

question. Under this there would be 4.5 million dollars of retail sales that would be taxable and the insurance premium tax would amount to about 6 million dollars.

SENATOR VRTISKA: Okay, then that brings up, whatever the dollar amount is, how is that...what's the...how is the distribution formula set up on that?

SENATOR KRISTENSEN: Okay, the distribution formula is, and I'm going to read a little bit here. It's a formula that's done with the average per capita property tax levy across the state, which is a little over 41 cents, times whatever the population of a town that you're looking at.

SENATOR VRTISKA: Okay.

SENATOR KRISTENSEN: Then you get a figure. You take away from that figure the average property tax levy in that particular community, divided by its population. So, in other words, you're looking at the state average levy for a community and if you're under the average, because your valuation is low and you have low population, that's where this will kick in. If that becomes a negative number, you don't get any aid. In other words...

SENATOR VRTISKA: Can you give me an example, say, take a small community of 500?

SENATOR KRISTENSEN: I would tell you...do you have a handout?

SENATOR VRTISKA: Okay, I'll look at that. I guess I haven't got to that.

SENATOR KRISTENSEN: There's a handout where the Revenue Committee has listed the various communities...

SENATOR VRTISKA: Okay.

SENATOR KRISTENSEN: ...and how there would be an impact based upon that and that'll give you...

SENATOR VRTISKA: Okay.

SENATOR KRISTENSEN: ...any one community.