

amendment for the two year deferment. I think the one year is possibly, and even very weak on that, but the facts are that we don't know what the economy will be like in January of '86. Possibly we'll be in a position to be able to afford the \$18 million that it will cost for the homestead exemption. I personally would prefer a general homestead exemption for property tax relief that is triggered by income, whether or not you have the ability to pay. There are a lot of very wealthy people out there that won't even care or even notice that they're getting \$75.00 off of their property tax, and as far as if this is funded next year, it's not going to increase the property tax of others. We have to remember that what the state does is reimburse the counties for every penny of homestead exemption. It doesn't fall on the backs of others. It comes out of the sales and income tax. So the \$18 million will not increase the taxes of others and they will have to carry the load. They will carry the load only if we increase the sales or income tax. The way 722 stands now, if we add another \$18 million, the way 722 stands now, if we add another funding of \$18 million, then it's certainly going to have to be an increase in the sales and income tax. We don't know whether it will be a sales tax or income tax. That's the only way people will get hurt if we fund this this year. It will not be an increase of the property tax for anybody else because I repeat, the state reimburses the county. The county won't lose a dime. The state reimburses the county for every penny of homestead exemption whether it be a general one or whether it's for the elderly. So it's up to us to decide now whether we can afford the \$18 million now with an increase in the sales and income tax or whether we wait one year and see if we can do it without an increase in the sales and income tax. And there is a strong possibility that if we do have a special session to take up other matters, 662 or property tax relief, it might be considered at that time. Perhaps then we can come back with a plan and maybe come up with something that will decide that the homestead exemption should only be given according to income rather than across the board. That's something to think about until January of next year. I have always been a strong supporter of property tax relief but I certainly hate to see property tax relief, and as Senator Sieck said, shift it from one pocket to the other and have to come up with a sales and income tax increase. I can explain that to my people because they may be paying more than \$75.00 in an increase in the income tax than they would be getting for