

age of 20. He established a poultry farm which sold and exported high quality eggs to the local community and off-island localities such as Wake, Midway, and Johnston Islands.

The destruction brought about by World War II opened a window of opportunity for him to focus on the field of construction and development. In 1947, he joined Kenneth T. Jones, Jr. and Segundo Leon Guerrero in the formation of the Pacific Construction Co. Roughly 4 years later, he and family members founded the Frank D. Perez and Bros. Co., a conglomerate comprising a hardware store, a concrete block plant, and a construction company. Frank served as its president and general manager.

The company was incorporated in 1960 and came to be known as Perez Bros., Inc. They have since been pioneers in the development of housing subdivisions on the island. Perezville, the island's first private housing subdivision, was the outcome of this campaign spearheaded by Frank through Perez Bros. A virtual wilderness back in 1933 when Frank first acquired the land, Perezville, is now regarded as one of the island's best housing developments. Perezville and scores of high quality structures around the island could be considered as legacies of Frank Perez and Perez Bros.

His involvement in business ventures, however, has never caused him to cut back on his civic commitments. Aside from active participation in church and community projects, he has also made a mark in local governmental affairs. He was appointed to the House Assembly in 1937 while still in his twenties and went on to serve as an elected member of the Guam Legislature and its predecessor, the Guam Congress. It was as a senator in the Eighth Guam Legislature in 1965 that he sponsored a bill that established the Guam Economic Development Authority [GEDA], the agency which became the catalyst for Guam's economic development.

After seemingly countless decades of dedicated service and substantial contributions to the community, Frank Perez still chooses to remain active. He still attends to the business of Perez Bros. With Frank on the job, the island can continue to count on Perez Bros. to provide the same quality products and service that we have grown accustomed to during the more than four decades under his supervision.

Frank D. Perez, for the better part of this century, has contributed greatly to every aspect of Guam's development. I would like to take this occasion to commend and congratulate him on all his accomplishments and on his well-deserved induction to the Guam Business Hall of Fame. I join his wife, the former Carmen Sirena Camcho Duenas; his children; Frank, Joseph, Gregory, George, Thomas, Daniel, John, Mary, Carmen, and Margarita; who, together with the Guam Chamber of Commerce and the people of Guam, celebrate this man's extraordinary accomplishments.

## COMMEMORATING THE 80TH ANNIVERSARY OF THE ARMENIAN GENOCIDE

SPEECH OF

**HON. MICHAEL BILIRAKIS**

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, May 2, 1995*

Mr. BILIRAKIS. Mr. Speaker, I rise today with my colleagues Representative JOHN EDWARD PORTER and Representative FRANK PALLONE to commemorate and remember the victims of the Armenian genocide, a sad chapter of world history that remains unrecognized by our Government to this day.

As many of my colleagues have already stated, between the years of 1915 and 1923, a systematic and deliberate campaign of genocide by the Ottoman Turkish Government resulted in the deaths of more than 1½ million Armenians and the exile of a Nation from its historic homeland. One witness noted the ferocity of the attack by stating that the streets ran with blood.

The United States Ambassador to Turkey at the time, Henry Morgenthau, a witness to the genocide, noted that "When the Turkish authorities gave the orders for these deportations, they were giving the death warrant to a whole race; they understood this well, and in their conversations with me, they made no particular attempt to conceal the fact."

Mr. Speaker, I believe that it is long past time for the Congress to officially recognize the fact that such a terrible crime against humanity took place. To do less would be irresponsible and wrong. The United States Archives contain extensive documentation regarding the Ottoman Turkish Government's premeditated attack on the Armenian people between 1915 and 1923.

The Archives also document American interventions to prevent the full realization of Ottoman Turkey's genocidal plan and provide humanitarian assistance to those who survived.

Mr. Speaker, how long will we as a Nation turn our backs on this vicious crime? How long can we let it escape official documentation? It is time that America of today take its rightful place alongside of America of that day, the America of Henry Morgenthau, the America that stood up to the Ottoman depredations and offered what assistance it could.

Surely, this is the least we can do.

## COMMEMORATING THE 80TH ANNIVERSARY OF THE ARMENIAN GENOCIDE

SPEECH OF

**HON. LYNN C. WOOLSEY**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, May 2, 1995*

Ms. WOOLSEY. Mr. Speaker I rise to join my colleagues today in honoring the memory

of the 1.5 million Armenians who perished during the genocide of 1915. This horrible period still haunts us today, and the memory of the men, women, and children who perished remains.

This was the first true genocide of the 20th century. Despite the atrocities which occurred at the hands of the Turkish Empire, despite the documentation, the eyewitness reports, and countless publications which describe these atrocities, some people continue to deny that this crime against humanity actually took place.

