

proposals before the voters on tax policy that we at least go through that initial check or that initial hoop to make sure that we have preserved that balance, the balance between tax equity, economic development and the other issues that are presented to us each time that we deal with tax policy. If we do the inventory exemption, if we put this constitutional provision before the voters, and if it should pass, then I think there would be...the Legislature would have a lot of work to do next session with the 3R Committee's recommendations in looking at the overall tax policy, the other sources of revenue, because I've heard a lot of people in this body, and I concur, suggest that personal property tax conceptually is not a good tax, it's not a good tax at all and that we need to look at other ways of raising revenue that are more equitable and easier to collect. But, at this point in time, I think we owe it to the voters to present them with a package that they can see and that they can make sense out of rather than a sort of wait and see concept that is incorporated in the Governor's plan. So, again, I appreciate Senator Beutler's initiative on this and certainly wholeheartedly support it as a co-sponsor. Thank you.

SPEAKER BAACK: Thank you, Senator Ashford. Senator Landis, you are next. Do you wish to speak to the amendment to the committee amendments?

SENATOR LANDIS: Thank you, Mr. Speaker. Members of the Legislature, this amendment is a fork in the road for the session in that down this fork in the road lies the question of determining our future tax policy. That's different than the question we've been talking about up till now. The question up till now is how much authority is the Legislature going to have? How much discretion are we going to have in determining tax policy? And those are two different questions. One is, how much power we have and the second one is how are we going to choose to exert that power towards a specific legislative end. Now this is an interesting problem for me because the end towards which Senator Beutler and Senator Ashford point is an end I agree with. Taxing inventory is not good tax policy, it's been rejected by many, many of the states, all of our surrounding states. Why? Because the inventory tax goes on prior to the sale. It is not paid for...well, in one sense it's paid for by the final consumer but not at the final consumer's point of transaction. It works its way into the cost of doing business and it works its way into the pricing structure of the good. Before the good is purchased, the price of the good has