By Russ Pankonin
The Imperial Republican

Owners of irrigated land in the Upper Republican Natural Resources District (URNRD) will be obligated to pay a $4 per-irrigated-acre occupation tax for the 2009-2010 tax year.

This marks the third year the directors of the URNRD voted to assess the tax on irrigated ground under the funding provisions of LB 701.

Board members approved the action during their regular meeting Tuesday, Sept. 1 in Imperial.

Of the 11 board members, only Jeff Wallin voted against levying the tax.

The board also heard testimony from one individual on the issue.

Before voting, Wallin said he felt it was a bad idea to continue to collecting the tax, especially since it's presently being challenged in court. "I think we should just wait," he said.

Once the court has settled the issue, then the board could decide on what action to take, he said.

Board Member Kerry Bernhardt said that as a farmer, he thinks the occupation tax is a "great deal."

He noted he and his brother pay a significant amount of tax but still remain in favor of it. He added he hasn't heard complaints about the occupation tax.

Bernhardt said he'd rather pay $4 per-irrigated acre each year rather than getting hit with it all at once. "I'd just rather divvy it out small," he added.

Scott Olson of Haigler wore a couple of hats when offering testimony on the occupation tax.

His first comments were made as a farmer/rancher while later comments were on his own behalf as a county commissioner for Dundy County.

Olson explained he realized why the tax was levied last year.

However, he questioned the need this year when the loan to the NRDs from the state wasn't paid back and no projects planned.

With court issues cropping up on the occupation tax, Olson figured the URNRD wouldn't levy the tax again this year. However, he learned the board was planning to ask for the tax again.

"I'm here as a farmer/rancher to say I wish you'd lay off until we know whether it's constitutional or not," Olson concluded.

Then, testifying on his own behalf as a county commissioner for Dundy County, he noted Dundy County taxpayers paid in $2.945 million in taxes for the 10-cent property tax levy under LB 701.

Since the tax was declared unconstitutional, the Basin NRDs have been holding that money.Olson said it's cost Dundy County taxpayers an additional $117,000 if the money to pay the tax was borrowed at 4 percent.

URNRD Manager Jasper Fanning later corrected Olson, noting that Dundy County taxpayers paid only $294,500 in LB 701 property taxes, not the $2.945 million asserted by Olson.

Olson said the NRD ought to be paying back the unconstitutional property tax money.

After listening to Olson telling the board it should get the money paid back, URNRD chair Greg Pelster responded.

"I'm teased how people suggest how we should behave," he said. "From what legal counsel has advised us, we really don't have legal right to refund that (tax money)."

"So, when you come in here and tell me how to behave, I would suggest maybe you should learn how to behave, too, bringing three board members in here," Pelster said. "Did you have a

meeting called?”

Olson noted they did not publish any public notice.

Technically, with all three Dundy County commissioners present without some type of prior public notice, they were conducting an illegal meeting, according to Nebraska open meeting statutes.

Despite this, Olson wanted the record to show that “I, as a Dundy County commissioner, was very offended by your president’s actions.