

they are not people, and their profit motive keeps them going. That is our system, and that is fine. But all we are saying in this debate over the DISCLOSE Act is, if a corporation or a union is going to take out an ad against a Senator or for a Senator, or against a challenger or for a challenger, that they simply stand up and say—that is, the CEO of the corporation: I am Mr. Smith, and I approved this message.

When I make a commercial or any of my colleagues or any of our challengers, they need to do that. You will see that on every commercial: I am so and so, and I approved this message.

So all we are saying is, level the playing field—at least that. We need to do a lot more to fix this Supreme Court decision, but at minimum let's have disclosure. The Fortune 100 companies had combined revenues of \$13.1 trillion during the 2007–2008 election cycle. They had those revenues. If they devoted just 1 percent of that—1 percent of that—it would double the federally reported disbursements of all American political parties and PACs combined. I think we cannot allow our electoral process to be dominated by the special interests.

So all we are saying in the DISCLOSE Act is, stand up and be counted. Let us know who you are. We have to know who you are. Do not hide behind some shadowy name of a group. Again, these names are all very nice: Americans for this and Americans for that. Let us know who you are. That is all we are saying.

This is a government of, by, and for the people. The people have a right to know who is contributing to us, to our opponents, and it is very simple.

There could be foreign influence here, again I would say. In our bill, we basically say no foreign influence. If you are a domestic corporation who is controlled by a foreign country or a foreign corporation—say if China, say in Venezuela, say anywhere; pick your country—you cannot take an ad. This is America. We ought to know who is contributing these huge, enormous sums. We ought to know who they are. Our voters ought to know who they are. The American people deserve nothing less.

So I would hope when we take up this vote again, there will be no more filibusters over this issue. I have never seen so many filibusters. I have been here a while. Let's go to this legislation. Let's hear the other side defend why they think foreign countries or foreign corporations should be able to play in our elections. Let them defend it if they want to. That is fine. That is fair. I am sure they will come up with reasons.

But yesterday we could not go to the military bill. It has a pay raise for our soldiers. That is put on hold because people did not want to vote on the DREAM Act. They did not want to debate don't ask, don't tell. I do not understand it. Now we have a situation

where they are filibustering us being able to go to this very commonsense bill, the DISCLOSE Act, which many of my colleagues on the other side have supported in the past—simple disclosure, transparency. I could read you chapter and verse of my colleagues on the other side who were filibustering the DISCLOSE Act in the past saying: We want transparency.

So I think this is a pretty open and shut case. The American people have a right to know who is influencing their elections. Just have these corporate executives, these union executives stand up and say: I am so and so, and I support this message, and I paid for it.

With that, I am happy to yield the floor with great thanks to my colleague for allowing me the opportunity to complete my remarks.

Thank you very much. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Missouri.

TAX INCREASES

Mr. BOND. Mr. President, this morning, all across America families are struggling to make ends meet. Their incomes are stagnant, but the cost of living keeps rising and the tax burden they face at the Federal, State, and local level keeps getting worse—and they are threatening to go higher.

Just as troubling, today's ongoing economic uncertainty is crippling job creation and hurting small businesses—the real engines of growth in our country. Some of our small businesses have told me it is not uncertainty, it is the certainty that they know what the Federal Government has already done in the health care bill this body, unfortunately, passed.

But what is the answer from Washington to this situation? More job-killing taxes.

Let me be very clear: The last thing we should be doing in this difficult economy is raising taxes on American families and small businesses. It is a recipe for disaster. I do not think anyone believes raising taxes on somebody in a recession is a good idea, particularly on the very small businesses we need to hire more workers and get the economy back on track. But unless Congress acts before the end of this year, that is exactly what will happen.

This is not a Republican or Democratic issue, which is why 31 House Democrats have recently written the Speaker of the House urging her to act now to stop the tax increases on the American people. As these 31 Democrats said, defying their leadership, raising taxes now could “negatively impact economic growth.” Obviously, that would affect jobs.

Instead of listening to the American people, and even those members of his own party, President Obama is trying to convince our Nation that the largest tax increase in history will not hurt them.

