

# Protest Process & Damaged Real Property Update



County Board of Equalization Workshop  
June 4, 2025

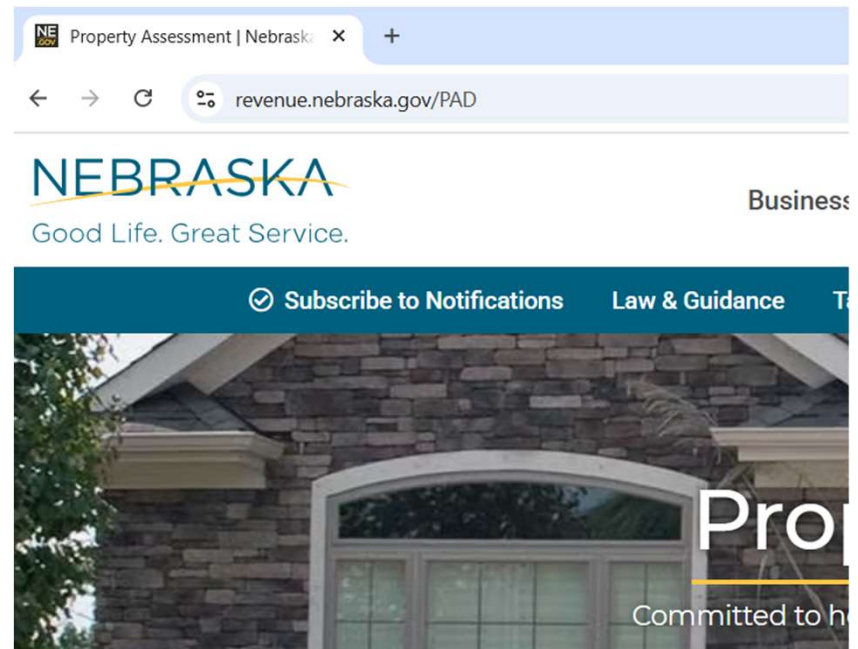
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# Extending Period for Hearing Protests

- [Neb. Rev. Stat. §77-1502](#)
- Counties with a population of at least 100,000 inhabitants according to the most recent federal decennial census
- May adopt a resolution to extended the deadline for hearing protests from July 25 to August 10
- Resolution must be adopted before July 25 and applies to the current year only.
- Adoption of such resolution, waives the CBOE's right to petition TERC for a class/subclass adjustment.

# What is Equalization?

- Properties being assessed at market value or a consistent portion of market value
  - Residential/Commercial – 100%; Agricultural 75%
- A value that is arrived using a process that is documented, reproducible, and consistent with like property.

# What Equalization is NOT?

The sale price

The neighbor's  
value

A “reasonable”  
increase

All properties  
changing by the  
same percent

# County Board of Equalization Duty

- The county board constitutes the County Board of Equalization (CBOE). The CBOE must fairly and impartially equalize the values of all items of real property in the county so that all real property is assessed uniformly and proportionately.

[Neb. Rev. Stat. §77-1501](#)

- Any property valued by the state is not subject to the jurisdiction of the CBOE.

[Neb. Rev. Stat. §77-1503.01](#)

