

## EXTENSIONS OF REMARKS

### PHYLLIS MARCHAND RECEIVES HUMAN RELATIONS AWARD

#### HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 26, 2001

Mr. HOLT. Mr. Speaker, I rise today in recognition of Phyllis Marchand who will receive the Human Relations Award given by the Central New Jersey Chapter of the American Jewish Committee. She receives this award for her outstanding commitment to the Princeton community and the American Jewish Committee.

Ms. Marchand is in her fifteenth year as an elected official in Princeton and her sixth year as the Mayor of Princeton Township. She has led in state affairs as President of both the New Jersey League of Municipalities and the New Jersey Association for Elected Women Officials. Ms. Marchand has been recognized as "Elected Official of the Year" by the NJ Municipal Managers Association and has received the Humanitarian Award from the National Conference of Christians and Jews. Ms. Marchand has served as President of the Mercer County Hispanic Association and serves on its board as well as that of the Mercer Council on Alcoholism and Drug Addiction.

A graduate of Skidmore College, Ms. Marchand has been a professional book indexer working on Collier's Encyclopedia, The Papers of Woodrow Wilson and The Samuel Johnson Letters. She is a member of the Princeton Jewish Center, the American Jewish Committee and a life member of Hadassah. During her 35 years in Princeton, she has served on the boards of Hadassah, The Jewish Center, UJA and B'nai B'rith.

Ms. Marchand has made significant contributions to the Princeton community in particular and New Jersey as a whole. I urge all my colleagues to join me today in recognizing Ms. Marchand's dedication and commitment to public service.

### A BILL TO REPEAL THE LIMITATION ON THE USE OF FOREIGN TAX CREDITS UNDER THE ALTERNATIVE MINIMUM TAX

#### HON. AMO HOUGHTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 26, 2001

Mr. HOUGHTON. Mr. Speaker, I am pleased to join my colleague from New York, Mr. RANGEL, together with a bipartisan group of our colleagues, in introducing a bill which would eliminate a fundamental unfairness in the application of the U.S. tax law to taxpayers that have income from foreign sources.

The bill would repeal the present-law limitation on the use of foreign tax credits under the alternative minimum tax that has the effect of subjecting taxpayers to double taxation on for-

ign income. This bill is identical to the one introduced in the 106th Congress, except for advancing the effective date by a year.

A U. S. citizen or domestic corporation that earns income from sources outside the United States generally is subject to tax by a foreign government on that income. The taxpayer is also subject to U.S. tax on that same income, even though it is earned outside the United States. Thus, the same income is subject to tax both in the country in which it is earned and in the United States. However, the U. S. allows taxpayers to treat the foreign taxes paid on their foreign source income as an offset against the U.S. tax with respect to that same income. The basic principle of this foreign tax credit is simple: to provide relief from double taxation.

When it comes to the alternative minimum tax (AMT), this basic principle of providing relief from double taxation falls by the wayside. The AMT was enacted to ensure that individuals and businesses that qualify for various "preferences" in the tax rules nevertheless are subject to a minimum level of taxation. However, the foreign tax credit provisions of the AMT operate to ensure double taxation. Under these AMT rules, the allowable foreign tax credit is limited to 90 percent of the taxpayer's alternative minimum tax liability. Because of this limitation, income that is subject to foreign tax is subject also to the U.S. AMT. The result is double (and even triple) taxation of income that is used to support U.S. jobs, research and experimentation and other activities.

There is no rational basis for denying relief from double taxation to that class of taxpayers that are subject to the AMT. Accordingly, the bill being introduced will eliminate the 90 percent limitation on foreign tax credits for AMT purposes. With the elimination of this limitation, relief from double taxation will be provided to taxpayers that are subject to the AMT in the same manner as it is provided to those taxpayers that are subject to the regular tax.

Concern regarding the unfairness of the AMT limitation on the use of the foreign tax credits is not new. Indeed, the House in 1995 passed a provision repealing the 90 percent limitation as part of a complete package of AMT reforms. Overall reform of the AMT, for individuals and businesses, remains a high priority. This bill to eliminate the 90 percent limitation on foreign tax credits for AMT purposes represents an important step in that direction. We urge our colleagues to join us in cosponsoring this legislation.

### TRIBUTE TO JOHN BRATTON DAVIS

#### HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 26, 2001

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to Judge John Bratton Davis. On Monday, April 2, it was my pleasure to partici-

pate in a very moving ceremony renaming the building housing the United States Bankruptcy Court in Columbia, South Carolina in honor of Judge Davis.

