

SENATOR SCHELLPEPER: I have too many numbers here that I am working with.

SPEAKER BAACK: Any objections to the substitution? Seeing none, so ordered. Senator Schellpeper.

SENATOR SCHELLPEPER: Thank you, Mr. Speaker and members. This amendment is kind of after the fact at the present time because it would strike the language of the Lamb amendment and also of the Governor's proposal, but I think I will still run the amendment because we have been talking about sales and income tax here most of the afternoon as a way that we should make up the difference. I passed around a sheet that you will see what I am attempting to do, and what this will do, this will raise the top bracket for anyone that is filing jointly of \$90,000 income or more by 1.5 percent, and that will raise approximately \$18 million. The next bracket, it will raise the income for anyone that has filed jointly with income of \$45,000 or more by .8 percent. This will raise about \$7 million. And then the sales tax will increase by one-half cent. That will raise \$58 million. And then I also will put in a half percent depreciation surcharge which will raise \$14 million. This will raise \$97 million, which is what the Revenue Department is saying that we have to raise. The reason that I am going to a sales and income is because I think it puts it over the whole state evenly. We are not trying to target any one industry; we are not really trying to target any one individual, but we are trying to get at the people that are able to pay the tax more than just any certain industry or any certain segment of our population. I think when you look at the sales...the sales tax, you get a tax that some people, it is the only tax that they pay, and I think it is only fair that they also help solve the problem that is a state problem. It isn't just an individual segment of our economy's problem. When you look at the income tax, we are getting at some people that are able to pay. We are not getting at the working class of people. We are talking about people that are mainly in the \$90,000 bracket and over. So we are getting at the people that will pay the \$18 million of the 97. I think we have discussed it quite a bit this afternoon, so more than to get into all that, I am willing to answer any questions, but, with that, I just would approve this. Thank you.

SPEAKER BAACK: Thank you, Senator Schellpeper. Senator Hall.