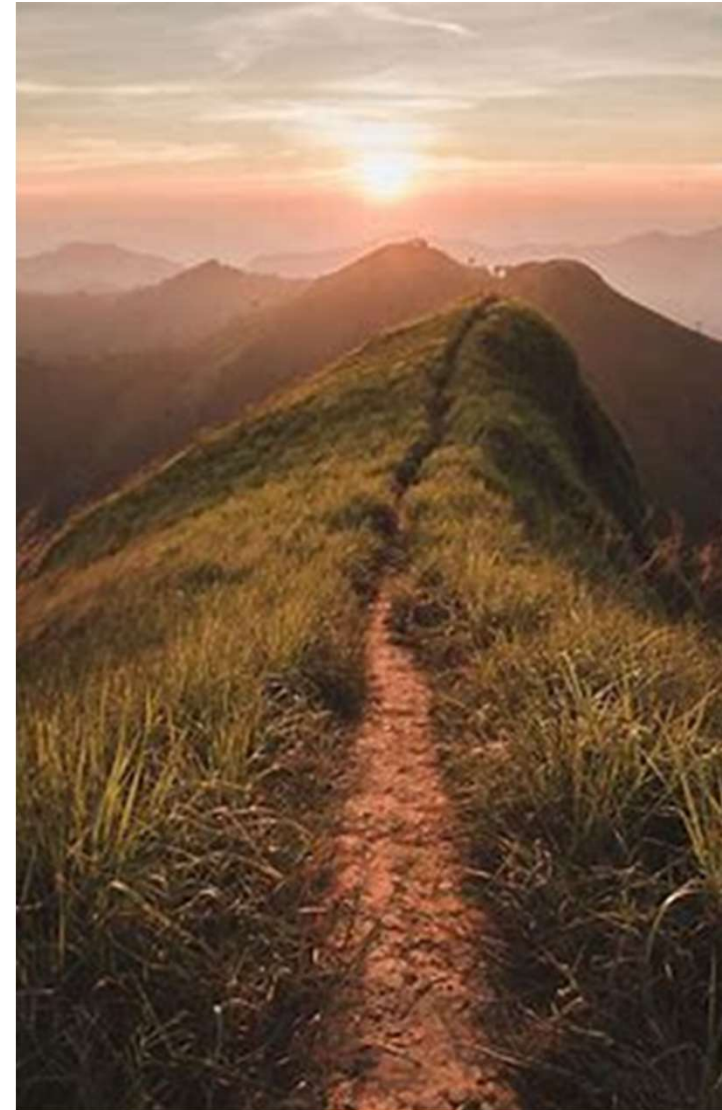
## County Board of Equalization Authority

- CBOE has authority to consider valuation changes/request brought to them by:
  - The county assessor or his/her designee.
  - A taxpayer (protest).
- Petition Tax Equalization and Review Commission (TERC) for a class/subclass adjustment.
- The CBOE does not have authority on its own to make valuation changes through a motion or other action of the board without a report, protest, or TERC order.
- Best practice: If you have a concern, work with the county assessor to consider the proper remedy.



# Clerical Error

- Purpose: Allows for correction of actual errors (not incorrect judgements) for a current or prior year.
- Transposition of numbers, mathematical error, computer malfunction causing program and printing errors, data entry error, items of real property other than land identified on the wrong parcel, incorrect ownership, or certification of an incorrect valuation to political subdivisions.
- Long, but narrow path to value change
- Best practice: Ask questions to ensure the change meets the required definition.



# Clerical Error

- Requires a CBOE Notice of Valuation Change.
- Allows for a protest within 30 days of the notice.
- Corrections for prior year require a tax list correction after the 30-day protest window.
  - Tax list correction can be made within three years of the date the tax was due.
  - All taxes are due December 31 of each year.
- [Neb. Rev. Stat. §77-128 and §77-1507](#)

# Undervalued/Overvalued Property Report



Allows the county assessor to present changes that are necessary to equalize value for any purpose.



Including, but not limited to: Property characteristics, valuation decisions, errors in calculation, etc.



Can be used to equalize an individual property or a group of properties.



Best practice: Ask questions to find out why changes are being made.

# Undervalued/Overvalued Property Report

- Applies to current year values only
- CBOE can only act on or after June 1 and on or before July 25 (August 10 for counties with extended deadline)



# Undervalued/Overvalued Property Report

- Applies to current year values only.
- May be submitted by the assessor anytime after March 19 and on or before July 25.
- After approval CBOE shall give notice of the assessed value to the record owner.
- Protest may be filed for 30 days from the date of the notice.

