

tax as additional flim-flam to spend on a variety of other Government programs that have not really gotten us far, except into debt. I think has moved us in the wrong direction. I personally will be glad to support a repeal of the gas tax, because I believe that, as it relates to taxes, America is running out of gas. We are tired of taxes. We realize that we have them at a higher and higher level.

Last week, the Department of Commerce released the data for this last year, and we have had the highest tax rate from the Federal Government we have ever had in the history of America. We fought the world wars and charged American citizens less than we are charging them now. We spent our way out of the Depression and charged America less than we are charging now. It is time for us to come to grips with the responsibility we have to put Government under control, to change the Washington-knows-best way of doing business. It is time for us to be sober about our responsibilities as it relates to the hard-earned money of our constituents. As it relates to taxes, America is running out of gas. It should be running out of a gas tax which was inappropriately levied in 1993 and should be appropriately repealed by the U.S. Congress in 1996.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Ms. SNOWE). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### MORNING BUSINESS

Mr. DOLE. Madam President, I ask unanimous consent that there now be the period for the transaction of morning business with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Madam President, many Americans don't have the slightest idea about the enormity of the Federal debt. Ever so often, I ask groups of friends, how many millions of dollars are there in a trillion? They think about it, voice some estimates, most of them wrong.

One thing they do know is that it is the U.S. Congress that has run up the enormous Federal debt that is now over \$5 trillion.

To be exact, as of the close of business yesterday, May 6, 1996, the total Federal debt—down to the penny—stood at \$5,090,257,303,263.75. Another sad statistic is that on a per capita basis, every man, woman, and child in America owes \$19,223.62.

So Madam President, how many million are there in a trillion? There are a

million million in a trillion, which means that the Federal Government owes more than five million million dollars.

Sort of boggles the mind, doesn't it?

#### HONORING THE NICHOLS CELEBRATING THEIR 50TH WEDDING ANNIVERSARY

Mr. ASHCROFT. Madam President, families are the cornerstone of America. It is both instructive and important to honor those who have taken the commitment of "til death us do part" seriously, demonstrating successfully the timeless principles of love, honor, and fidelity. These characteristics make our country strong.

I rise today to honor Mr. Loren and Mrs. Orpha Nichols of Savannah, MO, who on March 28, 1996, celebrated their 50th wedding anniversary. My wife, Janet, and I look forward to the day we can celebrate a similar milestone. The Nichols' commitment to the principles and values of their marriage deserves to be saluted and recognized. I wish them and their family all the best as they celebrate this substantial marker on their journey together.

#### TAX FREEDOM DAY

Mr. HATCH. Madam President, I rise today to join with many of my friends and colleagues in acknowledging a red letter day. Today is tax freedom day—the day the American family breaks the shackles placed on them by high taxes in this country, the day when Americans can stop working for the Government and start working for themselves.

Not until May 7, 1996, do average families actually earn enough money to start paying their own bills instead of the Government's. Not until May 7 do average Americans have after-tax money to pay for their houses. Not until May 7 do average Americans have after-tax money to buy food and clothing for their families.

And, never has tax freedom day occurred so late in the year. Look at the calendar: 1996 is more than one-third over. Americans work one-third of the entire year just to support governments.

I often wish the big spenders both in Congress and in the executive branch would stop thinking in terms of revenue and start thinking in terms of what revenue really is—taxes. We need to measure this burden and talk about it in personal terms, not just in vague budget-speak. You know, there are folks in America to whom \$100 million is a lot of money—not just a mere point one on a computer printout.

To help illustrate this problem, I would like to take a closer look at the tax burden of a family from my home State of Utah:

A Utah family of four with an estimated median income of \$44,871 pays approximately \$8,800 in direct and indi-

rect Federal taxes. On top of this outrageous amount, they must also pay over \$5,700 in State and local taxes, bringing the total family tax burden to \$14,538. This is an effective tax rate of 32.4 percent.

