

county roads and the county sheriff's offices would remain as they...and be paid for as they are now. The big winners in this are people who have low incomes and lots of property, or low income, such as a retired person and own a home. Their property tax would go down half, while the 1/2 of 1 percent they pay on their gross receipts is far less than what they would sac...what they gain in less property tax. And you ask who pays the difference, well, of course, that's readily seen. The large service oriented, high volume, retail corporations would pay more. The Sears and Roebucks, the McDonald's, the Wal-Mart's, the Target's, the K-Mart's. People say well this will us at a disadvantage competitively. I say that's untrue, because every business of that type in this state would pay exactly the same amount, 1/2 of 1 percent of their gross receipts with no exception. There is no advantage between Safeway and Hinky Dinky, no advantage between Sears and Montgomery Ward, no difference between Pontiac and Kawasaki, they all have the same. And the advantages can be greatly seen. Our tax problem would be solved, we would not have to have a constitutional amendment, we would get to the basic root of our trouble, that property tax is too high, and I realize that people have a lot of affection for the system that we have, because it's predictable, we know what it's going to do. And, in essence, that says an old tax is a good tax. Well, an old tax can get to be ancient, decrepit, overworked, under...you know, it just is time to look at something that could be a step toward the future. Michigan has something a little like this in the unitary business tax, but not quite...not quite the same. This is not a value added tax, this is not a transaction tax, this is a simple, 1/2 of 1 percent of that top line in everybody's tax statement, your total income. I would genuinely like to have some people look at this, give it some consideration, and realize...

SPEAKER BAACK: One minute.

SENATOR ELMER: ...that this type of a tax, that recognizes service and mercantile activity, can be viable. I'd ask for your discussion and comments. Thank you very much, Mr. Speaker.

SPEAKER BAACK: Thank you, Senator Elmer. First speaker is Senator Hall.

SENATOR HALL: Thank you, Mr. Speaker, members. The proposal that Senator Elmer offers, the gross receipts tax, is an issue that probably, unfortunately, is ahead of its time. I