

I applaud Senate Democrats for taking a careful look at the challenges facing Americans struggling in poverty. We need to pass legislation that fixes many of the flaws in welfare reform. I am glad Senate Democrats are there to protect these families against Republicans that are little more than foxes guarding the hen house.

House Republicans are declaring that the 1996 welfare reform bill is already a success. They tout the welfare bill they passed this year as an even better improvement. Yet, there are still too many families struggling to get out of poverty. There are too many families without safe and adequate child care. And Republicans have largely ignored the vast number of people who face insurmountable barriers in moving from welfare to work.

The bill passed by House Republicans ignores the last six years of careful study in applying the same old ideological prescriptions to very real flaws in welfare reform. They are focused on kicking people off welfare without any concern for whether or not these Americans have jobs that pay a living wage. Their bill fails to expand access to job training, education or rehabilitative services needed for them to maintain stable employment.

The American people want results, not political gamesmanship. Vulnerable families struggling on welfare deserve meaningful help and a fighting chance to succeed. Let's not give Republicans an opportunity to score political points at their expense. I urge my colleagues to join me in voting against this resolution.

Mr. BOEHNER. Mr. Speaker, I yield back the balance of my time.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would remind all persons in the gallery that they are here as guests of the House and that any manifestation of approval or disapproval of proceedings or other audible conversation is in violation of the House rules.

All time for debate has expired.

Pursuant to House Resolution 527, the resolution is considered as read for amendment, and the previous question is ordered.

The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BOEHNER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

SENSE OF HOUSE THAT CONGRESS SHOULD COMPLETE ACTION ON PERMANENT DEATH TAX REPEAL ACT OF 2002

Mr. NUSSLE. Mr. Speaker, pursuant to House Resolution 527, I call up the resolution (H. Res. 524) expressing the sense of the House that Congress should complete action on the Permanent Death Tax Repeal Act of 2002.

The Clerk read the title of the resolution.

The text of the resolution is as follows:

H. RES. 524

Whereas the death tax has been a leading cause of the dissolution of family-run busi-

nesses and a burden on families which save and invest;

Whereas a bipartisan majority of the House of Representatives passed the Permanent Death Tax Repeal Act of 2002 on June 6, 2002, by a vote of 256 to 171;

Whereas failure to enact that Act will reimpose the death tax after 2010 on families, farms and small businesses throughout the Nation;

Whereas the death tax will continue to prevent families from creating, expanding, and retaining farms and businesses if the death tax is resurrected;

Whereas the threat of a resurrected death tax will cause American families, including farmers and small business owners, to waste vast amounts of their time and other resources on efforts to plan to comply with the tax;—

Whereas permanent repeal of the death tax will promote job creation and economic growth by allowing farm and small business families to invest in productive, job-creating assets those resources they will otherwise spend on planning for and paying death taxes; and

Whereas the Senate has not passed that Act or equivalent legislation: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that the Congress should complete action on the Permanent Death Tax Repeal Act of 2002, and the Congress should present to the President prior to adjournment the Permanent Death Tax Repeal Act of 2002.

The SPEAKER pro tempore. Pursuant to House Resolution 527, the gentleman from Iowa (Mr. NUSSLE) and the gentleman from Wisconsin (Mr. KLECZKA) each will control 30 minutes.

The Chair recognizes the gentleman from Iowa (Mr. NUSSLE).

Mr. NUSSLE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the House has done its work on so many issues this session, including passing a budget. In fact, we have passed our budget twice in the House of Representatives, standing shoulder to shoulder with the President at this very important time in America's history.

We have done our work. Among our accomplishments, the House has passed the Permanent Death Tax Repeal Act of 2002, H.R. 2143, by a very healthy, bipartisan margin back in June. The Senate has not yet taken action on this legislation.

A temporary repeal of the death tax makes absolutely no sense. It does not make any sense, and it is not fair. Unless this very subtle quirk in the law is not repealed, thousands of Americans will lose tax relief that they deserve and that they expect.

