

Number one, I do not repeal the existing tax system. I leave that in place and you collect whatever taxes you can now, whatever taxes you can collect under 619 and our whole financing system law, collect them. Contrast that with the other one, where they completely change the system to something that nobody could predict. Number two, after leaving the existing system in place, I then say, how much did you say you wanted, Governor? I want 5 or 6 million. Here it is on a platter. I add what is effectively a franchise tax, if you want to call it that, a tax on deposits. Senator Conway was simply going to graduate it at the lower levels. It is complete, independent, and separate and in addition to everything else. You tell me you want to get back the money you gave out in your refunds. I will get it back for you. I will get it back in spades. If you don't think 5 million is enough, you want to move it to 6, or you think it too much, move it to 4, 8, whatever, it is simple. What is the third thing I do? The third thing is I make sure that once you have paid it you can't get it back. In other words, like any franchise tax, you can't offset it against your refunds or your carry-forwards or anything else. Now it is simple. It is predictable. It applies to all and it is not exorbitant. I know the independents are fighting it. I know the NBA is fighting it, and they are doing it on the belief, and I believe the mistaken belief, they are doing it on the mistaken belief that somehow they can stop everything. Maybe you are right, maybe you are wrong, but if I were a betting person and I had a lot of bucks on the line, I would bet you're wrong. I would bet that you should take this and have a very clear-cut system where you know you are going to get some dollars and then, if you want to change the other taxing system, the other taxing system which I am leaving in place, do that over an interim study or whatever. Now I am going to hand you out some literature and it is going to pretty well refute some of the things that have been claimed about what this other system will do. For example, it will apply the Kopf system, it will apply the Kopf system to the years '81, '82, and '83, and incredible as it sounds because of the capriciousness of that particular system and the vagaries of it, it will show you that in the years when the book income, book profits, were the highest, the Kopf system would provide the lowest income in taxes to the state. And just as capricious, in the years when they were the lowest, it would tax them the highest. Hey, I am not an accountant, don't claim to be. I will hand this literature out and you