

SENATOR LAMB: So then it would still be a hit on agriculture, I guess, would it not?

SENATOR WARNER: Well, there is two ways to look at it. On the average, and it will vary from...it is not a...they are paying that additional personal property tax in these statewide figures that we give so that that is correct, but it is also true when you use statewide figures, at least using this sheet that Senator Withem passed out, I think the average on a statewide basis is about a third of the valuation of the real estate property taxes, and property taxes are paid by agriculture statewide 30 percent to a third. And that means that that reduction in aid is also a hit on the state as a whole, 70 percent of that slides over to nonagricultural property, picking up that reduction in state aid. So there is some trade-off there. Part of that is balanced off...

PRESIDENT MOUL: One minute.

SENATOR WARNER: ...for the nonagricultural property and then we do not make a reduction in the aid in 1059 for schools or for cities, and there would be some additional, in my opinion at least, some additional personal property tax generated from depreciable nonagricultural property.

SENATOR LAMB: Thank you. I don't understand it but I will check back later. Thank you.

PPRESIDENT MOUL: Thank you, Senator Lamb. Senator Schmit.

SENATOR SCHMIT: Mr. President and members, Senator Landis, in effect, called the bluff of those of us who have said we will vote against the constitutional amendment, and that is fair, and that is good politics, and his argument is that if you weaken the compromise any further, if we go any further, he said, after all we get the 78 million dollar homeowner's benefit. Now that is partly true. What he didn't say is that there will be those businesses in urban areas that are going to pay \$78 million also. The major difference between the rural and urban districts are these, that the increase, the \$40 million will be borne by a large number of farmers. The \$78 million will be picked up by a small number of businesses. That small number of businesses, I know from experience, become exceedingly irate when they are going to be forced to pay that tax. The