

is not true at all. The reason a lot of people feed cattle, quite frankly, in commercial lots are because of the tax losses that might be available to them. Let me explain how that works. Now I've said before and I'll say it again that I am not one of those people that are inflexible in this situation. If the federal tax code is ever changed, then I will be leading the pack to repeal Initiative 300 because I'll compete with any corporation, I'll compete with any outside interests in agriculture if I can compete on a level playing field. Quite frankly, I'll beat the socks off of them. That is one of the reasons that Gates Rubber Company and others have pulled out of the industry. But the fact of the matter is if you have an outside source of income, from whatever source, and you can purchase cattle and put them on feed, or purchase some land and lose some money on farming it, which isn't too difficult to do, then, in effect, you have laundered some of your income from the other source. So you wind up paying less in taxes, or maybe you don't pay any taxes at all. Now the fact of the matter is that is probably not right. The tax codes had ought to be changed. And, yes, some of us who have been in the business have fought for some of those tax write-offs, and rather foolishly, I would argue, because they've been one of our largest enemies. The fact is I have more tax deductions than I have income to cover. You don't really need a tax deduction if you don't have any income. But what we had ought to do, it seems to me, is to make certain that Initiative 300 stays in place right now because I would argue not only on the tax side of it but on the fact that if you sell or if you allow Initiative 300 to be repealed right now then what you are doing, in effect, is saying to the next generation that we'll come back in when the sun starts shining again, and the sun will shine again. But they are going to have much larger competitors to compete with in purchasing the land at maybe a reasonable price. It happened in the thirties and it is happening again right now, and it is painful. But it is going to happen. If you say to the insurance companies and the banks, who are taking over ownership of that land, that you can hang onto it and you don't have to sell it in five years then what you are doing, in effect, is saying to those young people, maybe not some of us not so young who might want to start over again maybe five years from now when the sun starts shining that we can't do it. That is really what you are saying. The fact of the matter is that as we look at the ownership of land and agricultural products we have to recognize that we