

equipment, frankly. But the fact of the matter is that's not where we're at here, because when you look at all those things, and the amendment that Senator Warner talks about in terms of placing or taking sales tax off of farm machinery, if you're going to put personal property tax on, in concept I can agree to that as long as it applies to my automobiles, my motorcycles, my trucks as well. And then you replace that with the gas tax revenue. But you can't do any of that in this special session, and that's where the root of the problem is, because you also have to think about where do you replace that revenue that you lose when you take away other exemptions that are out there in the personal property tax arena, because I think you can. I agree that there are some things that don't belong being taxed under a personal property tax scheme. But when you come to that conclusion you then must also deal with the issue of replacement revenue for that.

PRESIDENT MOUL: One minute.

SENATOR HALL: And if that replacement revenue comes out of sales and income, as I hear many folks advocating, which I believe ought to come out of removal of exemptions as opposed to increasing rates, then you have to look to an overall shift in terms of your tax system, and you have to examine that whole code, not just the personal property tax, because as some people have said, you know, there's a domino theory here. Well, there's a domino theory here when you change the personal property tax scheme. And the dominos run into the sales tax, they run into the income tax, and they run into how, depending on who collects it and who levies it, you also have to look, in my opinion, at a lid on the amount of money that can be raised from real estate taxes, because if you don't do that, all you're going to do is force the locals, when you reduce their base, to continue to...

PRESIDENT MOUL: Time.

SENATOR HALL: ...levy a higher and higher rate on real estate taxes. And then the state's got to come in and pick up the rest, granted, but that's where the sales and income comes into play. Those tools aren't before us.

PRESIDENT MOUL: Thank you, Senator Hall. Senator Rogers.

SENATOR ROGERS: Madam President, members, it seems as though