

the amendment that is being passed out is similar to one that was discussed on General File, but with some revisions which perhaps would answer some of the technical questions that may have been of...that were of concern. This is the amendment you will recall that in effect puts a sunset on tangible personal property tax exemptions in such a fashion that once every decade, every ten years, commencing in as it is now dated, January 1 of 2003, that it would be constitutionally required to review as a matter of tax policy, any exemptions that had been provided for through the Legislature in the previous decade. I know there are those who would be opposed to this because of the feeling that once an exemption is put in that you don't want to have to fight it again, and I can appreciate that, but I also think it's extremely important that you have a system in place which will permit the review of overall tax policy in some kind of a complete fashion on a periodic basis. As indicated the other night, it's virtually impossible as a practical matter for an individual senator to introduce legislation to accomplish this because inevitably your motives are questioned. And yet because of changing times, changes in the economy, changes in what may be considered tangible personal property, it seems to me that it's essentially important to do. My principle reason for offering it, however, is that I firmly believe that this will strengthen the passage of the constitutional amendment. As you know in this constitutional amendment, we are repealing the uniformity clause on tangible property, separating real and personal, and it's going to provide the Legislature with probably the same flexibility perhaps we thought we had before, but certainly it will be fresh in the voter's mind that the Legislature be given that flexibility, perhaps for sure, with this constitutional amendment that some problems could easily be created and there would be little chance of having those errors corrected in the normal process of things. The amendment as it would work spells out specifically that the consideration would be during the course of the biennium prior to January 1, the year 2003, in other words the sessions of 2001 and 2002 over those two-year periods would have the opportunity to review those exemptions that had been made and what taxation had been devised in lieu of property tax for tangible personal property that was in effect. I think with that kind of assurance to the voters that errors are not going to simply be able to be made in tax policy and perpetuated can be very easily offset with the fact that these types of, this type of an amendment will force review on a periodic basis. It's far enough between those reviews that there is still reasonable stability of the system