HONORING FLORIDA SOUTHERN COLLEGE

(Mr. ROSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROSS. Mr. Speaker, Florida Southern College is a liberal arts college nestled in my hometown of Lakeland, Florida. It is known not only as a great academic institution, but also contains the largest collection of Frank Lloyd Wright architecture in the world and was recently selected by the Princeton Review as the most beautiful campus in the country.

However, today, I rise to recognize another important distinction for Florida Southern College. The Moccasins Men's Basketball Team recently captured the 2015 NCAA Division II National Championship.

On Saturday, March 28, 2015, the Mocs defeated Indiana University of Pennsylvania, capping off a remarkable season with a 36–1 record. Led by senior guard and two-time Sunshine State Conference Player of the Year Kevin Capers of Winter Haven, Florida, the Mocs closed out the year by winning a school record 25 consecutive games.

Growing up in Lakeland, I have watched Florida Southern College flourish before my eyes. President Anne Kerr has done a wonderful job with this college. It is a tremendous educational institution, and this win is a terrific achievement not only for the school, but also the community.

Go Mocs.

□ 0915

PUT INLAND EMPIRE RESIDENTS BACK TO WORK

(Mr. AGUILAR asked and was given permission to address the House for 1 minute.)

Mr. AGUILAR. Mr. Speaker, yesterday, we marked 100 days in the 114th Congress. Since taking office in January, I have traveled across my home district in southern California, in San Bernardino County, on a jobs tour to meet with small businesses, community leaders, labor representatives, and job seekers about what we can do in Congress to put the Inland Empire back to work.

After having many conversations with residents and businessowners, today, I am releasing a jobs plan—a strategy—for how we can get the Inland Empire economy back on the road to recovery.

My plan calls for giving small businesses the tools they need to grow and thrive to create 21st century jobs in emerging sectors like renewable energy and biotechnology, connecting employers with job seekers and supporting job training programs and investing in our infrastructure to spur economic development.

We have a lot of work to do, but if we focus on these areas, we can strengthen the Inland Empire and the California economy and put our residents back to work.

PERMISSION TO POSTPONE ADOPTION OF MOTION TO RECOMMIT ON H.R. 1105, DEATH TAX REPEAL ACT OF 2015

Mr. SMITH of Nebraska. Mr. Speaker, I ask unanimous consent that the question of adopting a motion to recommit on H.R. 1105 may be subject to postponement as though under clause 8 of rule XX.

The SPEAKER pro tempore (Mr. HILL). Is there objection to the request of the gentleman from Nebraska?

There was no objection.

DEATH TAX REPEAL ACT OF 2015

Mr. SMITH of Nebraska. Mr. Speaker, pursuant to House Resolution 200, I call up the bill (H.R. 1105) to amend the Internal Revenue Code of 1986 to repeal the estate and generation-skipping transfer taxes, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 200, the amendment in the nature of a substitute recommended by the Committee on Ways and Means, printed in the bill, modified by the amendment printed in part B of House Report 114–74, is adopted, and the bill, as amended, is considered read.

The text of the bill, as amended, is as follows:

H.R. 1105

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Death Tax Repeal Act of 2015''.

SEC. 2. REPEAL OF ESTATE AND GENERATION-SKIPPING TRANSFER TAXES.

(a) ESTATE TAX REPEAL.—Subchapter C of chapter 11 of subtitle B of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

''SEC. 2210. TERMINATION.

''(a) IN GENERAL.—Except as provided in subsection (b), this chapter shall not apply to the estates of decedents dying on or after the date of the enactment of the Death Tax Repeal Act of 2015.

''(b) CERTAIN DISTRIBUTIONS FROM QUALIFIED DOMESTIC TRUSTS.—In applying section 2056A with respect to the surviving spouse of a decedent dying before the date of the enactment of the Death Tax Repeal Act of 2015—

''(1) section 2056A(b)(1)(A) shall not apply to distributions made after the 10-year period beginning on such date, and

''(2) section 2056A(b)(1)(B) shall not apply on or after such date.''.

(b) GENERATION-SKIPPING TRANSFER TAX REPEAL.—Subchapter G of chapter 13 of subtitle B of such Code is amended by adding at the end the following new section:

''SEC. 2664. TERMINATION.

''This chapter shall not apply to generation-skipping transfers on or after the date of the enactment of the Death Tax Repeal Act of 2015.''.

(c) CONFORMING AMENDMENTS.—

(1) The table of sections for subchapter C of chapter 11 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

''Sec. 2210. Termination.''.

(2) The table of sections for subchapter G of chapter 13 of such Code is amended by adding at the end the following new item:

''Sec. 2664. Termination.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to the estates of decedents dying, and generation-skipping transfers, on or after the date of the enactment of this Act.

SEC. 3. MODIFICATIONS OF GIFT TAX.

(a) COMPUTATION OF GIFT TAX.—Subsection (a) of section 2502 of the Internal Revenue Code of 1986 is amended to read as follows:

''(a) COMPUTATION OF TAX.—

''(1) IN GENERAL.—The tax imposed by section 2501 for each calendar year shall be an amount equal to the excess of—

''(A) a tentative tax, computed under paragraph (2), on the aggregate sum of the taxable gifts for such calendar year and for each of the preceding calendar periods, over

''(B) a tentative tax, computed under paragraph (2), on the aggregate sum of the taxable gifts for each of the preceding calendar periods.

''(2) RATE SCHEDULE.—

''If the amount with respect to which the tentative tax to be computed is:	The tentative tax is:
Not over $10,000	18% of such amount.
Over $10,000 but not over $20,000	$1,800, plus 20% of the excess over $10,000.
Over $20,000 but not over $40,000	$3,800, plus 22% of the excess over $20,000.
Over $40,000 but not over $60,000	$8,200, plus 24% of the excess over $40,000.
Over $60,000 but not over $80,000	$13,000, plus 26% of the excess over $60,000.
Over $80,000 but not over $100,000	$18,200, plus 28% of the excess over $80,000.
Over $100,000 but not over $150,000	$23,800, plus 30% of the excess over $100,000.
Over $150,000 but not over $250,000	$38,800, plus 32% of the excess of $150,000.
Over $250,000 but not over $500,000	$70,800, plus 34% of the excess over $250,000.
Over $500,000	$155,800, plus 35% of the excess of $500,000.''.

(b) TREATMENT OF CERTAIN TRANSFERS IN TRUST.—Section 2511 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(c) TREATMENT OF CERTAIN TRANSFERS IN TRUST.—Notwithstanding any other provision of this section and except as provided in regulations, a transfer in trust shall be treated as a taxable gift under section 2503, unless the trust is treated as wholly owned by the donor or the donor's spouse under subpart E of part I of subchapter J of chapter 1.''.

(c) LIFETIME GIFT EXEMPTION.—

(1) IN GENERAL.—Paragraph (1) of section 2505(a) of the Internal Revenue Code of 1986 is amended to read as follows:

''(1) the amount of the tentative tax which would be determined under the rate schedule set forth in section 2502(a)(2) if the amount with respect to which such tentative tax is to be computed were $5,000,000, reduced by''.

(2) INFLATION ADJUSTMENT.—Section 2505 of such Code is amended by adding at the end the following new subsection:

''(d) INFLATION ADJUSTMENT.—

''(1) IN GENERAL.—In the case of any calendar year after 2011, the dollar amount in subsection (a)(1) shall be increased by an amount equal to—

''(A) such dollar amount, multiplied by

''(B) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2010' for 'calendar year 1992' in subparagraph (B) thereof.

''(2) ROUNDING.—If any amount as adjusted under paragraph (1) is not a multiple of $10,000, such amount shall be rounded to the nearest multiple of $10,000.''.

(d) CONFORMING AMENDMENTS.—

(1) The heading for section 2505 of such Code is amended by striking ''**UNIFIED**''.

(2) The item in the table of sections for subchapter A of chapter 12 of such Code relating to section 2505 is amended to read as follows:

''Sec. 2505. Credit against gift tax.''.

(3) Section 2801(a)(1) of such Code is amended by striking ''section 2001(c) as in effect on the date of such receipt'' and inserting ''section 2502(a)(2)''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to gifts made on or after the date of the enactment of this Act.

(f) TRANSITION RULE.—

(1) IN GENERAL.—For purposes of applying sections 1015(d), 2502, and 2505 of the Internal Revenue Code of 1986, the calendar year in which this Act is enacted shall be treated as 2 separate calendar years one of which ends on the day before the date of the enactment of this Act and the other of which begins on such date of enactment.

(2) APPLICATION OF SECTION 2504(b).—For purposes of applying section 2504(b) of the Internal Revenue Code of 1986, the calendar year in which this Act is enacted shall be treated as one preceding calendar period.

SEC. 4. BUDGETARY EFFECTS.

The budgetary effects of this Act shall not be entered on either PAYGO scorecard maintained pursuant to section 4(d) of the Statutory Pay-As-You-Go Act of 2010.

The SPEAKER pro tempore. The gentleman from Nebraska (Mr. SMITH) and the gentleman from Washington (Mr. MCDERMOTT) each will control 30 minutes.

The Chair recognizes the gentleman from Nebraska.

GENERAL LEAVE

Mr. SMITH of Nebraska. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1105, the Death Tax Repeal Act of 2015.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. SMITH of Nebraska. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of repealing the estate tax. Repealing this death tax is a top priority for Nebraska's farmers, ranchers, and small businessowners—in fact, not just for Nebraska's farmers, ranchers, and small businessowners but for these folks all around the country.

