

SENATOR HALL: Senator Warner, the way I understand the bill, the department or the commissioner, tax commissioner rather would now have an income statement that would be different than the tax return, is that correct that I as a homestead applicant would have to fill out?

SENATOR WARNER: Yes, sir, that could be.

SENATOR HALL: Now is that going to...I mean, because I know some of those other bills are going to come up that deal with what is income and what is not income as it relates to homestead exemption and you and I will probably be on the same side on those because I think income is income. But my question on this, is this now going to cause a whole lot of concern by those people who we maybe have a custom to just Xeroxing their tax returns and sending it in as opposed to now having to fill out a different form for purposes of establishing that income and I guess, just what is the basis for the change?

SENATOR WARNER: Well, a couple things, Senator Hall. There is more information filed initially than what currently or previously was the case. The purpose of the bill is to retain that that additional information be confidential at the local level before it is sent in to the state for verification. As you well know, had we not put in some kind of requirements such as was done last time with the change in income for qualifying, there was several million dollars of increased costs beyond what at least we thought could be done, but the program as designed, as I understand it, is to encourage low income people to be able to maintain their home and only counting some income, allowed some people to come in, others not to come in whose situations perhaps were such that the one coming in was better able to pay than the one who was not eligible under the old system.

SENATOR HALL: Does this also have anything to do with the fact there might be some low income folks who don't file federal income tax for one reason or another who would then be eligible to...

SENATOR WARNER: And there could be some of those that would affect eligibility. It is more complex than the previous system, there isn't any question about that, but if we're going to have a program that has a means test...