Let us call this what it really is. If we do not permanently bury the death tax, small business owners and family farmers will face a massive tax increase in 2011. The 2001 tax relief law phases out the death tax entirely by 2010; but without action to ensure permanency, it reappears in its full fury on January 1, 2011. This creates a ridiculous situation where one minute, one moment, one tick of the clock means the difference between no death tax and a full hit, depending on when someone passes away.

Mr. Speaker, the death tax is fundamentally unjust because it results in double taxation. Our Nation's laws prevent double jeopardy in court; we should also wipe out double taxation in the law.

Iowa's family farmers and small business owners pay taxes throughout their lifetimes. After they pass away, the Federal Government taxes the value of their property yet again. More than 1,500 families in Iowa and thousands across this Nation filed death tax returns last year alone. The IRS imposes rates of up to 60 percent on the value of a family farm or business when the owner passes away.

To pay these very enormous tax bills, many people, many kids, are asked to visit the IRS and the undertaker on the very same day, forced to sell their farms or businesses in order to pay for those taxes. These are family businesses and family farms that in some instances have been in their family for generations.

Mr. Speaker, sound planning cannot be made without stability in our Tax Code. The President recently spoke about this need for permanent tax relief in Iowa this week. He is ready to sign a bill.

The current uncertainty surrounding the death tax makes it extremely difficult for owners of Iowa's family farms and businesses and America's family farms and businesses to make wise decisions. The legal and administrative costs of compliance inhibits the economic growth and expansion that our economy so sorely needs at this time.

The House has done its work. It has passed permanent death tax repeal. The Senate has failed to act. We need action, and America needs action.

Mr. Speaker, I reserve the balance of my time.

Mr. KLECZKA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to this resolution before us today. This resolution is nothing more than a press release; and I believe that the appropriate arena for press releases is in the press gallery, not here on the floor of the House of Representatives. I always thought that the floor was where we debated legislation, not press releases.

The amount of unfinished business currently pending is extremely large. Not one of the 13 mandatory appropriation bills has become law, even though the next fiscal year is only about a week away. In fact, this House has only passed five of those 13 appropriation bills.

The Republican leadership has refused to schedule desperately needed bipartisan school construction legislation. The Republican leadership has also failed to schedule legislation to help all Americans with escalating prescription drug costs. Now the Republican leadership has a new strategy: pass resolutions praising old, irresponsible tax bills and then blame the Senate.

The resolution before us today is not only a press release, but it is a very

misleading one, at that. The underlying bill has no effect until the year 2011. Notwithstanding the rhetoric, the estate tax affects only the wealthiest segment of our society. Let me repeat that, Mr. Speaker: notwithstanding what my friend, the gentleman from Iowa (Mr. NUSSLE), has said, the estate tax affects only the wealthiest segment of our society. In fact, only 1.3 percent of all estates face inheritance taxation.

□ 1330

The Republicans have defeated Democratic efforts to prescribe immediate tax relief in the estate tax area by increasing the exemption.

The gentleman from North Dakota (Mr. POMEROY) offered a substitute earlier this year which would have provided an immediate \$3 million exemption per person or \$6 million for married couples. That substitute would have immediately repealed the estate tax for virtually all farms and virtually all small businesses. But the Republicans did not let that come up for a vote. However, those farms and small businesses were held hostage by the Republican leadership in its attempt to repeal the estate tax for the truly wealthy.

Finally, Mr. Speaker, I would urge that this House return to the real issues facing this country: The lack of a prescription drug benefit under the Medicare program, reducing the costs of prescription drugs for everyone, ballooning deficits, the need to finance our fight against terrorism and a bipartisan commitment to improve our education system.

Mr. Speaker, I reserve the balance of my time.

Mr. NUSSLE. Mr. Speaker, I yield myself 10 seconds.

Mr. Speaker, all of bills that the gentleman just mentioned, the House has passed. It is, again, the Senate that fails to act.

Mr. Speaker, I yield 2 minutes to the very distinguished gentleman from California (Mr. COX).

Mr. COX. Mr. Speaker, I would observe in response to the previous speaker that the House has acted on prescription drugs. We have passed a prescription drug bill here to add a prescription drug benefit for Medicare beneficiaries. The President has said he will sign it and it awaits action in the Senate where the bill is not moving.

