

personally that is a fair tax and I think that most of you in this body know that an income tax tends to be the fairest tax that we have because an income tax truly is reflective of ability to pay. It may not be reflective of desire to pay, but it is most reflective of ability to pay. The Conway amendment kind of provides a homestead exemption because what the Conway amendment really does, he says we are going to have us an intangible property tax which, of course, the Legislature repealed in 1970, and those folk that haven't got too much intangible property we will make them pay less tax. That is kind of like the homestead idea, isn't it, but this time it is the homestead idea, not for homeowners, not for residences, but for banks. I think it is a bad policy. I think, in fact, if this body wanted to have a deposit tax, it should be an across the board deposit tax. I think on the other hand the deposit tax is a mistake. I am going to oppose Senator Conway's amendment to Senator DeCamp's deposit tax amendment.

SPEAKER NICHOL: Senator Smith, please.

SENATOR SMITH: Mr. Speaker, I would just like to ask a question of Senator Conway. Senator Conway, is there any chance that what you are proposing as an amendment to the amendment could be unconstitutional?

SENATOR CONWAY: I don't believe that I am in a position to really speak to the constitutionality. I have no indication to believe that it would be.

SENATOR SMITH: I would...then maybe I can ask Senator DeCamp. Do you think there is a possibility, Senator DeCamp?

SENATOR DECAMP: No, I really don't, not even remotely. All it is a graduated deposit tax instead of a flat deposit tax.

SENATOR SMITH: Okay, thank you. This is a very complicated issue. You know I listen to one side talking, I listen to someone talking. Now Senator Vard Johnson got up and talked about deposits not being the way to go, that this is something that the big banks would favor, and I would like to...we shut off the conversation a little while ago, the debate, I would like to hear some more discussion on this so I am going to give the rest of my time to you, Senator DeCamp. I would like to have some clarification of what