There was no objection.

MORE ON TAX RELIEF

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado [Mr. BOB SCHAFFER], is recognized for 5 minutes.

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I would like to continue on with the discussion that we had a few minutes ago just about this notion of the Federal Government, in fact, confiscating the wealth of American families through our excessive tax policy, bringing those dollars here to Washington and redirecting them to the charity of politicians' choices.

We hear all day long the discussions about whether we should spend money on one charity or another charity. These are all fine things. But the Republican vision and the Republican value, when it comes to this whole debate about taxation, is that we are the ones who fundamentally believe that every taxpayer, every family, every wage earner is eminently more capable of deciding how to spend those dollars in a free market economy than the government is.

Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. FOX].

Mr. FOX of Pennsylvania. Mr. Speaker, I appreciate the opportunity to expand upon what the gentleman just said. The American people not only send their tax dollars here. We want to make it sure they get more of it back so they can use it for their families.

They also want a new IRS, one that is more taxpayer friendly, one that we would have under a taxpayer Bill of Rights 3 where we change the burden of proof. Instead of the taxpayer presumed to be guilty and the IRS commissioner presumed to be correct, let us switch those burdens and stop the abuses that have existed in the IRS so we make sure that we have not only fairness in our tax policy but fairness by the IRS.

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I yield to the gentleman from New Jersey [Mr. PAPPAS].

Mr. PAPPAS. Mr. Speaker, I thank my friend for continuing this debate or this discussion about tax relief, which I believe is what the American people are crying out for. Most of the relief in this bill that we are speaking of is in the form of tax cuts directed at middle income wage earners, which includes families which earn between $20,000 and $70,000 a year.

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Lots of folks talk about how this is a tax cut for the rich. That is not the case. It is for middle class working men and women.

I see my friend from South Dakota is here, and would like to yield to him for any comments he might want to make.

Mr. THUNE. Mr. Speaker, I thank the gentleman from New Jersey for yielding, and to my colleagues on the floor this evening, we are talking about something that is very important to the future of this country, and that is what we can do to balance this country's budget and to lower the tax burdens in America.

One of the things I think we are witnessing, and hopefully, if we do our job correctly, in the next couple of weeks, come the 4th of July we will truly have an Independence Day in this country because we will be witnessing a couple of historic firsts.

For the first time in 40 years we will have balanced this Federal Government's budget. That is a significant first. Very important, I think, to most of us who have kids and are concerned about the next generation. We will for the first time in 16 years have brought tax relief to the American families and the working American women of this country.

I think rather than have this debate become a focus of, and we will hear this, a lot of rhetoric over the course of the next several weeks about the politics of class warfare and the politics of division, the politics of despair and the politics of fear, that is not at all what this debate is about. This is about improving the quality of life for all Americans.

I think if we look at any objective standard and any objective measure about the benefits of this tax package and who really receives those benefits, we will find that 75 percent of the tax relief in this package goes to those who make less than $75,000 a year, by any objective standard.

There will be a lot of juicing of numbers by opponents of this, and we are already seeing evidence of that, of padding the numbers and trying to create the perception that, in fact, this is an issue of class warfare, but it is not. It is about improving the quality of life for all Americans.

I think it is perfectly consistent with everything that we came here to do. So when we look at the Independence Day that is ahead of us and, hopefully, we will have completed work on this important project, but two important firsts: balancing the budget for the first time in 40 years, lowering taxes for the first time in 16 years, and saving Medicare for another 10 years and, hopefully, into the next generation.

Those are priorities that I will tell all my distinguished friends and colleagues who are here this evening that I came here to be about, and I think it is an incredibly historic day.

There is always room for improvement in any of these packages, and I would certainly hope that as we go through this process we will be able to address an issue that is important to my home State. There is a tax incentive in the law today that promotes ethanol, and that is something that I think is a good return for the taxpayer, and that is something I hope we can resolve and make this package better.

But in any case, there are so many provisions in here that benefit middle class families, I think really that is consistent with the values, the philosophy, and with the beliefs and the convictions that most of us in the Chamber this evening hold.

