class of real property for purposes of assessment. The assessed value of agricultural land and horticultural land shall not be uniform and proportionate with all other real property, but the assessed value shall be uniform and proportionate within the class of agricultural land and horticultural land."[20]
27. Agricultural land and horticultural land means a parcel of land, excluding land associated with a building or enclosed structure located on the parcel, which is primarily used for agricultural or horticultural purposes, including wasteland lying in or adjacent to and in common ownership or management with other agricultural land and horticultural land.[21]
28. The Legislature "may enact laws to provide that the value of land actively devoted to agricultural or horticultural use shall for property tax purposes be that value which such land has for agricultural or horticultural use without regard to any value which such land might have for other purposes or uses."[22] The Legislature enacted laws to state "Agricultural land and

[18] Neb. Rev. Stat. § 77-1311.03 (Cum. Supp. 2024).
[19] *Id.*
[20] Neb. Rev. Stat. § 77-1359 (Cum. Supp. 2024).
[21] Neb. Rev. Stat. § 77-1359(1) Cum. Supp. 2024).
[22] Neb. Const. Art. VIII, §1(5).

horticultural land actively devoted to agricultural or horticultural purposes which has value for purposes other than agricultural or horticultural uses and which meets the qualifications for special valuation under section 77-1344 shall constitute a separate and distinct class of property for purposes of property taxation, shall be subject to taxation, and shall be valued for taxation at seventy-five percent of its special valuation as defined in section 77-1343."[23] Special valuation is defined as "the value that the land would have for agricultural or horticultural purposes or uses without regard to the actual value the land would have for other purposes or uses."[24]

29. All taxable real property in Nebraska shall be valued at its actual value with three exceptions created by the Legislature: agricultural and horticultural land, agricultural and horticultural land qualifying for special valuation, and qualifying historically significant real property.[25]
30. "Lancaster County's agricultural land is all subject to non-agricultural influence; therefore, sales in Lancaster County are neither used to value nor measure agricultural land within the county."[26] "Due to the absence of agricultural sales, only one market area is used within the county."[27]
31. Agricultural and horticultural land are an exception to the general rule in Nebraska that all taxable real property "shall be valued at actual value" for purposes of taxation.[28]
32. Agricultural land and horticultural land constitutes a separate and distinct class of property for purposes of property taxation and is valued at seventy-five percent of its actual value.[29]

[23] Neb. Rev. Stat. § 77-201(3) (Cum. Supp. 2024).
[24] Neb. Rev. Stat. §77-1343(5) (Reissue 2018).
[25] Neb. Rev. Stat. § 77-201 (Cum. Supp. 2024).
[26] Sarah Scott, 2025 Reports and Opinions of the Property Tax Administrator, Lancaster County 15.
[27] *Id.*
[28] Neb. Rev. Stat. § 77-201(1) (Cum. Supp. 2024).
[29] Neb. Rev. Stat. § 77-201(2) (Cum. Supp. 2024).

33. A determination of actual value may be made by using professionally accepted mass appraisal methods.[30] The methods expressly stated in statute are the sales comparison approach, the income approach, and the cost approach.[31]
34. Comparable sales are recent sales of properties that are similar to the property being assessed in significant physical, functional, and location characteristics and in their contribution to value.[32]
35. The statistical sample for the Lancaster County agricultural property consists of 61 qualified sales for the measurement of special value. All sales come from comparable, uninfluenced areas outside of Lancaster County including Butler, Cass, Gage, Johnson, Otoe, and Saunders counties for the 2025 tax year.[33]
36. "[U]nder §§ 77-103.01, 77-112, and 77-1363, assessors are not limited to a single method of determining the actual value of property for tax purposes. Rather, assessors are charged with a duty to consider a wide range of relevant factors in order to arrive at a proper assessment which does not exceed actual value.[34]
37. Uniformity requires that whatever methods are used to determine actual or taxable value for various classifications of real property that the results be correlated to show uniformity.[35]
38. The Appraiser attested that uniformity is shown among the agricultural values in Lancaster County as all agricultural land classifications with the same soil unit and land capability grouping (LCG) are valued at the same rate per acre across the county.
39. The 2025 Reports and Opinions of the Property Tax Administrator finds that generally accepted mass appraisal

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[30] Neb. Rev. Stat. § 77-112 (Reissue 2018).
[31] *Id.*
[32] Neb. Rev. Stat. § 77-1371 (Reissue 2018).
[33] *Id.*
[34] *Cain v. Custer Cty. Bd. of Equal.*, 298 Neb. 834, 853, 906 N.W.2d 285, 299 (2018).
[35] *Banner County v. State Bd. of Equal.,* 226 Neb. 236, 411 N.W.2d 35 (1987).

techniques were met by the Lancaster County Assessor in setting values for special valuation agricultural land.[36]

40. Simply because the Subject Property lies close to Saline County does not, by itself, mean the assessed value was incorrect. No evidence was given to show the values applied to the Subject Property were incorrect or inequitable. The Subject Property is in Lancaster County and should be valued using Lancaster County value methods unless those values are shown to be incorrect or inequitable with similar properties in Lancaster County.
41. 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.
42. The Taxpayer has not adduced clear and convincing evidence that the determination of the County Board is arbitrary or unreasonable and the decision of the County Board should be affirmed.

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 2025 is affirmed.
2. The taxable value of the Subject Property for tax year 2025 is:

Land	$184,600
Improvements	$278,000
Total	$462,600

[36] Sarah Scott, 2025 Reports and Opinions of the Property Tax Administrator, Lancaster County 18.

3. This Decision and Order, if no further action is taken, shall be certified to the Lancaster County Treasurer and the Lancaster County Assessor, pursuant to Neb. Rev. Stat. § 77-5018.
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 2025.
7. This Decision and Order is effective on August 5, 2026.

SIGNED AND SEALED: August 5, 2026.

SEAL

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Jackie S. Russell, Commissioner