Whether it is justifying their failed trillion-dollar stimulus bill or govern-

ment takeover of health care, which will cost even more, and now their historic tax increases, the administration is guilty of using some very fuzzy math.

Last week, the President took to the airwaves and claimed he “opposes tax cuts for millionaires”—a statement he repeated in Ohio as well. But the President's plan to increase taxes is on any individual earning \$200,000 or more or any couple earning \$250,000 or more. I do not know who the President is talking to, but I do not know any Missouri families with two working people making \$250,000 a year who consider themselves millionaires. In fact, these Missouri families would be surprised that the President lumps them in the same category as George Soros, Warren Buffett, and Bill Gates.

In fact, the tax on these “rich” people, as the President calls them, is a tax increase on small businesses. Under the President's tax increase plan, half of all small business income would be affected, and the President's tax increase plan would affect up to 25 percent of all American workers. They are employed by those small businesses, and they certainly will be affected.

According to the Wall Street Journal's September 9 article entitled “The Small Business Tax Hike and the 3 percent Fallacy,” IRS data shows that 48 percent of the net income of sole proprietorships, partnerships, and S corporations reported on tax returns went to households with incomes over \$200,000 a year in 2007.

It is very clear we are talking about small businesses that have a much broader impact than just 3 percent of all taxpayers, as the spin we hear from the White House puts it.

This plan to increase taxes defies common sense. At a time when we need small businesses to expand and to create jobs, President Obama plans on raising their taxes. Imagine that. When jobs should be our top priority, with unemployment near 10 percent, this Congress and the President are proposing a historic job-killing tax increase.

Bear in mind, according to the Small Business Administration, small businesses employ half of all private sector employees. They generated 65 percent or 9.8 million of the 15 million net new jobs produced over the past 17 years. They produce 13 times more patents per employee than large patenting firms.

The President has actually been very clear about his intentions for additional revenue raised by tax increases. As a matter of fact, on September 8, in Parma, OH, the President repeatedly said:

I've got a whole bunch of better ways to spend the money.

Well, Mr. President, I strongly disagree. As Milton Friedman once famously said:

Nobody spends somebody else's money as wisely as they spend their own.

I think we have all seen proof of this over the past 21 months, and it is not

working. The nearly trillion-dollar stimulus plan that was supposed to create jobs immediately and keep unemployment below 8 percent failed, and now our children and our children's children are stuck with the bill that will be on their credit cards for a long time. But now the administration is pushing for even more tax increases in order to finance their massive spending spree.

Each time I return home, I am reminded of the anger and the distrust that my constituents have for Washington. The people of my State are angry. They are on fire. They have every right to be. The people in Missouri know that additional tax revenue generated from their hard work will not be used to pay down our national debt but, instead, it will be used for more spending they do not want and the country cannot afford. The people in Missouri know they cannot afford these tax increases. They want to keep more of their hard-earned paychecks so they can support their families.

On dividends and capital gains, the administration believes that taxes should go up. They also believe these two types of taxes on investment should be treated differently, with dividends being taxed as high as nearly 40 percent.

Higher taxes on investment income will halt new investment and force these investors with much needed capital on to the sidelines. If you tax something, you get less of it. If you reduce taxes, you get more of it.

But since Congress passed the 2,000-plus page regulatory overreach bill this year, we have seen a drop in capital formation, and tax increases will only continue to discourage private productive capital formation in the non-governmental private sector.

The looming tax increases will raise the price of capital and make lending much more expensive than it would be if we had properly reined in the bad actors and allowed the lending system to revert to practices based on creditworthiness, which means it will be even harder for our small businesses to get the lending, borrow what they need to continue to meet their payrolls, continue to employ workers, and keep their lights on.

Dividends are payments made to shareholders by a profitable firm. They are the owners of the firm. Many of the folks who receive dividend income are not multimillion-dollar investors but, rather, many of them are seniors who rely on this as a supplement to their retirement income. We should not raise taxes on seniors who rely on this income.

Recently, I heard from a utility in my State that came in and talked about the increased dividend tax and the concern as to what it would do to their shareholders. Many of their investors are senior citizens who are by no means rich and who live off of this income every day. They do not want to have, and they cannot afford to have,

the government reach into their pockets and take more money.

