



Hundredth Legislature - First Session - 2007  
**Introducer's Statement of Intent**  
**LB 294**

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**Chairperson:** Ray Janssen  
**Committee:** Revenue  
**Date of Hearing:** February 14, 2007

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 294 would change the standard of review for appeals to the Tax Equalization and Review Commission. The current standard requires the taxpayer appealing a decision from the county board of equalization to prove the decision is "arbitrary or unreasonable", which requires the taxpayer to establish that the assessed value placed on the property is the result of a systematic exercise of intentional will or failure of plain duty, and that the assessed value is grossly excessive in comparison to similar properties. This is an exceptionally high standard to meet.

The Tax Equalization and Review Commission Act was intended to provide a system for the review of property tax assessments that is both accessible and affordable to the average taxpayer, while at the same time providing a level of expertise on the part of the Commission capable of handling complex valuation appeals. However, because the taxpayer is rarely able to meet this exceptionally high standard, the system is inaccessible to the average taxpayer.

Changing the standard of review provides the taxpayer increased potential to access the system as intended. The proposed standard eliminates the "unreasonable and arbitrary" language and instead requires the taxpayer to prove the board's valuation decision was incorrect by the greater weight of the evidence. It then requires the taxpayer demonstrate value by a greater weight of evidence and allows the TERC to make a determination of value.

**Principal Introducer:** \_\_\_\_\_  
**Senator Mick Mines**