

SENATOR CHAMBERS: Madam President and members of the Legislature, I would like to ask Senator Hall just a couple of questions, if I may, so I can try to get an understanding of this. And, Senator Hall, this is one of those times I have to tell you that I've been talking with other senators on the floor and I've missed much of what not only you said but others. But you're talking about this item, whatever it is, which is to be leased for a period of 30 days or less,...

SENATOR HALL: Correct.

SENATOR CHAMBERS: ...and the person who leases it can bring it back whenever he or she chooses.

SENATOR HALL: Correct.

SENATOR CHAMBERS: What...what is the status of ordinary inventory? I meant, does it stay in the place until it's sold, or just what?

SENATOR HALL: Correct. Ordinary inventory, for example, a drill that you would buy from Sears, for example, would be inventory. It would stay in the business until it was sold. There would be no personal property tax on that drill. But the way the law currently exists, or at least the way it's being implied in some cases, is...and it's the state of the law, it's just not being uniformly applied, is that in the case of a rental situation that same drill that would be subject to no tax and would be considered business inventory in Sears, in a rental situation would be subject to personal property because it does not fit the definition of business inventory. So, in other words, the rental owner would pay personal property tax on it and at the time that they rent it out for a period of time they would also collect sales tax on that rental.

SENATOR CHAMBERS: And you're saying that the...

SENATOR HALL: Basically it is subject to a double tax.

SENATOR CHAMBERS: And you're not doing anything about the sales tax aspect of it...

SENATOR HALL: No,...