of taxes, than do our senior citizens who choose to work beyond this very low \$11,200 cap.

Our bill will raise that tax over a few years from \$11,200 to \$30,000. This whole bill is fair and responsible, and our senior citizens know.

THE \$64 BILLION QUESTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. STUPAK] is recognized for 5 minutes.

Mr. STUPAK. Mr. Speaker, when I was growing up as a young kid in northern Michigan, we used to have a saying, and I think it was a popular TV program, that the \$64,000 question, the \$64,000 question is, and part of that game show was if you got it right you would get \$64,000. That was the big question back then, and that was the question that everyone wanted to answer because it was the epitome of all questions. And if you would answer that, you would be so much further ahead.

This \$64,000 question used to be the ultimate question. But I guess in today's terminology and now in the 1990's it was the mother of all questions.

Mr. Speaker, the \$64,000 question has now grown with inflation and all to a \$63 million question, a \$63 million question, a question that we must have an answer to. It is a question that America needs an answer to. It is a question that this institution as an institution needs an answer to.

The \$63 million question is whether or not the President will veto H.R. 381, the bill which amends the IRS Tax Code to permanently extend the deduction for health insurance costs of selfemployed individuals.

Well, I agree with that provision. I think probably most Members in this House would agree with that provision. I agree that the intent of the bill, H.R. 381, was to permanently extend the deduction for health insurance costs for self-employed individuals.

But in that bill that was voted on last Thursday, which most Members on this side of the aisle, Democratic Members, voted no, there was a \$63 million question. Because in there was a \$63 million deal for one self-employed individual named Rupert Murdoch.

Now, I do not know if Mr. Murdoch does or does not need the 25 percent deduction for his health insurance, as was the original intent of H.R. 381. For I believe that probably one of his companies probably picks up his health insurance. But I will not give him the \$63 million special exemption allowed to only him and only to his company under H.R. 381.

You see, H.R. 381 not only permanently extends the deduction for health insurance costs for self-employed individuals but it also repeals the provision of nonrecognition of gain. It repeals the capital gains tax if you sell your FCC license, Federal communication

Perot pays less taxes, a smaller percent license or a TV or radio station to a minority-owned company. If you did that, you did not have to pay the capital gains tax. We had a big hoopla about that because of the Viacom deal.

So in this bill we went back. We were going to correct all that. We were not going to give special tax breaks to minorities anymore in capital gains. And that was found in H.R. 381, and we repealed that special tax break.

Many of the people, I am sure, listening in this audience said that was a good provision. But is it good that only one person or one company gets a \$63 million tax break? Why is this special tax break repealed for everyone, repealed for every company except Mr. Murdoch? A \$63 million tax break for one individual and his company by specifically exempting that company and that deal under H.R. 381.

I well remember Mr. Murdoch. That is not the first time his name has came up in this esteemed body. His company gave the Speaker a \$4.5 million book deal. Now Mr. Murdoch gets a \$63 million special tax deal. He pays no capital gains tax for this and his company under the profit or from sale of his corporation, a capital gains tax that was to help but one person who, if my memory serves me correct, that individual is not even a citizen of this country. yet Mr. Murdoch and his country gets a huge tax break. Why another \$63 million deal?

Mr. President, I hope you veto this bill. In your veto message I hope you will tell Mr. Murdoch there is no special deals in this body, in the House. Tell Mr. GINGRICH there is no special deal for owners of companies that give special deals on books. Tell them no special tax cuts to individuals who are not citizens of this country.

□ 1930

DEBATE ON TAX PLAN **PROVISIONS**

The SPEAKER pro tempore (Mr. KINGSTON). Under a previous order of the House, the gentleman from Ohio [Mr. HOKE] is recognized for 5 minutes.

Mr. HOKE. Mr. Speaker, I wonder if the distinguished gentleman, since it is on my time, would answer one question. Who was it that insisted at the conference that this sweetheart deal for Murdoch be placed in the conference report? Who was the individual that did that?

Mr. STUPAK. Mr. HOKE, I am not part of the conference committee.

Mr. HOKE. Do you know the answer? Mr. STUPAK. No, I do not.

Mr. HOKE. I know the answer. The answer is the junior Senator from Illinois, the Democrat, Ms. Moseley-BRAUN. She is the one that insisted on it. She is the one that asked it be put in the conference report.