Agriculture, particularly raising cattle and crops such as corn, is a land- and capital-intensive process. These Nebraskans aren't sitting on piles of cash. In fact, their assets are the land and the equipment they use to help feed our Nation and to help feed the world. They pay income taxes on what they earn, and they pay high property taxes on the land on an annual basis. They take great pride in this work and want their children and grandchildren to continue in their livelihoods. They shouldn't have to jump through hoops to ensure their descendants can continue their work when they have passed on.

The death tax doesn't penalize the wealthiest Americans. In fact, they probably don't even feel that penalty. They can plan their estates and give away their wealth as they see fit. It penalizes those who have worked all of their lives and who have reinvested in their family businesses to ensure their families and neighbors have every opportunity to be hard-working taxpayers.

I certainly urge a ''yea'' vote to grow opportunity in the U.S. and to support that growing opportunity.

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

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

It appears that the bipartisan, good feelings of the last few weeks are gone. After reaching across the aisle to pass important legislation like the doc fix, my Republican colleagues are back to their old tricks of handing out tax breaks to the few at the expense of the many.

Today's vote to repeal the estate tax is just the Republicans' last attempt to tilt the U.S. Tax Code in favor of their ultrawealthy campaign donors. This week's target is the estate tax—a tax, I would mention, that was dreamed up by and championed by Teddy Roosevelt, who is the same guy the Republicans like to hold up as one of the greatest the party ever produced.

Their crusade to help the rich has gone too far. This proposed repeal of the estate tax is nothing more than a massive, unfunded tax break for a small sliver of America's wealthiest families, and, as is usually the case with Republican tax policies, this repeal would do nothing to help hard-working, middle class families.

In Nebraska, 52 households would benefit while there are 202,000 people living in poverty. The fact of the matter is that the estate tax is only paid by about 5,400 families, or the top 0.2 percent of estates in the country. Estates worth less than $5.4 million pay nothing. What is the cost of providing a tax break to the top 5,000 families? It is a quarter of a trillion dollars—$269 billion.

Now, these are the deficit hawks who were talking last week about ''we have got to worry about the deficit, the deficit, the deficit.'' Yet they are standing here with a straight face, putting $269 billion more on the deficit. Instead, we should be using the money to extend the child tax credit and the earned income tax credit, which are tax credits that would actually help Main Street America—the real drivers of the American economy. Or we could fund universal pre-K or build new bridges and roads or provide free community college to 9 million people.

My colleagues on the other side of the aisle will try and tell you that the estate tax hurts family farmers. My colleague who began this debate was talking about that, Mr. Speaker. They will tell you the estate tax forces farmers to liquidate in order to pay the estate tax. When pressed to provide examples, as we did, of family farms being forced to liquidate, my Republican colleagues pointed to a 15,000-acre farm they say had to be broken up for the estate tax.

Let me put that into context, as most people who live in the cities don't know how big that is: 15,000 acres is the equivalent of 23.5 square miles. That is a 5-by-5 square mile farm. That is more than the island of Manhattan. Manhattan isn't that big, and it is home to a million people. I think most people who work hard would be hard pressed to believe that 23 square miles is a family farm.

As families at the very top of the income scale experience unprecedented wealth and prosperity—some may call it the second Gilded Age—Republicans are helping the rich get richer. They want to talk about ''We are going to help the middle class,'' but what are they doing? They are shoveling a quarter of a trillion dollars out the door to the richest. Repealing the estate tax will surely sow the seeds of a permanent aristocracy in this country. We learned from Britain what a permanent aristocracy gets you.

As we prepare to take this vote, I would ask my colleagues: Whose side are you on? Are you on the side of working families and communities across this country who are struggling to pay the bills, or are you on the side of the ultrawealthy heirs who don't feel they need to pay taxes on the millions and billions that they were handed by their ancestors?

Wealth has never been taxed. That land and the accumulation of the wealth in it has never been taxed. I vote for the working middle class, and I hope that you will all vote ''no.''

I reserve the balance of my time.

Mr. SMITH of Nebraska. Mr. Speaker, I ask unanimous consent to allow the gentleman from Texas (Mr. BRADY) to manage the time for the Ways and Means Committee.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. BRADY of Texas. Mr. Speaker, I yield myself such time as I may consume.

I thank the gentleman from Nebraska for his leadership on ending this terrible tax.

Can you imagine working your whole life to build up a family-owned business or a farm, and then, upon your death, Uncle Sam swoops in and takes nearly half of what you have spent a lifetime building up for your children and grandchildren?

Can you imagine this case, as my friend from Washington talked about? This was a farm that had been in his family since the 1880s—five generations. It didn't start that size—it started small—and they built up over years and years and generations and generations. When the young woman went back to Texas—she actually worked up here and went back to Texas to settle her aunt's estate—she and her brother were forced to sell off two-thirds of the farm that they had had for five generations. They had to sell off two-thirds of it just to pay Uncle Sam, just to try to keep some small portion of what their family had worked so hard to build.

These are real life examples of how the death tax is the wrong tax at the wrong time, and it hurts the wrong people. It is the number one reason family-owned businesses and farms aren't passed down to the next generations. It is at its heart an immoral tax, and it is an attack on the American Dream, especially more so for our newest startups in America—women- and minority-owned businesses that are building wealth for the first time, hoping that they can create a nest egg, that they can create a business for their children and grandchildren so that they have greater opportunities in this great country.

I really want to thank my Democrat lead sponsor, Congressman SANFORD BISHOP of Georgia, for his leadership to repeal the death tax and for his belief that you shouldn't punish success.

I want to thank my colleague on the Ways and Means Committee, Representative KRISTI NOEM; longtime champion, Congressman MAC THORNBERRY; and a former colleague of mine on the Ways and Means Committee, former Representative Kenny Hulshof, who carried this legislation for so long.

The superrich don't pay this tax. They have a legion of lawyers and tax planners, and they have charitable trusts and foundations. They never pay this tax. These are family-owned, hardworking, risk-taking, determined Americans who are building their businesses, their farms, their ranches. These are not, as we will hear today, the Paris Hiltons and robber barons of the Teddy Roosevelt days. These are Americans who are often forced back to the bank for a loan or who are cruelly forced to sell their land and businesses just to satisfy the IRS.

Death tax supporters will tell you this is all about income inequality, but it turns out, according to a former Federal Reserve Vice Chairman, with regard to income inequality only 2 percent is related to what people inherit. In America, it turns out we do build our prosperity. We pull ourselves up to prosperity. Some people say, Look, this thing generates $200-plus billion.

Let me put this in perspective. For all of the damage it does to our family-owned businesses and farms, the damage it will do to our women-owned businesses and minority-owned businesses that are building wealth, it will generate less than 2 days of Federal spending a year, and it is declining.

At the end of the day, there is a basic question: Is this your money and your hard work, or is this the government's money? Who has the claim over all of the years you have spent working? Why, at the end of the day, are we punishing success?

Let's give children and let's give our families their shot at the American Dream and a better nation than the one, frankly, we inherited. That is why, today, we rise to bury the death tax once and for all.

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

Mr. MCDERMOTT. Mr. Speaker, I would remind the gentleman from Texas that 292 households in Texas will do nothing for the 4.4 million people who are living in poverty in Texas.

I yield 3 minutes to the gentleman from California (Mr. THOMPSON).

Mr. THOMPSON of California. I thank the gentleman for yielding.

Mr. Speaker, I rise in strong support of estate tax reform and in strong opposition to this wrongfully and inaccurately titled Death Tax Repeal Act.

Whenever you hear people say ''death tax,'' know right away that they are not talking about public policy and that they are not talking about tax reform—they are talking about politics. There is no such thing as a death tax. You won't find those words anywhere at all in the Tax Code. It is partisan jargon. After you die, you don't have to pay taxes. You don't have to take out the garbage. You don't get called for jury duty anymore. When you are dead, you are dead. So there is no such thing as a death tax.

Today, my Republican colleagues are pursuing a full repeal of the estate tax under the guise of helping family farms and small businesses. I wish this were the case, but the rhetoric is simply disingenuous when you look at the policy.

I agree that the estate tax is a real issue for family farmers and for ranchers. The first bill I introduced when I came to Congress was a bill to reform the estate tax. Folks in my district, where farmland values have reached as high as $300,000 an acre, are often land rich and cash poor.

□ 0930

There are middle class people who work their land every day and pay taxes on the income they earn from that work. They are not people who the majority's bill is designed to help. Their full repeal is not the answer. It costs too much money. It is not paid for—$269 billion not paid for—and it helps people who don't need the government's help.

A more commonsense and targeted approach would be to pass the bill that I referenced earlier. My bill exempts farmlands and related assets from estate tax as long as the family that inherits the farm continues to farm the land. If they stop farming the land, then the tax kicks back in. This is a fair and equitable response to the issues many farmers are facing today: a shortage of young farmers because the barriers to entry are too high and the high volume of farmland we are losing. More than an acre of farmland is lost every minute of every day.

It is important that we help farmers preserve farmland for future generations, which will benefit our food supply and our environment, but it needs to be done the right way. So once this political exercise is over, I hope we can get down to business and work together on a proposal that is actually aimed at protecting our family farms and our family-owned small businesses.

Mr. BRADY of Texas. Mr. Speaker, I yield myself 15 seconds.

I know the gentleman from California is sincere, but his approach was tried before. It failed so miserably to protect farms, it was repealed, I think, 3 years later. No more gimmicks. Let's actually help these family-owned farm businesses.

I yield 2 minutes to the gentleman from Wisconsin (Mr. DUFFY), a gentleman who understands the importance of family-owned farms and businesses and rewarding success.

Mr. DUFFY. I appreciate the gentleman yielding.

