BEFORE THE NEBRASKA TAX EQUALIZATION AND REVIEW COMMISSION

IN THE MATTER OF EQUALIZATION OF VALUE OF REAL PROPERTY WITHIN DODGE COUNTY, NEBRASKA, FOR TAX YEAR 2015	COUNTY NUMBER 27 FINDINGS AND ORDERS (No Show Cause Hearing)

SUMMARY

The Tax Equalization and Review Commission, as part of its equalization proceedings, finds that the levels of value of real property in Dodge County for tax year 2015 satisfy the requirements of the Laws of the State of Nebraska. The following findings of fact, conclusions of law, and order are issued pursuant to a motion adopted by the Commission.

I.
APPLICABLE LAW

1. The Commission has the power to review and equalize assessments of property for taxation within the state. Neb. Const. Art. IV, §28.
2. The Commission is required to meet annually to equalize the assessed value or special value of all real property as submitted by the county assessors on the abstracts of assessment and equalize the values of real property which is valued by the state. Neb. Rev. Stat. §77-5022 (2014 Cum. Supp.).
3. 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 the sales price of that parcel. The assessment/sales ratio is expressed in terms of a percentage. 442 Neb. Admin. Code, ch. 9, §002.02 (06/11).

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4. The Commission is required to raise or lower the valuation of a class or subclass of real property when it is necessary to achieve equalization. Neb. Rev. Stat. §77-5027 (2014 Cum. Supp.).
5. If necessary 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. Neb. Rev. Stat. §77-5023(1) (Reissue 2009).
6. An acceptable range is the percentage of variation from a standard for valuation as measured by an established indicator of central tendency of assessment. Neb. Rev. Stat. §77-5023(2) (Reissue 2009).
7. The median has been adopted by the Commission as the preferred established indicator of central tendency. 442 Neb. Admin. Code, ch. 9, §004 (06/11).
8. The acceptable ratio range for the median of the assessment/sales ratio is from 69% to 75% of actual or fair market value for the class and subclasses of agricultural land and horticultural land not receiving special valuation pursuant to Neb. Rev. Stat. §77-1344; 69% to 75% of special valuation for the class and subclasses of agricultural land and horticultural land receiving special valuation pursuant to Neb. Rev. Stat. §77-1344; and 92% to 100% of actual or fair market value for all other classes and subclasses of real property. Neb. Rev. Stat. §77-5023(2) (Reissue 2009).
9. Any increase or decrease shall cause the level of value determined by the Commission to be at the midpoint of the acceptable range. Neb. Rev. Stat. §77-5023(3) (Reissue 2009).

10. Any increase or decrease 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. Neb. Rev. Stat. §77-5023(4) (Reissue 2009).

11. Whether or not the level of value determined by the Commission falls within the acceptable range may be determined to a reasonable degree of certainty relying upon generally accepted mass appraisal techniques. Neb. Rev. Stat. § 77-5023(5) (Reissue 2009).

12. The Property Tax Administrator annually shall make and issue comprehensive assessment ratio studies of the average level of assessment, the degree of assessment uniformity, and the overall compliance with assessment requirements for each major class of real property subject to the property tax in each county. The comprehensive assessment ratio studies shall be developed in compliance with professionally accepted mass appraisal techniques and shall employ such statistical analysis as deemed appropriate by the Property Tax Administrator, including measures of central tendency and dispersion. The comprehensive assessment ratio studies shall be based upon the sales file as developed in subsection (2) of this section and shall be used by the Property Tax Administrator for the analysis of the level of value and quality of assessment for purposes of section 77-5027 and by the Property Tax Administrator in establishing the adjusted valuations required by section 79-1016. Such studies may also be used by assessing officials in establishing assessed valuations. Neb. Rev. Stat. §77-1327(3) (2014 Cum. Supp.).

13. On or before nineteen days following the final filing due date for the abstract of assessment for real property pursuant to section 77-1514, the Property Tax Administrator shall prepare and deliver to the Commission and to each county assessor his or her annual reports and opinions. For any county with a population of at least one hundred fifty thousand inhabitants

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according to the most recent Federal Decennial Census, the reports and opinions shall be prepared and delivered on or before fifteen days following such final filing due date. Neb. Rev. Stat. §77-5027(2) (2014 Cum. Supp.).

14. 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 the quality of assessment of the classes and subclasses of real property within the county and 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 the county. Neb. Rev. Stat. §77-5027(3) (2014 Cum. Supp.).

15. In addition to an opinion of the level of value and quality of assessments, the Property Tax Administrator may make nonbinding recommendations for consideration by the Commission. Neb. Rev. Stat. §77-5027(4) (2014 Cum. Supp.).

II.
EVIDENCE BEFORE THE COMMISSION

The Commission may consider and utilize the provisions of the Constitution of the United States, the Constitution of Nebraska, the laws of the United States, the laws of Nebraska, the Code of Federal Regulations, the Nebraska Administrative Code, any decision of the several courts of the United States or the State of Nebraska, and the legislative history of any law, rule, or regulation, without making the document a part of the record. The Commission may without inclusion in the record consider and utilize published treatises, periodicals, and reference works pertaining to the valuation or assessment of real or personal property or the meaning of words and phrases if the document is identified in the Commission's rules and regulations. Neb. Rev. Stat. §77-5016(3) (2014 Cum. Supp.). The Commission, pursuant to statute, has

identified various published treatises, periodicals and reference works for its consideration and utilization. See, 442 Neb. Admin. Code, ch. 5, §31 (06/11). The Commission heard testimony and received exhibits regarding the assessments of real property within the state. No other factual information or evidence, except that listed above or permitted by law, may be considered. See, Neb. Rev. Stat. §77-5016(3) (2014 Cum. Supp.). The Commission may evaluate the evidence presented utilizing its experience, technical competence, and specialized knowledge. Neb. Rev. Stat. §77-5016(6) (2014 Cum. Supp.).

III.
FINDINGS OF FACT

The Commission finds and determines the following concerning classes and subclasses of real property in Dodge County:

A.
PROCEDURAL

1. A statistical and narrative report informing the Commission of the level of value and the quality of assessments of real property in Dodge County and certifying the opinion of the Property Tax Administrator regarding the level of value and the quality of assessment of real property in Dodge County for the tax year 2015 was timely received by the Commission. (E27).
2. The level of value for any class or subclass of real property is indicated by its median assessment-sales ratio 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.

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B.
RESIDENTIAL CLASS OF REAL PROPERTY AND ITS SUBCLASSES

1. The level of value indicated by the median for the residential class of real property is 95% of actual or fair market value as shown by the Reports and Opinions of the Property Tax Administrator. (E27:6).
2. The level of value for the residential class of real property as indicated by the median is within the applicable acceptable range set by state law as determined to a reasonable degree of certainty relying upon generally accepted mass appraisal techniques.
3. The level of value for each subclass of the residential class of real property is either within the applicable acceptable range, the number of sales for a subclass is insufficient to provide a reliable statistical study of the subclass, or an adjustment by a percentage of value is not supported by clear and convincing evidence.
4. No increase or decrease by a percentage of the value of the residential class of real property, or a subclass thereof, is supported by clear and convincing evidence.

C.
COMMERCIAL CLASS OF REAL PROPERTY AND ITS SUBCLASSES

1. The level of value indicated by the median for the commercial class of real property is 93% of actual or fair market value as shown by the Reports and Opinions of the Property Tax Administrator. (E27:6).
2. The level of value for the commercial class of real property as indicated by the median is within the applicable acceptable range set by state law as determined to a reasonable degree of certainty relying upon generally accepted mass appraisal techniques.

3. The level of value for each subclass of the commercial class of real property is either within the applicable acceptable range, the number of sales for a subclass is insufficient to provide a reliable statistical study of the subclass, or an adjustment by a percentage of value is not supported by clear and convincing evidence.
4. No increase or decrease by a percentage of the value of the commercial class of real property, or a subclass thereof, is supported by clear and convincing evidence.

D.
THE AGRICULTURAL LAND AND HORTICULTURAL LAND CLASS OF REAL PROPERTY NOT RECEIVING SPECIAL VALUATION AND ITS SUBCLASSES

1. The level of value indicated by the median for the real property class of agricultural land and horticultural land not receiving special valuation is 70% of actual or fair market value as shown by the Reports and Opinions of the Property Tax Administrator. (E27:6).
2. The level of value as indicated by the median for the real property class of agricultural land and horticultural land not receiving special valuation is within the applicable acceptable range set by state law as determined to a reasonable degree of certainty relying upon generally accepted mass appraisal techniques.
3. The level of value for each subclass of the real property class of agricultural land and horticultural land not receiving special valuation is either within the applicable acceptable range, the number of sales for a subclass is insufficient to provide a reliable statistical study of the subclass, or an adjustment by a percentage of value is not supported by clear and convincing evidence.

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4. No increase or decrease by a percentage of value for the real property class of agricultural land and horticultural land not receiving special valuation or a subclass thereof is supported by clear and convincing evidence.

E.
SPECIAL VALUE FOR THE REAL PROPERTY CLASS OF AGRICULTURAL AND HORTICULTURAL LAND RECEIVING SPECIAL VALUATION AND ITS SUBCLASSES

1. The level of value indicated by the median for the real property class of agricultural land and horticultural land receiving special valuation is 70% of actual or fair market value as shown by the Reports and Opinions of the Property Tax Administrator. (E27:6).
2. The level of value as indicated by the median for the real property class of agricultural land and horticultural land receiving special valuation is within the applicable acceptable range set by state law as determined to a reasonable degree of certainty relying upon generally accepted mass appraisal techniques.
3. The level of value for each subclass of the real property class of agricultural land and horticultural land receiving special valuation is either within the applicable acceptable range, the number of sales for a subclass is insufficient to provide a reliable statistical study of the subclass, or an adjustment by a percentage of value is not supported by clear and convincing evidence.
4. No increase or decrease by a percentage of special value for the real property class of agricultural land and horticultural land receiving special valuation or a subclass thereof is supported by clear and convincing evidence.

IV.
VOTE

The Findings and Order of the Commission were approved unanimously by a vote of the

Commission after a motion and discussion at the hearing.

V.
CONCLUSIONS OF LAW

1. The Commission has jurisdiction over Dodge County and the subject matter of this order.
2. No adjustment to the value of any class or subclass of real property in Dodge County is required by law.

VI.
ORDER

IT IS THEREFORE ORDERED THAT:

1. No order proposing an adjustment of the value for a class or subclass of real property in Dodge County for tax year 2015 be entered and that no further proceedings be held to determine whether an adjustment should be made.
2. The Tax Commissioner and the Property Tax Administrator for the State of Nebraska, the Dodge County Assessor, the Dodge County Clerk, and the Chairperson of the Dodge County Board of Equalization, shall be sent a copy of this order as required by Neb. Rev. Stat. §77-5028 (Reissue 2009).
3. This order is effective the date it is signed and sealed.

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SIGNED AND SEALED April 23, 2015

Robert W. Hotz, Commissioner

Thomas D. Freimuth, Commissioner

Nancy J. Salmon, Commissioner