

THE PRICE OF PANDERING WITH
TAX CUTS

(Mr. MEEHAN asked and was given permission to address the House for 1 minute.)

Mr. MEEHAN. Mr. Speaker, the Republican tax plan is not about helping out struggling families. It is about pandering with promises that will destroy our economy if they are kept.

Call me cynical, but I do not think Republicans want to give tax credits for children because they believe in family values but because people with kids are likely to vote.

Republicans do not want to let large corporations avoid paying taxes because they think it will boost productivity, but because the people who run those companies are big givers to Republican campaigns.

Do not be fooled, America. The price of this pandering will be paid by ordinary working families, the very people Republicans claim to be trying to help.

Cutting student loans to pay for tax cuts now will make it harder to send their kids to college. Opening tax loopholes for the wealthy and corporations will smother the economy with debt, eroding the living standards of the middle class.

Let us cut wasteful spending and balance the budget. But until then, the pandering on tax cuts has got to stop.

□ 1145

NEEDED TAX RELIEF

(Mrs. SEASTRAND asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

(Mrs. SEASTRAND. Mr. Speaker, tax relief for middle-class families is long overdue. President Clinton promised middle-class tax cuts, but he walked away from his promise. He promised deficit reduction, and this year he walked away from that promise. This new Congress promised both deficit reduction and tax cuts for the middle class, and unlike the previous 40 years of one-party rule, we are keeping our promise of tax relief for families.

Our bill will help families by providing them with a \$500 per child tax credit targeted to the middle class. It will help families pay for college tuition by expanding penalty-free IRA withdrawals, and it will help our senior citizens by restoring the cuts in Social Security that were passed by the Clinton Democrats.

Members on both sides of the aisle can either stand on the sidelines as we make tough votes, or they can join us as we work to ultimately balance the budget, provide tax relief to create jobs, help families, and provide a better future for our children and grandchildren by protecting the American dream.

THIS TAX BILL IS A CRUEL
DREAM MACHINE

(Ms. KAPTUR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KAPTUR. Mr. Speaker, the Republican contract calls parts of today's tax bill the American dream. Well, I, too, have an American dream. My dream is that we pay off the debts of this century and not pass on \$4.7 trillion of debt to the next generation. This Republican bill will cost our taxpayers up to \$700 billion over the next 10 years. Under the Republican bill it is absolutely wrong that households earning \$200,000 would receive an average tax cut of over \$11,000 while those under \$30,000 receive a hundred bucks. In fact, working families with two children with incomes of up to \$16,000 would not get anything, while those with adjusted gross incomes of up to \$250,000 would receive a \$500 per child tax credit.

This bill is a cruel dream machine. To make matters worse, huge corporations would no longer pay even the minimum tax. Vote for what is right. Do not wait for the next election. Vote "no" on this Republican bill.

LET US PASS THIS TAX BILL
TODAY

(Mr. WHITE asked and was given permission to address the House for 1 minute.)

Mr. WHITE. Mr. Speaker, a week or two ago I made a very difficult decision. There is nobody in this House who wants to cut taxes more than I do. But I decided that I would not vote for the tax cuts that we are going to consider today unless I was sure we had the spending cuts to go along with them. I did not want to make the deficit worse, and, as I explained when I sat down and talked to leadership about this, I do not think we should go on a diet, or I do not think we should eat our dessert before we go on a diet. We have got a lot of hard work to do this summer to get the spending cuts under control. Then it would be time to pass the tax cuts.

Well, Mr. Speaker, I am very pleased to say that the bill we are going to consider today does exactly that. The tax cuts under this bill do not take effect unless we have done our job this summer with the Senate to enact laws that will balance the budget. The great genius of this, Mr. Speaker, is that, when every special interest group comes to see us this summer asking us to save their particular program, the American people will know that, if we do our job and they help us do our job, we will be able to cut their tax.

That is what we should do. Let us pass this bill today.

