

right in line with the general taxation plans across the nation. Now a few of the states that have no tax such as South Dakota and then you look at Wyoming that actually have lower or no corporate income tax, they have not any place to really take in an industry. They don't have the choices. They are not choices for industry. Industry is not going to move to these places regardless if we tax it fairly. The 40% rate is not adequate to bring us in a general line in a national picture but I realize that to get above the 40% rate now would be unrealistic in this Legislature. But to reduce it again and go to a 35% rate, keeping far below the national average of corporate income tax take is really ridiculous in a year we are talking about budget difficulties, when we can't afford to fund, when we can't fund retardation and handicapped programs so that we have services for everyone. In a year we can't give any meaningful property tax relief, we are talking about giving the corporations a break and that we can't tax them unless they are willing to pay more taxes. If we do not really come close to matching an individual rate we are by tax policy saying we prefer corporations such as Prudential and the largest corporation, to the family farm, the Mom and Pop grocery store, the family owned filling station. Whenever you give the large corporation the break you are discriminating against the small business and farms and the workers of this state. Certainly I realize the arguments are very valid, that if we tax corporations too high they will move out of the state at a certain point but we are far below that point in our efforts to tax the largest corporations of this state. The argument is that it is a sales tax, that it will be passed onto the consumer. In some corporations this is true and we are already paying the taxes for Detroit when we buy automobiles, Michigan taxes and I think we ought to pass some of them back there. In those cases it's an export tax from the state and from the taxpayers of this state, from their standpoint, it's a very good tax. Let's retaliate for those that are tying that corporation tax back through to us. I think it's time we look at the tax system realistically because this is an income tax and it doesn't hurt the corporation that is in trouble. We're talking about over \$50,000 income, taxable income after all the bills are paid, after the corporate salaries...

SENATOR CLARK: You have one minute left.

SENATOR BURROWS: ...are out. I urge the body to reject the Carsten amendment to the committee amendments and let's have some money to do some things for property tax relief rather than give the corporations a break. It's more of the