



**INFORMATION
GUIDE**

**REAL PROPERTY
ASSESSMENT
AND TAXATION**

How is real property valued?

The assessor is responsible for valuing all real property in the county except, operating real property of railroads and public service entities. The Property Tax Administrator is responsible for valuing the operating real property of railroads and public service entities.

Actual value of real property is the market value of property in the ordinary course of trade. Actual value and market value are synonymous terms. The actual value of a parcel of real property is the most probable price paid for the real property between a willing buyer and willing seller who are knowledgeable of the use for which it is adapted, or capable of being used.

Assessors generally use professionally accepted mass appraisal methods, including, but not limited to: sales comparison approach; income approach, and cost approach.

All real property is to be valued at actual value, except for agricultural horticultural land, which is to be valued at 80% of actual value, agricultural special value is to be valued at 80% of special value and 80% of recaptured value, and historically significant real property which qualifies for the historic rehabilitation valuation.

Definition of Real Property.

Real property includes all lands, buildings, fixtures, improvements, improvements on leased land, cabin trailers, mobile homes, and similar property not registered for highway use but utilized like a building. Real property also includes mines, minerals, quarries, mineral springs and wells, oil and gas wells, overriding royalty interests, and production payments with respect to oil or gas leases. Lastly all real property includes all privileges pertaining to the real property including leasehold interests.

Definition of Buildings:

Buildings shall mean a structure designed for habitation, shelter, storage, trade, manufacture, religion, business, education and the like. A structure or edifice enclosing a space within its walls, and usually, but not necessarily, covered with a roof.

Definition of Fixtures:

Fixtures shall include any item of property that is annexed or physically attached to or incorporated into the real property, applied or adapted to the use or purpose of the real property, and intended to be annexed to the real property.

What is the assessment date for real property?

All real property in this state, must be assessed as of January 1, 12:01 a.m., of each year.

What is the assessment process?

Between January 1 and March 19 of each year, the assessor updates and revises the real property assessment roll.

After March 19 and on or before June 1, the assessor shall implement adjustments to real property values for actions of the Tax Equalization and Review Commission.

On or before June 1, the assessor shall notify by first class mail, the owner of record as of May 20 of every item of real property that has been assessed at a value different than in the previous year. Immediately upon completion of the assessment roll, the assessor shall publish a certification in a newspaper of general circulation that the real property assessment roll is complete and notices of valuation changes have been mailed and provide the final date for filing protests with the county board of equalization.

How is property equalized?

The Tax Equalization and Review Commission has the responsibility to annually equalize the values of all real property. The Commission has the authority to raise or lower by a percentage the valuation of a class or subclass of property in any county or taxing jurisdiction for the purpose of achieving intercounty equalization. On or before June 6, the assessor shall publish the assessment ratios as determined by the Tax Equalization and Review Commission for his or her county.

After equalization of real property by class or subclass by the Tax Equalization and Review Commission, the county board of equalization has the duty to equalize the valuation of individual parcels of real property in the county. On or before July 26, the county board of equalization may petition the Tax Equalization and Review Commission to further consider an adjustment to a class or subclass of real property within the county.

What is equalization?

Equalization is the commonly used expression for the requirement contained in the Nebraska Constitution that property must be valued uniformly and proportionately. It means that property owners have a right to have their property valued at the same relative standard when compared to actual or market value. It does not mean that all property in a class or subclass is to be valued at the same dollar amount. For example, if similar houses are valued at 100% of their market value, based on data available to the assessor, they are “equalized”, even if their valuations are not the same dollar amount. This recognizes that a variety of factors, such as location, could cause very similar properties to have different market values, based on the actions of buyers and sellers. For agricultural property, required to be assessed at 80% of market value, if the data available to the assessor indicates that property of the same class has a fair market value of \$1,000.00 per acre in one part of the county and \$500.00 in another part of the county, the correct valuations for those properties would be \$800.00 per acre and \$400.00 per acre respectively. Although not valued at the same dollar amount, these properties are equalized because they are both assessed at the same standard: 80% of fair market value.

What if the property owner disagrees with the assessment of his/her real property?

Persons who disagree with the assessment of their property may protest the assessment. All protests must be filed with the county clerk on or before June 30. If June 30 falls on a Saturday or Sunday, the protest will be considered timely

filed on the next business day. If a protest is not timely filed it will automatically be dismissed.

The protest must be filed in triplicate and contain a description of the property and a written statement of the reason why the requested change in assessment should be made. Failure to state the reason(s) for the protest, or the description of the property will result in an automatic dismissal of the protest.

When does the county board of equalization review the protests?

