

place a new tax system. But what do we do in the interim, until that debate is completed, before we can make that happen, before we can begin putting in a fair, simple, friendly tax system? I think that is why our budget includes the \$800 billion of tax relief now. This is interim tax relief, but we have to make sure our residents, our workers, at least have some relief from the burden they are paying—again, the highest in the history of taxes.

For those taxpayers who are satisfied with the current system, I wish them the best of luck in preparing their taxes this year. For others, like the hundreds of Minnesotans who tell me they are tired of filling out the complex and endless tax forms, who tell me they do not think it is fair that the Government takes so much of their hard-earned dollars, I invite you to join me in rethinking our tax system. I think we can work together now to create a new and more fair way to fund the Federal Government, one that ultimately makes April 15 just another day, just another day of the year, and not this day that everybody dreads and hates and is now spending many hours, tonight, trying to figure out exactly what they owe in taxes.

Again, I do not know if 40 percent is a fair amount of income to pay to the Federal Government. I do a lot of town meetings, or talk with students. I always like to ask a question to start with: What do you think is a fair percentage of your income that should go to support government? We all need a good government. This is not about getting rid of the government. This is not getting rid of the Federal, State, or local governments. But what is an adequate amount of money to fund the Government, and what kind of services should we demand the Government provide with those tax dollars, not the waste and abuse that is in the system today. Today, if the system runs out of money, they just add more money to it, not look at where the abuse is, whether the money is being spent right. Are we overpaying for services we do not get?

This Government has never had to do what business has to do, and that is, look at how we can provide a service at the least possible cost. If they run out of money, they just want to raise taxes again, raise taxes again, raise taxes again.

When I ask this question at townhall meetings or at town meetings in high schools, of course some will say zero percent. That is not rational. But then we get into the basics, and it usually comes out, people say around 15, 20, maybe 25 percent of their income should go to support all levels of government—Federal, State, and local. But then you tell them they are spending, today, 40 percent of their income to support government.

So, for all of those who are filling out their taxes tonight or have time to take a look at your pay stubs, take a look at exactly how much you are

spending on taxes, and then you can figure in the sales tax, your property tax, all the other taxes that you pay, and just find out how much of your income is going to support government.

Again, for the average family in this country, they are spending more to support Uncle Sam than they are spending on the necessities; That is, food, clothing, shelter, and transportation, and even, in most cases, recreation combined. So the Government is taking a bigger bite out of their paycheck than their family is getting. I think it is time we look at this and find how we can reduce this and allow hard-working Americans to keep a little bit more of their money in their pockets rather than sending it to Washington.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

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

Mr. SPECTER. I thank the Chair.

(The remarks of Mr. SPECTER pertaining to the introduction of S. 822 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. SPECTER. I thank the Chair and yield the floor.

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. First, before the Senator from Pennsylvania gets away, I wish I had been able to hear all of his remarks. But it will be in the RECORD. It was very intriguing. I could not agree more with any concept that envisions simplicity, equity. I think a lot of taxpayers today think somebody else is getting a better deal, and there is a lot of cynicism as a result.

But with a proposal such as you are talking about, everybody knows what the rules of the road are. I think in addition to the many accomplishments that you are suggesting your proposal would achieve would be a confidence among the American people and a reduction in cynicism about somebody getting a benefit that somebody else does not, and that sort of thing. So I commend the Senator for his work.

Mr. SPECTER. Mr. President, I thank my distinguished colleague from Georgia for those very complimentary remarks. I wonder if it would be too presumptuous to list him as a cosponsor.

Mr. COVERDELL. It is not presumptuous to let me think about it.

Mr. SPECTER. Let the Record show the request has been made. I thank the Senator.

Mr. COVERDELL. Thank you very much, I say to the Senator.

COMMENDING SENATOR GRAMS

Mr. COVERDELL. Mr. President, I also commend Senator GRAMS, who was here earlier leading a conversation on the effects and burdens of taxes on the American people and acknowledging that, indeed, Americans are paying the highest taxes they have ever paid in their lives. It is time that the relief occur for workers and families and businesses. He is not here, but I do commend him for his effort.

As we come to the end of the day, I am going to deal with several unanimous consents that have been previously agreed to.

TAX DAY

Mr. BURNS. Mr. President. Today is April 15, Tax Day, and I would like to remind my colleagues how many Americans define this day.

On May 10, 1773, the British parliament authorized the East India Tea Company to export a half a million pounds of tea to the American colonies for the purpose of selling it without imposing upon the company the usual duties and tariffs. It was their intention to try to save the corrupt and mismanaged company from bankruptcy. The effect was that the company could undersell any other tea available in the colonies, including smuggled tea. The disruption to American commerce was unacceptable to many, including Sam Adams of Boston.

On November 27, 1773, three ships loaded with such tea landed at Boston and were prevented from unloading their cargo. Fearing that the tea would be seized for failure to pay customs duties, and eventually become available for sale, Adams and the Boston Whigs arranged a solution. On the night of December 16, 1773, a group of colonists, disguised as Mohawk Indians, snuck aboard the ships and dumped 342 chests of tea into Boston Harbor.

The King's response was the passing of the Intolerable Acts which precipitated the forming of the First Continental Congress to consider united resistance. As we all know, this was the beginning of what is today the longest standing Democracy in the history of civilization.

It is important to reflect on the actions taken on that day in that harbor. It is also important to recognize today is not very different from that historic day. Generally speaking, governments are short-lived and short-sighted. It is the responsibility of Congress to represent the wishes of the people. It is the responsibility of Congress to ensure the people are not abused by the federal government. Acts of arrogance will not be tolerated. Acts of aggression will be punished.

It has long been instilled in our land to criticize the Internal Revenue Service. Last year, Congress had the opportunity to address many of these criticisms. But I need to ask the question—Is the IRS listening?

Over 123 million families will file 1040 returns this year. I have heard from many of these families. I have spoken with Montana families about their trials with the IRS. I have spoken with Montana families about the difficulty of scratching out a living on modest wages and then being forced to pay a significant amount of that on taxes.

Where does the blame lie? Federal spending is the gorilla on the taxpayer's back. The problem also lies with our Nation's Tax Code. How complicated is the Tax Code? Complicated enough to require significant revision—in fact, I think we should scrap the code for a simpler version providing equitable treatment. Here are the facts on the confusing nature of our Nation's Tax Code:

The IRS employs 96,000 workers to collect Federal taxes amounting to \$1.8 trillion and to administer the 1.5 million word income tax code.

The IRS expects to receive 120 million phone calls for assistance this year.

A new Associated Press poll finds that the percentage of Americans who say that Federal taxes have gotten too complicated is up to 60 percent.

The Federal Tax Code is so complex that about half of American families now require the services of tax professionals to file their tax returns.

The IRS estimates that taxpayers will spend an average of 11 hours preparing their 1040's this year.

At a minimum, the cost of collecting the federal income tax, including the value of the billions of hours that taxpayers spend filling forms, is at least 10 cents for every dollar of tax revenue collected.

After the hearings we held last year, I admit I continue to be dismayed over what I consider to be a continuation of the arrogant attitude conveyed by the actions of the Internal Revenue Service.

While the IRS expects taxpayers to fill out their tax forms accurately, the General Accounting Office has just released a report criticizing the agency for poor bookkeeping and failing the same sort of audit that the agency imposes of American taxpayers.

IRS management must recognize that they have a difficult job—promoting quality customer service. Not an easy task considering the historic attitude toward the IRS.

The founding of this great Nation's history begins with the Boston Tea Party—a revolt against tyrannical rule and unfair taxation. Taxes are a necessary evil but, if kept in check, important to all levels of government.

Taxes have created the world's greatest highway infrastructure, contributed to the protection of our nation's borders, and supported the most successful democratic government in history.

But waste and abuse of tax dollars have burdened the American taxpayer with one of the highest levels of taxation in recent years.

Tax collection needs to reflect its controversial history—the IRS does not have the right to use harassment and extortion as tax collection methods. In blunder after blunder, the IRS is flailing in a dismal fall from effectiveness—wasting those same taxpayer dollars they are collecting.

The IRS hearings during the 105th Congress were a very solemn wake-up call. Customer service will never be considered as an IRS attribute, but that's what the IRS needs to pound into their employees—the people who need to learn to work with American taxpayers—not against them.

Perhaps part of the blame lies with Congress. We should not be fooled by IRS reports telling us "we're working out the problems." As the representative body of our Nation, Congress must hold the IRS to a zero tolerance standard.

I have been contacted earlier this tax season, by numerous Montana constituents bearing complaints about the IRS. Most of the constituents are very disgruntled with the length of time it takes to have a resolution processed. They send me folders and files of correspondence. During the lengthy bureaucratic process, debts grow fantastically high with interest and penalties.

One of those cases involves the IRS's denial of due process of legal challenge for past tax years'. But it is not just one—it is many—too many. A fairer less complicated tax system may help to clear up some of the IRS abuses. By simplifying the tax system, one can only think we would simplify our revenue collection system.

Mr. President, tax collectors have a long history of public persecution. Today, my colleagues and I stand here not to tar and feather the tax collector, but to put an end to the abusive culture that has spread like a bacteria throughout the IRS.

TAX FREEDOM DAY

Mr. ALLARD. Mr. President, today is April 15. It is Tax Day. This is the deadline by which we must file our 1040 Form and pay any additional taxes we might owe on top of what was withheld during the year.

Unfortunately, typical Americans will work well beyond April 15, to pay their taxes. This is because Tax Freedom Day does not come until May 11.

Tax Freedom Day is the day in the year to which the typical American family must work just to pay the combined state, federal, and local tax burden. For many Americans the total tax burden now exceeds one-third of family income.

The Tax Foundation just announced today that Tax Freedom Day will move one day further into the year in 1999.

Last year it was May 10, this year it will be May 11. This is the latest day ever, and it marks the sixth straight year that Tax Freedom Day has advanced a day or more further into the year.

As the Tax Foundation has reported year after year, in a typical household the tax bill now exceeds the cost of housing, food, transportation and clothing combined.

In fact, in 1999 the federal tax burden will reach a peacetime high. Nearly 21 percent of the Gross Domestic Product—that is the wealth created in the country this year—will go to the federal government.

As we approach the end of the 20th century it is useful to look back on the history of the tax burden.

The Joint Economic Committee of the Congress estimates that in 1900, the average federal tax burden on a family was 3 percent, and the average state and local burden was 5 percent, for a combined total of 8 percent.

As the century closes the JEC estimates the average federal tax burden on a family is 24 percent, and the average state and local burden is 11 percent, for a total of 35 percent. Mr. President, we have come a very long way.

The IRS estimates that 123 million families will file their tax returns this year. The tax code is so complex that nearly half of these families require the service of some type of tax professional in order to file their tax returns.

This means that on top of the actual tax owed to the government, there is a hidden tax for millions of Americans in the form of tax-compliance and professional services fees. Even for simple tax returns, this can add another \$100 to the tax bill each year.

For small businesses the tax compliance costs run into the thousands of dollars.

Mr. President, it is time for fundamental tax reform. We should begin this process by reducing income tax rates across the board.

We should also eliminate complex and punitive taxes such as the estate and gift tax, and we should continue to build on our successful reform of the IRS by making it possible for most Americans to comply with the tax system with minimal expense and effort.

The federal government is too big, and it costs too much. We should use the budget surplus for two things, reduction of the federal debt, and tax relief.

The surplus belongs to the American people, it does not belong to the government. For decades the cost of government has risen, Tax Freedom Day has moved later and later into the year.

Mr. President, it is time for us to begin rolling back Tax Freedom Day. Let's give the American family a well earned break.

TRIBUTE TO MR. LYNN W. HENINGER, NASA DEPUTY ASSISTANT ADMINISTRATOR FOR LEGISLATIVE AFFAIRS

Mr. LOTT. Mr. President, I would like to take this opportunity to recognize the outstanding work of Mr. Lynn