On the estate tax, death should not be a taxable event. There should not be taxation without respiration.

The death tax hurts small, family-owned businesses, especially our family farmers. According to the Farm Bureau, individuals, family partnerships, or family corporations own 98 percent of our Nation's 2 million farms and ranches.

When faced with the death tax, farmers and ranchers are in an especially tough spot with most of their assets tied up in land and buildings, livestock and equipment. This gives them little flexibility when settling an estate. Unlike an investor with a stock portfolio, they can't simply sell off the stock and move on.

The death tax punishes the American dream, making it virtually impossible for the American family to build wealth across generations, and this is particularly true for family farms.

The death tax is antisavings, antifamily, and anti-investment. Quite simply, it is un-American, and it should be eliminated, or at least it should be reduced.

Sadly, because of the Senate's failure to repeal this tax, I have signed on to the next best alternative—a bipartisan bill introduced by Senators LINCOLN and KYL which would increase the exemption for families to \$5 million from the \$3.5 million under the previous law.

Under the President's plan, when you die, your estate will be taxed at a whopping 55 percent for assets above \$1 million. The Kyl-Lincoln bill I am cosponsoring would reduce this rate to 35 percent for assets above the \$5 million exception.

Why is this important? Let me talk about farm country, where I live. Everybody knows that a successfully operated family-owned grain or corn or soybean farm is likely to have \$1 million worth of land and likely more than \$1 million worth of farm equipment so they can be a productive farmer in the world competitive economy. The President's plan would force these family farms to close rather than pass to the next generation of family farmers.

I say to my colleagues, unless Congress acts now, in less than 100 days Americans will be hit with the largest tax hike in our Nation's history. That is why I have joined with Senators MCCONNELL, GRASSLEY, and others to stop these tax hikes, cosponsoring the Tax Hike Prevention Act. This bill prevents the tax hikes scheduled for next year, permanently passes the alternative minimum tax, and protects families from increased death taxes.

For most Americans across the Nation, recovery is what we desperately need. We need it in my State and we need it in every State. Small businesses are not hiring new workers or expanding. It is not just the uncertainty; it is the certainty of what the Federal Government is doing to them. Also, unemployment has been hovering

at almost 10 percent. More than 3 million Americans have lost their jobs since February of 2009, and more have quit looking or are underemployed.

One of the best ways to help our economy and end the uncertainty that is crippling job creation is to stop the coming tax hikes. In addition to helping small businesses, stopping the coming tax hikes would let Americans keep more of their paychecks that they can save and invest. Our citizens know how to spend their money better than any government bureaucrat.

We have tried it with the government money. We have tried it with the government stimulus. The government stimulus stimulated the expansion of government. That is not productive. Let's try it the other way. Let's go back to what we used to do in this country and let the private sector work and develop useful products and services, sell those products, gain a profit, and hire more workers. It is time this Congress acts, and I hope they will act soon.

I thank the Chair and I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska.

TAX POLICY

Mr. JOHANNES. Mr. President, I rise today to speak about something that is enormously important, and that is tax policy and the economy.

Over the most recent break, I had the opportunity to go out across the State of Nebraska. I traveled throughout the State and I conducted 14 townhall meetings. I listened to a lot of concerns, but there was one issue that dominated all of the discussion and that was the state of our Nation's economy. Nebraskans, like all Americans, are wondering when the economy will turn around. They are wondering when this administration is going to actually take action to support job creators instead of just talking about it.

A recent CNN poll shows that 57 percent of Americans disapprove of the President's handling of the economy. The President's job agenda to date has simply failed to produce the results that were promised.

Take a look at the economic stimulus that cost taxpayers \$862 billion—\$1 trillion if you add interest—and it has come up short. Instead of more government spending that fails to create jobs, we need to create a progrowth environment that fosters job creation that is so desperately needed in every part of this great Nation. In order to do so, we must first and foremost give individuals and businesses some degree of certainty about the future. Unfortunately, the health care bill and the financial bill are doing exactly the opposite. Businesses are actually fearful of the regulatory environment and the list of pending tax hikes, causing them to wait out the anxiety and stay on the sidelines.

The National Federation of Independent Business describes it this way: