

or owing on the vehicle by virtue of it being included in the dealer's inventory which would be taxed if the constitutional amendment fails. In the event an inventory tax is imposed, this amendment would apply to vehicles in the dealer's inventory as of 12:01 a.m. on January 1. It's conceivable that a dealer could acquire a vehicle on January 2nd, for example, and turn around and sell the vehicle on January 3 and then request a property tax refund on that vehicle for the remainder of the year. In effect, the dealer could claim the refund or credit on a tax the dealer never paid or didn't owe. My aide spoke with people in the property tax division of the Department of Revenue who suggested that retailers would not necessarily list each individual item of inventory and its respective value when reporting their personal property. Therefore, if a dealer claims a refund for a vehicle sold off the lot, the county assessor does not have the means to verify that the vehicle included...was included in the dealer's taxable inventory. My amendment, therefore, does one simple, common sense thing. It simply requires that dealers document that the vehicle they are claiming a credit for was included in the dealer's inventory which was reported for purposes of the tax. Thank you, Mr. Speaker.

SENATOR CONWAY: Thank you, Senator Johnson. The first speaker is Senator Warner, please.

SENATOR WARNER: Mr. President and members of the Legislature, I would rise to support Senator Johnson's amendment. As I understand the amendment, it is simple...simply requires the documentation by a dealer that, in fact, anything that they were requesting in the refund that would be permitted has, in fact, had the property tax paid on it and to prohibit, as Senator Johnson indicated, anyone attempting to claim a refund on property tax that they had not, in fact, paid. And I think it's a good amendment and would prevent anyone from inadvertently or purposely attempting to file for a refund that they would not be eligible for under the law. So I would support Senator Johnson's amendment.

SENATOR CONWAY: Thank you, Senator Warner. Senator Hall, you're next, please.

SENATOR HALL: Thank you, Mr. Speaker. I would also rise in support of Senator Johnson's amendment. It puts a check and balance in place, if you will, with regard to the issue of