FEDERAL EMPLOYEES PAYING
FOR REPUBLICAN TAX CUTS

(Mr. HOYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOYER. Mr. Speaker, this is the Contract With America. This is a Contract With America, and I have looked at the fine print, and it does not say we are going to increase the taxes on 2 million people. It does not have a provision which says that on 2,000,000 of our employees' families you are going to have to tax increase. It does not say to those that are working for the Federal Government and our employees in this House, "If you make \$20,000, you're going to have a \$500 tax increase; if you make 30, you're going to have a \$750 increase; if you make 40, a thousand dollar increase, and if you make 50, a \$1,250 tax increase so we can give a tax cut for the wealthiest of America."

"Now STENY HOYER has a lot of Federal employees." My colleagues are saying, "This is a tax increase; we don't believe it."

Let me quote GERALD SOLOMON, chairman of the Committee on Rules: "I have to agree with you that this is a case where we are raising taxes on some to pay for tax cuts for others," and that to me says Chairman SOLOMON is wrong.

THE TIME IS RIGHT FOR A
DEBATE ON TAXES

(Mr. ROTH asked and was given permission to address the House for 1 minute.)

Mr. ROTH. Mr. Speaker, yes, this is preeminently the time for us to debate taxes. The people in America are filling out their tax returns, and they are darned mad and they are not going to take it anymore.

Some here in Congress wonder why the American people are so upset. Well, let me give an example:

Here is a letter from a constituent of mine, a man I represent back home in Wisconsin, who points out that the FBI Director on Tuesday pointed out that \$44 billion—let me repeat that—\$44 billion of our national health costs go to fraud.

Now, no wonder the American people are upset. People are sick and tired of all the waste, fraud, and abuse.

Yes, we need tax breaks because maybe the less money we give to the Federal Government, just maybe, it will be less that will be wasted.

THE CIRCUS IS UNDER THE
CAPITOL DOME

(Mr. GENE GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GENE GREEN of Texas. Mr. Speaker, the circus is in the District of Columbia today, and it is actually outside these doors of the Capitol. So we

bring in the clowns. We will shoot \$500 tax cuts out of a cannon and sell cotton candy wrapped around a capital gains cut. Who is left paying at the ticket booth? Well, our senior citizens, our grade school and college students who have already sustained cuts, construction workers, mothers, and finally all taxpaying Americans.

Today the Republican majority will attempt to pass a bill which will create the largest deficits that have been proposed recently. Welcome to the real circus under our Capitol dome. The Republican majority are working to give the top 2 percent Americans 58 percent of that \$180 billion tax cut. The 10-year cost will be \$630 billion. Now that reality is under the big top.

The bears and elephants are not eating peanuts but hundred-dollar bills at our expense, from the pockets of hard-working Americans. Children are paying \$2.3 billion in cuts in education and school nutrition programs. I hope they enjoy the circus today because it will be the last one for 10 years.

The Greatest Show on Earth is not Barnum and Bailey, it is under our Capitol dome.

THIS TAX BILL WILL HELP SMALL BUSINESS AND WORKERS

(Mr. ENGLISH of Pennsylvania asked and was given permission to address the House for 1 minute.)

Mr. ENGLISH of Pennsylvania. Mr. Speaker, I believe it is time for Congress to make small business stronger and more competitive, and the best way to do that is by passing House Resolution 1215, the Republican tax plan. This legislation will help small business continue its critical role as the largest producer of jobs in our country.

The Republican tax plan increases the amount of capital equipment that a small business can expense, doubling it over a period of time to lower the cost of capital equipment, for cost of capital for equipment, used by small business. This assists cash-starved small businesses that need to make strategic capital investments to survive, and it encourages small business growth.

What this legislation does is it makes American workers more productive and more internationally competitive. This legislation is pro small business, it is pro worker. It is time we passed it.

THIS WEEK, THE REPUBLICAN CIRCUS CLOSSES

(Mr. GUTIERREZ asked and was given permission to address the House for 1 minute.)

Mr. GUTIERREZ. Mr. Speaker, the circus came to town today. But, you know what? If you were looking outside on the Capitol Grounds, you missed it. The real circus is right inside the House, as the Republicans clown around to try to pass this tax cut for the wealthy and well-off.

Step right up and you will see the Republicans juggle numbers—it will be

a little clumsy, but they'll still try to pull it off. You will see elephants—that great symbol of the Grand Old Party—dance and stomp around, just as you will see the Republicans dance around the issue of deficit reduction, and stomp on the principle of tax fairness.

