

rates so it is up front so the people know where it is coming from and then let the pressure fall where it may. This is a kind of a back alley divide and conquer method. First we will remove the exemptions for one group. Then after we do that, then we will find another group where we remove the so-called loopholes. So let's not pass this bill. If we are going to spend more money, let's just up front increase the tax rates to take care it.

SPEAKER NICHOL: Senator Beutler, please.

SENATOR BEUTLER: Mr. Speaker, members of the Legislature, I think Senator Lamb should tell the whole story. We need to tell the whole story here. We are not taking money from the taxpayers so we can spend it. We are taking money from the taxpayers so we can give them a homestead exemption. Did you look at the first page of the handout that Senator Johnson prepared for you? Did you notice that there is \$18 million of homestead exemption that we have given away that we haven't funded? Where are we getting the money for that? I will tell you where we are getting the money for it. We are getting the money for it from this bill. If you don't have this bill, you don't have a homestead exemption without raising tax rates. It is as simple as that. You are taking money from the taxpayers at one place and you are giving it back to them in another place. It is a means of shifting the form of taxation. That is what it is. We made that decision in the past. We are giving a homestead exemption. So if you reject this bill, I think you are rejecting what we have done in the past also. You are saying that there is no way that we are going to fund the homestead exemption. It is as clear as that. That is \$18 million that we have said that we are going to give to the taxpayers and we don't have that to give unless we have this bill. So I don't think that Senator Lamb has told the whole story in simply saying that it is a tax. Yes, it is a tax but it is a tax in order to give a homestead exemption. That is the only point I want to make with the exception that I think there is something good to be said about a tax on energy. I think if you ask any of the farmers in here, they will tell you that with regard to irrigation pumping that they have tended to use a lot less energy because the price of energy has gone up greatly, and I suggest to you that by replacing this energy tax on businesses, that they are going to take a little closer look at their energy costs and it might have the beneficial effect of helping with our