

let's keep the overall corporate tax burden at roughly the same so that the individual taxpayer doesn't continually feel more burdened over time. The corporate income tax rate is stated as a percentage of the primary income tax rate. I passed out to you a little chart showing what the current law is in terms of the percentage of the primary rate that is applicable, it's divided into a couple categories, income of the first 50,000, and then income over 50,000. On the little chart that you should have in front of you, you'll see that under current law you multiply the primary rate, which is I think 3.7 percent times 150.8, and that's how you arrive, under current law, at the corporate rate for the first \$50,000 of income. And you follow a like process for the rate above 50,000, indicated at the percentage shown on your chart, 211 percent. Well, in order to make up this \$1.6 million of revenue and keep it in the corporate sector, you will need to change that factor, as you can see on the chart, from 1.50...from 150.8 to 152.9, and with respect to amounts over 50,000 you will need to change it from 211 to 213.9. And by doing this you will have adjusted for those corporations that need the adjustment under the throwback rule, but at the same time you will be asking corporations generally to continue to bear the same burden they have always borne with respect to their proportion of the overall taxes. It seems to me that's a fair request and shows the respect that we should show to the individual taxpayer. I did pass out to you another chart which shows...it takes into account a number of factors, all of which I don't purport to understand. But I know that the purpose of the chart is to show you, relatively speaking, how much we get out of our corporate income tax system, taking into account everything that we exempt, our overall tax rate, altogether how burdensome is our corporate income tax on our local corporations. And as you can see, we're 33rd in terms of the burden. If you adopt this amendment I don't even think we'd move up to 32nd, we might, but probably not. And so I don't think you're hurting our competitive position any, you're calling upon the corporations to continue to do their share, you're granting the throwback amendment, as we need to do. I think it altogether makes some sense, I hope you think it does. Thank you.

SENATOR HALL PRESIDING

SENATOR HALL: Thank you, Senator Beutler. Senator Brashear, your light is next.