

We need to rethink the position that is being announced today and remember that America's greatness is dependent on our creativity and our entrepreneurial spirit. Stopping midtrack and turning everything over to private companies that are in their fledgling stage is not the answer.

Madam President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Arizona.

#### EXTENSION OF MORNING BUSINESS

Mr. MCCAIN. Madam President, I ask unanimous consent to extend morning business for up to 10 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MCCAIN. I thank the Chair.

#### TAX DAY

Mr. MCCAIN. Madam President, today is April 15, perhaps the most dread day of the year for the American taxpayer. At some point today, millions of people will engage in a painful, complicated, and uniquely American exercise: filing their Federal tax returns.

According to the Tax Foundation, Americans worked well over 3 months this year—over 3 months; from January 1 to April 9—before they had earned enough money to pay this year's tax obligations at the Federal, State, and local levels. Congress has succeeded in establishing a pattern of taxing and spending to the point that the average American must work a full 99 days of the year just to pay their taxes.

Sadly, while we continue to spend and spend and spend here in our Nation's capital, the tax burden carried by the average American gets heavier and heavier and heavier.

On September 12, 2008, in Dover, NH, then-candidate Obama said this:

I can make a firm pledge. Under my plan, no family making less than \$250,000 a year will see any form of tax increase. Not your income tax, not your payroll tax, not your capital gains taxes, not any of your taxes.

Another interesting quote from then-candidate Obama.

According to data released yesterday by the House Ways and Means Committee, since January of 2009, President Obama and the congressional Democrats have enacted into law gross tax increases totaling more than \$670 billion or more than \$2,100 for every man, woman, and child in the United States of America. A list of tax increases includes at least 14 violations of the President's pledge not to raise taxes on Americans earning less than \$200,000 for singles and \$250,000 for married couples.

For example, there is a new tax on individuals who don't purchase government-approved health insurance. There is a new tax on employers who fail to fully comply with government health

insurance mandates. There is a new 40-percent excise tax on certain high-cost health plans. There is a new ban on the purchase of over-the-counter drugs using funds from FSAs, HSAs, and HRAs. There is an increase from 7.5 percent to 10 percent of income, the threshold after which individuals can deduct out-of-pocket medical expenses. There is a new \$2,500 annual cap on FSA contributions. There is a new annual tax on health insurance. There is a new annual tax on brand-name pharmaceuticals. There is a new 2.3-percent excise tax on certain medical devices. There is a new 10-percent tax on indoor UV—ultraviolet—tanning services. There is a new tax on insured and self-insured health plans, and it is double the penalty for nonqualified health savings accounts distributions. There is a tobacco tax increase. There are Federal unemployment surtaxes which have been extended through 2011, and there are more and more on the list.

In addition to the financial burden associated with all of the tax increases heaped upon the American people in the past year, taxpayers face the added anxiety of a complicated, antiquated, and oversized Tax Code. Let's look at what Americans go through every year in order to meet the April 15 deadline as reported by National Review Online.

As April 15 approaches like an incoming monsoon, millions of Americans brace for the pain of writing checks to the IRS. Even worse, this annual discomfort begins even earlier, as taxpayers generate a cyclone of documents just to calculate their tax liability. America's excruciatingly complex tax-compliance regime deepens the aggravation of sending hard-earned cash to Washington for virtual incineration by Congress.

Completing tax reforms required 7.75 billion hours of human labor in the 2008 fiscal year, according to the latest [reginfo.gov](http://reginfo.gov) data. That roughly equals 3.7 million people—or everyone in Los Angeles—filling out IRS forms for 40 hours every week, all year, without vacations.

That involves more workers than those at the Fortune 500's five biggest employers—

The National Taxpayers Union's David Keating concludes in a forthcoming report—

more than everybody at Wal-Mart, UPS, McDonald's, IBM and Citigroup combined.

Keating also found that:

Individual taxpayers would devote some 2.3 billion hours grappling with the income tax in 2010 at an equivalent labor cost of \$71.4 billion. Add to this the \$31.5 billion that individual taxpayers will cough up for tax software, accounting services, photocopying, and other compliance-related expenses. All told, individual taxpayers will spend \$103 billion to determine how much more money they must pump into the Beltway.

