

is reference to the fact that it puts all property back on, is what the comment was if the election fails. Well, members of the Legislature, it is on now. It was on January 1, 1992 and the only reason that that whole series of sections covering personal property tax at market value, the reason it is in the bill is to delay the date from either March 1 or March 31 depending what your local assessor did to June 1 in order that there is an opportunity for the voters to consider a constitutional amendment and then we know which systems that we have. If you leave everything out, if you leave everything out dealing with the current system that the court has imposed upon us of the bill, then...it's in effect now and the reports are due now. It's a false issue to imply that 1063 somehow or other puts everything on. It's on now, at least business equipment, inventory, farm equipment and livestock are on now. We do not tax at expense in 1063. The utilization of depreciation schedules is you're mixing income taxes with property taxes. Depreciation schedule is the method that is utilized in 1063 to determine the value of property as a depreciation method and that depreciation method is applied to the purchase price of that property together with the life cycle that it might have. It's not the old liar's tax. There's an ability here that anything that is put on a depreciation schedule for state or federal purposes, and obviously they'd be both. It does provide a system of checking. It does provide a system for valuation based upon purchase price and it is much simpler to administer than the old system which admittedly that everyone if they ever worked with it knew was full of problems. It does tax everyone the same in terms of valuation over the long haul as opposed to the old system that did not. Well let's talk about the option, the option that we've spent the first week on was a tax increase on everybody, the sales and income tax increase on everybody. At one point it was a 1 percent sales tax and take everything off. Later it was amended to be a combination of sales and income tax, but that's the one that the people are not going to vote for. Why would anyone go into the polls, likely to go in who does not have personal property, would they vote for a constitutional amendment if the result of that they knew their sales or income tax or both were going to go up? I think not. I'm sure they would not.

PRESIDENT MOUL: One minute.

SENATOR WARNER: And yet here under 1063 that personal property, depreciable personal property will be taxed in a form that is