

State of Nebraska Property Tax Assessments Statutes

Basis for Property Tax Assessments – Market Value

Real property tax is based on the actual value, which is defined as the market value of real property in the ordinary course of trade (Sec. 77-112, R.S., Reg. 50-001). Actual value 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 buyer and willing seller, both of whom are knowledgeable concerning all the uses to which the real property is adapted and for which the real property is capable of being used. For additional details, see Information Guide 96-278-2016, Real Property Assessment, Nebraska Department of Revenue, July 22, 2016, CCH NEBRASKA TAXREPORTS, ¶¶ 201-245. The basis of the personal property tax is net book value, which is a specified percentage of the Nebraska adjusted basis of an item (Sec. 77-120, R.S.). Oil and gas properties and centrally assessed companies are frequently valued by the income approach.

Real Property Defined

Real property is defined as the land itself and all buildings, fixtures, improvements, mines, minerals, quarries, mineral springs and wells, mobile homes attached to utilities, and rights and privileges appertaining to the foregoing (Sec. 77-103, R.S.).

Personal Property Defined

Personal property is all property other than real property and franchises (Sec. 77-104, R.S.). Depreciable tangible personal property, the personal property that is subject to tax, is property used in a trade or business or for the production of income that has a determinable life longer than one year (Sec. 77-119, R.S.). Nebraska follows common law in determining whether fixtures and furnishings are real or personal property.

Intangible Property Taxes

Exempt.

