

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

IN THE MATTER OF:)	
)	Case No. 25CP 0001
)	
PETITION OF THE BOX BUTTE)	FINDING AND ORDER
COUNTY, NEBRASKA BOARD OF)	DENYING PETITION
EQUALIZATION TO ADJUST)	
VALUES OF A CLASS OR SUBCLASS)	
OF REAL PROPERTY.)	

The Box Butte County Board of Equalization (the County Board) petitioned the Tax Equalization and Review Commission (the Commission) to adjust the assessed value of the subclass of rural residential property in Box Butte County for the 2025 tax year. The County Board asserted that the assessed value of rural residential home sites and farm home sites is the product of inappropriate methodology that has produced values that are not equitable and in accordance with law.

The Commission received the petition on July 23, 2025, and issued an Order for Hearing and Notice of Hearing on July 25, 2025. A copy of the Order and Notice was served on the Box Butte County Attorney, the Box Butte County Clerk, the Box Butte County Assessor, the Chairperson of the County Board, the Tax Commissioner, and the Property Tax Administrator.

The Commission held a hearing on the petition in Lincoln, Nebraska, on August 1, 2025. Commissioners Robert W. Hotz, James D. Kuhn, and Steven A. Keetle heard the petition. Commissioner Hotz presided. Marissa L. Curtis, Box Butte County Attorney, appeared on behalf of the County Board.

I. ISSUES

1. Whether failure to make the requested adjustment would result in values which are not equitable and in accordance with the law.¹
2. Whether an order adjusting values may be issued.²

II. LAW

1. Petitions concerning adjustments to the level of assessment of real property must be filed on or before July 26.³
2. The Commission must hear and act on a petition for adjustment of value by class or subclass brought by a county board of equalization on or before August 10.⁴
3. After a hearing, the Commission shall, within the powers granted in Neb. Rev. Stat. § 77-5023, enter its order based on the evidence presented to it at such hearing and the hearings held pursuant to Neb. Rev. Stat. § 77-5022 for that year.⁵
4. The Commission may issue an order adjusting values by a percentage and may exclude individual properties from the order adjusting values if the assessed values of those individual properties have already been adjusted by the Board as part of the protest proceedings.⁶
5. The burden of proof is on the petitioning county to show that failure to make an adjustment would result in values that are not equitable and in accordance with the law.⁷
6. Any Commission order adjusting values must specify the percentage increase or decrease and the class or subclass of real property affected or any corrections or adjustments to be made to the class or subclass of

¹ Neb. Rev. Stat. § 77-1504.01(2) (Reissue 2018).

² Id., Neb. Rev. Stat. § 77-5023 (Reissue 2018).

³ Neb. Rev. Stat. § 77-1504.01(1) (Reissue 2018).

⁴ Neb. Rev. Stat. § 77-1504.01(2) (Reissue 2018).

⁵ Neb. Rev. Stat. § 77-1504.01(3) (Reissue 2018).

⁶ Id.

⁷ Neb. Rev. Stat. § 77-1504.01(2) (Reissue 2018).

real property.⁸

7. Any increase or decrease shall cause the level of value determined by the Commission to be at the midpoint of the applicable acceptable range.⁹
8. Any decrease or increase to a subclass of property shall also cause the level of value determined by the Commission for the class from which the subclass is drawn to be within the applicable acceptable range.¹⁰
9. The acceptable range for the median of the assessed-to-sales ratio for the residential class of real property is 92% to 100% of actual value.¹¹

III. ANALYSIS

1. Whether failure to make the requested adjustment would result in values which are not equitable and in accordance with the law.

Box Butte County Assessor Michelle Robinson (the Assessor) testified regarding the assessment of rural residential property in Box Butte County. The land component of rural residential properties located in Valuation Groups 81 and 82 of Box Butte County are valued at \$20,000 per acre for the home site or first acre, and at a lesser amount for each additional site acre. If the rural residential acres are located on an agricultural parcel (or a larger parcel with acres classified as agricultural or horticultural land) the Assessor then applied a “sales modifier” to the home site or first acre of \$30,000, resulting in an assessed value of \$50,000 for the first acre, and additionally applied a 35% economic depreciation factor to the residence on that home site or first acre.

The County Board alleged that this methodology resulted in dis-

⁸ Neb. Rev. Stat. § 77-1504.01(3) (Reissue 2018).

⁹ Neb. Rev. Stat. § 77-5023(3) (Reissue 2018).

¹⁰ Neb. Rev. Stat. § 77-5023(4) (Reissue 2018).

¹¹ Neb. Rev. Stat. § 77-5023(2) (Reissue 2018).

equalized values for rural residential properties and requested that the Commission order that the first acre of all properties used for a rural residence be assessed at \$20,000 per acre for the home site.

The 2025 Reports and Opinion of the Property Tax Administrator stated in the Agricultural Correlation regarding this methodology:

“[F]arm home sites do not carry the same value as rural residential home sites. The county assessor based on sales data determined that the first acre rural residential site needed to be raised to \$50,000 whereas the farm home site remained at \$20,000 after implementing new cost and depreciation, ag dwellings received a 35% economic depreciation that wasn’t applied to any other rural dwellings, resulting in dis-equalized valuations.”¹²

The County Board presented the Property Record Files for multiple rural properties with residential acres located in Box Butte County and aerial maps showing their locations within the County. Steve Burke, Chairman of the Box Butte County Board of Equalization testified regarding the use of the home site acres.

The Commission finds that the valuation methodology for valuing the first acre of rural residential sites and farm home sites results in dis-equalized valuations. The County Board has demonstrated that the valuation methodology used to assess the first acre of rural residential land in Box Butte County results in values that are not equitable and in accordance with the law.

2. Whether an order adjusting values may be issued.

As noted above, Neb. Rev. Stat. § 77-5023(3) requires that any increase or decrease shall cause the level of value determined by the commission to be

¹² Exhibit 7 page 17.

at the midpoint of the applicable acceptable range. Neb. Rev. Stat. § 77-5023(4) requires that any decrease or increase to a subclass of property also cause the level of value for the class from which the subclass is drawn to be within the applicable acceptable range.

The County Board did not offer evidence of the result of the requested adjustment on the level of value of a class of subclass of real property in Box Butte County. The County Board offered no evidence to show that the requested adjustment would result in a level of value at the midpoint of the applicable acceptable range; nor did it offer evidence that the decrease would cause the level of value for the class from which the subclass is drawn to be within the applicable acceptable range. Accordingly, the County Board has not established that the adjustment requested in its petition meets the statutory requirements.

For the foregoing reasons, the petition of the County Board must be denied.

IV. CONCLUSIONS OF LAW

1. Failure to make the requested adjustment would result in values which are not equitable and in accordance with the law.
2. An order adjusting values may not be issued.

V. ORDER

IT IS ORDERED THAT:

10. The Petition of the Box Butte County Board of Equalization to adjust the assessed values of rural residential home sites within Box Butte County, Nebraska, is denied.
11. A copy of this Order shall be served upon the Box Butte County Assessor by certified mail, and upon the Box Butte County Clerk, the

Chairperson of the Box Butte County Board of Equalization, and the
Box Butte County Attorney, by regular mail.

SIGNED AND SEALED August 7, 2025.



Robert W. Hotz, Commissioner

James D. Kuhn, Commissioner

Steven A. Keetle, Commissioner