

noticed on this sheet that Senator Wesely handed out the other day, the question was raised as to ag inventories, what that is. I see it says it would be 35.3 million shifted to ag inventories. I would be inclined to think there must be grain in that, as part of ag inventory based on Senator Withem's comments earlier of what inventory may or may not be. Business inventory according to this sheet would have close to 70 million, 69.3 million. The bottom line on this, to me, has been from the beginning, incidentally, the Governor's original proposal many months ago while we were in session did include inventory. You may recall, which many people objected at that point feeling that we should not single anyone out, but I am inclined to take the position that, at this point, of not specifying or locking in one piece or one type of personal property as an exemption even though I totally agree that there is no logic, as a matter of tax policy, that inventory be taxed. But it seems to me that the more appropriate tax policy approach is to leave the proposed constitutional amendment as it is. You know, frankly, I am in a position that if the only way we would have 40 votes is to spell out inventory, mandated exemption, and the rest were permissive, I'd probably go along with it if that was the only way to get 40 votes. Because there isn't any question in my mind but what inventory is going to be exempt in any event, my position has never been nor is it now that personal property is to be exempt from taxation. The position that we had certainly in the sixties was that broad recognition that the valuation of personal property was exceedingly inequitable no matter what you did and that greater equity and fairness, which are the words that are thrown around, dealt with trying to tax personal property in some fashion other than an ad valorem tax. It was just that simple. Not that it was exempt from taxation, but that it was exempt from an ad valorem tax, or at least the potential for that, because that was the inequity that was being dealt with or couldn't be dealt with under the current Constitution. I am in the position, and, incidentally, comments have been made that we do not put a value on education, and as a personal property tax. Well, what we do is the other option. That is where the income tax comes in. It is an alternative way to recognize that education usually results in higher incomes, greater ability to pay, and we recognize that through an income tax and somewhat of a progressive income tax if there is a relationship between education and the ability to earn, and I think there is. So that there is many alternatives that have been built into the system, recognizing that all types of ways to earn a living in