Mr. STUPAK. If the gentleman will yield, I know you have read the same articles I have on the \$63 million deal from Mr. Murdoch. When that question was put to the junior Senator from Illinois, what did she say? What did she say? If I had my way, we would never repeal the exemption for minorityowned stations, and that junior Senator is a minority, because she thinks it is wrong. She opposed it.

Mr. HOKE. Reclaiming my time, that does not answer the question. The question is who put it into the conference report? Clearly it was the junior Senator from Illinois. And your attempt to somehow smear this Speaker on this, when the Speaker had absolutely nothing, nothing whatsoever to do with this, is such a blatant and ugly and clearly politically, partisanly motivated ploy, I do not understand why you make it, when it is so transparent, when it is pointed out that the Speaker had nothing to do with it.

The Speaker was not involved with the conference. As I understand it, this is something that was put in the conference report by the junior Senator, a Democrat Senator, from Illinois, with respect to a specific request that was made to her, not even by, as I understand it, Rupert Murdoch, but by Quincy Jones. Have I got the facts wrong?

Mr. BONIOR. If the gentleman will yield, let me shed a little light on this. You are indeed correct that this was put in the conference and was put in at the behest of the Senator from Illinois to take care of a deal that was pending. But what you are not correct on is that there were 18 deals pending, and this was the only one that was accepted.

Now, you know as well as I do, my friend from Ohio, that in order for something to come to this floor to be discussed, it has got to get the Speaker's approval. The Speaker, I believe, admitted today in a conference he had with reporters that he met with Congressman ARCHER, the chairman of the Committee on Ways and Means, and they talked about this very issue. And they agreed to let it come to the floor. Nobody in this institution knew it was in the bill, except maybe a handful of people. It got out of here on a voice vote after we opposed the bill when it came to the House floor because of the billionaire exemption it had in it, and nobody knew here. That is not the way to do business.

Mr. HOKE. Reclaiming my time, the fact is that the Speaker had nothing to do with this piece of legislation in its minutiae and in the detail you are speaking of with respect to a specific request that the Democrat Senator from Illinois, Ms. Moseley-Braun, wished to have made in order and insisted on at conference.

Those are the facts. Whether or not Mr. ARCHER and Mr. GINGRICH discussed the bill in general and in its terms is hardly the issue. The issue is who insisted that this be put in at conference. Obviously it was not Mr. ARCHER.

Mr. BONIOR. Who insisted it stay in this bill?

Mr. HOKE. This is my time. It was not Mr. ARCHER, it was not Mr. GING-RICH, it was Ms. MOSELEY-BRAUN. It

was not something that our side wanted anything to do with. It was special legislation for the junior Senator from Illinois.

Mr. Speaker, what I was going to ask was for people to put on their green eye shade so that I could go through some of the details of exactly how we are going to reduce the tax burden for senior citizens. Unfortunately, I will not have time to do that.

What I will say is we are going to on Wednesday restore the \$25 billion in cuts that were made in Social Security, cuts to senior citizens by this Congress. Not a single Republican voted in favor of those cuts in August of 1993, and we are going to restore those cuts so that senior citizens are not deprived of their Social Security benefits that were deprived to them by the Democrat Members of the House and of the Senate.

A TAX CUT OR A TAX INCREASE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. WYNN] is recognized for 5 minutes.

Mr. WYNN. Mr. Speaker, I rise this evening to join the fray in the debate about the tax increase that we are about to vote on this week. I am very concerned about the issue of tax fairness. I think what we have seen over the past couple of weeks is a consistent pattern wherein the Republican majority has consistently stolen from the poor to give to the rich. This is not an issue of whether there ought to be tax break for middle class, working poor people in America, because that is not what there tax break does. It goes to people who make as much as \$200,000 a year, and I think that is wrong.

This was dramatically illustrated when we analyzed the proposal to cut the school lunch program, and the Republicans suggested we will cut the school lunch program, we will underfund it in comparison to anticipate needs, we will not adjust for inflation, so we can cut money out of this program to help fund the tax cut.

It is evident in the attempts to cut the college scholarship program. Once again, taking from the middle class, the working class, in order to fund tax increases that benefit people who make up to \$200,000 a year. It is my view that if there is going to be a tax break, it ought to be given to people who are making under \$100,000 a year, not the wealthy people, not the attorneys and the Congress people and people like that who do not need it.

