

of the committee approved to the resolution contemplates the corporate tax, the cigarette tax, the miscellaneous receipts and the individual income tax rate all changing. It is not an either/or. So that argument I don't believe is feasible if you want a level of appropriation as proposed there to do many of the things that many of you have legislation or interest in accomplishing. Secondly, the poll that was taken has been referred to, I was one of the twenty-two to oppose having the Legislature set the rates, but there are exceptions and I pointed one of those out to you in my initial comments where we did make an exception to that rule and reduced them in 1973. Those who are concerned...well, one other point. I have never argued, not in November nor do I now, that we adjust the rates to take up the slack for the slowness in the economy. Well all of us argued then and argue now is that we need to make up a portion and mind you, only a portion of the loss of reduction receipts because of the federal changes. What we are talking about by going to 16 is do we reduce the receipts by \$20 million or \$50 million. That is the two choices as far as the 15 and the 16 is concerned. So either way there is an income tax collection reduction as long as we are piggy backed on the federal tax. Finally the issue of timing. The timing is not the decision today. You will recall amendment, if adopted, the bill will be proposed to go back to the Revenue Committee to get a balance between all of these. If any of you think the corporations are not going to resist the change proposed before them because they are going to ignore what will happen to the individual rates for calendar year '83, you're really kidding yourself, because obviously that is their big concern and they will be less concerned about an increase in the corporate tax. I would suggest if we go to 16 now so that their issue can be dealt with for next year as well but I would suggest the possibility may well be to stay at 16 through next year. You would still talk an exceedingly tight budget but at least that option is there. There is no way under the sun, absolutely no possibility that the individual income tax rate will stay at 15 for calendar year 1983 based upon the changes in the federal government unless they make a change too. Now the only scuttlebutt I have heard is that they may even make more of a reduction that will put us in more difficulty. There are some other things that could be done. If the bill is returned to committee they obviously can adjust it to something other than 16. They could put in not less than 16 to take care of the problems some of you have raised in case there is a future change. I believe that a more orderly process can be accomplished by the adoption of the amendment, returning the bill to the committee and then when we have the budget adopted we will have a total picture on revenue. We will be looking at the '83-'84 budget at the