

Governor hopes to glean \$10 million in new laws

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Gov. John V. Evans said Tuesday he still hopes to get two bills enacted despite his failed efforts to call a special session.

Evans has said he wants the special session to head off a \$10 million state shortfall.

In a telephone call to The Post-Register, the governor said he still recommends a special session next week for a bill to close an income tax loophole which permits business to pay only 1.5 percent of the state revenue instead the present 8.7 percent, and to consider a 1 cent sales tax increase effective March 1.

The governor said he favors a 10 percent income tax surtax and an increase in the corporate income tax. He added the present law permits corporate business to reduce its tax by \$31 million.

Evans said he has abandoned plans for a special session this week but still clings to a fading hope one can be called Monday for two or three days.

"I have talked with Senate President Pro Tem Jim Rish and House Speaker Tom W. Stivers to see if they would be willing to suspend the rules to enact this legislation," said the governor. "Of course, if they are opposed, there is no way to address to these issues in a short special session."

Suspension of the rules would mean a two-thirds majority of legislators in both House would need to agree to waive second and third readings on successive days, thus permitting passage of a bill in one day rather than at least three days.

Wed. Dec. 22, 1982

Evans acknowledged "unless there is a softening of their position I cannot call the special session."

However, aside from the two Democrats, House Minority Leader Melvin Hammond, Rexburg, and Sen. Israel Merrill, Blackfoot, all of the east Idaho legislators have expressed opposition to enacting legislation that will repeal tax relief granted to business in the 1982 general session.

Such leaders as House Majority Caucus Chairman Linden B. Bateman, Senate Majority Caucus Chairman J. Marsden Williams, Sen. William L. Floyd, chairman of the Senate Commerce and Labor Committee; and Sen. Dane Watkins, chairman of the Senate Local Government and Taxation Committee and vice chairman of the Senate Finance Committee, all Idaho Falls Republicans, and Senator Majority Leader Mark G. Ricks, R-Rexburg, said they are keeping an open mind but oppose the business benefit repeal.

They contend business needs the break and incentive to help them, adding it might help in business recovery.

These primarily refer to the Job Credit Bill which allows \$800 credit over a three-year period for hiring a new employee, and the accelerated depreciation on business property.

"I don't want to close the door on the possibilities of saving \$10 million for the present 1983 fiscal year," explained the governor in his telephone call.

Evans said there was a \$70 million shortfall for the current fiscal year but he saved \$23 million by holdbacks, still leaving a \$47 million deficit.