The same is true of the death tax. The House has acted. We have already, Democrats and Republicans, voted on a bill by majority vote here and sent it to the Senate. It is the bill the President has asked for and he will sign it. It makes permanent the repeal that is already in existing law. We repealed the death tax originally because a majority of the Congress and a big super majority of the American people recognize that the virtual confiscation of an individual's after-tax lifetime savings is wrong and immoral.

It was said just a moment ago that this somehow affects only the rich. To

the contrary, the problem has been the forced liquidation of small businesses, and the people that are laid off, who lose their jobs at ranches and farms and small businesses across the country are not the rich. In fact, the rich person is the only one who does not care because he is dead by definition, but, rather, they pay a 100 percent tax because they lose their jobs, they lose everything. By destroying jobs, by destroying small businesses, the death tax has properly earned the opprobrium of the American people.

Now, in the other body they slipped in a mickey. Repeal expires somehow in 10 years. That 10 years is coming closer so it is January 1, 2011 that we will have the death tax right back again, even though it has been repealed. That is why the New York Times referred to this as the "Throw Mama From the Train Act."

Whether you are for or against a death tax, nobody can be in support of this provision that has a repeal and then springs back to life in 10 years. The House has acted and now both the House and the American people want the Senate to act on permanent death tax repeal.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SIMPSON). The Chair would remind all Members to confine their remarks to factual references to the other body, and avoid remarks characterizing Senate action or inaction, remarks urging Senate action or inaction, or references to particular Senators.

Mr. KLECZKA. Mr. Speaker, I yield myself 10 seconds.

Mr. Speaker, my good friend from Iowa (Mr. NUSSLE) indicated all the items I talked about, we passed. Well, I would challenge him to tell the House when we passed legislation to reduce the cost of prescription drugs for everybody in this country. There is a discharge petition pending and I challenge him to sign it if he is serious about that.

When did this House do anything about school construction costs? On that we have done nothing at all.

Mr. Speaker, I yield 6 minutes to the gentleman from North Dakota (Mr. POMEROY), a distinguished member of the Committee on Ways and Means who has advanced some real reforms in the inheritance tax area.

Mr. POMEROY. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, what we have before us is a sense of Congress. And we can pass these all day long and they will not accomplish anything. So let us talk on this important topic, the estate tax, especially as applied to family farmers and small businesses, about doing something real and doing it now.

I have legislation very similar to what we considered when we considered the substitute to the estate tax repeal, and I am absolutely convinced as I stand here before the Speaker that we can enact this legislation and get it to the President for his signature before

going home in a few weeks at the end of this Congress.

Mr. Speaker, H.R. 5008 would, effective January 1 of 2003, take the exclusion for estate tax up to \$6 million for couples. If a couple has assets of less than \$6 million, we have repealed the estate tax.

Now, what is important is to note that this is effective January 1 of 2003. The legislation advanced by my friend across the aisle does not have an effective date until 2011. Nothing they are talking about on their side takes effect before 2011. We proposed something that takes effect in a very meaningful way January 1 of next year.

I was moved when my friend from Iowa (Mr. NUSSLE) talks about family farms, visiting the IRS and the undertaker on the same day. That is a terrible thing. Let us do something about it.

The research that I have done shows that if we take what Democrats would be prepared to vote for right now, excluding couples with estates under \$6 million from the estate tax effective January 1 of 2003, virtually all the farms in North Dakota do not have estate tax problems. And if you look at how this applies to small business, you can almost conclude the same thing.

IRS data shows that 99.7 percent of the estates in this country do not have problems. We take this estate tax issue and we eliminate it. We repeal it. We repeal it immediately for all but three-tenths of 1 percent; 99.7 percent get full relief now.

Now, at the end of a legislative session, these family farms the other side speaks so much about, they want something and they want it delivered. They want it now. I would suggest to the other side, what would be wrong with the procedure where you take what you can get right now and you come back for more later.

Your bill does not do a thing until 2011, so what is the matter with taking \$6 million as an estate tax exclusion right now and come back for the rest later.

Mr. Speaker, I yield to the gentleman from Iowa (Mr. NUSSLE) to answer that question.

Mr. NUSSLE. Mr. Speaker, I will be happy to answer that question.

The gentleman does not give us permanent death tax repeal. We want permanent death tax repeal.

Mr. POMEROY. Reclaiming my time, it is absolutely permanent for estates of \$6 million and below.

Effective January 1 of 2003, if you are a couple with an estate valued at \$6 million and below, we forever repeal your estate tax exposure. What would be the matter with taking that as an opening proposition? We will take the problem and make it go away for \$6 million and below and we will come back for the rest later.

Because I will state that the legislation the gentleman supports will leave farm families with joint estates of \$2 million and below subject to estate tax

exposure in 2003. Under my legislation, it would be \$6 million and below.

Why would they not take the \$6 million now and come back for the rest later?

Mr. Speaker, I yield to the gentleman from Iowa (Mr. NUSSLE).

Mr. NUSSLE. Because of the magic word the gentleman has put into their legislation, and that is "if." We have no ifs. We want permanent death tax repeal. They have permanent death tax. And only if, then we get some kind of exclusion. We want permanent death tax repeal.

Mr. POMEROY. Reclaiming my time, because what the gentleman has done is lay out very clearly where he comes down. He comes down on behalf of the richest three-tenths of 1 percent and the gentleman is not about to let those family farmers in Iowa or North Dakota get the meaningful relief they deserve January 1 of 2003, because they are holding out for the Ken Lays and the multi-bazillionnaires of this world as opposed to taking action now that for Iowa and North Dakota family farmers would virtually make the estate tax go away.

When one is a family farmer, we are dealing with assets of less than \$6 million per farm couple. And that is why initiating this legislation, H.R. 5008, that is why this legislation is so important.

We significantly improve the situation from their tax exposure January 1, \$6 million and below, no estate tax under our legislation January 1.

Under the majority bill, estates over \$2 million will be subject to estate tax. They do nothing about that. They leave this exposure out there until the year 2011 because they have taken the position if they cannot deal with everybody, they will not deal with anybody.

They will hold out for the richest three-tenths of 1 percent in this country, rather than move legislation forward that will help family farmers and small business. I think it is a shame because right now, at the end of this session, the Democratic minority is prepared to enter a bill that will make the estate tax for \$6 million for couples go away. And if you want to come back for more later, come back for more later. Your bill does not take effect, anyway, until 2011. I think if you were real sincere about this, you would take what you could get now and come back for the rest later.

The point is they are not sincere. This is a political press release and it is a shame.

Mr. NUSSLE. Mr. Speaker, I yield myself 10 seconds.

Mr. Speaker, I appreciate the gentleman's comments on my sincerity and I will reserve making the same claim back.

We repeal the death tax, no ifs, no ands, and no buts. The gentleman from North Dakota (Mr. POMEROY) cannot even get a majority on his own side to agree with his amendment and his motion to recommit, as we saw in the last time it was presented on the floor.

Mr. Speaker, I yield 1 minute to the very distinguished gentlewoman from Illinois (Mrs. BIGGERT).

Mrs. BIGGERT. Mr. Speaker, I do rise in strong support of permanently repealing the death tax which was passed by the House.

In a former life I practiced estate law. I worked with people to navigate this extremely complex tax. And I was not helping the Warren Buffets or the Bill Gateses of the world. I was helping the sons and daughters of small business owners to try and keep their parents' dreams alive so that they would have that property.

This insidious tax punishes thrift. It has discouraged entrepreneurship and it has penalized working families. What is more, taxing money that has already been taxed is patently unfair.

In Illinois alone, over 5,500 families filed a death tax form in 2001. Many of them were small business owners and many of them were family farmers.

Mr. Speaker, sound decisions cannot be made without permanency. The uncertainty of the future of the death tax makes it difficult for owners of family businesses and farms to make wise economic decisions. Any way you look at it, Americans are taxed too much, not too little. It is time for Congress to bury this burden once and for all.

Mr. KLECZKA. Mr. Speaker, I yield 4 minutes to the gentleman from Wisconsin (Mr. OBEY), the ranking member of the Committee on Appropriations.

