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SENATOR BEUTLER: Could you go back and remind me again? This allowance for sales tax paid on building materials is not applicable to every situation. Would that be correct?

SENATOR LANDIS: That's right. There are retailers who have a tax, an inventory that is not taxed, but the ultimate consumer pays the tax.

SENATOR BEUTLER: Okay.

SENATOR LANDIS: Then they compete with contractors who, essentially, are paying for the tax and then including it into their bill, or eating it when they go to the consumer. So there is...the argument is, inside the industry, there is not a level playing field between the retailer and the general contractor.

SENATOR BEUTLER: So it is the retailer who gets this allowance. Is that...?

SENATOR LANDIS: It is the other, it is the general contractors...

SENATOR BEUTLER: It is the general contractor.

SENATOR LANDIS: ...that get the allowance because they would have bought the items, paid sales tax. They haven't received it from the ultimate consumer and they work it into their bill and they argued that that places them at a disadvantage vis-a-vis the retailer. You're, in a sense, you're making...you might want me to make their argument for them, but that is their argument and that's as good as I can state it. If you don't find it persuasive, that's as good as I can state their argument.

SENATOR BEUTLER: Okay. Senator Landis, let me ask you,...

SENATOR CUDABACK PRESIDING

SENATOR CUDABACK: Senator Landis.

SENATOR BEUTLER: ...I'm fumbling here a little bit, but let me