

Revenue three percent and I just simply say the Department of Revenue should not be cut. This amendment, if it passed, would add \$365,000 or in effect would reduce the level of cuts by \$365,000. The argumentation that I made the last time around is that we have discovered, painfully but correctly, that as department of revenue's budgets are cut tax collections decline, and frankly they decline at the rate of between 10 and 20 to 1. So when we cut back on our tax collection enforcement activities we are going to lose a lot of revenue. We have spent quite a bit of time, over the last several days, debating about the collectability of the cigarette tax.

SPEAKER NICHOL: The call is raised.

SENATOR V. JOHNSON: We have discussed in the past the collectability of the motor vehicle tax. We have discussed in the past the collectability of the gasoline tax. The truth of the matter is that there is a significant amount of revenue that any state loses because their level of collection and enforcement activities is not totally and absolutely adequate. When a legislature reduces the budget of a revenue department, which we are going to do, and cuts auditors out, which we are going to do, and field service personnel out, which we are going to do, and travel money out to affect audits, which we are going to do, that cut in and of itself will result in a significant reduction of revenue to the state. Now when we are concerned about revenue, as we are at this time, we are penny-wise and pound-foolish in cutting the Department of Revenue. I'm simply suggesting, I'm asking you to put the \$365,000 back in here so at least we don't lose dollars in our collections because we have cut back on the Department of Revenue. That is what the amendment does.

SPEAKER NICHOL: Senator DeCamp, then Senator Beutler. Senator Beutler, you want to go ahead.

SENATOR BEUTLER: Mr. Speaker, I think that this is a good amendment. I really can't say any more than Senator Johnson has said, but I think we need to sit back and think about what is in our long-term best interest. It was interesting the last time around on debate, when we talked about this, nobody really had any good arguments against Senator Johnson. Nobody is really arguing that we wouldn't collect more. Until I hear those arguments, I intend to vote with