You want to see a high wire act? Well, do not bother watching death-defying professional acrobats when you can watch professional politicians defy logic during their high-wire act.

And the Republicans will even perform without a net! Unfortunately, it is your safety net: loans for college education, school lunches and nutrition programs for your kids, heating assistance for the elderly.

Well, the circus came to town. But, eventually, the tents get folded, the sawdust gets swept up, and the elephants and clowns get back on the train. This week, the Republican circus closes. Let us hope it does not return.

THE TRUTH ABOUT THE CONTRACT'S FAMILY TAX CUTS

(Mr. RIGGS asked and was given permission to address the House for 1 minute.)

Mr. RIGGS. Mr. Speaker, to reduce the tax burden on working middle class families we Republicans are proposing a \$500 a year tax credit for each child under 18 years old in tax-paying families with income less than \$200,000. Using their tired refrain of class warfare, Democrats are calling our proposal a proposal that would benefit only the rich. Let us take a look at the truth.

The families of 52,000,000 American children, which comes to 35,000,000 families, are eligible for the \$500 per child tax credit. In fact, according to the House Committee on Ways and Means, the family tax credit would lessen the tax burden on a vast majority; in fact, 89 percent of these families. The \$500 per child tax credit would completely eliminate the Federal tax burden for 4.7 million working families at the lowest income levels.

The bottom line: The contract tax credit will provide families with \$120 billion in tax relief over the next 5 years. Just about all families will benefit, the Democrats' class warfare notwithstanding. Family, children, jobs; that is what the Republican tax credit is all about.

INDIA RUBBER MEN UNDER THE BIG TOP TODAY

(Mr. FRANK of Massachusetts asked and was given permission to address the House for 1 minute.)

Mr. FRANK of Massachusetts. Mr. Speaker, I want to talk about an aspect of the circus that we usually see in the sideshow, but it has moved in here, in the big top. That is the India rubber man who can be bent and twisted all out of shape, no bones, no resistance. One can just make all kinds of shapes out of them.

Well, we have about 150 of them represented here. They are, among others, the people that used to be known as moderate Republicans. About a hundred Republicans signed a letter saying they did not like a tax credit for people that made \$200,000, but, like the India rubber man, just because they signed the letter does not mean they cannot be twisted into voting the bill. There will probably be a majority of Republicans who will vote for this bill, having told us how much they do not like some aspects of it. Just like the India rubber man, they will start standing up straight, but the leadership will come, and twist them, and move them, and push them, and, by the time they are through, they will be all bent out of shape, but they will vote for it.

Actually the circus is probably the wrong institution to talk about when we talk about moderate Republicans. The place where they will be found hereinafter is in museums, because there will not be any more left. The pressures that the right wing is able to generate on Republicans means we will continue to see the kind of ultimate flexibility which leads them to sign a letter saying they do not like the tax bill and then get twisted into voting for it.

H.R. 1215 UNFAIR TO FEDERAL WORKERS

(Mr. DAVIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAVIS. Mr. Speaker, I rise to sound the alarm against a huge tax hike on 2 million Americans that has been slipped into H.R. 1215, the package of tax reforms that will be considered on this floor today. Here are the facts:

Fact: The rule governing today's tax debate prevents a clean vote for the tax reductions that were promised in the Contract With America. We will be asked to vote on a package that includes a 2.5-percent payroll tax hike that would cost every Federal worker between \$3,500 and \$11,000 over the next 5 years. The Congressional Budget Office has scored this as a revenue which means that it is a tax. And that's not all.

Fact: The same tax package would reduce lifetime benefits for Federal workers by 4 percent by changing the retirement formula to reflect the highest 5 years of salary as opposed to the current formula based on the highest 3 years of salary. This provision simply makes it more expensive for Federal workers to retire on schedule and encourages them to stay on the payroll longer to make up for the losses in planned retirement benefits.

The tax hike supporters claim that this revenue is needed to fund the CSRS retirement system. Let's look at the facts:

Fact: None of this increased revenue will be set aside in a trust fund for the