

what we are calling absolute exemptions, so in other words there would be three classes or three exemptions of personal...of real property, excuse me, real property that would be exempt, mandatorily exempt from taxation. They would, one, it would be property of the state and its subdivisions; two, property owned by agricultural and horticultural societies and educational, religious, charitable, and cemetery property; and three, a home purchased by the veterans administration. None of these reflect a change in the current intent and language in the Constitution, it's there just rearranged and moved so that those are clarified with the newly rewritten Section 1 of Article VIII. We then also list three categories of elective preference. In other words, we list three categories of real property that we may treat with some preference, and those are agricultural and horticultural land, greenbelt, and homestead properties. These also are no change with regard to the way the current Constitution reads and with regard to the provisions such as Amendment 1, Amendment 4 that deal with ag land and those constitutional amendments and subsequent implementing legislation that accompanied them. So we put in the permissive language, if you will, for these three categories. And that closes out, it's a very short read, if you will again just look at the first page of the committee amendments. We strike the original LR 1 and add the new language. Then we move to Section 2, and we rewrite the personal property tax section. Probably the best way to deal with that is to just read it, because we'll leave no doubt in anyone's mind as to what we're attempting. It says, the Legislature may provide for the taxation of tangible personal property in whole or in part by valuation, transaction, value added, capitalized cash flow, or any other method selected by the Legislature. The following tangible personal property shall be exempt from ad valorem taxation: one, property of the state and its governmental subdivisions. Again, if you remember, this is a shall, so it's a mandatory exemption. Two, property owned and used exclusively for agricultural and horticultural societies, and property used exclusively for educational, religious, charitable, or cemetery purposes when such property is not owned or used for financial gain or profit to either the owner or the user. And, three, household goods and personal effects, as defined by the Legislature. Notwithstanding Article III, Section 18 of this Constitution, special legislation section, or any other provisions of this Constitution, the Legislature may make rational classifications within the class of tangible personal property, and may provide for different methods of valuing such