Or, and there seems to be a lot of sentiment that this is what ought to be done, we ought to take that money and put it into deficit reduction. Even when I talk to some of the wealthy people who would get this tax break, and I say do you, making \$150,000 a year, want this \$500 per child tax break, or do you want to see this money go for deficit reduction? Overwhelmingly, the professionals, more

well off people, say Congressman, what we need to do is put this money into deficit reduction.

So it seems to me the Republicans are wrong on two accounts. They are wrong for taking money out of the mouths of children to fund a tax cut for the wealthy, and for not responding to the legitimate needs of the country, which is deficit reduction.

What I wanted to focus on today is yet another indictment of the Republican tax proposal in that it creates an additional tax on working people, a specific category of working people, Federal employees, I rise today to express my grave concern for several measures contained in H.R. 1327. I am concerned specifically about title IV of this measure.

While my colleagues on the other side of the aisle will tell you they are reducing the taxes for the American family, in actuality they are increasing taxes for some of our hardest working citizens, Federal workers. Under the proposal coming forth this week, 2 million people working for the Federal Government will be taxed an additional 2.5 percent of their income. This socalled contribution comes in the form of an additional contribution by these Federal employees toward their retirement. What this amounts to on average is a \$750 per year tax on the average Federal employee who makes \$30,000 a vear.

Now, what I cannot understand is how they are going to receive on the one hand a \$500 per child tax break, but yet on the other hand lose in the form of an additional contribution, additional taxes toward their retirement, \$750 a year. They are going to be \$250 in the hole.

There may be some question in Republican minds as to whether this is a tax. Well, the Congressional Budget Office scored this as a revenue, which means it is in fact a tax. Apparently the CBO knows it is a tax, yet the chairmen of the Committee on the Budget and the Committee on Rules would not recognize this as being the case.

The proposal to increase the employee contribution is so ludicrous that even several Members of the Republican Party have stated should their party continue to pursue this proposed tax credit, they would vote against the measure.

Let me repeat, and urge my colleagues to listen carefully. This bill coming before the House tomorrow taxes Federal employees making \$30,000 a year to provide a tax credit for those making up to \$200,000 a year. Each Member of this House has Federal workers in their district. I hope you will stand up and tell them you are imposing a tax on them so you can give someone making \$200,000 a tax break.

As the saying goes, the devil is in the details, and this is certainly the case. The Federal contribution would be increased from 7.0 percent to 9.5 percent of salary in order to meet this require-

ment. This is an unusual situation because initially it was couched as a suggestion that there needed to be some sort of change in the system, that the retirement system was somehow flawed. But in fact a study by the Congressional Research Service indicated that there was no unfunded liability. So if it is not to solve unfunded liability, it can only be to round up money to provide tax benefits for the wealthy.

Mr. Speaker, I hope we will reject this ill-conceived recommendation.

FAMILY TAX RELIEF IMPORTANT FOR AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. HUTCHINSON] is recognized for 5 minutes.

Mr. HUTCHINSON. Mr. Speaker, I welcome the opportunity to appear before the committee today to discuss the importance of family tax relief. Let me say at the outset, Mr. Speaker, how must I appreciate your personal commitment to the American family and your leadership in promoting legislation which strengthens and empowers American families.

The intact family is our country's most effective government—the most effective department of housing, the most effective department of education, the most effective department of human services, and the most effective department of labor.

The family is the fundamental unit of society, the guardian of our social fabric and primary conveyor of values. Yet it has been under attack by an unsympathetic government. We could not have devised more antifamily public policy—to the end of undermining the traditional American family—than if we had sat down and consciously designed such a plan.

We have taxed them until both parents have to work in the job market, regardless if one wishes to stay at home and rear the children. The average family of four now spends 38 percent of its income on taxes—more than it spends on food, clothing, housing and recreation combined.

We have allowed the value of the dependent exemption to erode over time until it is worth only a fraction of what it was 40 years ago. In effect we have said that children and families are of less value than they were in the last generation.

We have allowed a marriage penalty to exist in our tax law that sends the undeniable signal to our citizens that marriage isn't really all that important.

We have codified inequitable IRA tax provisions that say a spouse in the marketplace is more valuable to society than one in the home.

We have created a costly and bureaucratic adoption system that leaves thousands of adoptable children in less stable and secure environments than they could be enjoying.