Fortunately, there are many Members of Congress who have been willing to rise up and take a stand against this denial. I want to take this opportunity to thank the Members who joined me in initiating a letter to President Clinton, urging him to officially recognize the Armenian genocide: FRANK PALLONE, JOHN PORTER, and MARGE ROUKEMA. Congress can only make its voice heard on this issue if people like us, Democrats and Republicans, east coast and west coast, join forces to push for the recognition of this terrible human tragedy.

I would also like to thank the Armenian National Committee, especially Elizabeth Chouldjian, for her ongoing vigilance and dedication in providing me with useful and timely information on Armenian issues. Without your help, Elizabeth, I would be unable to do this work on behalf of Armenian-Americans in my district and around the country.

Mr. Speaker, if the international community is serious about preventing crimes against humanity, it is essential for us to recognize the atrocities that occurred against the Armenian people at the beginning of this century, by honoring the memory of 1.5 million men, women, and children who perished. I urge my colleagues to join me in recognizing the 80th anniversary of the Armenian genocide.

## COMMEMORATING THE 80TH ANNIVERSARY OF THE ARMENIAN GENOCIDE

SPEECH OF

**HON. WILLIAM O. LIPINSKI**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, May 2, 1995*

Mr. LIPINSKI. Mr. Speaker, this year marks the 80th anniversary of a profound tragedy. I am referring to the Armenian genocide of 1915 to 1923, carried out by the Ottoman Empire.

It is not a story that is widely known. There is little mention of it in our history books. It is not taught to our children in school. And it is not commemorated on the kind of scale it deserves. On behalf of the Armenians who live in my community, I take this opportunity to honor the victims of the genocide.

The Armenian genocide was the culmination of a long effort by the Ottoman Turks to destroy the Armenian people. During the decades preceding the First World War, the Ottoman government tried repeatedly to achieve this goal. In 1895 300,000 died. In 1909 another 30,000 died before the Western powers intervened to stop the bloodshed.

Unfortunately, World War I provided the cover they needed. With Europe and the United States preoccupied by war, the Ottoman

Turks carried out their massacre without outside attention or interference. The genocide began on April 24, 1915, with a sweep of Armenian leaders. It did not end until 1923 when the entire Armenian population of 2 million had been killed or deported.

It is estimated that 1.5 million Armenians died at the hands of the Ottoman Turks—half of the world's Armenian population at the time. By 1923 the Turks had successfully erased nearly all remnants of the Armenian culture which had existed in their homeland for 3,000 years.

As we look back on this tragedy today, we see the memory of the victims insulted by those who say the genocide did not happen. A well-funded propaganda campaign forces the Armenian community to prove and improve the facts of the genocide. This is itself a tragedy for a people who would rather devote their energy to commemorating the past and building the future.

I stand here today to say the genocide did happen. Nobody can erase the painful memories of the Armenian community. Nobody can deny the photos and historical references. Nobody can deny that few Armenians live where millions lived over 80 years ago.

It is our responsibility and our duty to keep the memories of the genocide alive. A world that forgets these tragedies is a world that will see them repeated again and again. The story of this and other genocides must be known by all.

We must also honor the victims who perished so brutally. We cannot right the terrible injustice inflicted upon the Armenian community and we can never heal the wounds. But by properly commemorating this tragedy, Armenians will at least know the world has not forgotten the misery of those years. Only then will Armenians begin to receive the justice they deserve.

#### DIVIDENDS RECEIVED DEDUCTION

**HON. BILL ARCHER**

OF TEXAS

**HON. SAM GIBBONS**

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 3, 1995*

Mr. ARCHER. Mr. Speaker, recent news reports suggest that corporate taxpayers may be attempting to dispose of stock of other corporations through stock redemption transactions that are the economic equivalent of sales. The transactions are structured so that the redeemed corporate shareholder apparently expects to take the position that the transaction qualifies for the corporate dividends received deduction and therefore substantially avoids the payment of full tax on the gain that would apply to a sales transaction.

For example, it has been reported that Seagram Co. intends to take the position that the corporate dividends received deduction will eliminate tax on significant distributions received from DuPont Co. in a redemption of almost all the DuPont stock held by Seagram, coupled with the issuance of certain rights to reacquire DuPont stock.—See, for example Landro and Shapiro, *Hollywood Shuffle*, Wall Street Journal pp. A1 and A11, April 7, 1995; Sloan, *For Seagram and DuPont, a Tax Deal that No One Wants to Brandy About*, Wash-

ington Post p.D3, April 11, 1995; Sheppard, *Can Seagram Bail Out of DuPont without Capital Gain Tax*, Tax Notes Today, 95 TNT 75-4, April 10, 1995.—Moreover, it is reported that investment bankers and other advisors are actively marketing this potential transaction. We would like to express our appreciation to Congressman STEPHEN HORN for his efforts in bringing this issue to our attention.

Today we introduce legislation intended to curtail the use of such transactions immediately. We believe the approach adopted in the bill is the correct approach, given the incentives under present law for corporations to structure transactions in an attempt to obtain the benefits of the dividends received deduction. We welcome comments on the bill and recognize that additional or alternative legislative changes may also be appropriate. However, it is anticipated that any legislative change that is enacted would apply to transactions after May 3, 1995.

No inference is intended that any transaction of the type described in the proposed legislation would in fact produce the results apparently sought by the taxpayers under present law. The bill does not address and does not modify present law regarding whether a transaction would otherwise be eligible for the dividends received deduction, nor is it intended to restrict the IRS or Treasury Department from issuing guidance regarding these or other issues.

The bill is directed at corporate shareholders because it is believed that the existence of the dividends received deduction under present law creates incentives for corporate taxpayers to report transactions selectively as dividends or sales. No inference is intended that any transaction characterized as a sale under the bill necessarily would be so characterized if the shareholder were an individual.

#### DESCRIPTION OF THE BILL

Under the bill, except as provided in regulations, any non pro rata redemption or partial liquidation distribution to a corporate shareholder that is otherwise eligible for the dividends received deduction under section 243, 244, or 245 of the code would be treated as a sale of the stock redeemed. The bill applies to dividends to 80-percent shareholders that would qualify for the 100-percent dividends received deduction as well as to other transactions qualifying for a lesser dividends received deduction. It is not intended to apply to dividends that are eliminated between members of affiliated groups filing consolidated returns. However, it is expected that the Treasury Department will consider whether any changes to the consolidated return regulations would be necessary to prevent avoidance of the purposes of the bill.

The bill would replace the present law provision (sec. 1059(e)(1)) that requires a corporate shareholder to reduce basis—but not recognize immediate gain—in the case of certain non pro rata redemptions or partial liquidation distributions.

It is intended that the bill apply to all non pro rata redemptions except to the extent provided by regulations.

The bill retains the existing Treasury Department regulatory authority, contained in section 1059(g) of present law, to issue regulations, including regulations that provide for the application of the provision in the case of stock dividends, stock splits, reorganizations, and other similar transactions and in the case of

stock held by pass through entities. Thus, the Treasury Department can issue regulations to carry out the purposes or prevent the avoidance of the bill.

It is expected that recapitalizations or other transactions that could accomplish results similar to any non pro rata redemption or partial liquidation will also be subject to the provisions of the bill as appropriate.

It is also expected that redemptions of shares held by a partnership will be subject to the provision to the extent there are corporate partners.

There are concerns that taxpayers might seek to structure transactions to take advantage of sale treatment and inappropriately recognize losses. It is expected that the Treasury Department will by regulations address these and other concerns, including by denying losses in appropriate cases or providing rules for the allocation of basis.

It is anticipated that the private tax bar and other tax experts will provide input concerning the proposed legislation before its enactment. It is hoped that this process will identify any problems with the proposed legislation and potential improvements. Comment is encouraged in particular with respect to the loss disallowance provision, including whether the loss disallowance should be mandatory. Comment is also encouraged as to whether additional transition should be provided for existing rights to redeem contained in the terms of outstanding stock or otherwise.

#### EFFECTIVE DATE

The bill would be effective for redemptions occurring after May 3, 1995, unless pursuant to the terms of a written binding contract in effect on May 3, 1995 or pursuant to the terms of a tender offer outstanding on May 3, 1995.

No inference is intended regarding the tax treatment of any transaction within the scope of the bill. For example, no inference is intended that any transaction within the scope of the bill would otherwise be treated as a sale or exchange under the provisions of present law. At the same time, no inference is intended that any distribution to an individual shareholder that would be within the scope of the bill if made to a corporation should be treated as a sale or exchange to that individual because of the existence of the bill.

#### BROADCAST OWNERSHIP BILL

**HON. CLIFF STEARNS**

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 3, 1995*

Mr. STEARNS. Mr. Speaker, today, I am proud to introduce a bipartisan bill to reduce the restrictions on ownership of broadcasting stations and other media of mass communication. Congressman RALPH HALL from Texas, along with a number of my esteemed Republican colleagues support this bill which repeals antiquated rules and regulations and brings broadcasting up to date with technology. The bill states that the FCC is not to prescribe or enforce any regulations concerning cross ownership. The only rules that the FCC can make address national caps and local ownership combinations. The video marketplace has undergone significant changes. Today, most Americans have access not only to many