

investment credit on our taxes if we buy certain business property that has a useful life in excess of three years or seven years or ten years. We also find a provision which provides a penalty for us on subsequent tax returns if we took the investment credit and it turned out that the particular item didn't have such a useful life. That is known as the investment credit recapture provision. We find comparable penalties on our federal tax returns if we use accelerated depreciation and we then dispose of the property. There are certain points of time. We find a whole host of items on our federal tax returns where we end up paying a fairly significant penalty because we thought the particular transaction that we were dealing with was cast in one form and a few years later we learned that or we took some action which meant that at that particular way of casting the transaction was an incorrect method. Even though two or three years earlier we had the best of intentions, the best of motives and we, in fact, thought the transaction met the standards, nonetheless when we can look at that transaction through hindsight, we see it was wrong and we declared it incorrectly and as a result we end up paying a penalty. Well, the same, basically, is true with the greenbelt provision. All Senator Newell is doing, as best I can tell, is he is saying, "Look, the voters in this state have amended the Constitution to allow agricultural land to be taxed at agricultural values and not on the basis of other values." But it is up to we in the Legislature to ascertain the standards. I am looking at the constitutional amendment. It says, "The Legislature may enact laws to provide that the value of land actually devoted to agricultural or horticultural use shall for property tax purposes be that value which such land has for agricultural or horticultural use without regarding any value which such land might have for other purposes or uses", and we may subscribe standards and methods for determination of the value of real estate. Now the law is up to us to enact. We have enacted the greenbelt law. I think it is perfectly fit and proper that we provide in our law a penalty in the event that somebody who takes advantage of the greenbelt exemption, three or four years after taking advantage of that particular method of valuation by his or her own actions chose that method to be incorrect. And all Senator Newell has done is to say, "Look, let the penalty at least be equivalent to the penalty we presently charge if you allow your real estate taxes to go delinquent". A pretty simple point, it seems to me. The six percent rate which is currently in our law clearly has been rendered meaningless by inflation. It is not a penalty in the least. It is just a small price. It is sort of like the \$10 fine that we pay on the interstate if we go above