

have had some very good research done for us and have had numerous discussions among the committee members. And I think this is one of those issues that pretty much falls on the bubble. I think there is a general agreement, as Senator Warner has explained, among the committee members that when you're talking about component parts of a manufactured product that we really, in essence, want to end up applying the sales tax to the ultimate consumer. And I think that that's why I have supported several of the tax exemptions that have come before us this year, because I think that they fit that principle very well. When it comes to what Senator Beutler has ably discussed as inputs as opposed to component parts, I think the area becomes much more fuzzy and I guess that's where I, personally, as a member of the Revenue Committee would draw the line, you know. And I did not support this bill coming out of committee. I probably will not support it at this point unless it does get carefully crafted to the point that I think Senator Beutler is attempting to do and where it would truly be what I would regard as component parts as opposed to merely inputs. I know that's a fine distinction but it's one that I think we all need to think about as policymakers as we are shaping tax policy. In addition, I share the concerns that have been expressed by several other senators about the revenue losses that do occur due to unending exemptions, I think, especially. And we're all guilty of it. I think we've all had constituents, we've had businesses perhaps in our district, we've had individuals in our district that have been interested in seeing specific exemptions. Often they are, as has been described, the result of shifting interpretations on the part of the Department of Revenue with respect to what should be taxed and what should not. Often the department will suddenly and without apparent explanation decide that something that has previously been held not to be taxable should henceforth be taxed without a statutory change. And I think that's a point where it does become important for we, as a Legislature, to step in and examine exactly what the policy intent was. And I think we've done that on several different occasions. We have either affirmed or denied the Revenue Department's interpretation. I think that's a proper function for us. There is one area that I would disagree with Senator Beutler on and that is I'm ready to accept border bleeding as an argument. I think if we're losing revenue across the border then we need to address that, and there's an area that we are losing revenue across the border that we are going to...that dwarfs anything that we're talking about with respect to sales tax. And we're going to be talking about a