

propose and I have an amendment to those amendments for clarification and justification. I will give you the justification of those amendments later.

PRESIDENT: All right, then we'll hear from Senator Koch on the Committee amendments but we do have before us a motion to amend the Committee amendments. Senator Koch.

SENATOR KOCH: Mr. President, members of the body, as I mentioned a moment ago, the Committee amendments are there to clarify some language in the original bill. I have no problem with Senator Mill's amendment but I think it's important we adopt the Committee amendments first, then we will adopt Senator Mill's amendment a little bit later on. I move for the adoption of the Committee amendments.

PRESIDENT: Senator Newell.

SENATOR NEWELL: Mr. President, members of the body, I'd like to ask Senator Koch a question if I might?

SENATOR KOCH: Yes, sir.

SENATOR NEWELL: Senator Koch, on the Committee amendments you struck language pertaining to a grant or a credit, can you give me the reasons the Committee chose to strike that language?

SENATOR KOCH: The purpose was to try to simplify the language, Senator Newell, in the bill itself. The Legislature, you know, will make the final determination as to what kind of exemptions that will be allowed as they pertain to solar systems.

SENATOR NEWELL: Senator Koch, as I read this, you've exempted all we're allowing for is the exemption of property and not for grants or credits. You've struck that language, is that correct? That's the way I read it.

SENATOR KOCH: What we're attempting to do is to exempt that type of improvement from a real property tax if and when the people so decide to do that by Constitutional amendment.

SENATOR NEWELL: All right, thank you. Mr. President, members of the body, I have a concern with the Committee amendments and especially the part that strikes the credits and grants. What that does is that means that the Legislature can only exempt that property. Now it means we cannot pass Legislation dealing with the grants or in other words providing other types of incentives for say a shorter duration. One of the problems we have with tax...when you write things off the property tax rolls, is that they tend to not get back on. Now many of you are aware of the old oil depreciation allowance. That old oil depreciation allowance basically said that if you find oil, you don't have to pay taxes on so much of it. You only have to pay taxes on the other part of it and the problem was is that those people who found oil had a continual and continual and continual exemption even though the costs they had recovered many times over the cost of the actual finding, drilling, and production of that oil and so it was quite a windfall to those people who had found oil on their property. I think it's important that we look at this in terms of the total