

### **What does my valuation represent?**

Your valuation represents the market value of your property as of January 1st. Neb. Rev. Statute §77-201

### **What is Market Value?**

Market value, also called actual value or fair market value for purposes of assessment, means the value in the ordinary course of trade that is the most probable price expressed in terms of money, that a property will bring if exposed for sale in the open market or in an arm's-length transaction between a willing seller and a willing buyer, both of whom are knowledgeable concerning all the uses to which the real property is adapted and for which it is capable of being used. Actual value may be determined using professionally-accepted mass appraisal methods, including, but not limited to, the: (1) sales comparison approach; (2) income approach; and (3) cost approach. Neb Rev Statute §77-112

### **Why has my valuation changed?**

Changes in the real estate market are the likely reason for your value change. Since the county assessor is required by law to assess all taxable property at market value, when the market changes significantly, assessed values follow suit.

Assessed value changes may also be due to physical changes to your property that affected its market value. Additions, renovations, demolition of existing structures, or physical deterioration are common examples.

### **What does it mean to chase a sale? (sales-chasing)**

Because sales are used to determine property values for non -sold properties, Assessors cannot automatically move a valuation of a sold property to its purchase price to reach market value of that particular property. The ratio at the time of sale will be used to help determine trends for the market.

### **How has the COVID-19 environment affected the valuation process?**

Our team has worked to specifically monitor the trends in sale prices to ensure assessments reflect the current market conditions. While the economic effect of the pandemic has proven to affect areas of the residential and commercial market differently, we encourage you to submit any information that helps demonstrate the current market value of your property.

### **How does the Assessor's office evaluate the real estate market?**

The Assessor's office studies the real estate market for each property type using recent sale prices. Since sales are directly recorded in the Assessor/Register of Deed's office, the sale information is considered up-to-date and sales are individually verified by members of the assessment staff.

Sale prices are considered a strong indicator of market value, so our team compares the sale price to the last recorded assessed value. When the market trend in an area shows that sale prices have significantly increased or decreased since the last assessment, a revaluation is necessary to ensure assessments reflect market value as required by law.

### **How is my assessed value determined?**

The assessed values of residential homes are primarily determined using sale prices of comparable homes in the area. Commercial properties are valued using comparable sales, but also rely on more specific information, like rental rates, vacancy rates, or market capitalization, which are necessary to perform an income approach to estimate market value. Agricultural or horticultural land valuation is conducted using sales of agricultural or horticultural land and determining market value per acre based on the use of the land in

primarily irrigated, dryland, or grassland uses. It also considers soil types as set by the Natural Resource Conservation Society.

### **What does a revaluation area mean?**

When trends of a market are showing extreme swings in Assessment to Sale ratios, this is cause for a shift in an Assessor's cost model set up. Cost models are used to aid the Assessor's office in computing the market value of all properties in conjunction with sales and income approaches to valuation. When new properties are selling for prices outside of the cost model's capabilities, this is indication that the cost model will not provide adequate valuations for new properties, or depreciated properties. At which point, the Assessor's office uses new construction sales to determine the starting point for a new costing model and then develops new depreciation factors based on quality, condition, and age, of sold properties within the current market study period. The new model is then applied to properties that have been physically inspected to ensure accurate results.

### **What does a factored area mean?**

Factors based on market trends are applied uniformly to all properties in a neighborhood without regard for property characteristics to bring a neighborhood into compliance with state measures. This method is typically used in areas that are seeing slight changes in market trends and/or are awaiting a physical inspection for the current six year cycle as set by regulation of the Nebraska Administrative Code Title 350 Chapter 50-002.01B

### **What if my assessed value is higher than I could sell it for?**

If you have information that shows the assessed value of your property is above its market value, you are encouraged to file that information along with a Protest Form 422 with the County Clerk's office from June 1<sup>st</sup> to June 30<sup>th</sup>.

The Department of Revenue Property Assessment Division has a guide available to help you understand the process: [Real Property Valuation Protest Information Guide \(PDF\)](https://revenue.nebraska.gov/sites/revenue.nebraska.gov/files/doc/pad/info/Real_Property_Valuation_Protest_Info_Guide.pdf).  
[https://revenue.nebraska.gov/sites/revenue.nebraska.gov/files/doc/pad/info/Real Property Valuation Protest Info Guide.pdf](https://revenue.nebraska.gov/sites/revenue.nebraska.gov/files/doc/pad/info/Real_Property_Valuation_Protest_Info_Guide.pdf)

### **What is the property record file?**

Every assessor prepares and maintains a property record file for each parcel of real property including improvements on leased land, in the county. Any changes made to the assessment information of the property will be reflected in the property record file. The information that you will find in the property record file includes, but is not limited to:

- Current Owner and Mailing Address
- Drawings and Photos
- The Legal Description
- Recent Deed Recordings
- Tax District Codes
- Several Other Important Items Pertinent to the Valuation of the Property

We recommend each property owner review their property record file to ensure the accuracy of the data. Incorrect data can produce incorrect valuations.

