

my case.

SENATOR BEUTLER: Senator Hannibal.

SENATOR HANNIBAL: Mr. Chairman and members, I wasn't going to say anything at all about this bill, but since we are talking about whether it is a property tax or a sales tax I suggested to Senator DeCamp that you might even be able to call it an income tax because you don't pay it until you sell some property and you get some money for it. So maybe it is an income tax because it is proportionately valued based on the amount of the dollar value on the property that you sell. I rise today now to support Senator Chambers' amendment only because I think Senator Chambers thinks that this bill is going to go, and that the lower amount of increase we can put on it the better off we are. This documentary stamp thing, by the way it is called the State Documentary Stamp lest there be any reason to believe that it is not the state documentary stamp, it is not legalized that way, but everybody refers to it, it is the State Documentary Stamp not the county documentary stamp. I do believe that it is a sales tax, although it is a very rare type of sales tax because sales tax, as you well know, is paid when you buy something and you pay the sales tax on it. The documentary stamp, on the other hand, that tax that is paid when you sell something and you, as the seller, pay the tax. Now you can have all kinds of arguments about income tax, whether that is a fair kind of taxation or not, most people agree that that kind of taxation is fair, except for the loopholes. You can have some arguments about the regressivity of sales tax because you pay sales tax sometimes on things that you must buy, whether or not you can afford luxuries there are certain things you must buy, you pay a sales tax. So that portion of what you must buy is called regressive. We talk about the property tax being regressive because you pay that on the value of something that you have, regardless of your ability to pay that tax. But the State Documentary Tax is a rare type of tax. As Senator Chambers points out, it is a hidden tax, it is a sales tax, it is a tax on the privilege for selling something, and you, as the seller, pay it. That is contrary to other sales taxes. I can't see the need for the increase. I think that I agree with Senator Chambers that the tax, by its very nature, is probably an unfair tax. And as has been said here, the tax hasn't been raised for 40 years certainly the revenue has been because of the value