

is being expressed over the plan. Here's a family of four with an income of \$15,000 and a home valued at \$32,000. Under the Agnew-Hughes plan with the Lee amendment the income tax would be increased \$134.00 but the property tax would be lessened to the equivalent of \$102.00, making the total additional tax paid only \$26.00. Now, these property tax deductions, as I explained to you, all assume that there is absolutely no new spending desired by the subdivision.

Now, let's look at some of these letters that I mentioned earlier in the evening. These letters exhibit how mistaken the people are about this tax increase. Here's a section of a letter: "If your proposal to build three new bridges across the Bay is the start of spending the additional revenues received from the increased taxes, I say your proposal is in no way justified." Now this gentleman obviously has no conception of the fact that the money that is used to build bridges and other capital improvements supported with toll facilities is not in any way affected by property taxes, incomes taxes or anything else. Toll facilities must liquidate themselves from tolls.

Here's another one: "If we have to increase taxes, what is more fair than a 1 percent increase in the sales tax?" Well, my answer to that is that the sales tax is really not a fair tax. It gives the illusion of being one but it isn't. It's a fact that low income groups pay 1 1/2 percent of their income in sales taxes, whereas higher income groups who can afford it more pay 1 percent or less in sales tax. So you can see that the sales tax is regressive and it's certainly not the type tax that we want to use. The graduated income tax relates to ability to pay and it's the fairer system.

Here's another letter: "I'm retired, and I'm too old to work and the taxes keep going up. What's going to happen to me?" This program is devised to help that type of person. It provides tax relief for the elderly. It's one of the features of the program, but more than that, it holds down the property taxes on the home of that person, so that his diminution of income doesn't make him sell his own house. Another one: "I'm not working to support the bums in Baltimore." The money coming from this tax proposal is not going into welfare, although welfare is needed and certainly must be something that we consider, and it is being considered in the supplemental budget. But every penny of the money going to the subdivisions in this \$95 million must be spent for either education or police protection.

These are some of the letters that we've been getting. Here's another one: "Having been squeezed by inflation on the one hand and