

agriculture and industry, and everybody else, but if we would raise the top income tax bracket only, that would be \$18 million to come off of the surcharge, which would go to the top income tax bracket. I think we are talking about something that would be a lot more fair, a lot more palatable to the rural senators.

SENATOR HALL: Senator Schellpeper,...

SENATOR SCHELLPEPER: It wouldn't take off the whole surcharge, only 18 million of it.

SENATOR HALL: Senator Schellpeper, I would take a look at any proposal. I would not probably be willing to pull out half of the surcharge, because that is, excuse me, close to what it would represent, clearly more than a third. It would come close to being half. I would be willing to look at a number of alternatives in terms of raising the needed revenue that the utilities sales tax represented. I think the depreciation surcharge has had pretty sound support here on the floor. Whether the rate should be two, whether it should be 1.75, as it was introduced by the Governor, or whether it should be 1.5 or 1.6 as my amendment had it prior to the Lamb amendment is clearly something that I would be willing to look at. I think what we need to do is get back to the point where we know what the numbers are we are dealing with, and I am afraid we are not there right now.

SENATOR SCHELLPEPER: I guess what I am asking you, Senator Hall, is would you be willing to look at the top bracket because I think the top bracket needs to be part of the solution to our personal property taxes?

SENATOR HALL: Well, my only problem with it, Senator Schellpeper, is this, I have never been opposed to looking at a superbracket. I have introduced a bill at least on two different occasions, and the amendment a number of times when we were dealing with the change in the income tax in 1987, at least at every stage of debate. What my problem is, is that what you do then is you get away from the issue of trying to bring the replacement revenue for the personal property tax, you take it away from the business side of things to the personal or the individual side of the tax scale, and I would be philosophically opposed to that. Now if you ask me, would I be willing to take a look at it on the corporate income tax side of things, I'd probably say, yes. But I mean I'd sit down and talk about it.