

has been made that we are giving a break to those who... or that this amendment would have the effect of encouraging delinquent taxes, but I don't think it is going to have that effect at all, in fact, I might even argue to you and I hope you will pay attention to this argument, that if you don't pass this amendment, you might well be encouraging delinquent taxes in this sense. Let's say we pass the bill and let's say the delinquency rate then becomes 14 or 15 percent, my tax is levied and assessed...the delinquency rate is 14 or 15 percent. Well, that is a high interest rate. Should I pay at that rate, or should I leave the bill...should I leave the taxes delinquent and hope that at some point in time in the future in five or six years the Legislature will react interest rates again and lower the delinquency rate, and if they do that and if it is retroactive like we have always been doing it, then instead of paying my delinquency rate of 14 or 15 percent, I will pay it at 6 or 7, or whatever the rate is down the road when the Legislature changes the law again. So, in effect, what I am saying to you is that the bill...that if you reject the amendment, you may well be very strongly encouraging delinquent taxes. It works both ways. Finally, one last argument. They say that it is fair to apply this new 14 or 15 percent rate to all the old outstanding delinquencies. Well, let me ask you this. How did we determine that 14 or 15 percent was fair? I take it we had some reference to existing interest rates and to the price of money, and we said, we have to make it something close to that. Well, let's talk about something that was delinquent six years ago. Is it fair to apply a rate that relates to today's interest rates to something that was outstanding when the interest rates were much lower? It seems to me that it is fairer to say that the old delinquency rate, the rate we established earlier, based on some existing circumstances with regard to interest rates, that that is a fair rate for that period of time and that the fair rate for now and for hereafter and for the near future is the rate we are establishing in 167, and that again is what this amendment does.

SPEAKER MARVEL: You have 30 seconds.

SENATOR BEUTLER: It simply addresses the problem of outstanding delinquencies and says that the old rate on that delinquency applies up until the effective date of the act and if it is outstanding after the effective date of the act, then the new rate will apply for that period of time subsequent to the effective date of this act. I think the amendment is clear and I think it is reasonable,