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

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| ADAM LEE<br>APPELLANT,<br><br>v.<br><br>DAWSON COUNTY BOARD OF EQUALIZATION,<br>APPELLEE. | CASE NO: 25R 0057<br><br>**AMENDED** DECISION AND ORDER REVERSING THE DECISION OF THE DAWSON COUNTY BOARD OF EQUALIZATION<br><br>Correcting 2025 Total Taxable Value |

## I. BACKGROUND

1. The Subject Property is an improved residential parcel in Dawson County, parcel number 240204557.
2. The Dawson County Assessor (the County Assessor) assessed the Subject Property at $827,880 for tax year 2025.
3. Adam Lee (the Taxpayer) protested this value to the Dawson County Board of Equalization (the County Board) and requested an assessed value of $685,905 for tax year 2025.
4. The County Board determined that the taxable value of the Subject Property was $827,880 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 June 26, 2026, at Best Western Plus North Platte Inn & Suites, 3201 S Jeffers St., North Platte, NE 69101, before Commissioner Jackie S. Russell.
7. Adam Lee was present at the hearing for the Taxpayer.
8. Darlene M. Shafer (County Attorney) and Nic VanCura (Assessor) 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

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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.

of the board.[7]

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

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[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.

[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).

Decision and Order shall include findings of fact and conclusions of law.[15]

## III. FINDINGS OF FACT & CONCLUSIONS OF LAW

17. The Subject Property is a one-and-one-half story, single-family home, built in 2021 with 2,930 square feet (SF) above grade, and basement area of 2,053 SF with 1,853 SF full finish. There are 15 plumbing fixtures, an attached garage with 1,501 SF. The property also features a 336 SF wood deck with balcony over a concrete porch, and a 122 SF roofed porched with steps. The overall quality rating is very good (5), and the condition rating is good (4).
18. The Taxpayer argued that the Subject Property value was arbitrary and unreasonable due to the increase in value over the course of two years from $480,320 in 2023 to $827,880 in 2025.
19. The Commission must look to the value of the Subject Property as of January 1 of each tax year.[16]
20. The assessed value for real property may be different from year to year according to the circumstances.[17] For this reason, a prior year's assessment is not relevant to the subsequent year's valuation.[18]
21. All real property, other than agricultural land and horticultural land, is valued at 100% of its actual value.[19]
22. A determination of actual value may be made by using professionally accepted mass appraisal methods.[20] The methods expressly stated in statute are the sales comparison approach, the income approach, and the cost approach.[21]

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[15] Neb. Rev. Stat. § 77-5018(1) (Cum. Supp. 2024).
[16] Neb. Rev. Stat §77-1301(Cum. Supp. 2022)
[17] *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).
[18] *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).
[19] Title 350 Neb. Admin. Code, ch.10 § 003.01A (10/2014).
[20] Neb. Rev. Stat. § 77-112 (Reissue 2018).
[21] *Id.*

23. The Taxpayer argued that other properties protested in 2025 with the County Board were granted relief while the Subject Property was not.
24. The Taxpayer provided three Property Record Files (PRFs) for the Commission to analyze this claim. The PRFs included a neighboring house at 52 Wooga Dr. (52 Wooga) and a property located at 40948 Road 768 (Rd. 768).
25. The Taxpayer provided two PRFs for 52 Wooga. The first PRF was dated 7/29/2025 which the Assessor stated was reflective of the property prior to the County Board's protest action. The second record was dated 10/20/2025 after changes to the property record were made by the assessor's office based on the County Board's action at the protest hearing. The third PRF was for Rd. 768 and was dated 10/20/2025 after the assessor's office made changes reflecting the County Board's protest hearing actions.
26. Review of the 52 Wooga PRFs indicate that there was an "adjustment to assessment data" to change the improvement valuation from $800,515 to $707,910.[22] However, comparison of the two records do not show a difference in the appraisal characteristics to determine what change in the assessment data occurred as both records reflect the County Board's indicated improvement value of $707,910 in the cost details.[23]
27. Review of the Rd. 768 PRF also indicates an "adjustment to assessment data" to change the improvement valuation from $758,060 to $738,815.[24] The Commission was not given a PRF from before County Board action and therefore, cannot determine what characteristics may have changed to warrant the assessment adjustment.
28. The Commission finds that while the information presented on the PRFs for the properties at 52 Wooga and Rd.768 lack transparency of the basis of the resulting County Board actions,

[22] Note section, 52 Wooga PRF, 10/20/2025, p. 1
[23] Marshall & Swift Cost Approach, 52 Wooga PRFs, p. 3
[24] Note section, Rd. 768 PRF, 10/20/2025, p. 1

standing alone, they do not constitute sufficient evidence that the determination of the County Board for the Subject Property is arbitrary or unreasonable when compared to the other determinations of the County Board.

29. The Taxpayer argued that the Subject Property valuation was not uniform and proportionate compared to other properties presented at hearing.
30. The Assessor stated that valuations are determined by a cost approach to value as shown in the Marshall & Swift Cost Approach section on page 3 of a parcel's PRF.
31. The cost approach derives a value indication "by estimating the cost new as of the effective date of the appraisal to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive; deducting depreciation from the total cost; and adding the estimated land value."[25]
32. "The cost approach is applicable to virtually all improved parcels and, if used properly, can produce accurate valuations."[26]
33. The cost approach includes six steps: (1) Estimate the land (site) value as if vacant and available for development to its highest and best use; (2) Estimate the total cost new of the improvements as of the appraisal date, including direct costs, indirect costs, and entrepreneurial profit from market analysis; (3) Estimate the total amount of accrued depreciation attributable to physical deterioration, functional obsolescence, and external (economic) obsolescence; (4) Subtract the total amount of accrued depreciation from the total cost new of the primary improvements to arrive at the depreciated cost of improvements; (5) Estimate the total cost new of any accessory improvements and site improvements, then estimate and deduct all accrued depreciation from the total cost new of these improvements; (6) Add site value to the depreciated cost of the primary improvements, accessory improvements, and site

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[25] *Cost Approach*, *The Dictionary of Real Estate Appraisal* (7th ed. 2022).
[26] International Association of Assessing Officers, *Standard on Mass Appraisal of Real Property* § 4.2 (July 2017).

improvements, to arrive at a value indication by the cost approach.[27]

34. "Current cost and depreciation data adjusted to the local market are required for the cost approach."[28]
35. The Assessor stated that once cost approach valuation tables were established for tax year 2025, an assessment-to-sales ratio analysis is performed to determine compliance with state statute that the median ratio is within the range of 92%-100% of actual value.
36. "A primary tool for measuring the ratio of assessment to actual value is the assessment-to-sales ratio. This ratio is calculated by dividing a parcel of property's assessed value by the sales price of that parcel of property."[29]
37. "[U]sing this ratio and using the median as the indicator of central tendency for a class or subclass of property, the median assessment-to-sales ratio would need to fall between 92 and 100 percent to be within the acceptable range."[30]
38. Such studies may also be used by assessing officials in establishing assessed valuations.[31]
39. The Assessor stated that based on the assessment-to-sales ratio analysis, a 13% increase was applied to all properties in the "Location / Group" of "Gothenburg Rural".
40. The PRFs indicate that the Subject Property is located in "Gothenburg Rural", as are 52 Wooga and Rd 768.
41. The Taxpayer provided PRFs for two other properties as comparable properties not uniform and proportionate to the Subject Property. 3218 Lake Ave. and 215 W. 29th St., both of which are also located in "Gothenburg Rural".