Mr. Davis was born in Hartsville, South Carolina in 1917. After graduating from the University of South Carolina and the University of South Carolina Law School, he took graduate work at Harvard Law School. He served in the South Pacific Theater of Operations, first as an executive officer and later as naval aide to the Commander of the New Hebrides Island Group. After service to his country, Mr. Davis began the practice of law with Graydon, Grimbail, Graydon, Faulkenberry, Sawyer, and Suber. He remained in the private practice of law until 1969, when he was appointed as a U.S. Bankruptcy Judge for the District of South Carolina.

In 1986, Judge Bratton Davis was appointed Chief Justice of the Bankruptcy Court, a post he held for fourteen years. He has served as Chairman of the State of South Carolina Development Board, Vice-President of the Richland County Bar Association, and President of the Navy League of South Carolina. In addition, Mr. Davis has served on the Board of Directors of the South Carolina National Bank, Security Federal Savings and Loan Association, and University of South Carolina Educational Foundation.

Committed to his community, Mr. Davis served as State Vice-Commander of the American Legion, Co-Chairman of the March of Dimes Campaign, President of the Richland County Society for the Prevention of Cruelty to Animals, and President of the Columbia Kiwanis Club. He is a member of the Board of Directors of the Columbia Chapter of the American Red Cross and the National Foundation for Infantile Paralysis. Active in his church, Mr. Davis is a Vestryman at Trinity Cathedral.

Mr. Speaker, please join me in paying tribute to Judge John Bratton Davis for his many years of unselfish service to God and country.

### IN HONOR OF MAYOR GERALD GILKEY

#### HON. ROY BLUNT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 26, 2001

Mr. BLUNT. Mr. Speaker, I rise today to salute Mayor Gerald Gilkey on his 42 years of public service to the Lamar city government. Mayor Gilkey retired from public life on April 16th, 2001. His exceptional career with the City of Lamar began in April 1959, with six years as a councilman in Lamar city government. In 1965, he was elected mayor, a position to which he would be re-elected 17 times; serving an astounding total of 36 years.

Mayor Gilkey has diligently served the people of Lamar, Missouri for over three decades. His dedication to public service and to the community of Lamar is to be commended. The

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Mayor has worked tirelessly to ensure that Lamar continues to grow. Under his dedicated leadership, the city developed a 45 acre city park that includes a multiple outdoor sports complex, walking trails and picnic areas. Recently, Mayor Gilkey led the effort to build Southwest Missouri's first aquatic park located in the Lamar City Park. A \$1.3 million water treatment plant was built due to the Mayor's leadership. Mayor Gilkey was instrumental in guiding the construction of an 800 seat, state of the art, "Thiebaud" auditorium that is used by the community, area schools and organizations.

Mayor Gilkey is the recipient of numerous awards including the Lamar Chamber of Commerce, "Man of the Year" in 1990; in 1982 he shared "top newsmaker" with the city council. In 1994, he was honored with the "Outstanding Community Service" award from the Lamar Rotary Club. In 1997 at the Home-maker Cooking Show, he was awarded Lamar Democrat's MVP. Mayor Gilkey's presence can also be found throughout the Southwest corner of Missouri. He has served on countless boards and committees where his visionary representation helped influence the growth and improvement of the area.

On June 18, 2001, Gerald and his wife Betty will celebrate their 59th wedding anniversary. Mayor Gilkey has had a great partner and in 1961, Gerald and Betty purchased what is now the Gilkey Automotive Group, and their son, Steve, is now the general manager.

Mr. Speaker, it is clear that we will miss an inspirational member of the Lamar community with Mayor Gilkey's retirement from public service. I am sure that I speak for many when I say that his tireless work will not soon be forgotten and that we are all thankful. I would like to personally wish him well in this new stage of his life and know that he will continue to be a presence in Lamar, Missouri. I am certain that my colleagues will join me in honoring this remarkable man.

#### CENTRAL NEW JERSEY CELEBRATES THE OPENING OF THE SOUTH BRUNSWICK YMCA

#### HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, April 26, 2001*

Mr. HOLT. Mr. Speaker, I rise today in recognition of the opening of the South Brunswick YMCA. Over the past five years, volunteers from South Brunswick and surrounding communities have pooled their collective resources to take this project from concept to completion.

YMCA is an international not-for-profit community service organization brought from London, England to Boston in 1851. From Boston, YMCAs quickly spread across America. At this time many facilities started opening their doors to boys and men of all ages. Some YMCAs were started to serve specific groups such as railroad and factory workers. After World War II, women and girls could enjoy the full benefits of membership and participation. Today, half of all Y members are female.

