

SENATOR JONES: Yes, I mentioned earlier about subchapter S in the state, and they did business out of the state, would the subchapter S be taxed, and you realize each individual pays the tax, so I just wondered if you could explain that just a little bit more.

SENATOR BRASHEAR: I think I gave you an incomplete answer. A subchapter S corporation would not be benefitted by this, but the individual owners of the subchapter S corporation would pay tax on less income because they would receive exactly the same benefit as the C corporation, or regular corporation.

SENATOR JONES: Okay, thank you. That's what I wanted to get cleared up. I wanted it on the records.

SENATOR CROSBY: Thank you, Senator Jones. Senator Will.

SENATOR WILL: Question.

SENATOR CROSBY: The question has been called. Do I see five hands? I do. The question is, shall debate cease? All in favor vote aye, opposed no. We are voting on whether debate should cease. Have you all voted? We are voting on whether to cease debate. Have you all voted? Record please.

ASSISTANT CLERK: 25 ayes, 0 nays to cease debate, Madam President.

SENATOR CROSBY: Debate does cease. Senator Wesely, would you like to close on your amendment?

SENATOR WESELY: Thank you, Madam President, members. Very briefly, again, I think concern about revenue loss, I understand the phase-in is an attempt to acknowledge that, and then after we phase it in, if we have a problem, we can always back off. I am suggesting that no matter what the results are of the phase-in that basically this will become policy and we will just go forward with it forevermore, as we have with some other tax policy changes. If you don't put a sunset in, basically, you just won't review it again. So though I appreciate Senator Hall's comments about the fact that either this is good or bad policy and we need to move forward, I still think in this particular case, with the uncertainty about the revenue loss, that it would still be a good idea to have that sort of review