[Neb. Rev. Stat. §77-1504](#)

# Omitted Property Report

- Purpose – add improvements (structures) that have not been assessed previously.
- Two paths for approval:
  - Items not reported by taxpayer, approved at anytime for current and prior years.
  - Items reported by the taxpayer, approved between June 1 and July 25 for the current year only.
- See Neb. Rev. Stat. §§[77-123](#) and [77-1507](#)



# Protests

- Filed on a Form [422](#) or [422A](#) or county form that meets statutory requirements
  - Does not have to be filed by the owner of the property.
- Filed June 1 to June 30
- Heard June 1 to July 25 (or August 10 if a resolution to extend has been adopted)
- Burden of proof lies with the protester
- [Neb. Rev. Stat. §77-1502](#)

# Protests – Best Practices

Know the market, know what changes the assessor made

- Talk to the assessor.
- [Report & Opinion](#)
- Statewide Residential +7%, Commercial +5%, Agricultural Land +15%

It's not personal

Focus on valuation not taxes

Ask questions, engage with the taxpayer, encourage the assessor to also

The taxpayer isn't always wrong; the assessor isn't always wrong

Keep hearings civil, organized, and productive.



# Referees

- CBOE may appoint one or more suitable persons to act as referees.
  - [Neb. Rev. Stat. §77-1502.01](#)
  - Referee is to provide the CBOE all work papers with findings and recommendations in writing.
  - The CBOE may order the recommendation of the referee or come to a separate conclusion.

## Class/Subclass Petition to TERC



- On or before July 26, the CBOE may petition TERC to make an adjustment by class or subclass.
- TERC must hear petition and make a decision by August 10.
- [Neb. Rev. Stat §77-1504.01](#)

# Tax List Correction (TLC)

- Purpose: Allows for correction of prior years tax bills AFTER the tax roll is produced on or before November 22.
- Must be paired with an order from Tax Equalization and Review Commission (TERC), determination from the DOR (homestead), or a statutorily permissible change of valuation.
  - TLCs for homestead exemption are often made due to the DOR's audit of income information; these corrections are NOT due to an error made by the county assessor.



# Damaged Real Property Reports

## Formerly Destroyed Real Property Report

- Moves assessment date from January 1 to date of damage

## Changed by LB501 (2025)

- Effective April 8, 2025

- Inland Ins. Co. V. Lancaster Cnty. Bd. Of Equalization. 316 Neb. 143, 144(2024)



# Changes from LB501

- ✓ Replaces the word “destroyed” with the word “damaged”.
- ✓ Removes “calamity” - no longer must be caused by a natural event;
  - ✓ Also removes language about the property being in an area that is declared by the Governor to be a disaster area or determined to be unlivable by a housing or health inspector.
  - ✓ Still cannot be caused by the owner of the property.
- ✓ Requires county assessor to inspect property and submit a report to the CBOE.

# Two Paths for Revaluation

1. Damage to an improvement exceeding 20% of the improvements assessed value in the current year;
  - Damage to improvement means the individual improvement value, not total improvement value (damage on a house or a building, etc.)
2. Damage to land exceeding 20% of the land's assessed value in the current tax year.

Assessment is defined in [Neb. Rev. Stat. § 77-126](#)

*Assessment means the act of listing the description of all real property and taxable tangible personal property, determining its taxability, determining its taxable value, and placing it on the assessment roll.*



# County Board of Equalization Suggested Practices

1. Schedule a hearing between July 20 and July 25, except for extended counties.
2. Review the information provided by the assessor on the Assessors Report of Damaged Real Property Form 425A.
3. Determine if the damage meets the qualifications for an adjustment of the value pursuant to [Neb. Rev. Stat. §77-1307](#).
  - A. Damage to an improvement exceeding 20% of the improvements assessed value; or
  - B. Damage to land exceeding 20% of the land's assessed value.
4. Determine if the property value needs to be readjusted, and what the adjusted value is.
5. The county clerk will mail to the applicant a written notice of the board's decision on or before August 2<sup>nd</sup> or on or before August 18<sup>th</sup> for extended counties.

## Changes to Form 425

**sign  
here**

Signature of Person Filing the Report

Date

### For County Use Only

Current Year Assessed Value	Assessor Recommended Reassessment Value	CBOE Final Reassessment Value
Land	Land	Land
Buildings	Buildings	Buildings
Total	Total	Total

### County Assessor

I have inspected and reviewed the damaged real property and provided a recommended reassessment value. The County Assessor Report on Damaged Real Property Form 425A provides supporting information on the recommended reassessment of the value for the current year that any adjustment to value on this report has been made to damaged real property only.

