

SENATOR RICHENDIFER: Yes, essentially this is correct. Say that the income tax was 20%. What would the sales tax level have to be to raise it....the same amount of money?

SENATOR BURBACH: An income tax brings in about $8\frac{1}{2}$ or $8\frac{3}{4}$ million dollars for each one percent. That is the income tax individual and corporate. If we are talking about a sales tax, that brings in about the $19\frac{1}{2}$...the $\frac{1}{2}$ percent will bring in about 19 million dollars. So lets see 20 and 9 so there are 9 million in 1% of income and 20 a would be about $2\frac{1}{2}$ %. One-half percent of sales tax, I guess the latest figure is 21.9. The figure of the 1% income is 8.4 and I was...without the corporate, so I am saying about a 9 million dollars or plus 9 million dollars for nerely 22 million instead of the 19 or 20 that I gave you.

SENATOR RICHENDIFER: That is a little over 2 to 1, right? Would you anticipate that....

SENATOR BURBACH: $2\frac{1}{2}$.

SENATOR RICHENDIFER: $2\frac{1}{2}$ %

SENATOR BURBACH: No, no, it is about 4 to 1. If you are talking...because it is a half percent of sales tax, is 2 to 1.

SENATOR RICHENDIFER: In essence then if we would levy a close to a 20% income tax then the sales tax in order to qualify and meet the requirements would be about 5%?

SENATOR BURBACH: Except, Except that there is a statute on the books that says that a sales and income tax should bring in approximately the same amount of revenue and that the sales tax can be raised at $\frac{1}{2}$ % and the income tax of 1%. So we can not without further legislation say that we are going to jump income tax and have that carry the entire burden. Our statutes now provide for about a 50-50 as close as possible.

SENATOR RICHENDIFER: My point is that...members, that I think that we are fooling the public again, that if we a raise the sales tax through the school a bill and also through the food tax credit, it is going to raise the sales tax. So we are taking the money away from them again and giving them back peanuts. I think that the amendments on the food tax the credit right now are ridiculous. Leave it at eleven dollars and everyone is happy. I think that everyone is getting along now, and lets try and get the sales and income tax down where it meets the needs of these people. Last week we didn't talk about the needs of the average and the low income people and all of a sudden we are real concerned this week with the average and low income people. I think that we are a little late, a day late and a dollar short here someplace.

PRESIDENT: Senator Burbach.

SENATOR BURBACH: Mr. President, I think that we are trying to discuss the Marvel amendment. I think that we should confine ourselves to the amendment which I offered which would raise the figure from 10 to 13 in the Marvel amendment from