Mr. OBEY. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, this resolution does not belong on the floor of the House of Representatives. It belongs on the floor of the Mickey Mouse Club. This resolution says that Congress, which has not been able to do its work, ought to use its time to pass resolutions telling itself to get its work done. Only in this place would that make sense.

What is also revealing about this turkey is the fact that it selects what work it wants to put at the top of the priority list. And guess what it is? This resolution does not say that this House should sit down and meet its basic responsibilities by passing the budget for the year, by passing the appropriations bills. Those are the only real budgets. The budgets that come out of the Committee on the Budget are a joke.

This resolution does not say that we should meet our responsibilities to homeland defense by passing an appropriations bill that adequately funds the FBI and the Coast Guard and the U.S. Marshals to protect the American people from terrorists. It does not say the Republican caucus ought to end its internal war so they can finally bring to this floor the Labor, Health and Education bill so we can meet our responsibilities to fund education and Federal investments in education for the year. Oh, no, no, no. It does not do that.

It does not say that the Congress ought to get off its duff and assure that we have a fully funded fuel assistance program to ensure that our low income

elderly do not have to choose between heating their homes and eating this year. Oh, no, no, no, no, no.

All it says is that the one thing we will take the time out to prattle about is the need to satisfy the richest people in this country with yet another tax break.

□ 1345

Those people just happen to be the people who can make the most generous response to fund-raising requests. The leadership of this House apparently does not want the House to vote for a Labor-H bill that adequately funds our schools and funds health care problems, and yet they also do not want their caucus members to vote for a bill that sticks it to the schools and the elderly before the election. They want to put that dirty business off until after the election. Oh yes, we will solve that problem later we are told; you understand, we are too busy to do that now.

What they want to do is obvious. They want to do the same thing they did 2 years ago. They want to hide from parents interested in education in this country what their intentions are for the education budget until after the election; and then after the election, they will cut back the expenditures for education just as they did 2 years ago, just as they did 2 years ago.

Mr. Speaker, in my view, this House is sick. It is dysfunctional. It focuses only on the needs of a tiny fraction of our society, the most well-off 2 percent. If ever there was a product that demonstrated the true values of the people who run this House, this is it. This is it. For all practical purposes, this Congress is in a government shutdown. You just have not had the guts to tell the people yet, and then you single out one little exception of that shutdown to reward the people who can respond with thousand-dollar and hundred thousand-dollar contributions. My God, what a set of priorities.

Mr. NUSSLE. Mr. Speaker, I yield myself 10 seconds, and say what really needs to be exposed is the tax-and-spend attitude of the gentleman who just spoke. Taxes and spending, taxes and spending. Raise taxes, increase spending.

Mr. Speaker, I yield 1 minute to the gentleman from Illinois (Mr. SHIMKUS).

(Mr. SHIMKUS asked and was given permission to revise and extend his remarks.)

Mr. SHIMKUS. Mr. Speaker, it is no secret that the Tax Code hurts our economy. We all know that Americans who try to save get penalized and that many Americans need tax attorneys and lawyers to help them file their returns, especially the farmers and small businessmen impacted by the death tax.

While the House has passed legislation to make the death tax repeal permanent, because a temporary repeal of the death tax just makes no sense, it still has not been signed into law. As

we wait, families are selling their farms and their businesses just to pay their taxes. They are putting money into hiring attorneys and lawyers to find ways around the tax instead of investing in their businesses and hiring new workers. All this is happening while the rich continue to avoid the estate tax by setting up charitable foundations and other schemes.

Mr. Speaker, family farms and businesses, especially in Illinois, have the right to pass the fruits of the labor on to their children. Congress needs to act. I look forward to voting on this legislation today, and I urge my colleagues to support this legislation.

Mr. KLECZKA. Mr. Speaker, I yield 30 seconds to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Speaker, the gentleman from Iowa just attacked my positions as a "tax and spender." I would point out that when he took over as chairman of the Committee on the Budget, this committee was running a large surplus; and under his magnificent leadership he has managed to return us to deficits of over \$300 billion when you count the Social Security account. Taxes and spending may be bad, but taxes and borrowing is a whole lot worse.

Mr. KLECZKA. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. HINCHEY).