On or before June 1 and on or before July 25 the county board of equalization reviews and decides the protests, or on or before August 10 if the county has adopted a resolution to extend the deadline for hearing protests. If July 25, or August 10 falls on a Saturday or Sunday, the board must meet on the previous business day. The county board of equalization has the authority to appoint referees to hear the protests, but the county board makes the final determination. No hearing shall be held before a single commissioner or supervisor. If an owner requests a reduction in valuation, the owner waives notice of an increase in the valuation should the county board of equalization find the real property to be undervalued.

May the county board of equalization extend the date to hear protests?

Yes, county boards in a county with a population of more than one hundred thousand inhabitants may adopt a resolution to extend the filing date for the current year only to on or before August 10. The resolution must be adopted by the county board before July 25.

When must the county board of equalization notify the protestor of their decision regarding the protest filed?

On or before August 2, or on or before August 18 in a county that has adopted a resolution to extend the deadline for hearing protests the county clerk will notify the protestor of the action taken by the county board of equalization. The notice shall state that a report of the county board’s decision is available and a copy of the report may be used to complete an appeal to the Tax Equalization and Review Commission.

What if the property owner disagrees with the county board of equalization decision?

A decision of the county board of equalization may be appealed to the Tax Equalization and Review Commission. The appeal must be filed with the Commission on or before August 24 or on or before September 10 if the county has adopted a resolution to extend the hearing of protests. An appeal is considered timely filed if postmarked by August 24 or September 10 in a county that has extended the county board process.

What if the property owner disagrees with the Tax Equalization and Review Commissions decision?

Any person aggrieved by a final decision of the Tax Equalization and Review Commission may appeal directly to the Court of Appeals.

How are the taxes determined for real property?

The taxes for a real property parcel are determined by multiplying its taxable value by the total consolidated tax rate for the tax district in which the parcel is located. The tax district is comprised of various governing bodies empowered to levy property taxes for services, such as county government, school district, city, etc.

Each year, on or before October 15, the county board of equalization levies the necessary taxes, within the limits of the law, for operation of all functions of county government, school districts, cities, etc. The tax rates for these various governmental subdivisions are determined by dividing the subdivision's annual tax request by the current total taxable value within their boundaries. The tax rates are expressed as \$1.00 per \$100 dollars of taxable value.

On or before November 22, the assessor transcribes the real property tax list and delivers it to the county treasurer for collection of property taxes.

When are real property taxes due?

Real property taxes are due December 31. The first half of the tax becomes delinquent on the following May 1 and the second half becomes delinquent on September 1, except in Douglas, Lancaster, and Sarpy counties, where the first half is delinquent on April 1 and second half becomes delinquent on August 1.

Who is responsible for reporting any improvements made to real property?

It is the duty of the owner of real property to report on or before December 31 to the assessor any improvement made to real property amounting to a value of \$2,500 or more on an information statement. A building permit may be substituted for an information statement if it contains the necessary information and a copy is provided to the assessor.

What if it is discovered that taxable real property has been omitted from the assessment roll?

The assessor and the county board of equalization have the authority to correct the assessment roll for any omitted real property which was not reported to the assessor.

The assessor has the duty to notify the county board of equalization of any findings of property that was not reported and assessed. After the county board of equalization action the assessor shall make the corrections to the assessment roll as ordered by the board.

May a request for tax refunds be made if a clerical error, honest mistake or misunderstanding is discovered after the taxes have been paid?

Yes. When a payment of tax is the result of a clerical error or honest mistake or misunderstanding, the taxpayer may make a written claim to the county treasurer for a refund within two years from the date the tax was due. For example, a clerical error could be the transposition of numbers, a computer malfunction or incorrect ownership. Honest mistake or misunderstanding might include paying taxes on a property the taxpayer no longer owns. The assessor will verify the error or mistake and submit it to the county board for approval. Upon approval of the county board, the county treasurer will refund or credit that portion of the tax paid as a result of the error or mistake.

If the taxpayer claims that a tax is illegal, a written claim for refund must be made to the county treasurer within 30 days after the payment of the tax.

Do taxes have to be paid if there is an appealed filed with the Tax Equalization and Review Commission?

Yes, if you don't want them to become delinquent.

Will my taxes be refunded upon the Tax Equalization and Review Commission's decision?

Yes, if the Tax Equalization and Review Commission has determined that your taxes were over paid, they will order a refund.

For Further Information Contact:

**State of Nebraska
Department of
Property Assessment & Taxation
1033 "O" Street, Suite 600
Lincoln, NE 68508
(402) 471-5984
Fax: (402) 471-5993
Website: <http://pat.nol.org>**