

July 9th. And I just simply do not know what the situation is for retroactively adjusting the sales tax, which I suspect it cannot be done. I assume it rolls over into another month, but I don't know that. The bigger problem is, as I understand it, based on the fiscal note there is about a \$77 million gap, or thereabouts, for the first year funding. By increasing the income tax to be effective retroactively to January 1, that gap is filled and, as a matter of fact, as I believe it would probably generate the first year 23 to 25 million, somewhere in there, more than is needed. However, you could also have the effective date of the sales tax drop back to October 1, and then it would be balanced out, as far as the two are concerned, sources of revenue. There is no problem, as I read the fiscal note, after the first year, the revenue that is projected to be raised and the anticipated expenditure are fairly close the second year. The third year that doesn't come out quite as well, but...So, the motion that I have filed is to strike the Section 14 that was in the Standing Committee amendment. As the bill was introduced, I believe, it was...the sales and income tax was to be increased retroactive to January 1st. And I believe by striking Section 14 it returns, of the committee amendment, it returns the bill to its original form with the income tax effective this year as retroactively, rather than waiting until January 1. And, as I understand, without additional revenue from some source the funding for the bill would be 77 or 75 to 77 million short. The purpose of the amendment is to fill that gap. And, if it's not necessary, why that I'm very comfortable to learn. So I guess, Senator Moore, if you could address that issue for me, or whoever is prepared to, I'd appreciate it.

SPEAKER BARRETT: Senator Moore, you have a minute left, and yours is the next light, so go ahead and answer the question.

SENATOR MOORE: Yes, Senator Warner, I will attempt to answer your question. The first question about the effective date of the sales tax increase, quite frankly, I never thought of it until you mentioned it like that. So, as usual, given your tenure in the Legislature you notice those things. Certainly not our intent to do that, but if that's a...I guess, quite frankly, Senator Warner, we need to look at how that works. Now, your second concern over the funding, now this bill, when it was drafted in December and early January, it was drafted with effective tax increases, sales tax July 1, income tax January 1. And, at that time, like the Governor, in her State