

the individual income tax. Those who pay the most are generally those who have the most reportable, net adjusted income. There are some problems with who makes the most, so I made those very careful delineations so that you'd understand what I said. I think the bill is reasonable. It will provide us another \$10 million of revenue without gouging anyone. I'm sure the corporations in this state are responsible and they want to see good responsive government. They want to see good programs. They know, just like I do, that you have to pay for them, and everybody ought to shoulder his weight to do so. This is not an outrageous demand. I would like for those who oppose it to explain to me how it would be outrageous to take corporation taxes back to a level less than the level they were 4 or 5 years ago. I'd ask that you adopt the amendments. I'd ask that you move the bill forward. I'd ask that you pass it. This would be, I think, a step in the right direction to a resolution of the financial matters that faces this state right now. With that I'd ask that you adopt the amendments and support the bill.

(Senator Savage presiding)

SENATOR SAVAGE: Senator Burrows.

SENATOR BURROWS: Mr. President, members of the Legislature, I think the key argument, in raising the corporation tax now, is the fact that businesses - the individual businesses - have to compete with the corporations in many areas. If you have a Mom and Pop grocery store they have to pay in an individual return. If the corporations pay at a lesser rate, we have advantage, the large chain stores that are outstate owned when they come into this state, to the Mom and Pop grocery store. They are freeloading the system. I think it's simply fair that they pay comensurate rates, if not we are unloading the tax load of the large corporation that may well be outstate owned, onto the Mom and Pop grocery store and every private owned business in the state. I'd like to bring your attention to the situation that exists when large corporations come down into agriculture. The farmers, most of them in this state, pay in a personal tax return. If you allow the corporations to pay at a lesser rate than the individual farmer, you are hooking the farmers by increasing the individual rate, to pick up this deficiency tab that the corporations have with an advantage position on state taxation. I think this is the biggest point and falcly in this, you are disadvantaging the private individual in business, which is the basis of our capitalistic system of a personal private ownership system, giving the large corporation an advantage over him. I certainly support Senator Keyes amendment and his bill. I think we should move forward with this bill. Thank you.

SENATOR SAVAGE: Senator Murphy.

SENATOR MURPHY: Wouldn't you know! I'd like to use an obscene word, or get a book on how to read a financial statement. For someone who thinks that in any way, shape, or form a corporation pays a tax. Corporations don't pay taxes and you all well know it. It's a real swell way to get out of making the citizen in this state aware of what you're spending down here. Northwest Bell, you're going to raise their tax, probably the biggest corporation and for that reason I pick them out. What is the basis of what you pay for a phone