Mr. HINCHEY. Mr. Speaker, this resolution calling upon the other House to join in the permanent repeal of the estate tax I think reduces cynicism to a new low. The permanent repeal of the estate tax, first of all, very obviously benefits only a handful, a tiny fraction of the American people; but the other problem has to do with the other taxes that have been repealed by this House or reduced by this House.

A study just out today by the Brookings Institution and the Urban Institute shows the fraudulent nature of that tax cut. It shows how middle-income people are being forced into the alternative minimum tax. It shows how middle-income people across the country are going to pay up to \$1 trillion in alternative minimum taxes over the course of the next decade. It shows how the tax cut that was rammed through this House in the early days of 2001 by the Bush administration, when the Republicans controlled both Houses of the Congress, is shifting the burden of taxation away from the rich and to the middle class.

Middle-income people are paying more and more taxes under their so-called tax cut while millionaires are paying less and less taxes; and that is what they want to do with this particular tax cut today, to the estate tax, and of course, they have not figured out how to pay for any of this.

What they have done is taken us from a situation of budget surpluses just 2 years ago to a situation now of increasing budget deficits. That is how they are paying for these programs, shifting the tax burden from the

wealthy to the middle income and paying for it by requiring the people of this country to borrow more money, putting into jeopardy the Social Security trust fund and the Medicare trust fund. That is where they are borrowing the money.

So while they give tax cuts to millionaires, they jeopardize the Social Security trust fund, they jeopardize the Medicare trust fund, and they make the government borrow more money. This is cynicism at its worst.

Mr. NUSSLE. Mr. Speaker, I yield 2 minutes to the very distinguished gentleman from Nebraska (Mr. OSBORNE).

Mr. OSBORNE. Mr. Speaker, I thank the chairman for yielding me this time.

Mr. Speaker, I think it is imperative that we do something to repeal the death tax permanently. We can change many taxes, such as the income tax, the sales tax, the property tax, from year to year; and it does not promote long-term devastation. But when we have a death tax that is in force until the year 2009 and in 2010 it goes away completely and in 2011 it comes back to 55 percent, we have an untenable position. It is absolutely impossible to do any long-term estate planning under the present system, and that is why this has to be repealed so people can plan now in 2002 what is going to happen in 2012, 2013, 2014, and 2015.

Let me give a quick example. We have heard about the very wealthy people who are profiting from this. There was a ranch that was owned by Doris and Harry Coble in Nebraska. This was a 12,000-acre ranch in the Sand Hills. That is a small ranch that will barely support one family, maybe an income of \$30,000, \$40,000 a year. It was in the family for over 100 years. The land appreciated over time. The land and cattle upon their death was worth about \$5 million. The inheritance tax on that ranch was over \$2 million. The capital gains ran that up to about \$3 million, and the heirs absolutely could not afford to own that property. So who bought the property? Ted Turner. Will Ted Turner pay an inheritance tax? Will he pay a death tax? No, he will not. That is the upper three-tenths of 1 percent we have been talking about. So our property in Nebraska and other parts of the Midwest is being bought out by absentee landlords who are able to buy those lands and those properties at those prices. So we are losing the income, we are losing the capital from those areas, and the ownership is moving out of the State.

So I think for the benefit of ranches, farms, small businesses, we absolutely have to make this permanent which will provide us with some long-term planning capabilities.

Mr. NUSSLE. Mr. Speaker, I yield 1 minute to the distinguished gentleman from New York (Mr. GRUCCI).

(Mr. GRUCCI asked and was given permission to revise and extend his remarks.)

Mr. GRUCCI. Mr. Speaker, today I come to the floor to support a measure

to urge action on the permanent repeal of the death tax, the only tax that forces families to visit the undertaker and the IRS on the same day.

For the past 85 years, small-family businesses have been forced to hand over up to 60 percent of the estate to the Federal Government. This is a requirement for the families to sell their farms, sell their small businesses, sell their fishing boats in order to satisfy their tax obligation. One does not have to be an advocate for less government to understand that taxing the dead is just a bit extreme.