The South Brunswick YMCA has brought families from across Southern Middlesex County together to assist in the development of a family-oriented, multifaceted facility driven

by a well trained, dedicated and nurturing staff. The YMCA was founded on the commitment to provide a community-based facility to address the health, recreational and social service needs of the community.

The South Brunswick YMCA addresses local community needs through organized activities. Some of the programs offered by the YMCA include swimming lessons, exercise classes for people with disabilities, job training, support groups, water fitness, child care, and dance classes.

Although much has changed over the years, YMCA's mission is the same—to provide the tools needed to build strong kids, strong families and strong communities, and reinforce the values of caring, honesty, respect and responsibility.

#### WISHING SAN LUIS A HAPPY 150TH BIRTHDAY

#### HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, April 26, 2001*

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to wish Colorado's oldest town a happy 150th birthday. Nestled in the Sangre de Cristo mountains is the small town of San Luis, which was founded in 1851. Since then it has been home to many families over the last century and a half.

On April 5, 1851, San Luis de la Culebra was founded by Carlos Beaubien and established by settlers from northern New Mexico. According to Governor Bill Owens, San Luis' "rich and beautiful heritage" is attributed to its food, music, language, celebrations and historic buildings.

Under the protection of a group of soldiers from the War Department, the settlers built homes and began to plant. The town continued to grow and in 1861 when Colorado was made a territory, San Luis became the county seat of the newly established Costilla County.

As part of the celebration, Governor Owens proclaimed April as the Oldest Town in Colorado Month, and April 5 as the Oldest Town in Colorado Day. The proclamation refers to San Luis' founding on April 5, 1851, following the pattern of land grants. Carlos Beaubien then gave the people of San Luis the grant of La Vega, a common grazing area which is the last remaining true commons in the United States.

Specifically, the proclamation acknowledges the San Luis Museum and Cultural Center, the Stations of the Cross Shrine and Los Caminos Antiquos Scenic and Historic Byway.

Mr. Speaker, we are all proud of the rich heritage the city of San Luis has established over the last 150 years. And it is with great pleasure that I ask this Congress to recognize San Luis and wish them a happy birthday.

A BILL TO AMEND THE INTERNAL REVENUE CODE OF 1986 TO PROVIDE A SPECIAL RULE FOR MEMBERS OF THE UNIFORMED SERVICES AND THE FOREIGN SERVICE, AND OTHER EMPLOYEES, IN DETERMINING THE EXCLUSION OF GAIN FROM THE SALE OF A PRINCIPAL RESIDENCE

#### HON. AMO HOUGHTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, April 26, 2001*

Mr. HOUGHTON. Mr. Speaker, I am pleased to join with several of my colleagues in introducing our bill, which would address an inequity caused by a change in the Internal Revenue Code in 1997. The proposed change would simply adjust an oversight and bring fairness and equality to the Code by recognizing the unique circumstances of the members of the Foreign Service, the Uniformed Services and U.S. business persons who are working abroad. The bill is the same as the one introduced in the 106th Congress, except that the applicability to business persons provision has been added. The bill is retroactive to May 1997, when the change occurred.

The Code was changed in 1997 to provide a benefit to taxpayers who sell their principal residence—a change more generally beneficial than the prior law. Where the prior law provided for rollovers of capital gains and a one-time exclusion, the new law requires that the owner(s) occupy the principal residence for at least two years of the previous five years from the date of sale to qualify for the full exclusion.

However, members of the Foreign Service and the Uniformed Services, as well as certain business persons posted abroad by their U.S. employers, may not be able to take advantage of the generous change enacted in 1997. The problem arises from the fact that we post our Foreign Service abroad for years at a time, and we move the military from post to post in the U.S. and abroad. The same problem can arise for business persons who are moved abroad for longer and more frequent periods than in the past. With the globalization that is occurring, and affecting most economies, it is essential that our multinational companies compete on a worldwide basis. Globalization is certainly a major factor in our economy. In 2000, exports and imports for the U.S. totaled about \$2 trillion—over 20% of our economy.

The problem arises because it is difficult for these individuals to fit into the mold we created in the 1997 law change. This result occurs because their posting abroad and at home is controlled by others. The bill would alleviate this problem for Foreign Service and Uniformed Services members by suspending the five year period for ownership and principal use for any periods during which the taxpayer was under official orders to serve at a duty station away from his or her home. This change would retain the 5 year look-back and the 2 year principal residence rules, but would address the unfairness issue applicable to members of the Foreign Service and Uniformed Services. The bill would also address the issue for business persons by suspending for up to five years, the five year principal residence test for an individual relocated abroad by his or her employer.