Mr. Speaker, I come from America's dairy land, the central and northwestern part of Wisconsin, and we have a lot of small dairy farms—300, 500, maybe a thousand acres of small family farms. This death tax, when Dad dies, isn't paid by Dad because he is gone, but the kids who inherit the farm are the ones who pay that tax, and they end up not being able to pay it. So what do they do? They sell to the corporate farm. Repealing the death tax is the ability to keep the American family farm and not transfer these farms to the big corporate conglomerates. If you want to stand with the little guy, let's repeal this thing.

But it is not just farms. I have a family in my community in Wisconsin that employs hundreds of families. They are a manufacturer. A family-owned business. They asked me not to use their name, but they understand that this tax, if two or more of them die at the same time, they can't pay it, and so what they would be forced to do is sell the business, which would more than likely mean that they are going to lose these jobs to some other part of the country or some other part of the world. So now this family, because they love their community, they love the people that work in their company, many for 20 and 30 years, what they won't do is they won't travel together, they won't fly together, they won't drive together, because God forbid, if there were an accident and two of them die, they have to sell a major employer in our community. They don't travel together, family members, because of this tax.

I hear my friends across the aisle talk about this helping the big, wealthy guy. I agree with the gentleman from Texas who has done such great work on this bill. They don't pay this tax. They don't pay. They have great lawyers, great estate planners. It is the guys in the middle that are employing folks in their community that pay this tax; and when they have to pay it, that means jobs for middle class Americans.

I think we should all stand up in this House, and we should stand with the middle class Americans, the middle-income Americans, and let's work to repeal this bill to make sure that we have a vibrant, prosperous, middle class in America.

Mr. McDERMOTT. Mr. Speaker, I would like to remind the gentleman from Wisconsin that 63 households will benefit in his State. There are 618,000 people living under the poverty level. That is $18,000 for a family of four.

Now, one of the things about these kinds of debates is the political rhetoric gets a little overheated. If you die and you have this great big business, you have 5 years to pay that tax. You don't have to pay it the day that they bury the body of your grandfather or your mother, your father, whoever. You have 5 years to pay it or to decide on it, and 10 years deferred. So you have got 15 years before that tax has to be paid. It isn't like somebody shows up at the house when you are having the reception after the funeral and says, ''Here, give us the money, or we are taking your property.'' That is not what happens in this country. We have laid it out to give people time to figure out how to do it financially. Anybody who has that much money probably has enough money to actually hire a financial consultant, it would seem to me, Mr. Speaker.

I now yield 2 minutes to the gentleman from New Jersey (Mr. PASCRELL).

Mr. PASCRELL. Mr. Speaker, I have heard better stories in the Bada Bing Club in New Jersey. I am listening to the accounts of all of these poor people. Let me tell you what we are talking about here.

Do you see this big chart? That is 99.85 percent that get nothing out of this legislation in the United States of America. Here is 0.15 percent that get a $270 billion tax cut. Here, let me use the magnifying glass and get a better picture of how much we are talking about. You can all see that orange slash right there.

You are telling me that this helps the common good? My friends on the other side of the aisle—and when I use the word ''friends,'' I mean it—recently have taken to talking about the lack of wage growth in this country, yet here we are today considering legislation that will add, Mr. Speaker, $294.8 billion to the deficit for people who don't work at all.

This whole idea that the estate tax hurts middle class Americans in income that has already been taxed is simply not true. Much of this income has never been taxed. Repealing the estate tax in full would result in a massive tax cut for the wealthiest of the wealthy. It hits 5,500 households in this whole country—never mind Texas, the whole country—with estates worth more than $5 million. I mean, that is the law. I am not making this stuff up as I go along.

This bill only further exacerbates our already upside-down Tax Code. Our Tax Code is already stacked against hard-working labor income, and this bill would make it even worse.

I sit on the House Committee on the Budget as well as the Committee on Ways and Means.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. McDERMOTT. Mr. Speaker, I yield an additional 1 minute to the gentleman from New Jersey.

Mr. PASCRELL. After sitting through 13 hours of our budget markup, I could tell you that this $294.8 billion goes a long way in making up for the devastating cuts that the other side of the aisle has inflicted on the middle class.

It is also important to note that the budget does not assume, Mr. Ranking Member, the repeal of the estate tax. Where the heck are they going to get the $294.8 billion? It assumes a revenue-neutral—I like it when they say it—a revenue-neutral reform. It assumes that revenues will be exactly what CBO projects under current law for the next 10 years.

We really have only two conclusions: either this bill is directly contrary to the budget, or it is not paid for today. Congress will, at some point, have to sit down and go down the road, pass a tax hike to pay for this massive deficit-financed tax cut. You have no choice. You can't have it both ways.

I would like to hear from my good friend, the chairman, what his path will be to make up for this $294.8 billion. That is a lot of money, Mr. Speaker. Where the heck is it coming from?

Mr. BRADY of Texas. Mr. Speaker, I yield myself 10 seconds.

I would point out studies show we would generate more money by repealing this tax than keeping it because people wouldn't put their money into tax shelters and other things and instead would put it back in their business into job creation.

I am proud to yield 2 minutes to the gentleman from Pennsylvania (Mr. KELLY), a leading member of the Committee on Ways and Means and a gentleman whose father started their business by the sweat of his brow.

Mr. KELLY of Pennsylvania. I thank the chairman for yielding me this time.

Mr. Speaker, it is interesting to sit and listen to the rhetoric. I think sometimes if you drink the purple Kool-Aid long enough, you start to believe it.

That chart is a great chart that was just up there because what we are doing again is we are starting to separate America. We are saying that because it only applies to this very little sliver that we have to go after these people.

I want you to think about something. The entire produce of a woman's or man's life after they have paid their local taxes, their State taxes, their Federal taxes, all the sales taxes over their life and the way they have contributed to build their communities, at the time of their death—now, I know we don't want to call it a death tax, but it is triggered at the time of their death. God forbid these hard-working American taxpayers are allowed to pass on to the next generation that which they were able to accumulate.

Now, the chairman made a reference to my parents, and it is not just about my parents. My dad was a parts picker in a Chevrolet warehouse. He married the girl who ran the switchboard at that warehouse. That was my mother. He went off to World War II. He came back home, started with a little car dealership in Verona, Pennsylvania, one-car showroom, four service bays. He built it into something he was very proud of and was able to pass on to my brothers and me.

Now we want to go after these folks not because they were successful, but because they died and because the government cannot live within its means. So when we go to the viewing, we go to the funeral home and we go to pay our respects, we are also telling them: Thanks for all your hard work. You did a great job. You contributed so much, and now the government wants to take some of that produce of your entire life because they can't live within their means. You lived within your means. You tightened your belt when you had to. You made more with less.

But no, that is not good enough because we can't rein in spending, so we can't stop taxing. That is egregious in the United States of America to sit back and look at all those who have done so much and paid so many taxes in their lifetime, and yet to say upon their death they are not allowed to pass this on to the next generation.

I love the chart because you really specify exactly what has been going on here for too long. You are separating the country. You are dividing the country, rich versus poor. This is America.

The SPEAKER pro tempore. Members are reminded to direct their remarks to the Chair.

Mr. McDERMOTT. Mr. Speaker, I hope you would remind the gentleman that the country is already divided into rich and poor. There is no question about that. In Pennsylvania, 144 households will get the benefit, and 1.57 million people in Pennsylvania live in poverty. So there is already a bit of a division here.

It might be more acceptable if this bill recouped all the money that we spent in farm subsidies over time.

Maybe when people die, they ought to give their farm subsidy back to the government. When my grandfather died, the State of Illinois came back to get the public assistance money that had been given to him during his life, his last years.

I yield 2 minutes to the gentleman from Wisconsin (Mr. KIND).

Mr. KIND. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in opposition to this legislation, and perhaps for no better reason than it is a $270 billion cost that the Congressional Budget Office showed with no pay-fors, no offsets in the Federal budget. If my Republican colleagues want to move forward on this policy proposal, at least they should show courage to the American people and tell them how they are going to pay for this $270 billion bill or to admit that it is just going to be added to the annual structural budget deficits, a completely fiscally irresponsible approach to trying to reform our Tax Code. Lord knows we need to get to work on that.

But there is a larger point—and to speak to the last speaker's point that he just made on the floor—what is somewhat problematic and troublesome for me, it seems many of our Republican colleagues seem very comfortable with the idea of income inequality in this Nation, which is only growing worse. But here is the main point: this income inequality in our society, absent opportunity, absent hope, absent mobility, is just a caste system. It is just a caste system where birth determines outcome.

That is why one of the richest people in the world, Warren Buffett, who opposes repealing the estate tax, says that our fate in life should not depend on whether we win the birth lottery or not. It is no longer good enough for the other side to continue to deliver tax relief to the wealthiest 1 percent; now it has got to be the wealthiest two-tenths of 1 percent, because that is what this legislation affects is two-tenths of 1 percent of the wealthiest households in America.

But they keep saying: Don't worry. We will address the deficit later. They say we have a spending problem in Washington. But what we have seen from their budgets, where they go for offsets in spending: it is in Pell grants; it is in workstudy; it is in GEAR UP and TRIO programs; it is the broadband expansion that we need in this Nation; it is the basic research funding that has to take place; it is the infrastructure modernization that we need.

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It is those things that we need to be investing in to keep America competitive, and those are the type of programs that help with mobility, that help with opportunity for many Americans.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MCDERMOTT. I yield the gentleman from Wisconsin (Mr. KIND) an additional 30 seconds.

Mr. KIND. I thank my friend.

That is what is so onerous behind this legislation. They have become very clever at piling up debt, convincing the American people we have a spending problem; yet the very programs they decide to target in their budget resolutions are those programs that provide upward income mobility for all Americans.

I am a product of that. I am a kid who went on to school with Pell grants, with student loans, with the workstudy program. There is no way I want to be a Member of Congress that is going to pull up the ladder behind me and say ''tough luck'' to the lower income classes of this country.

That is what this bill leads to, and I encourage my colleagues to oppose it.

Mr. BRADY of Pennsylvania. Mr. Speaker, I yield myself 15 seconds.

I would say let's have the courage to stop hiding behind Warren Buffett, George Soros, the superrich. They don't pay this tax. They have lawyers and tax accountants and tax finders. They have charitable trusts. This is family-owned farms and businesses.

I am proud to yield 1 minute to the gentleman from Texas (Mr. WILLIAMS), a second-generation small-businessowner.

Mr. WILLIAMS. Mr. Speaker, in 1939, a man started a car dealership to realize the American Dream. When he died, the ownership of the business was passed along to his son and so was a death tax liability equal to a significant value of the business' worth.

The IRS was there 3 days later after the father's death, wanting the money, 50 percent of the value of the business. His son nearly declared bankruptcy. Fortunately, he was able to pull resources together to keep his family's profitable dealership afloat and save jobs. He still runs the dealership to this day and has more than 100 employees. That son is me.

Mr. Speaker, today, the House will vote to repeal the death tax, the most unfair double taxation on job creators we have ever seen. The death tax is a tax on savings that have already been taxed on before, but the tax provides less than 1 percent of Federal revenue.

According to the Tax Foundation, repeal of the death tax would boost GDP, create 139,000 jobs, and eventually increase Federal revenue. That is right. Ironically, by killing the death tax, the U.S. Government would earn more money and more opportunities.

Mr. Speaker, many second-generation businessowners do not have the means to hire teams of accountants and lawyers to navigate the costly obstacles to save the family farm and save the family business.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BRADY of Texas. I yield the gentleman an additional 15 seconds.

Mr. WILLIAMS. As a small-businessowner of 44 years, I have seen friends and colleagues lose gains earned from a lifetime of hard work because of Washington's greed and failed policies, like the death tax.

We must repeal this unfair policy that does no good to the Federal Government and does life-changing harm to American job creators and families. We must make sure this law goes away.

In God we trust.

Mr. MCDERMOTT. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Speaker, I rise in strong opposition to this Brady ''Borrow to Benefit Billionaires Act.''

I don't believe that it is in the interest of our country to borrow another $269 billion from the Chinese, the Saudis, or whomever we can get it from in order to benefit about 5,000 or so of the wealthiest families in this country, and that is precisely what this legislation does.

> ''If ever our people become so sordid as to feel that all that counts is moneyed prosperity, ignoble well-being, effortless ease and comfort, then this Nation shall perish.''
>
> ''No advantage comes either to the country as a whole or to the individuals inheriting the money by permitting the transmission in their entirety of the enormous fortunes which would be affected by such a tax.''

Those are bold words of a different kind of Republican than we have today. They are the bold words in 1907 of President Teddy Roosevelt when he originally proposed the tax that has been mislabeled today as the ''death tax.''

President Roosevelt thought that it would be the death of our country if we had a permanent leisure class elite of the type that dominated so many European countries. He thought that a reasonable tax on inheritance of the wealthiest, most prosperous members of our country would be in the national interest—indeed essential to the future of the country.

I think his approach was right at the beginning of the 19th century, and it remains true in this century because this is really a billionaire protection act.

When he introduced this legislation, Mr. BRADY said: What kind of government swoops in upon your death and takes nearly half of the nest egg that you've spent your life building?

Well, the answer is not the American Government. Our government does not do that and does not touch the estates of any but the smallest, smallest fraction of the wealthiest—about 5,000-plus households in the country.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MCDERMOTT. I yield the gentleman from Texas (Mr. DOGGETT) an additional 30 seconds.

Mr. DOGGETT. I am concerned about the anticompetitive effects of this bill because, while this money could be used to address the size of our national debt—and that might be an appropriate place for it. Think about the size of $269 billion and what it could do. We know that our infrastructure is crumbling. That would be more than enough to cover, over the next 10 years, the shortfall that has been estimated in dealing with our transportation infrastructure.

Think what dollars of that size would do for strengthening of the competitiveness of our workforce from pre-K to postgrad.

It is a bad investment to help those who have already got what they have got.

Mr. BRADY of Texas. Mr. Speaker, I am proud to yield 1 minute to the gentleman from Montana (Mr. ZINKE), a fifth-generation proud resident of his State.

Mr. ZINKE. Mr. Speaker, I rise to bring awareness to a pervasive tax that threatens the very livelihood of the future of generations of Montanans, the death tax.

April 15 was tax day; and, while some Americans look forward to a refund, many families in my home State and across the Nation are reminded of the looming debt their children and grandchildren will face.

The death tax jeopardizes the future of 28,000 Montana farms and thousands more small, family-run businesses. This is not a leisure class. These are hard-working Americans that spent their whole life—generations—building their future, only to see it threatened.

This tax punishes Americans that have worked hard, played by the rules, and want to pass that legacy on to their children. The death tax is a tax on the American Dream.

I am a proud cosponsor of H.R. 1105, the Death Tax Repeal Act of 2015, and I urge my colleagues to support this measure in order to preserve the American Dream for farmers and small ranchers.

Mr. MCDERMOTT. Mr. Speaker, I hope you will remind the gentleman from Montana that he is talking about 19 families in Montana, when you have got 145,000 people who are living below the poverty line.

I yield 2 minutes to the gentleman from California (Mr. BECERRA).

Mr. BECERRA. I thank the gentleman for yielding.

Mr. Speaker, it could be very confusing trying to understand what is going on. I see in today's gallery a lot of young Americans—our future leaders—and they are probably wondering: Is this something that might affect me in the future?

Because I think everyone in America has this dream, this hope that our country makes available of making it in America, we all aspire to do well.

I know my parents—my father didn't get more than a sixth grade education—aspired to see their kids do more. I know they are very proud of what their children have been able to accomplish.

Make no doubt, we all want to make sure that we make it in America. We all want to make sure that we have what we need to buy that first home, to send our kids to college, to save up enough for retirement.

Most Americans would say: I have made it. That is the American Dream. If I can guarantee those things and know my kids are going to have an opportunity to be better than me, that is great. Can I do more? I would love to do more.

I don't think that most Americans say that we have to give a tax break not to the wealthy, not to the megawealthy, not to the ultra-megawealthy, but to the uber-mega-ultra-superwealthy, a tax break that would cost all us taxpayers $270 billion because this bill is not paid for when, at the same time, that $270 billion would pay for the same amount of coverage for the entire National Institutes of Health to do all the research that we expect it to do to help us cure Alzheimer's, Parkinson's, diabetes, lung cancer, and heart disease.

All that research that the National Institutes of Health is doing with all those great scientists and all those universities today in America costs for 10 years the same amount that this bill would cost to give not 1 percent of the wealthiest—one-tenth of 1 percent of the wealthiest Americans—a tax break that costs $270 billion.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MCDERMOTT. I yield the gentleman an additional 30 seconds.

Mr. BECERRA. Every time a proponent of this measure gets up and says, We want to protect the family farmer, they have to say, Well, we mean the one-tenth of 1 percent of the wealthiest Americans who may be a family farmer.

I guarantee you that guy is not going to have callouses on his hands if he is a family farmer, and he is one-tenth of 1 percent of the richest Americans.

Let's be real. We have priorities. We want to make it in America. We want to buy that house; we want to send our kids to college, and we want to be able to retire securely.

You don't have to be the one-tenth of 1 percent richest Americans, at the cost of $270 billion to all the other Americans, especially every one of those folks sitting in this gallery today, to say we have got to give a tax break to the uberwealthy.

Let's not vote for this bill.

I see in the gallery of this Chamber tomorrow's leaders. They have dreams and they have priorities for their future.

The American people are pretty straightforward about what their priorities are.

Having the opportunity to buy our own homes, send our kids to college, and having a secure retirement are parts of the American dream that we all aspire to.

Thanks to the decisive actions taken by Congressional Democrats and President Obama during the Great Recession, our economy is on the rebound: Over the last 61 straight months our economy has created over 12 million jobs, the longest consecutive period of job growth on record. Wages have grown by over 5% over the last year. The high school graduation rate is at an all time high.

Despite these gains, for too many families the American dream is still out of reach.

Congress's number one priority should be to build on this foundation to boost wages and economic growth. It should be to strengthen investments in the middle class. It should be to ensure our tax code and economic policy rewards hard work, not just wealth.

The legislation we are considering today does none of these things.

It won't benefit any middle class Americans. It won't make investments in our education or our infrastructure, it won't create ladders of opportunity into the middle class, and it won't put the American dream within reach for working class families.

Instead, this legislation is a special give-away to the wealthiest estates.

At a time when the wealthiest 1% of Americans hold more than 40% of the nation's wealth, it would widen the wealth gap even further.

And we're not even talking about "the 1%" today—the group that benefits from this legislation is even more exclusive.

This bill would only benefit uber-mega-ultra-super wealthy estates.

This bill would give a mere fraction of the richest 1% estates a special tax break of over $3 million each, and leave working class families to pick up the tab.

This bill only benefits fewer than 2 of every 1000 estates and costs $270 billion. What other investments could be made with this money?

100% of school nutrition programs, which provide nutritious meals to 31 million children every day; 100% of Social Security survivor benefits, 3/4 the cost of providing Pell grants to more than 9 million students a year over the next 10 years; 31 times the funding for Head Start for FY 2015; 39 times the funding for the Centers for Disease Control and Prevention for FY 2015; 104 times the funding for the Food and Drug Administration for FY 2015.

Health Care: You could fund NIH's budget for 2015 9 times over. FY 2015 estimates: 461 times NIH Alzheimer's funding, 394 times NIH breast cancer funding, 50 times NIH general cancer funding, 894 times NIH stroke funding, 265 times NIH diabetes funding, 1929 times NIH Parkinson's funding, 221 times NIH heart disease funding.

The bottom line is that this bill fails to help the middle class get back on their feet.

It doesn't make it easier for the hardworking small business owner and it doesn't make it more affordable for a hardworking family to send their kids to college.

It's time for Congress to get to work and ensure that we put the American Dream within reach for every American, not just the wealthiest few.

The SPEAKER pro tempore. The Chair would remind Members to avoid references to occupants of the gallery.

Mr. BRADY of Pennsylvania. Mr. Speaker, I yield myself 15 seconds.

For those listening today, young people included, ask yourself a question: Do you want a government that guarantees you food stamps and welfare checks or an opportunity to build your American Dream?

At the end of your life, all the years of hard work, all the sweat, all the sacrifice, do you want to pass that down to your kids and grandchildren? Or should Uncle Sam swoop in and take nearly half of everything you have worked a lifetime to earn?

I am proud to yield 2 minutes to the gentleman from Minnesota (Mr. PAULSEN), a key member of the Ways and Means Committee.

Mr. PAULSEN. Mr. Speaker, we all love hearing about American success stories. It might be that startup that begins with an idea, a couple of dollars, and a lot of hard work that grows into a business that can support a family, that serves a community, and provides for the future.

Many family-businessowners, ranchers, and farmers do hope to keep that success going by passing it on to the next generation.

However, for too many, the dream of taking over the family business can quickly turn into a nightmare. While having to cope with the loss of a loved one, relatives are often forced to make tough decisions in order just to meet the estate tax obligations under law.

It can mean taking on large amounts of debt. It can mean selling off critical assets. It can mean even closing down the business and being forced to sell the entire family farm or business just to pay the taxes alone.

The truth is that average Americans can be negatively affected by this tax. Not only are businesses not being passed down to the next generation, but they are also being forced to lay off other employees that are currently employed. When a small business shuts its doors and then lets those employees go, it can have a very profound affect on the community.

Farmers can be impacted by the Federal estate tax simply based on the value of the farmland alone. That doesn't even take into account, Mr. Speaker, the buildings, the equipment, the livestock, and other nonliquid assets that are present.

I spoke to a Minnesota family business who was forced to be spending 20 percent of their net income on an expensive life insurance just to fund their future death tax obligations. That is money that is not being used to expand and grow the current business.

We have to ask ourselves, Mr. Speaker, for a country that prides itself on the American Dream that we all agree on and the idea that our children will be better off than we were: Does it make sense to penalize success?

I ask for support for this legislation, and I commend the gentleman, Mr. BRADY, for his leadership.

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Mr. MCDERMOTT. Mr. Speaker, may I know the time that is remaining on both sides?

The SPEAKER pro tempore. The gentleman from Washington has 9¾ minutes remaining, and the gentleman from Texas has 15¼ minutes remaining.

Mr. MCDERMOTT. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. DANNY K. DAVIS).

Mr. DANNY K. DAVIS of Illinois. Mr. Speaker, I rise in opposition to this bill that would add hundreds of billions of dollars to our deficit to deliver a windfall to the heirs of the wealthiest estates in the country.

Although the Republican budget holds that we must make draconian cuts to domestic programs in the name of fiscal prudence, cuts that harm the elderly, the working poor, the infirm, the middle class, the Republican leadership lauds a bill that would provide inequality in our Nation and give an average tax break of $3 million to the most secure.

In my congressional district, the median income is $48,841. The unemployment rate for African Americans is 24.5 percent. The poverty level for children is 38.3 percent, the poverty rate for the elderly is 21.4 percent, and over 63,000 households receive food stamps.

In the State of Illinois, over 13,000 children are homeless. At the end of last year, Chicago had the fifth-highest foreclosure rate in the Nation.

This bill is fiscally irresponsible and reflects misplaced priorities for our Nation. We can make improvements to the bill to address the concerns of small businesses and family farms if current law is inadequate, but wholesale repeal reflects poor leadership.

The fiscal recklessness of the Republican approach that balloons our deficit by hundreds of billions of dollars via dozens of tax cuts reminds me of the adage that says ''death by a thousand cuts,'' only this time it is debt by a thousand tax cuts. Debt by a thousand tax cuts is bad for our economy, it is bad for our citizens, and it is bad for our Nation. I will vote ''no.''

Mr. BRADY of Texas. Mr. Speaker, I am very proud to yield 2 minutes to the gentlewoman from South Dakota (Mrs. NOEM), a key member of the Ways and Means Committee.

Mrs. NOEM. On March 10 of 1994, my dad was killed in an accident on our family farm. I was taking college classes at the time. I was 21 years old, and I ended up coming home with my family and trying to figure out how we were going to get by without him after this tragedy hit our family.

All I could hear during that point in time were the words that my dad had said to me for many years. It wasn't very long after he was killed that we got a bill in the mail from the IRS that said we owed them money because we had a tragedy happen to our family.

One of the things my dad had always said to me is, ''Kristi, don't ever sell land, because God isn't making any more land.''

But that was really our only option. We could either sell land that had been in our family for generations, or we could take out a loan. So I chose to take out a loan, but it took us 10 years to pay off that loan to pay the Federal Government those death taxes.

That is one of the main reasons why I got involved in government and politics, because I didn't understand how bureaucrats and politicians in Washington, D.C., could make a law that says that when a tragedy hits a family they somehow are owed something from that family business. And it doesn't work for normal, everyday people.

That is why this death tax is so unfair because, at one of the most vulnerable times of people's lives, the Federal Government says, We need to take what you have and what your family has worked for.

A lot of the conversation today has been about that the rich need to pay more. Well, the rich will avoid this tax. They have the resources to do that. But it hits families like mine harder than ever. The rich certainly are not going to pay the burden of this tax.

I will also say that some of the discussion has been about the deficit. The government does not earn money. The government takes other people's money, is what it does. It certainly is not going to earn more money by this policy.

This previous administration and the members of the other party here on the House floor today talk about the people who have struggled. We have more people living in poverty today under your policies than we had before you were in charge of this country.

One in 15 children are on food stamps because of the policies of this administration. Fifty percent of our college students can't find work or are underemployed because of the policies of this administration. We talk about income inequality, and we are seeing it because of those previous policies.

This tax is a very unfair tax. It is double taxation. Please don't put any more families in the situation where they lose their family operation or are threatened by it because of a tragedy that happens to their family.

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

Mr. BRADY of Texas. Madam Speaker, I am proud to yield 2 minutes to the gentleman from Missouri (Mr. SMITH), another new member of the Ways and Means Committee who understands just how fragile these family-owned farms and businesses are.

Mr. SMITH of Missouri. Madam Speaker, growing up and working on my great-grandfather's farm, I learned many values. One that I was taught is a comparison and, basically, when you are out there working with the hogs, you learn that there is little value in hogwash.

I would compare a lot of the facts that we have been hearing today, that are opposing this legislation, as equivalent to hogwash. And I say that under the stipulation that I have heard numerous facts stated of farms the size of 15,000 acres.

Well, the average family farm in this country is less than 500 acres. If you look at the Bootheel of Missouri, which I represent, every farm in that area, if you would just consider a 500-acre farm and the price of a 500-acre farm, times that by how many acres they have— say, 500 acres times $10,000. That's $5 million—$5 million.

Then you have to put the price of a combine and a tractor to harvest the rice and the cotton. Guess what? They are part of that top 2 percent that the other side says is the wealthiest of the wealthy. Well, guess what?

Less than 2 percent of Americans are farmers. Less than 2 percent of Americans are farmers. This legislation, this tax is directly after farmers.

Our Tax Code, what is wrong with it, it is disadvantaging rural America, and the death tax is part of that disadvantage. You are seeing people leave rural America because of the Tax Code, and this is a way to fix the Tax Code.

When you look at family farmers, 85 percent of their investment is in the land and in the equipment. It is not in liquid assets. And when they get a tax bill, like the Congresswoman from South Dakota who spoke mentioned, they have to either sell their land or they have to take out a loan so they can keep their family business. This is a tax on the American Dream, and this is awful.

The folks on the other side of the aisle have never found a tax that they disliked. Folks, we have to stop this.

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

Mr. BRADY of Texas. Madam Speaker, I am proud to yield one 1½ minutes to the gentleman from Washington (Mr. REICHERT), the leader of the Select Revenue Subcommittee on the Ways and Means Committee.

Mr. REICHERT. Madam Speaker, I thank the distinguished gentleman from Texas for bringing this bill to the floor and for his hard work on this bill. I appreciate the opportunity to speak today in support of this bill. I am proud to be a cosponsor.

The story is the same across this country in all of our districts, whether you have heard that today from every Member or not.

Businessowners and farmers work hard for their entire lives with the goal of passing on the first fruits of their labor but face the sometimes insurmountable hurdle of the death tax. And, in addition to the actual tax liability the death tax imposes, merely planning for it, regardless of whether these businesspeople and farmers end up owing it, it is yet another challenge.

Last month, when I chaired the hearing in the Select Revenue Subcommittee on this bill, we heard from three witnesses: a rancher, a farmer, and a product distributor. Their stories were the same. This is an onerous tax, creating hours and hours and months of work by attorneys and by their own employees trying to figure out how they are going to keep their business in their family.

One businessowner said, for the first 26 years working in his family business—26 years he spent trying to figure out how to meet the death tax. When one relative was about to pass away, they had another death tax issue they had to address. Another relative was about to pass away and did pass away, and again they had to address the death tax.

This is an issue that the other side wants to make between the rich and the poor. This is about average American men and women, businessowners across this country trying to keep their family-owned business and protect their hard work.

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

Mr. BRADY of Texas. Madam Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. BISHOP), the lead sponsor of the Repeal the Death Tax Act, an Eagle Scout, Army veteran, key member.

Mr. BISHOP of Georgia. I thank the gentleman for yielding.

Madam Speaker, I am pleased to join Representative BRADY on this important bipartisan legislation to repeal the death tax once and for all. I have always believed that the death tax is politically misguided, morally unjustified, and downright un-American. It is really a tax on success.

The assets that people want to pass on to their progeny have already been taxed. If it is a business or if it is a farm, the individuals who earned it, who started the business, they paid income taxes. If it was a corporation, the corporation paid taxes also.

Why should it be taxed a third time just to be passed on and just to keep the business together?

It undermines the life work and life savings of farmers, small- to medium-sized businesses in Georgia and all across the Nation.

We have all heard the statistics. The United States has the fourth-highest estate tax in the industrialized world at 40 percent. Only Japan, South Korea, and France have higher death taxes. Thirteen countries have repealed their taxes since 2000.

It has a disproportionate impact on African Americans. A study by the Boston College professors John Havens and Paul Schervish several years ago estimated that between 2001 and 2055, the death tax will erase between 11 percent and 13 percent of all African American wealth. This one tax alone will cost African American households between $192 billion and $257 billion.

Some people have argued that the estate tax is no longer a serious problem since we have permanently raised the exemption to $5 million for individuals and $10 million for couples to index it to inflation. Nothing can be further from the truth.

According to the Georgia Farm Bureau, the exemption is barely keeping pace with increasing farmland values. In fact, the number of farms in Georgia with building and land values of over $5 million rose from 664 to 677 between 2007 and 2012.

I just can't stand by and allow this estate tax to continue to punish family-owned businesses in Georgia and throughout the country. It is not just farmers.

We have heard a lot about farms, but look at funeral homes, funeral directors who have multiple locations with rolling stock, caskets, limousines, hearses. That amounts to a pretty good amount of money.

I have got constituents who own radio stations; finally, worked hard enough to have a family-owned business that would be able to be in communications. They started out with one radio station. Now they have got five stations in three different States.

It is a family business. The husband, the wife, and now the three kids went to college, law school, and they are running the business. It is a shame that they would have to sell that business and, ultimately, have to lay off employees to pay the 40 percent estate tax.

It is clear that the estate tax really hurts the economy.

The SPEAKER pro tempore (Ms. FOXX). The time of the gentleman has expired.

Mr. BRADY of Texas. I yield the gentleman an additional 30 seconds.

Mr. BISHOP of Georgia. A study by the Tax Foundation found that repealing the death tax would increase U.S. capital stock by 2.2 percent, it would boost GDP, and it would create 139,000 jobs, which eventually increases Federal revenue.

This is a tax on success. It is not a big contributor to the revenue of this country. It is a very, very—a drop in the ocean really, and so, it is time to repeal it.

I urge my colleagues to really think realistically, not ideologically, and just do the right thing. I urge you to join my colleagues and repeal the death tax once and for all.

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Mr. McDERMOTT. Madam Speaker, I yield 2 minutes to the gentleman from New York (Mr. RANGEL).

Mr. RANGEL. I thank the gentleman for this opportunity.

Madam Speaker, having served on the Ways and Means Committee for decades, it is a little bit embarrassing to see us debating a bill that goes nowhere. This is a political action that is taken by the majority to select provisions that are in the Tax Code and to have those of us that advocate tax reform to just select those parts that appear to be very popular with some parts of our constituencies.

There is nobody in this House that truly believes that this legislation, if passed, ever would become law, but it is something to be used in political campaigns as to what you voted for and why you voted against it.

The truth of the matter is that, to listen to the other side talk, we have some very, very rich farmers; and just because they are in a family doesn't mean that they are not wealthy.

First of all, let's go to the video, let's go to the facts, and let's find out how many people are going to be affected. And the statistics show that 99.8 percent of the population, those people who die, don't pay any taxes. So what the heck are we talking about? We are talking about a few rich people that are 0.2 percent of those people that will be eligible for a tax, and that is only after we estimate that the value of their estate is $5 million for one person and $10 million for two.

So I am not saying that for these people it is not going to be inconvenient. But when you think about the number of people that pay taxes, that are working hard every day, that are trying to save money for their kids' education, then this really means that hundreds of billions of dollars are being set aside for those people that already have.

If we really want equity, if we really want fair play, why don't we take a look at the entire Tax Code? Why are we just looking at the estate tax or the local and State tax? Because equity is how much money are you raising and how much money do you need.

GENERAL LEAVE

Mr. BRADY of Texas. Madam Speaker, to clarify, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on H.R. 1105, the Death Tax Repeal Act of 2015.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BRADY of Texas. Madam Speaker, I am proud to yield 1 minute to the gentleman from Indiana (Mr. STUTZMAN), a fourth-generation farmer.

Mr. STUTZMAN. Madam Speaker, I rise today in support of H.R. 1105, the Death Tax Repeal Act.

I want to thank Chairman BRADY and Chairman RYAN for their leadership in addressing this issue that is so important for my district in Indiana and for many folks all across the Hoosier State.

In Indiana, under the leadership of Governor Mike Pence, we officially repealed our State's death tax in 2013, and with this bill we can do the same thing on the Federal level.

As a fourth-generation farmer, I can see how family-owned businesses already struggle each year with a destructive mess that is our Federal Tax Code. The death tax, which is a double tax on Americans' hard work, only adds to the problem. It stifles prosperity, and it prevents individuals and families from making the personal decisions they want to make with their savings and their property for generations to follow them.

Madam Speaker, it is time to repeal the death tax. Only accounting for a fraction of a percent worth of annual revenue for the Federal Government, let's call it what it really is: it is a distorted attempt to redistribute the earnings of Americans' hard work.

With that, I strongly urge my colleagues to support this commonsense, bipartisan legislation.

Mr. MCDERMOTT. Madam Speaker, would you tell us the time left on each side?

The SPEAKER pro tempore. The gentleman from Washington has 5¾ minutes remaining. The gentleman from Texas has 5¼ minutes remaining.

Mr. MCDERMOTT. I yield 2 minutes to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. I appreciate the gentleman's courtesy in permitting me to speak on this.

Madam Speaker, it is ironic. This week, we have had hundreds and hundreds of businesspeople, folks from organized labor, contractors coming to town, pleading with Congress to get its act together and enact a 6-year comprehensive transportation bill. We have been frozen in place for years, with 23 short-term extensions because this Congress can't figure out how to provide the resources necessary to deal with a critical situation.

America is falling apart and falling behind, yet we are caught here in an inability to provide resources to help rebuild and revitalize America. That is part of the issue.

Today my Republican friends have discovered that there is $270 billion of revenue that somehow the Federal Government no longer needs. They have decided to give an additional tax cut to people who need the help the least. And, ironically, for all the talk about this being a death tax and double taxation, the vast majority of the wealth that will be untaxed has never been taxed in the first place. You don't get to be a billionaire on W–2 income. It is appreciated capital. But we are going to, in their judgment, give a windfall.

We have had this tax for over a century from Republican administrations, but we are going to turn our back on it because we no longer need $270 billion while we continue to shortchange America. We are having construction projects stopped this summer because the short-term fix for the transportation bill is going to expire.

This is lunacy. It is not fair.

Mr. BRADY of Texas. Madam Speaker, I am proud to yield 1 minute to the gentleman from east Texas (Mr. GOHMERT).

Mr. GOHMERT. Madam Speaker, several years ago, there was an author who wrote a book about millionaires in America; and it was amazing, most of the millionaires built a business, built a farm, and the number one most commonly driven vehicle by millionaires in America was a Ford F–150 truck. They were workers.

There was a time in America when we looked around and we saw somebody work 16 hours a day, like my aunt and uncle did, and build together a farm and we were proud of them. Well, my Aunt Lilly died, and the FDIC dumped land out by her place before the land could be sold. So the IRS came in and eventually sold every acre of her land.

The family was called in. Let's try to at least buy some of her assets from her home, her little modest home. I bought this music box from Aunt Lilly. It plays ''Amazing Grace.'' But she didn't get amazing grace. Her heirs didn't get amazing grace. They ran into the amazing greed of the United States Congress.

Let's take the green-eyed monster and put it where it belongs and begin to feel good for people that have worked for what they own.

Mr. MCDERMOTT. Madam Speaker, may I inquire if the gentleman from Texas is ready to close.

Mr. BRADY of Texas. Madam Speaker, I have one further request for time.

Mr. MCDERMOTT. I reserve the balance of my time.

Mr. BRADY of Texas. I am proud to yield 1 minute to the gentleman from Texas (Mr. HURD).

Mr. HURD of Texas. I thank my colleague for yielding.

Madam Speaker, I want to share a story of Bobby McKnight, a seventh-generation cattleman from my district in Fort Davis, Texas.

Bobby says many farm and ranch farmers like his may be asset rich but they are cash poor. Most of the value of their estate is attributed to the value of the land they use to raise cattle and grow food for consumers around the world. In fact, a lot of that food, my colleagues are going to enjoy today.

Bobby shares that when times have been lean, he has had to make sacrifices to keep his family business above water. But as any small-businessowner can tell you, sometimes you run out of places to cut. That is what happened to his family during hard times brought on by the death tax. He had to let go of seasoned employees that had families of their own, losing the skilled labor he needed to run their operation. And now, as land values continue to increase, many farm and ranch families are concerned that this may trigger the estate tax.

As Bobby and others can attest to, the death tax is devastating to the family farms, ranches, and small businesses in my district and throughout the Nation.

Come on, y'all. Let's stop punishing families for achieving the American Dream. I support this bill to repeal the death tax and encourage my colleagues to support it as well.

Mr. MCDERMOTT. Madam Speaker, I yield myself the balance of my time.

For the past hour, my Republican colleagues have stood up and tried to scare you. They have tried to turn the estate tax into a boogeyman that kills family farms and hurts family business. They have called the estate tax all kinds of bad names, like ''immoral,'' and they have tried to claim it is a calculated attack on the American Dream. They have also claimed that the estate tax disproportionately affects poor small businesses and startups. These wild and inaccurate claims could not be farther from the truth.

Here are the facts that Republicans have forgotten to mention:

The estate tax would only affect 5,400 estates out of an estimated 2.6 million this year. That means repealing the estate tax would amount to a tax break for the top 0.2 percent—the Hiltons, the Adelsons, the Kochs, those folks.

According to the Tax Policy Center, only 20—I emphasize 20—small businesses and small farm estates nationwide owed an estate tax in 2013—20. Furthermore, those estates owed just 4 percent of their value in tax.

Now, the real question here is this: America is a wonderful country. We all have a chance to make it. Some make it better than others. That is because luck and whatever hard work—and it isn't that everybody who doesn't have money isn't working hard. We are all working hard, but some have a little more luck than others. The fact is that, if you have had a little luck, don't you owe a little something back to the country?

Here you have got people who have gotten $10 million that we have given them as an estate exemption, and then they owe 4 percent of the value on money that has never been taxed before. It is all on capital appreciation.

Now, my Republican friends conveniently forget to mention how much this handout to the rich would cost—$280 billion. That is as though every American today was giving a $1 billion tax cut to the wealthy in this country. There are about 300-and-some-odd million of us. And if we all gave, there we would be. And we are doing this to a group that has no problems whatsoever. Their problem is how to keep their money. That is their only problem.

So I want people to understand: this is a quarter of $1 trillion. And as the gentleman from Oregon pointed out, we have a tremendous problem in infrastructure in this country, but there is no money for that.

We have a tremendous problem in investment in the National Institutes of Health. It used to be the National Institutes of Health funded 20 percent of the grant applications that were given to them. Today they are only funding 6 percent of the grant applications that are given to them.

We are not investing either in the physical infrastructure or the human infrastructure of this country. What has made us strong, all of us immigrants who came here—about 99.99 percent of them, as immigrants, came here with nothing, and this country gave us an opportunity to be rich or to be successful. The only way it will work is if we pay something back into the process, not sitting there using money that you never have been taxed on.

I urge my colleagues to vote ''no'' on this and to think about the 99.8 percent of Americans who will get no benefit whatsoever.

I yield back the balance of my time.

□ 1030

Mr. BRADY of Texas. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, feel free to dismiss the woman in my district, a widow, who now has been forced back to the bank for the third time to take out a loan just to be able to keep the family farm they worked generations—worked generations—to keep and hand down. Dismiss her as the Paris Hiltons of the world, as the superrich.

Dismiss the 114 organizations who back the repeal. Most of them are Main Street businesses who support this Death Tax Repeal Act. They are storeowners; they are loggers—loggers in the field—and they are plumbers. There is a glamorous life. That is the superrich.

That is who, after these people worked years and years and weekends and nights to build up their business, these are the ones who, when they pass away, Uncle Sam swoops in and confiscates—takes—nearly half of what they have built a lifetime earning. Dismiss them if you will, but this is the American Dream.

The American Dream is not a government that promises you welfare checks and food stamps. The American Dream is the thought that you can build yourself up and pull yourself up through hard work, skills, and dedication and that you can build a better life for your family and then give it to your children and grandchildren so maybe, just maybe, they have a better chance at the American Dream, that they have opportunities maybe you didn't have that they can pass on to their children.

You will hear today, Oh, this only affects a few. Those are the people who pay the tax. One out of three businesses, more than that, are farmers. They are already paying money into tax planning. They are putting money aside; they are spending hours that they would rather put into their farm and their business. They would rather hire young people and new people looking for jobs, but instead, they are trying to avoid this horrible tax.

All for what? For a measly 2 days of Federal spending—actually less than that—this government wastes so much money. It just pours it out of here. Instead of tightening our belt, we attack the American Dream of hard-working families and businesses.

Many of them, by the way, are women and minority-owned businesses building wealth for the first time, believing the American Dream is right for them. They are not Paris Hilton. They are not robber barons. They are not the people who are dismissed on the floor today.

At the end of the day, this is the simple question: Whose money is it? Whose hard work and years is it? Is it government's? Is it the Washington politicians' who will take your money in time, force you to sell your business or family-owned farm and waste it on who knows what? Or is it your money, your hard work, and your American Dream? Are you allowed to keep that dream and help your family going forward? Or is it the government's dream, whatever that could be?

At the end of the day, what I love the most about America is we don't resent success. We strive for it. Whatever success is for each of us, we strive for it. We are absolutely convinced that we can achieve it for us and that we can maybe give our kids a chance going forward.

This is a simple question. If you stand with those who believe it is the government's money and hard work, vote ''no,'' but if you stand with our family-owned farms, businesses, young people, and those chasing the American dream, vote ''yes'' to end the death tax once and for all.

Madam Speaker, I yield back the balance of my time.

Ms. JENKINS of Kansas. Madam Speaker, as a CPA, I understand that the only certainties in life are death and taxes. Unfortunately, Washington has decided that a third certainty can be created when we combine those two separate terms.

The death tax is an issue that, as long as it exists, will be seen as a provision by which politicians can pocket more of families' hard-earned legacies.

I recently heard from one Kansan whose father-in-law, a farmer, passed away in 2005. Because these folks wanted to keep the farm in the family, they had to set up an installment plan with the IRS to pay the death tax. Even then, they have been forced to dip into retirement funds and sell other assets in order to make the payments and keep the land.

Stories like this are the reason why I am a cosponsor of H.R. 1105, which would permanently repeal the death tax. We need to stop treating death as a taxable event. The only solution to this problem, which faces family farmers and business owners in Kansas, is to eliminate the death tax, once and for all.

Mr. BLUM. Madam Speaker, to paraphrase Benjamin Franklin, there are only two sure things in life: death and taxes. Unfortunately for Americans, the federal government has managed to combine the two into greater tragedy with the federal estate tax, more commonly known as the ''death'' tax.

The death tax is a tax levied against property transferred at death to a person's heirs. This property is neither new income or newly acquired real estate or assets, but rather a simple transfer of ownership. Confusingly to most commonsense folks, this the federal government has already taxed this income. While there is an exemption of up to $5.43M, the death tax remains a growing issue with farmers and small businesses in the First District of Iowa as the values of farmland real estate and industrial equipment continue to rise.

While supporters of the death tax say only a small percentage of businesses and farms actually end up paying the tax, I believe this is a question of fairness. I oppose any means that grants the federal government the ability to tax you twice on your income.

This, along with the compliance costs for estate planning, is why I advocate for abolishing the death tax altogether.

As a cosponsor of H.R. 1105, the Death Tax Repeal Act of 2015, I commend my colleagues in the House of Representatives in joining me in passing this legislation by a bipartisan vote of 240 to 179.

Americans, already taxed to death, should not also be taxed in death. Let the heirs, no matter the value of the estate, determine what is best for the family fortunes, large or small. It would be far better for our children and grandchildren to invest, spend, or utilize our estates rather than the federal government any more.

I look forward to working with my colleagues in the Senate to continue to advance this important legislation that will finally permit farms and small businesses to pass from generation to generation without the specter of the death tax looming.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to House Resolution 200, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT

Mr. NOLAN. Madam Speaker, I have a motion to recommit at the desk.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. NOLAN. I am in its current form.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. Nolan moves to recommit the bill H.R. 1105 to the Committee on Ways and Means with instructions to report the same back to the House forthwith with the following amendment:

Add at the end the following:

SEC. 4. BENEFITS DISALLOWED IN CASES OF GIFT AND ESTATE TAX EVASION.

(a) IN GENERAL.—In the case of any disqualified individual—

(1) the Internal Revenue Code of 1986 shall be applied and administered as if the amendments made by this Act had never been enacted,

(2) no credit shall be allowed under section 2505 of such Code (relating to unified credit against gift tax) with respect to any gifts made after such conviction, and

(3) the applicable exclusion amount with respect to such individual under section 2010 of such Code (relating to unified credit against estate tax) shall be zero.

(b) DISQUALIFIED INDIVIDUAL.—For purposes of this section, the term "disqualified individual" means any individual who—

(1) is convicted of attempting to evade or defeat the tax imposed under chapter 12 of such Code (relating to gift tax), or

(2) prior to the date of the enactment of this Act, engaged in a transaction (or series of transactions) with the intent to evade or defeat the tax imposed under chapter 11 of such Code (relating to estate tax).

Mr. BRADY of Texas (during the reading). Madam Speaker, I reserve a point of order.

The SPEAKER pro tempore. A point of order is reserved.

The Clerk will read.

The Clerk continued to read.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Minnesota is recognized for 5 minutes in support of his motion.

Mr. NOLAN. Madam Speaker, this is the final amendment to the bill which would not kill the bill or send it back to committee. If adopted, the bill will immediately proceed to final passage, as amended.

Madam Speaker, years ago, when I first went into public life, my father,—as fathers could be expected—gave me a little fatherly advice.

He said: Son, I will always be proud of you if you just do a couple of things.

I said: What is it, Dad?

He said: Number one, be honest. I don't want my kids getting in trouble. Tell the truth.

Secondly, he said: If you're going to go in public life, commit yourself to working for the common good. Don't worry too much about the rich. They have got a way of taking care of themselves.

Well, my father never had any money to speak of, but, boy, he sure understood that. If you look at this chart here, this is what this bill is really all about. This bill is about giving $270 billion in tax benefits to the richest of the rich. That's right.

This is America, and here is that less than 1 percent of the 1 percent, $270 billion tax break, 5,500 individuals over the next 10 years. That means the rest of the country is going to have to pay for it.

Have these people benefited from the greatness of America where people can work hard, prosper, and become successful? Yes, of course, they have. They are the richest of the rich.

Here, we want to give them another tax break? Talk about greed. Talk about carrying the water for the richest of the rich. What are we talking about here? Do you know what, it gets even more egregious, and that is what my amendment is about here today.

Under my amendment, this little percent, this little 1 percent of the 1 percent, if they have engaged and been found guilty of tax fraud as it relates to inheritance and gift taxes, they are going to benefit from this. They amass fortunes through illegal activities as it relates just to this very specific tax; and we want to give them a tax break on the fortunes that they amassed illegally?

The least we can do—and that is what my amendment does—my amendment says that, if you have been found guilty of tax fraud trying to get more than you already have illegally and criminally, then you are not going to get the benefit of this tax exemption.

I am confident that if my good friends and good colleagues here on the floor of the House on both the Republican and Democratic sides look at this thing honestly, they will say: I have got to support that amendment. I can't go back home and tell my folks how people who are found criminally guilty of trying to cheat the taxpayers of this country out of taxes that were due should be entitled to benefit from that. We can't do that.

I want to remind everybody that here we are looking at this country at a time when the disparity and inequality of income in this country is the worst of any developed nation in the world.

People like Pope Francis are concerned about it. Leading economists like Al Greenspan are talking about it. By God, when Hillary Clinton and TED CRUZ announce their candidacies for the Presidency because they are concerned about the growing disparity and inequality in income, we have a problem in this country.

Mind you, this gift tax, we are here talking about farmers and businessmen. Well, I am a businessman. I spent 32 years of my life in business. Let's tell the truth. Let's tell the truth. Ninety-nine percent of the people in this country are not required to pay any estate or gift tax because the value of their farm, their business, their accumulation in life does not exceed the limits that are allowable under the law—which, by the way, are $5.5 million per individual, $10 million, $11 million for a family.

That is a pretty nice gift at the end of the day for something that, quite frankly, you were not the hard-working, creative, innovative person who made all that money. You are just the beneficiary by wealth the old-fashioned way: you inherited it.

Do we all aspire to wealth and success? Yeah. That is something we want to applaud. It is something we want to celebrate. This is about celebrating the gift of inheritance, and there is plenty of it here in this legislation.

At the end of the day, this bill is really about the other 99 percent because they are the ones who are going to have to make up the $270 billion in gifts that we gave already to the richest of the rich. That is not how you fix this problem of growing disparity that is threatening our economy and threatening our well-being.

Madam Speaker, I urge the adoption of my amendment, and I yield back the balance of my time.

Mr. BRADY of Texas. Madam Speaker, I withdraw the reservation of the point of order.

The SPEAKER pro tempore. The reservation of the point of order is withdrawn.

Mr. BRADY of Texas. I rise in opposition to the motion.

The SPEAKER pro tempore. The gentleman from Texas is recognized for 5 minutes.

Mr. BRADY of Texas. Madam Speaker, all this is a red herring. The desperation you hear is for a government in Washington that desperately wants to keep spending your money on $800 toilets and on research projects that make no sense and who feel free to waste your money at will because they are not the ones who worked a lifetime to earn it.

Madam Speaker, today, we heard Congresswoman KRISTI NOEM talk about the tragedy of her dad and how, 3 days after his death, they were notified by Uncle Sam that they owed or they would have to sell their ranch.

We heard from a gentleman from Texas whose dad built up from one car and four stalls a family-owned car dealership with 400 workers. It was a profitable company that nearly went bankrupt because they had to pay Uncle Sam or sell the business. They worked 20 years to pay off that loan.

My constituent, a woman who is widowed, was forced back to the bank for the third time, paying death tax for her grandfather, her father, and now her and her husband, just to keep the family farm they have worked generations on. These are the people who are punished by this tax.

It is not the government's money and work. It is yours. This is all about that issue. At the end of the day, unless we want to keep attacking the American Dream and insisting that Uncle Sam swoop in and take your nest egg, it is time to restore the American Dream and to end the death tax once and for all.

Madam Speaker, I urge my colleagues to defeat this motion to recommit.

I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

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

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

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the order of the House of today, further proceedings on this question will be postponed.

STATE AND LOCAL SALES TAX DEDUCTION FAIRNESS ACT OF 2015

Mr. BRADY of Texas. Madam Speaker, pursuant to House Resolution 200, I call up the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to make permanent the deduction of State and local general sales taxes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 200, the amendment in the nature of a substitute recommended by the Committee on Ways and Means, printed in the bill, modified by the amendment printed in part A of House Report 114–74 is adopted, and the bill, as amended, is considered read.

The text of the bill, as amended, is as follows:

H.R. 622

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''State and Local Sales Tax Deduction Fairness Act of 2015''.

SEC. 2. PERMANENT EXTENSION OF DEDUCTION OF STATE AND LOCAL GENERAL SALES TAXES.

(a) IN GENERAL.—Section 164(b)(5) of the Internal Revenue Code of 1986 is amended by striking subparagraph (I).

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2014.

SEC. 3. BUDGETARY EFFECTS.

The budgetary effects of this Act shall not be entered on either PAYGO scoreboard maintained pursuant to section 4(d) of the Statutory Pay-As-You-Go Act of 2010.

The SPEAKER pro tempore. The gentleman from Texas (Mr. BRADY) and the gentleman from Illinois (Mr. DANNY K. DAVIS) each will control 30 minutes.

The Chair recognizes the gentleman from Texas.

□ 1045

GENERAL LEAVE

Mr. BRADY of Texas. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous materials on H.R. 622, the State and Local Sales Tax Deduction Fairness Act of 2015.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BRADY of Texas. Madam Speaker, I yield myself such time as I may consume.

I want to thank my colleagues, JIM MCDERMOTT and MARSHA BLACKBURN, for joining me in leading the fight to make this middle class tax provision permanent.

This provision is about tax fairness and equal treatment. If taxpayers in income tax States can deduct their State and local income taxes, so should residents of sales tax States. That, in America, is just fair.

This provision helps hard-working taxpayers keep a little more of what they earn, which is even more important to families, given their stagnant paychecks over the past number of years. More than 10 million American taxpayers in nine States depend on this commonsense deduction, and the dollars that stay in the local community help grow their community rather than grow Washington's economy.

A permanent State and local sales tax deduction provides certainty to American families, makes Federal budget scorekeeping more honest, and removes the asterisk from this temporary provision so the progrowth tax reform can advance.

It is certainly important to Texas. Since it has been restored, my neighbors have saved more than $10 billion, which buys a lot of school clothes, gas for your car, and helps with rising college costs.

To be sure, this provision isn't reserved just for sales tax States. It allows all American taxpayers to choose whether they deduct their State and local income taxes or their State and local sales taxes, whichever is greater. That is fair. That is equal treatment.

Let's be honest. Extending this provision temporarily year after year, which is exactly what has been done since 2004, that won't cost any more than making it permanent today and creating that certainty and fairness for taxpayers.

I want to urge my colleagues to join me in supporting middle class families by making this provision permanent.

Madam Speaker, I reserve the balance of my time.

Mr. DANNY K. DAVIS of Illinois. Madam Speaker, I yield myself such time as I may consume.

The State and local sales tax deduction is an important tax provision for Americans living in States without a State income tax who cannot take advantage of the State and local income tax deduction.

Although I support this deduction as an important alternative for taxpayers in States without income taxes, H.R. 622 is fiscally irresponsible, given that it permanently extends this deduction without any offsets.

Frankly, I am quite surprised that the Republican leadership is advancing this bill that would add $42 billion to the deficit. Just last year, then-Chairman Dave Camp proposed eliminating the State and local sales tax deduction in the Republican tax reform draft. At that time, current Chairman RYAN said he approved of eliminating the sales tax provision before us.

Further, just last month, the Republican leadership presented a budget that requires offsetting the cost of any tax extenders that are made permanent with other revenue measures. Indeed, the GOP budget principle is in line with the Republican tax reform draft last year, which adopted a fiscally responsible approach.

I am at a loss to understand why the Republican leadership is adding $42 billion to our deficit to permanently extend a provision it thinks should be repealed. This bill coupled with the next bill under consideration would add over $300 billion to our deficit, almost half of the amount the Republican budget said we must cut from domestic discretionary spending.

The Republican budget said that we had to cut $759 billion over the next 10 years in domestic discretionary spending in the name of fiscal prudence but can throw $300 billion to the wind for a provision that they have proposed eliminating in tax reform.

We need to provide certainty to taxpayers in affected States that the sales tax deduction will be available to them this year, and then we need to focus on comprehensive reform. This bill moves us farther away from tax reform, not closer.

In addition to being fiscally irresponsible, this bill coupled with the next one under consideration reflect misplaced priorities for this House; rather than pushing a piecemeal, deficit-inflating agenda, we should be helping hard-working American families by raising the minimum wage, ensuring equal pay for equal work, making college more affordable by increasing the Pell grants and improving student loans, helping low-income families afford quality child care, encouraging