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[27] International Association of Assessing Officers, *Property Assessment Valuation* 230 (3rd ed. 2010); see Appraisal Institute, *The Appraisal of Real Estate* 532-33 (15th ed. 2020).
[28] International Association of Assessing Officers, *Standard on Mass Appraisal of Real Property* § 3.6 (July 2017).
[29] *County of Douglas v. Nebraska Tax Equal. & Rev. Comm'n*, 296 Neb. 501, 509, 894 N.W.2d 308, 314 (2017) (citing 442 Neb. Admin. Code, ch. 9, § 002.02 (2011)).
[30] *County of Douglas v. Nebraska Tax Equal. & Rev. Comm'n*, 296 Neb. 501, 509, 894 N.W.2d 308, 314 (2017).
[31] Neb. Rev. Stat. §77-1327(3) (Reissue 2018).

42. The Taxpayer stated that 215 W 29th was a similar property, valued lower than the Subject Property.
43. Comparable properties share similar use (residential, commercial/industrial, or agricultural), physical characteristics (style, size, finish, condition, etc.), and location.[32]
44. If a comparable property is inferior in some respect, the sale price is adjusted upward, just as if it is superior, it will be adjusted downward.[33]
45. The Commission's review of the PRF for 215 W 29th indicates that the property is not a true comparable due to the style of construction as a one-story constructed home while the Subject Property is a one-and-one-half story construction typically not used in comparison to one another based on generally accepted mass appraisal practices.
46. Further, the Commission's review of 215 W 29th shows the property is inferior to the Subject Property in the following physical characteristics: quality (good), condition (average), size (2,591 SF), basement finish (0 SF), number of plumbing fixtures (12), age (2012), garage size (808 SF), and differences in porch components.
47. The Commission finds that the property at 215 W 29th is not comparable to the Subject Property.
48. The Taxpayer argued that the assessed value of the Subject Property is not uniform and proportionate with the property located at 3218 Lake Ave. which did not receive a valuation increase for the 2025 tax year while residing in the "Gothenburg Rural" location.
49. The Commission's review of the PRF for 3218 Lake Ave indicates that the property did not receive a valuation increase from tax year 2024 to tax year 2025 consistent with the testimony of the Assessor detailing changes to the cost tables

[32] *Property Assessment Valuation*, at 169-79 (3rd ed. 2010).
[33] International Association of Assessing Officers, *Property Assessment Valuation* 105 (3d ed. 2010).

and outcome of the assessment-to-sales ratio analysis for tax year 2025.

50. The Assessor stated that 3218 Lake Ave is the result of a clerical error in which the property was missed in the assessment actions for tax year 2025.

51. 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.[34] Taxpayers are entitled to have their property assessed uniformly and proportionately, even though the result may be that it is assessed at less than the actual value.[35]

52. Based on all information presented at hearing, the Commission finds that the assessments of all properties within the Gothenburg Rural location lack uniformity as the 2025 assessment actions were not uniformly applied and therefore finds that the Subject Property valuation for tax year 2025 is arbitrary and unreasonable.

53. The Taxpayer has produced competent evidence that the County Board failed to faithfully perform its duties and to act on sufficient competent evidence to justify its actions.

54. The Taxpayer has 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 vacated.

## 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 vacated and reversed.

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[34] *Banner County v. State Bd. of Equal.,* 226 Neb. 236, 411 N.W.2d 35 (1987).

[35] *Equitable Life v. Lincoln County Bd. of Equal.,* 229 Neb. 60, 425 N.W.2d 320 (1988); *Fremont Plaza v. Dodge Cty. Bd. of Equal.,* 225 Neb. 303, 405 N.W.2d 555 (1987).

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

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| Land | $ 25,000 |
| Improvements | $614,240 |
| **Total** | **$639,240** |

3. This Decision and Order, if no further action is taken, shall be certified to the Dawson County Treasurer and the Dawson 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 Amended Decision and Order shall only be applicable to tax year 2025.
7. This Amended Decision and Order is being issued to correct an error in the previous Decision and Order dated on August 13, 2026.

**SIGNED AND SEALED: August 21, 2026.**

***SEAL***

Jackie S. Russell, Commissioner