Now, while a family income of about \$45,000 might sound like quite a bit of money in some parts of the country, I think few people, besides possibly President Clinton, would venture to call this family of four rich.

Madam President, as you can see, the tax burden of a family with this income is astronomical. However, the cost of the Federal Government to them does not end with these taxes. In order to accurately estimate the Government's true burden on Utah families, we must also calculate the regulatory costs and their effect on the prices of goods and services. We must factor in the higher interest rates that families must pay as a result of the Federal deficit.

In essence, Federal, State, and local taxes on the family are all increased by excessive Federal borrowing. Excessive Federal regulation combined with the increase in interest payments raises the Government's cost by \$8,600. Thus, the estimated total of Government costs to this typical Utah family is over \$23,000. That is about 52 percent of their income. Utah families deserve better. Every American family deserves better.

The Balanced Budget Act of 1995 was predicated in large part on the idea that the American public could spend their money more effectively than the Federal Government could spend it. Not only did the Balanced Budget Act contain a bona fide plan for balancing the budget within 7 years, it also contained a number of tax reductions geared to helping American families and to spurring economic growth.

A balanced budget is not a new idea. Until the mid-1930's, this Government regularly managed to balance its books every year except in wartime; and, even then, the debt was repaid as soon as possible after the crisis was over. But, in the 1960's, things really got out of hand. Entitlements flourished. And, of course, less and less restraint on spending meant more and more taxation. Big government means big taxes.

However, President Clinton chose to veto the Balanced Budget Act. He chose to camouflage his reluctance to cut Government spending and taxes with demagoguery. He claimed that many of the tax cuts in this package were targeted to benefit the rich, regardless of the many studies that demonstrate why this is not true.

He claimed that these tax cuts came at the expense of programs intended to aid the poor and the elderly. But, let's be clear about this: budget experts have made it very clear that these programs must be controlled independent of a tax cut package, not because of one.

And, let's be clear about something else as well: Balancing the budget

should not provide the excuse for not enacting tax cuts. That has been a convenient rationale for those who want to spend and spend. For almost the last half century, Government has spent \$1.59 for every new dollar in taxes. Government isn't taxing the American people to eliminate the deficit; it is taxing people in order to spend.

In 1993, President Clinton worked hard to push through Congress—by a bare one-vote margin in the House and a tie-breaking vote in the Senate by Vice President GORE—one of the largest tax hikes in history.

In 1994, Republican candidates for Congress pledged to cut taxes. In 1995, they delivered. Today, the only thing that stands between the Utah family—as well as millions of other American households—and tax relief is Bill Clinton.

One of the most misunderstood items of the tax cut package is the capital gains tax cut. The truth is that a capital gains tax cut is an investment incentive, and every American could gain from this tax reduction. Let me give you the facts, Mr. President.

From 1985 to 1992, over 7 million taxpayers had a capital gain each year. And, 62 percent of these returns reporting capital gains came from taxpayers reporting \$50,000 or less—\$50,000 or less—of adjusted gross income. We are not talking about a millionaire's tax break. Capital gains relief will benefit millions of American taxpayers.

Moreover, it is estimated that about 12 million lower and middle-income workers participate in some sort of stock equity plan with their employers. Further, many millions more own investments in stocks, bonds, and mutual funds. In fact, 52 percent of the 30.2 million families that own mutual funds report incomes of \$50,000 or below, and 80 percent of these families report incomes of \$75,000 or below.

Thus, capital gains realizations are hardly the exclusive domain of the rich. And these examples do not even touch on the economic benefits—such as new job opportunities—that would result from the unlocking of this estimated \$8 trillion of unrealized capital gains that now sit waiting for the right incentive to come along and unleash it.

The list of other tax provisions that could reduce the burden of this average Utah family goes on.

For instance, the Balanced Budget Act of 1995 included an extension of the research and experimentation tax credit. This credit is very important to the research-intensive high technology industries that supply my State with thousands of jobs. It is this type of tax incentive that ensures Americans that high-paying, high-skilled jobs will stay in the United States and not be exported to countries that are more tax-friendly. It is this type of treatment that allows businesses to be competitive and makes the United States an attractive base for many research-related companies.

The Balanced Budget Act of 1995 also included a \$5,000 credit for qualified

adoption expenses. As anyone who has tried to adopt knows, adoptions are not cheap.

Families that are willing to take a child into their home are often deterred by the initial legal and medical expenses that can easily cost over \$20,000. This \$5,000 credit would allow the typical Utah family some much-needed relief by allowing them to offset their adoption expenses with a dollar for dollar credit that could be carried forward for up to 5 years.

One of the tax provisions that would have provided considerable relief to this same Utah family is the tax credit for children. The Balanced Budget Act of 1995 would have provided a \$500 per child credit. Of course, because Utahns have larger than average families, the citizens of our State would have greatly benefited from this provision. But, most American families could benefit from this break as well.

The credit would have reduced the tax burden for a family with two children by \$1,000. I am sure this Utah family would have a million better ways to use this money.

So, how much did President Clinton's veto of the Balanced Budget Act cost this Utah family, consisting of a mother, a father, and two children? Let's see how much:

\$1,000 in tax credits for children.

\$217 in marriage penalty corrections; and \$5,000, if this family had tried to adopt a child.

And since this family would fall into the 15-percent tax bracket, they would have only paid a 7.5-percent tax on any capital gains that year—an additional 7.5-percent cut in their tax burden.

President Clinton's veto of the Balanced Budget Act cost this family a minimum of \$1,217. And, this figure does not even take into account possible tax savings from capital gains tax rate reductions, the adoption credit, the enhanced IRA provisions, or the increase in the tax credit for health insurance for the self-employed.

It also does not take into account the substantial savings that would accrue to this family on mortgage interest, auto loans, student loans, or other private borrowing given that a balanced Federal budget would lower interest rates an estimated 2 percent.

Although President Clinton was unwilling to enact the Balanced Budget Act's program of tax relief, he now has the opportunity to repeal at least one of the taxes he placed on the American public in 1993—the 4.3-cent-per-gallon gasoline tax.

It is remarkable to me that the Clinton administration decried the Balanced Budget Act for its so-called harm to the poor and to seniors—but exactly who does the White House think is paying the biggest price for this gas tax hike? The gas tax is a particularly regressive tax. Who pays the most? The working poor and those on fixed incomes, that's who.

On Friday, the Finance Committee held hearings on the repeal of the 4.3-cents-per-gallon gas tax. Although

there is some debate regarding how much of an immediate drop there would be in the price of gas as a result of this repeal, many experts agree that the price of gasoline would be 4.3 cents per gallon less than what it would otherwise be. It is no secret that these excise taxes are passed on to the consumer.

So, in observance of tax freedom day, I call upon the President to work with Congress not against it. It is time to for him to put down the veto pen and think about the American family—about this family of four struggling in Utah. It is time to lower the national tax burden and return this money to its rightful owners—American families. The current law is taxing us to death.

#### EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2417. A communication from the Administrator of the Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule relative to Milk in the Central Arizona Marketing Area: Suspension; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2418. A communication from the Administrator of the Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule relative to Winter Pears Grown in Oregon, Washington, California: Amending; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2419. A communication from the Administrator of the Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule relative to Limes and Avacados Grown in Florida: Suspension; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2420. A communication from the Administrator of the Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule relative to Grading and Inspection, General Specification of Standards for Grades of Non-fat Dry Milk; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2421. A communication from the Administrator of the Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule relative to Olives Grown in California and Imported Olives: Establishment of Limited Use; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2422. A communication from the Administrator of the Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule relative to Hazelnuts Grown in Oregon and Washington: Amending; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2424. A communication from the Administrator of the Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule relative to Spearmint Oil Produced in the Far West: Allotment Percentages; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2425. A communication from the Administrator of the Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule