

the subdivisions from January through September, the first three quarters of next year. There is no reason, if at all necessary because of any kind of slow pay that may take place, that we can't deal with that in the first four months of next year when we are in session at that point in time. What you are doing is taking a complete 360 on this issue and moving away from what I would call an agreed-upon package to a total new way of funding this proposal. I would hope you would reject the motion to return the bill and, if it should return, reject the amendment.

**PRESIDENT MOUL:** Thank you, Senator Hall. Senator Schmit.

**SENATOR SCHMIT:** Mr. President and members, I really want to speak in support of a subsequent amendment which Senator Moore will offer, which states that we could reduce pro rata the amount of money reimbursable to subdivisions, if the amount collected is not sufficient. I believe that ought to be, as was outlined by Senator Hall sometime ago, one of the options, and one very real option, because I do not believe that this Legislature is mandated to replace on a dollar for dollar basis the money that, and I say, "is lost" because of the personal property tax decision. The other point I want to make is this. I have never agreed very enthusiastically with the principle that the money that we raise to replace the revenue lost should come from, again, "those businesses which benefited from the exemption." It would be just as easy, and all of you who know me know that I have long stood on this floor and defended the railroads and the telephone companies, that it would be just as easy to argue that those entities have been unjustly taxed for years and, therefore, to put the tax back on them in some other manner is a perpetuity of an already unjust tax, and I think that was reflected in the meetings I have had with hundreds and hundreds of my constituents, who have said, Loran, don't fool around and try to play games with us. Just put it on sales tax and income tax and we know where it is coming from and we won't have to hunt for it and, worst of all, we won't be blindsided when it hits us. Secondly, I still think that the depreciation surcharge is an unjust tax. It is not easy for those of us who pay property tax and suffer a loss to pay any taxes, but it is very easy for us to suffer a severe financial loss, have a 30 or 40 thousand dollar depreciation, and still be charged \$1,000 on that to reimburse this fund. I think that is inequitable. I couldn't help but smile at Senator Moore's reflection upon 773. That tax exemption lasted about four years, which is longer than most exemptions last on this floor, and was really probably not