Signature of County Assessor or their Designee

Date

Comments:

### County Board of Equalization Certification

The county board of equalization has verified the current year assessed value of the real property prior to making any adjustments due to significant property damage and certifies that any adjustment to value on this report has been made to damaged real property only.

☐ Granted

☐ Partially Granted

☐ Denied

Signature of County Board of Equalization Chairperson

Date



## New Form 425A – Assessor Report to CBOE

- ✓ Provides a comprehensive report to the CBOE. Includes:
  - ✓ Parcel number, damaged report number if applicable, applicants name and legal description of the property.
  - ✓ Date of Inspection.
  - ✓ Assessor representative who inspected the property.
  - ✓ Comments about the review and inspection.
  - ✓ Assessor recommendation of the reassessment of value.
- ✓ Assessor provides the report to the BOE on or before July 20<sup>th</sup>.
- ✓ BOE will act on Form 425's on or before July 25<sup>th</sup> or August 10 for counties which have adopted a resolution to extend the filing deadline.
- ✓ Notice provided to taxpayer, with a 30-day protest deadline.

New Form 425A which will be completed by the county assessor and submitted to the County Board of Equalization on or before July 20<sup>th</sup>.

<b>County Assessor Report of Damaged Real Property Following</b> <b>Inspection and Review of Each Property</b> File with the County Board of Equalization on or before July 20.								Form <b>425A</b> Nebraska Department of Revenue Control No. 96-380-2025	
I have inspected and reviewed the damaged real properties listed below pursuant to <a href="#">Neb. Rev. Stat. §77-1308</a> and have provided recommended reassessment values as show. A recommended reassessment of the current year value has been included.									
Signature of the County Assessor						Date			
Parcel Number	Damaged Report Number (if applicable)	Applicant Name on Form 425	Legal Description	Date of Inspection	Who Inspected	Comments on the Review and Inspection	Assessor Recommended Reassessment Land	Assessor Recommended Reassessment Improvement	Assessor Recommended Reassessment Total
123456789	1	John Smith	Lot 1 Block 1 QT	6/1/2025	C. Gusman	Property suffered damage by tornado on 5-5-2025. All buildings except pole shed completely gone. Pole shed had damage to the roof, siding and windows but walls remain in fair condition. Recommend all buildings except the pole shed be reduced to zero and pole shed reduced to 10,000 for the current year. Will reinspect for damage corrections for 2026.	\$ 20,000.00	\$ 10,000.00	\$ 30,000.00

[Nebraska Legislature](#)

The recommended reassessment values must also be included on the Form 425 under the Assessor Recommended Reassessment Value.

## Damaged Real Property | Nebraska Department of Revenue



- [Damaged Real Property, Form 425.](#)
- [Damaged Real Property Information Guide.](#)
- [Damaged Real Property FAQ's.](#)
- [Assessor's Report on Damaged Real Property, Form 425A.](#)

[Neb. Rev. Stat. 77-1307 through 77-1309](#)

## July 2025

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

**January 1 at 12:01 a.m. –**  
Assessment Date

**January 1 through June 30 –**  
Significant Damage to Real Property  
Occurs

**July 20 through 25** (or August 10<sup>th</sup>  
for extended counties) – County  
Board of Equalization hearing  
scheduled to finalize all Form 425  
reports.

**July 15** – Deadline to file a Report of Damaged Real Property, Form 425 with the County Clerk.

**July 20** – Deadline for County Assessor to submit County Assessor Report of Damaged Real Property, Form 425A to County Board of Equalization (CBOE). MUST BE DONE on or before July 20<sup>th</sup> – **NO EXTENSION TO MONDAY!**

**July 25** – Deadline for CBOE to take final action on Report of Damaged Real Property, Form 425, or **August 10<sup>th</sup>** for extended counties.

Valuation can be a long bumpy road, but the goal is always the same.

Equalization is best achieved when all county officials work together toward the shared goal.



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