### **How do I get a copy of the property record file?**

You can obtain your property record file online at [adams.nebrasakaassessors.com](http://adams.nebrasakaassessors.com) or by contacting our office. 402-461-7116

### **What if my property information listed is incorrect?**

Accuracy of property information is important, since the value of your property is partially dependent on that information. Major errors may affect the assessed value, but minor changes may not. If you are concerned the listing information is in error, please submit that information along with a Protest Form 422 with the County Clerk's office from June 1<sup>st</sup> – June 30<sup>th</sup>.

### **How do I request review of my property value?**

Simply contact our office and request to speak with an appraiser. Have any additional information you feel demonstrates the market value of your property available for discussion. If you contact our office prior to June 30<sup>th</sup>, we may be able to make changes to the value dependent upon the information discussed, during our protest process of June 1<sup>st</sup> – June 30<sup>th</sup>. If it is after June 30<sup>th</sup>, the new information will be reflected in the following year's assessment.

### **What should I prepare for supportive documentation of my current value?**

Any information that supports your opinion is helpful but common examples include:

1. A recent appraisal (within 12 months)
2. Evidence of a recent sale of the property
3. Recent sales of similar properties in the area
4. Photos of the property's physical condition
5. Income, vacancy and expense data (for commercial or investment property)
6. Discounted Cash flow data (for development land)
7. FSA maps or other data showing different land use or soil types (Agricultural land)

### **How will I know if my value has changed as a result of my submitted information?**

After submission of a property protest form to the County Clerk's office, an appraiser on our Staff will contact you prior to Board of Equalization Hearings to discuss your property. After review and discussions, if we can find cause for a change in value, we offer the protestor a Valuation Agreement Form to sign which states you agree to the new valuation for the current year. If you do not agree, you still have the opportunity to submit your information to the CBOE for review and scheduled hearing time.

### **What if I disagree with the county board's determination?**

You may file an appeal to the Tax Equalization and Review Commission for the State of Nebraska. <https://terc.nebraska.gov/>

### **What is the role of my assessor in property taxes?**

Your property tax bill represents your share of the budgets approved by local taxing bodies for their operations. Property taxes are the primary source of funding for local governments and public education. The role of your assessor is to fairly and objectively establish market value estimates for all taxable property, as accurately as possible.

That valuation later determines the share of the budgets paid by each property owner. Discussions on property taxes involve the taxing bodies, budgets, and tax rates that are not established until the County Assessor certifies Valuations in August. For further discussion on what your tax dollars are used for, contact your taxing entities for you tax district. The County Assessor is not involved in those proceedings.

### **How are tax rates determined?**

Tax rates are established as a result of a budgetary process. Each governmental agency provides a budget that will cover the cost of maintaining their respective agency for a fiscal year. The budget requirements are totaled and that amount is divided by the total assessed value of property for that subdivision to establish the tax rate. The tax rate is stated as a percent or amount due for each \$100 of assessed value.

The County Assessor is **not responsible** for establishing the tax rate.

### **Example of District 284 (Hastings) 2021 Tax Rate Breakdown**

TAX DISTRICT 284

ES9 NR2 SD18 CRA H.

<b>FUND</b>	<b>FUND DESCRIPTION</b>	<b>RATE</b>
100	County General	0.295171
6118	Hastings 18 (01-0018)	1.142000
6218	Hastings 18 Bond	0.198020
6901	ESU 9	0.015000
7100	CCC General	0.092000
7302	NRD 2 Little Blue	0.022387
8601	Hastings	0.449687
8611	Hastings CRA	0.026000
9200	Ag Society	0.018209
<b>Total Consolidated Rate</b>		<b>2.258474</b>

### **What are property taxes used for?**

Property taxes are used entirely to support local subdivisions of government and are a major source of funding for their operation. Taxes help fund essential services such as:

- County Roads and Bridges
- Education
- Fire and Police Protection
- Natural Resource Districts
- Parks and Recreational Areas
- Senior Citizen Transportation
- Sewers
- Streets
- Many Other Local Services

### **Why do taxes increase?**

As the cost of providing services increases, the subdivisions may increase their budgets and likewise their property tax requirements. Control over the spending of property taxes lies with the taxpayers participation in the governing process by attending budget hearings and becoming fully informed as to how the tax dollars are being spent. In this manner, each taxpayer can be involved in determining the spending priorities of local government.

### **What is a Neighborhood Identifier / NBHD?**

Your neighborhood identifier is a shortened back-office code for your neighborhood classification and description utilized in our office. Neighborhood is often referred to in abbreviated form of NBHD. A neighborhood is defined as an area of complementary land uses in which all properties are similarly influenced by the forces affecting property value.

**What is a Partial Value?**

A partial value is activated on a partially completed residential, agricultural/horticultural, or commercial/industrial, buildings/structures representing the portion completed as of January 1<sup>st</sup> of each year. Ref. Ch. 77-1301 Nebraska Statutes.