Family businesses from Montauk Point to Monterey Bay have worked hard, many times through several generations to reach the American dream. It is our duty to protect and secure the dream for the future generations of Americans that wish to work the family farms that their grandfathers built, lead the small businesses that their mothers started, or fish the waters of their fathers. It is their right to carry on the American dream, and the Federal Government should not take that dream away from them.

I urge my colleagues to join me in supporting the passage of the removal of the death tax and make it permanent. The House has moved expeditiously on this issue; the Senate has yet to act.

Mr. KLECZKA. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. NEAL), a distinguished member of the Committee on Ways and Means.

Mr. NEAL of Massachusetts. Mr. Speaker, today we are voting on a sense of the House resolution which, frankly, makes no sense. Rather than taking up legislation that actually helps our ailing economy, rather than providing relief for workers or pensioners who have fallen victim to corporate greed, rather than tackling the remaining eight appropriations bills in the 2 weeks before the fiscal year ends, the Republican leadership is wasting time in the people's House by playing politics.

We all remember, Mr. Speaker, the glorious talk of future surpluses "as far as the eye could see" in order to provide a trillion dollars in tax cuts for the next 10 years. Sadly, these surpluses have vanished, and now we are scratching our heads trying to figure out how to fund national priorities. The President has asked for \$38 billion for homeland security, \$48 billion more for national defense, and now perhaps 1 to 2 percent of the GDP, \$100 to \$200 billion to prosecute the war in Iraq; and we know in this Chamber today that the President is going to get much of what he asks for.

But with a war on terrorism and Iraq looming, the Republicans have chosen to spend the last few months pushing one bill after another to cement in place the Bush tax cuts. Any economist worth his salt or her salt will tell you that the future is always uncertain, particularly long-term forecasts. So

why would you want to lock in escalating tax cuts?

Every one of us today has had an opportunity in our offices to hear from the 3,000 visitors who have successfully fought the scourge of cancer in their own lives. Six people from my congressional district visited with me today. Ovarian cancer, breast cancer. They were applauding the work of the NIH, applauding the work of our hospitals, particularly our teaching hospitals across the country and universities, and asking us for more money for cancer research. We know that that is a priority, and the Members of this House are about to act upon an estate tax repeal that they know in the next year or so we are going to have to revisit. It is sad commentary on the priorities that we have as Members of this House.

Mr. NUSSLE. Mr. Speaker, I yield 1 minute to the very distinguished gentlewoman from West Virginia (Mrs. CAPITO).

Mrs. CAPITO. Mr. Speaker, I thank the chairman for yielding me this time.

Mr. Speaker, the death tax is one of the most unfair taxes. It taxes farmers and small business owners twice. First they pay taxes throughout their years and then the Federal Government taxes the value their property again at the time of their death. More bluntly put, it is simply unjust; and if you do not believe that, just ask Charles Wilfong, a farmer from my home State of West Virginia. Mr. Wilfong wants to be able to pass his farm along to his children, but he is so fearful that his children will have to sell portions of the land in order to pay the hefty bill the IRS will hand them once he passes away. Desperately trying to keep his farm intact for his children and grandchildren, he continues to explore potential legal methods to keep that which he has worked so hard for.

Mr. Speaker, Mr. Wilfong is not alone. Many other farmers and small businessmen and women could suffer disastrous effects that the death tax can have on their future. Many people have worked hard their whole lives to build a strong future for their children and grandchildren. Our tax laws should not punish hard work by forcing family members to pay death taxes to the IRS.

Mr. Speaker, I urge Congress to give permanent relief from the death tax. It is time for Congress to banish the death tax once and for all.

□ 1400

Mr. KLECKZA. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi (Mr. TAYLOR).

Mr. TAYLOR of Mississippi. Mr. Speaker, there is something that somehow is not mentioned very often on this floor, and that is our Nation is going broke. We certainly have military threats, but we have an even bigger threat of our Nation going broke.

The gentleman from Iowa (Mr. NUSSLE) last year passed this budget, the President's budget and the President's tax cuts, and the net result of that budget and those tax cuts, passed with Republican votes in the House and Senate, because the other body was controlled by the Republicans then, has increased the national debt by \$440,604,894,921 in 1 year.

