

1 If you will look on Page 16 of the Report, Congressman,
2 you will see exactly how it works.

3 MR. MILLER: I understand that that is the
4 way it works now, but if we have local self-government
5 and the tax is not levied, would the State under this
6 provision still have to go ahead and pay it?

7 MR. CASE: No, sir. As I understand it, this
8 is a State mandated item. It tells the local political
9 subdivision that it has to raise an amount equal to
10 1.228 per cent of the sum of its adjusted assessed valu-
11 ation on real property and its total net taxable ordinary
12 income. Now, it has to raise that amount. If it doesn't
13 raise it, it is out of the program and won't get any State
14 money at all.

15 THE CHAIRMAN: Mrs. Freedlander?

16 MR. MILLER: Even if the budget called for it,
17 it wouldn't get it?

18 MR. CASE: That is correct.

19 THE CHAIRMAN: Mrs. Freedlander?

20 MRS. FREEDLANDER: I guess I would be classi-
21 fied in that category that Mr. Case spoke about, the