Dear Ms. Churchill:

Your request to consider approval of the use of the Vanguard Real Property Appraisal Manual and the Vanguard CAMA/Administrative system (the manual), a product of Vanguard Appraisals, Inc. (Vanguard), as an alternative to the Marshall and Swift costing manuals prescribed in 350 Neb. Admin. Code 10-004.03 has been considered. The Nebraska Department of Revenue, Property Assessment Division (Department) has worked with Vanguard to ensure that the manual produces values comparable to other counties. As part of the study, a sample of several styles of single-family residences and common commercial improvements were used for comparison purposes.

Vanguard is aware of the importance that the property data contain comparable descriptions between the counties to ensure a sales file search that would identify similar properties. The sample testing of property data has demonstrated that the characteristics of the property were sufficient to transfer the data necessary for the state sales file. These characteristics were submitted for earlier testing in the format prescribed. The Department is satisfied that a Nebraska county assessor could match the Marshall and Swift Cost Manual estimates with the manual if proper training is provided on how to use the manual. If, for any reason, the manual is found to not produce comparable values or meet the electronic filing requirements for the sales file or administrative reports, the Department will direct that use of the manual cease. All data, reports, and forms are statutorily required to be submitted electronically to the Department.

This letter is confirmation that the manual may be used in lieu of the Marshall and Swift Valuation Service in Nebraska. It is incumbent upon you to understand the proper use of the manual to arrive at valid cost estimates while determining market value and to ensure electronic filing of all data, reports, and forms. The Department neither implies nor guarantees that the use of any cost manual is preferable over another but has determined that either the manual or the Marshall and Swift Cost manual can result in estimates of replacement costs when used properly in a mass appraisal assignment following sufficient training and experience.

If you have any further questions or concerns, please feel free to contact me.
For the Tax Commissioner

Sincerely,

Ruth A. Sorensen
Property Tax Administrator
402-471-5962
ruth.sorensen@nebraska.gov

RAS:JDC

cc: Patrick Waldron