

It is a movement with the adoption of the previous amendments to a system that again I argue is a step backward for the state, that it clearly will be...have a difficult time if there is a corresponding constitutional amendment or when there is one. At the polls the voters will look at it, clearly the urban voters ought to look at it with a very jaundiced eye in my opinion. They need to be made very, very comfortable with regard to the fact that the base is going to raise the revenue projected. And then they also should look at what I would call discriminatory tax policy in the way that sales tax on farm machinery is going to now be treated. It's going to discriminate against a business other than a farm machinery operation that has to pay sales tax on their equipment, just plain and simple. For example, the...let's go back to the old tractor or the bulldozer example. Sales tax on one, sales tax credit on the other. Both of them, if they are depreciated, I guess under this proposal are now going to be paid. The question is, what's the useful life, for example, of that one bulldozer in the construction business where it may very well be about five years as opposed to another piece of equipment in an agricultural type setting, one where the useful life could be as long as 14 to 18 years and maybe even longer in terms of combines. Senator Schrock pointed out that much of the equipment is only used on a very short time frame, year in, year out. It allows that equipment to last, to have a very long useful life. That means that that depreciation will fall off at the end of the table but that property is going to continue to be used, it's going to have a life span. What it means is the base is going to fall away. There isn't necessarily going to be replacement purchases made in all these cases to allow for that base to continue to be there. When the base falls off because it has been depreciated out, the revenue, there is no corresponding measure in the bill yet to require for the revenue to either basically be capped, budget be capped, the revenue expenditure be capped, or the only other option is to have real estate taxes go up at the local level. You're talking about local taxes and that's what is going to happen. Property taxes, real property taxes are going to go up under 1063. Nobody can argue that they are not going to...that that is not going to be the case. It's flat out a shift. It's a flat-out shift from personal property to real property. It's going to happen. It's going to happen over a short period of time. It's going to happen automatically in the urban areas I would argue and it's going to happen over a longer period of time in some of the more rural areas, but happen it will and that shift will take place and that's exactly what 1063 does. And it further