Meanwhile, the IRS Web site now offers 1,909 different documents, which is up from 1,770 last year. These include the riveting form 8833: Treaty-Based Return Position Disclosure Under Section 6114, or 7701(b). And don't miss Form 990-W: Estimated Tax on Unrelated Business Taxable Income for Tax-Exempt Organizations. This year's basic 1040 tax return includes 76 lines and 174 pages of instructions, up from 68 lines and 52 pages in 1985.

Last year, the National Taxpayers Union calculated that U.S. corporations spent \$159.4 billion on tax compliance, equal to 54 percent of corporate income tax revenue. In 2008, General Electric's tax returns droned on for some 24,000 pages.

It is abundantly clear we are on a path to fiscal disaster. David Walker, the former head of the Government Accountability Office and current president and CEO of the Peter G. Peterson Foundation and one of the most respected budget experts in the Nation, recently said:

The financial condition of the United States has deteriorated dramatically in recent years. Importantly, our primary fiscal threat is not today's deficit and debt levels, but the structural deficits and escalating debt burdens that will occur after the economy has recovered, unemployment is down, the "wars" are over, and the recent crises have passed. These large and growing structural deficits and the tens of trillions in unfunded federal government promises that drive them serve to threaten the future of our country and our families. We must begin to take steps now to put our Federal financial house in order. In addition, we must achieve some meaningful reforms within the next three years in order to help avoid a "crisis of confidence" that could have much worse economic consequences for America, Americans, and the world than the recent housing and financial crisis.

Today, all over America, there will be people demonstrating at tea parties, at gatherings, at organizations, at coffee shops, at restaurants, at places of business at the water cooler. People all over America will be talking today about this incredible, complex, difficult, burdensome system we have laid on the American people. It is fundamentally unfair and fundamentally incomprehensible to average citizens.

Most citizens, after they file their tax returns, will now live in some concern, if not grave concern, that they may have made a mistake because of this incredibly complex document from the agency we call the IRS and the tax bills we have. These American citizens can't be positive—even if they have gone to an accountant—that they will not be audited and then subject to further penalties.

We need to clean up the Tax Code. We need to stop the spending. We need to restore the confidence of the American people. There is a veritable uprising going on out there. It is a peaceful one. It is all over America. On a day like today, when they see their taxes have increased by some \$670 billion just in the last year, this will fuel the fire that is spreading across America and will culminate this coming November.

Madam President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

## CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, morning business is now closed.

## CONTINUING EXTENSION ACT OF 2010

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of H.R. 4851, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 4851) to provide a temporary extension of certain programs, and for other purposes.

## Pending:

Baucus modified amendment No. 3721, in the nature of a substitute.

Coburn amendment No. 3726 (to amendment No. 3721), to pay for the full cost of extending additional unemployment insurance and other Federal programs.

Coburn amendment No. 3727 (to amendment No. 3721), to pay for the full cost of extending additional unemployment insurance and other Federal programs.

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma is recognized.

Mr. COBURN. Madam President, I appreciate Senator REID working with us. We are going to try to work through the amendments we have left today and hopefully get this taken care of tonight. Our intent has not been to slow down but to pay for this.

I wish to discuss amendment No. 3726, which has already been called up and is pending. I don't believe there is another pending amendment at this time; is that correct?

The ACTING PRESIDENT pro tempore. Amendment No. 3727 is also pending.

Mr. COBURN. That is my amendment as well. Thank you.

Yesterday we defeated, by a vote of 51 to 46, actually smart financial management that would have paid for all the costs for the next 60 days for the unemployment insurance. What we were doing was utilizing money that we are already paying interest on that is sitting, not being used, by taking a portion of that to pay for this so that we don't go and borrow another \$18.2 billion. The wisdom of the Senate said, no, we don't want to do that.

We are going to have today two other opportunities on a way to finance that. This amendment basically takes the agreed-to tax loophole, which we agreed to before we left for the spring work period, and adds to that half as much of the financial management money that I recommended we do yesterday and the amendment was defeated. So we have about \$9.5 billion worth of tax loophole closures that we

have already agreed to in this amendment and \$20 billion, which will save \$10 billion in terms of the way CBO scores it—it is ridiculous the way they score it, but in terms of the way they score it, we have to move \$20 billion so we can save \$10 billion.