The President was in Iowa last week saying we need a budget. My goodness, if it is another one of those, we do not need it. This is on track to be the largest deficit in American history. The previous record was held by then-President Bush in 1991 where the fiscal year budget increased by \$435 billion.

If this continues, and we only have 12 days left in this fiscal year, the gentleman from Iowa (Mr. NUSSLE) would have orchestrated the single largest increase in the American deficit in 1 year. And according to Mitch Daniels, Director, Office of Management and Budget, just last week in a meeting with a number of conservative House Democrats, only 10 percent of the President's tax cuts have taken effect so far. So how broke will we be when the other 90 percent kicks in?

Mr. Speaker, I know the gentleman from Iowa (Mr. NUSSLE) well enough to say that he would not go buy a house and say to the Realtor, I do not care what it is going to cost because my kids are going to pay for it. I guarantee Members the gentleman would not go buy a fancy car and say, I do not care what it costs because my yet-unborn grandchildren are going to pay for it.

That is the effect of the gentleman's tax cuts. The gentleman took a Nation that broke even 1 year, and increased the national debt by \$440 billion the next there. There is nothing funny about this because the other side of the aisle are sticking my kids with their bill. Yes, some kids, like the Bush kids, are going to get a \$10 million tax break out of this; but my kids get stuck with the bill; and until that bill is paid, they are going to pay, like every other American child, \$1 billion a day on interest on that debt.

Mr. Speaker, if the gentleman thinks more of that is a good thing, please tell the American people that more debt is good. I happen to think the national debt is the single largest threat to our Nation at this moment.

Mr. NUSSLE. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, we have heard a speech on the floor today that I am the least effective and that the budget is a joke. That was by the gentleman from Wisconsin (Mr. OBEY), the very distinguished ranking member of the Committee on Appropriations.

Now we hear from the gentleman from Mississippi (Mr. TAYLOR) that I am the all-powerful chairman of the Committee on the Budget that can, with the wave of my hand, both create surpluses and deficits. I would submit to both gentlemen that they probably not only need to check the Constitu-

tion and the rules of the House, but check the record.

Mr. Speaker, it was Osama bin Laden. Osama bin Laden. There is a name out of history that maybe we forget from time to time who had at least a little bit to do with what has happened this last year; a little bit to do with the challenges in our economy; a little bit to do with the emergency that we have before us; a little bit to do with the war against terrorism. It seems to escape Members' memory banks; but the one thing that should not escape Members' memory banks is that we should not have a Tax Code in America that taxes Americans constantly and consistently when they are not looking. We need to make permanent the death tax repeal.

Mr. KLECZKA. Mr. Speaker, I yield 30 seconds to the gentleman from Mississippi (Mr. TAYLOR).

Mr. TAYLOR of Mississippi. Mr. Speaker, I would remind the gentleman from Iowa (Mr. NUSSLE) that the September 11 attacks were 19 days before the end of the last fiscal year. In the last fiscal year, we ran a deficit. It was not because of the last 19 days. By all accounts the war on terror has cost this Nation \$20 billion. That means the other \$420 billion worth of debt went to other things. Spending increases occurred because the Republican budget passed with Republican votes. Reductions in collections occurred because of the Republican budget.

Mr. Speaker, the number is \$440 billion. That is a thousand, times a thousand, times 440 further in debt than we were 1 year ago. One would think that Republicans would be looking for ways to balance the budget.

Mr. NUSSLE. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Speaker, I am proud of many of the things that we have accomplished in the 107th Congress. On the House side, we have passed lots of legislation, from homeland security to pension reform to cracking down on corporate fraud and misdeeds. We have done a lot of things. Plus, we have passed a budget. Unfortunately, in a bicameral legislative body, there needs to be a budget on both sides to get things moving.

Here an example of some of things that we have done: the House has voted to end the death tax. Just ending it alone would create 200,000 jobs in America. To say we do not need that, to say that is not important is ridiculous. It increases household savings due to the lower prices by \$800 to \$3,000 a year. The American people want the death tax cut made permanent.

The President is waiting to sign this bill. Making it permanent gives people something that they can count on, some dependability. The House passed this several months ago. The fact is the Senate has not acted on House legislation to permanently repeal the death tax.