

held across the state was that there has to be property tax reductions. We've got to get rid of some of the burdens on property taxes. Community colleges was raised as one, single specific issue that if the state took it over, there would be \$40 million that would come out of property tax expense that could flow over to sales and income. So in other words you have an impact, as slight as it may be, roughly 3 percent I guess in my district, it's a 3 percent reduction and it's going to vary from district to district in terms of the community colleges and the amount that is raised in the levy at that local level. But what it does is it moves us away from the reliance on property taxes and that's something that I think is critical. That's probably the basis on which 1120 was introduced, amended and sits before you today, but that we need to move away from the reliance on property taxes. What it also does in this amendment is it protects that local base that folks have talked about wanting to do. It says, look, the old system worked for a number of years but it had a couple faults. The depreciation add-back hits centrally assessed companies. Yeah, we raise additional money but what we do with that additional money is offset reliance on property taxes in the form of picking up the expense for community colleges. It gives everybody a little bit of what they want and a few people I guess, that represent community colleges, a lot of what they don't want, but it moves us down the road I think in a direction that we need to be going and that's somewhere that that "C" word comes into play called compromise. I don't think you're ever going to convince anybody that the 3-R proposal is not a going back on its word with regard to the Legislature as it relates to taxing farm equipment. Like it or not, that's a fact. It's going to become an issue of perception over fact, perception over fact at the polls, and it's going to be a tough sell no matter what proposal is put in place by the Legislature, no matter what proposal is put in place. Ladies and gentlemen, I would argue it is going to be a tough sell even if nothing happens in the Legislature. If a constitutional amendment were to come out and nothing were to take place here, I think the constitutional amendment would have an extremely tough time if the only thing it was up against was having everything go back on, having all inventory and personal property go back on the tax rolls. When voters go to the polls and pull the curtain behind them, they're going to vote the way they think things ought to be, not necessarily the way they believe them to be in terms of what the Legislature has or hasn't done. So this thing would...this amendment would do really three things. It would say let's go back to the old