The point is that we get an option: we can borrow another \$18.2 billion to pay for this or we can take money we are already utilizing very inefficiently and pay for it. We are going to choose not to do it again, and we will probably get another 46 or 47 votes. But we are going to choose to transfer the cost of helping people today to our grandchildren because in my lifetime we are not going to pay back any of this money. We are going to be borrowing and paying interest on this \$18.2 billion over the next 30 years. So the cost really isn't \$18.2 billion; it is \$18.2 billion times 6 percent, times 106, times 106, times 106. It will end up costing our kids \$60 billion or \$70 billion because we are going to refuse to pay for something we ought to be doing.

What we are also not going to do is make tough choices about priorities, as every family in this country has to do. We are going to refuse to do that. We are going to say we are going to keep the bad habit, the thing that got us \$12.85 trillion in debt, the thing that got us \$75 trillion in unfunded liabilities. We are going to continue that process. We are going to continue that process until such time that we can no longer borrow the money. That is what it seems like to me. In other words, only until we cannot go to the world markets and finance debt against our children's future are we not going to change the habits in the Senate or in the Congress.

Of every dollar we spend this year, 43 cents will be borrowed. What are the long-term consequences of that? Very plainly speaking, it is a lower standard of living for those who follow us, a marked decrease in opportunity, a loss of freedom, an inhibition in entrepreneurial spirit, and truly an unwinding of what was the gift that was given to us, which was this great opportunity and this great freedom.

We don't often make the connection between freedom and debt as a government, but we do personally because when we are highly in debt as individuals, our choices start to get limited. If you are in a business that has a high degree of debt, your choices are limited by those who loan you the money because they start getting involved in your decisionmaking process.

If you really look at our foreign policy today, that is happening to us with what we are trying to do in terms of sanctions on Iran. What are the two nations that own the most of our debt and are also least likely to agree with us on harsh sanctions for Iran? They are China and Russia. They are the No. 1 and No. 2 holders of our bonds. So we are giving up tremendous flexibility and freedom.

I put forward that if we cannot find \$18.2 billion in our Federal Government

as we run it today, which will spend over \$4 trillion this year, none of us need to be here. We need a whole new 100 Senators if we cannot find \$18.2 billion. But the institutional stodginess of always doing it the same old way is inhibiting us from creating a bright future for our children.

I won't detail the exact tax loophole closures we have, but we have agreed they can be utilized for this purpose—Senator BAUCUS, Senator REID, Senator MCCONNELL, and myself—and they come to a total of \$9.756 billion. To properly manage our money instead of having money sitting that has been appropriated but not obligated—and there is almost \$900 billion sitting out there this year in the agency that is not utilized—to not utilize that money is foolhardy.

My hope is that my colleagues will consider at some point in the future that we have to start making harder choices.

I understand the bias against it. It eliminates somebody's control of power. But where should the power be in this country? Should it be in the Senate or should it be in the American people?

Do the American people want us to pay for this? Absolutely. Five to one think anything we are doing new we ought to be paying for. Yet it is going to skid through here today, and we are going to add another \$18.2 billion over the next 60 days that we do not have to, but we are going to choose specifically to do so.

I wish to leave with one last point on this amendment. When we say there is nothing else that we can eliminate in the Federal Government to pay for this legislation, what we are saying is all the waste, all the fraud, all the duplication is more important than helping people with unemployment insurance. If it was less important, we would eliminate it and pay for the unemployment. But by not paying for it, by not making the choice to pay for it, what we have said is we have elevated everything else above this as a priority. We refuse to do what every other business, what every other family, what every other organization, except the Federal Government, has to do; that is, make tough choices.

In my State of Oklahoma, the legislature and the Governor right now are making tough choices. They are going to cut several hundred million dollars from our budget. I promise you, they are going to look at what is least important so they can continue to fund what is most important. We will have none of it. We have demonstrated none of it. We lack the character and courage to do what is best for the future.

## AMENDMENT NO. 3727

Now let me talk about amendment No. 3727, which is, again, another opportunity, another way to pay for this good thing we want to do. It also has two components.

The first component utilizes the agreed-to closure of tax loopholes of