

SENATOR BRASHEAR: That's correct.

SENATOR JONES: And okay, give me a little bit more on the phase-in, how it goes down in steps.

SENATOR BRASHEAR: It goes down one-third per year. So in other words the tax is reduced in the aggregate to the individual taxpayer by one-third in 1995, one-third in 1996 and goes away in 1997 I think, anyway it is a three-year phase-in.

SENATOR JONES: Okay, thank you. I again stand to support this bill though, thank you.

SENATOR COORDSEN: Thank you, Senator Jones. Senator Beutler.

SENATOR BEUTLER: Senator Coordsen, members of the Legislature, these are the kinds of bills that are most difficult to deal with and I guess there are a number of difficulties, but certainly one of the most prominent difficulties is simply the fact that this will obviously cut down on the amount of state revenues. When the amount of state revenues are cut down it means we have less money for funding those activities of state government. It also means we have less money for property tax relief and the third...and the consequence of all this beyond that is the fact that it seems like every year we have a couple of bills like this and every year we slowly but surely shift the tax burden onto the individual taxpayer away from the corporations and on to the individual taxpayer and then the individual taxpayer wonders why he's always not seeing any benefits and...but we say we haven't increased your tax rates. I think one of the things that happens is the shift that goes on continually by virtue of some of these bills. Senator Brashear, let me ask you a couple of questions, if I may.

SENATOR COORDSEN: Senator Brashear.

SENATOR BRASHEAR: Yes, Senator Beutler.

SENATOR BEUTLER: If the tax loss is 1.6 million or in that neighborhood, I assume that represents one or two percent of the total corporate tax that we currently are assessing. Would you have any objection to just upping the corporate income tax by a few percents of one percent in order to make up the equivalent revenue that is being lost here so that the balance between the