

the...one of the reasons there was such a fight over the repeal of the sales tax on food was that when we gave the local option sales tax to cities, we didn't have a provision for cities to allow for a tax credit. So the cities very jealously protected that portion of their tax base and vigorously opposed any attempt to repeal the sales tax on food but ultimately it was accomplished. There are, nationwide, there are 27 states that exempt the sale of food from sales tax and 19 that tax the sale of food so the majority...the majority of states in the United States do not tax food. The reason that doesn't total 50, incidentally, is that there are some states that don't charge a sales tax. But, ultimately, I think we saw or the Legislature at that time saw it as a matter of fairness in that, as Senator Hall described, the taxation of food, particularly food purchased in grocery stores to take home and consume is one of the more regressive features of the sales tax. And while credits are good in alleviating some of the regressiveness, I don't know that you can structure a credit well enough to actually eliminate all the regressive effects of taxing food. I haven't seen the specifics of Senator Hefner's credit, but I just don't know that it's possible to do that. I have seen...I have seen a lot of attempts to try that and they all had some sort of flaw in them. The other thing that is important to recognize is that we only exempt the sales of food that are for home consumption. We do...restaurant food is taxed. I guess that is a rational place to draw a line to make a distinction because the theory being that if you're out eating in a restaurant, if you have the luxury to pay what essentially are inflated prices for someone else to prepare the food and give it to you, then you can probably afford to pay the sales tax. That's never really been a point of contention. It's one of those things that I think even the restaurateurs...I guess, I should have...should defer to Senator Rasmussen before I make that statement but I think restaurateurs understand that they can charge the sales tax and not have it be overly burdensome. The final reason that I would oppose the reimposition of sales tax on food is the reason that you hear again and again during the session that this is a major...a major step in taxation. We've not had a public hearing on it. We've not...there was not a bill that, to my recollection this year, that proposed the wholesale reinstatement of the sales tax on food. And even...and we've been very careful as a committee to discuss the various proposals that have come along and also to allow a chance for public input that we had just a few days ago. And so, for those reasons, I would...and for the reasons that