

we also, as Senator Proud explained, there have been public hearings in the past on this measure but none in 1973. This is a drastic change and I don't believe we should consider this amendment at this time and I move..I recommend we do not adopt the amendment.

PRESIDENT: All right. Any further discussion now of Senator Carpenter's amendment of 526. Senator Carpenter, why don't you go ahead, then, and close on your amendment. Senator Carpenter is closing.

SENATOR CARPENTER: Mr. President, I have asked the Tax Commission's Deputy who was over there for an interpretation of this amendment and what I give you is what he conveyed to me. He had nothing to do with the amendment. I listened many times with a great deal of interest in the area of we Senators who say we are interested in trying to equalize the tax burden in this state but it just seems we never get to the point of doing much about it. In some cases, we tax those people because of who they are. I am sure that Senator Proud is, to the extent he is involved, like I do, I think all the times indicate what our interest is and you can adjudicate that and make up your own mind upon what we tell you and I am sure that he didn't dispute what I said, neither did I dispute what he said. We both have our reasons which are only important to us as Senators, but what it boils down to as has been interpreted by the State Tax Commissioner's office. You must understand that many insurance companies are allowed by the action of this state in previous years to go into the special ventures of holding companies which mean into mutuals and other types of investments, as long as they are restricted to a certain area of responsibility in which the profit from those things including the interest and the capital gain to the extent they exist also go in and they are not taxed on that either because the premium tax, if it is left like it is in which they deduct the dollars of the premium tax against the income tax they might have owed, in almost every case without exception leaves them with no income tax at all. Now if that's what this body desires to do, that's fine. I'm only trying to correct this. You can say that's true of anything. Why have a corporation tax at all. We only pass it on. So what do we want to have an income tax for anybody. It's the same theory and most of these insurance companies, not all of them, many of them are owned by stockholders who, I presume, over a period of time unless they are mutuals, extract a profit as they should from the area of the profits they make. I think everybody understands the purpose of the amendment. You understand what you want to do and I ask for a record vote.

PRESIDENT: The question is shall the Carpenter amendment to 526 on Select File be adopted. All those in favor of the Carpenter amendment vote aye. All those..Senator Maresh, do you have a question. Please direct it to the chair.

SENATOR MARESH: Mr. President, and members of the Legislature, I wonder if Senator Carpenter would yield to a question?

SENATOR CARPENTER: Certainly.

SENATOR MARESH: I don't think I heard how much revenue this would bring in. Did you mention how much this would bring in?

SENATOR CARPENTER: I don't know. I don't think anybody knows. All I would say that it would probably result in several millions of dollars. I think that would be a reasonable conservative statement.

PRESIDENT: All right. Senator Murphy, do you have a question? Allowing a little extra latitude here. Go ahead, sir.

SENATOR MURPHY: A question of Senator Carpenter.