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FLOOR DEBATE

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natural disaster. The multifaceted definition of "major renovation" is a project that reconfigures walls or fixtures--that's existing rules--that either doubles the market value of the building or the unit, or entails at least 75 percent of the floor space. All those rules are repealed. Simple bright lines replace them essentially on income-producing property, and that's the piece on the sales tax. I'm looking for an amount of time that I have left.

SENATOR CUDABACK: About 2, 14.

SENATOR LANDIS: Thank you. Then I think Senator Redfield identified a number of the pieces with respect to the income tax, although I think we'll probably take up the income tax third. The income tax has three parts. There are some surcharges, if you will, on high income taxpayers in which we phase out the personal exemption, the standard deduction, and the itemized deductions for high income taxpayers from like \$100,000 to like \$140,000. I'll try to get the figures to you accurately. We did it a number of years ago. We put it on a temporary basis. We've never undone it. This will undo that on a phased-in basis at a cost of \$13 million. We will move the brackets, consistent with...as Senator Redfield's bill, original bill, meant to do for the middle class, and we will create an 8 percent earned income tax credit for the working poor. Those are the three ideas in the income tax area. In the property tax area, we will drop from 80 percent to 75 percent agricultural land values, and we will essentially do the homestead exemption idea that Senator Combs had in her measure, which will allow people who have homestead exemptions to take...

SENATOR CUDABACK: One minute.

SENATOR LANDIS: ...up to the average value of a household value in a county as an exemption. We're going to leave at \$40,000 the minimum. We're going to raise from 80 percent to 100 percent of the average county value of a house as the upper end of the Personal Homestead Act. The total cost of this idea in this year, in this coming year, is \$71 million, in 2007 it is \$99 million, and in 2008 the total package cost is \$104 million. I think the question that Senator Beutler wants to raise is, are