Mr. Speaker, I would like to yield to one of my friends, any of whom is at a microphone right now.

TAX RELIEF FOR THE MIDDLE CLASS

The SPEAKER pro tempore [Mr. COOKSEY]. Under a previous order of the House, the gentleman from Indiana [Mr. SOUDER] is recognized for 5 minutes.

Mr. SOUDER. Mr. Speaker, I wanted to speak on the same tune, but with slightly different words.

I think that we have been talking a lot about the importance of this to middle class families. We have been talking about the importance of this to what would be seen as kind of main line American families. But I have been very impressed that our Speaker, the gentleman from Georgia [NEWT GINGRICH], has joined with President Clinton to talk some about the problems of race in America and extending opportunity to all American citizens.

Mr. KINGSTON. Mr. Speaker, if the gentleman will yield a minute, I think it is real important what he just said and I want to slow up on it a minute. The gentleman just mentioned that the President and the Speaker are working together.

One of the things that is important for us to realize is that the Republican majority in the House and Senate was reelected but, at the same time, the same American voters reelected President Clinton. What they want is results. People are independent ticket splitting and they want results.

It is interesting that on issue after issue the gentleman is saying, race, taxes, balancing the budget, the Republican leadership is working with the President, and yet many detractors on the Democrat side, particularly in the House, cannot stand this; that President Clinton is working with Republicans.

I think the President has heard the message of the American people: They want a balanced budget, they want a smaller government, they want tax relief. And the President realizes that, unfortunately, his party is not going to deliver that, so if he wants to move in the direction of the vision of the American people, he has to work with Republicans rather than Democrats.

I think it is interesting the gentleman made this point one more time on race.

Mr. SOUDER. Well, I wanted to put into the RECORD a number of the things the Speaker said last night, because many of these overlap with what we are talking about here on taxes and providing economic opportunity.

He raised some questions that go beyond this: making sure civil rights are enforced, an importance on welfare reform, in reducing crime, as we work on

the drug issue. But listen to a number of these categories, and then I will relate it to our package and why this is not a tax break for the rich and the type of tired rhetoric we will hear but, in actuality, an opportunity for all Americans.

He talked about learning, creating better opportunities for all children to learn by breaking the stranglehold of the teachers' unions and giving urban parents a financial opportunity to choose public, private or parochial schools, as millions of black Americans are reaching out to the private Christian schools and building their communities and wanting the choices that other Americans have. That is part of the point of the $500 personal credit, so people can choose the school that is best for their children.

He says on small business that we should have the goal of tripling the number of minority-owned small businesses by eliminating the barriers and providing the tax opportunities.

He talks about 100 renewal communities, and low income scholarships, savings accounts, brownfields cleanup. He talks about economic growth and expanding economic opportunities.

Well, listen to some of the different things in this package. In addition to the tax credit for children, we have a deduction for undergraduate tuition, scholarship tax credits, credit up to 50 percent of $3,000 out-of-pocket tuition expenses phased out at $40,000 to $50,000 singles, $80,000 to $100,000 joint; expanded IRAs that people can not only take out for education but for first time home buying. We have education investment savings opportunities.

And then the businesses that most need the capital gains changes are businesses that are just starting. Many of these minority businesses that start up in an inner city actually increase the property values all around them. Then, when they go to move to the next block, they get punished because they have raised the value of their lands and the area around them. That is the point of capital gains, not to benefit the most wealthy but to get those starting out to move to the next size, to the next size, to the next size.

The inheritance tax reform that will eventually, over a number of years, get up to $1 million. When we have minority businesses and people just starting, many Americans have made it, but millions of Americans have not made it. They want their kids to have the opportunities that my great grandpa worked to get to my grandpa, that gave to my dad and his brother so that I could have the opportunity. That is not done by taking away the family farm, by taking away the small businesses; it is by giving enough exemption that we can pass it through and build it into a little bit.

A person starts with a dry cleaner, builds it a little bit bigger, a little bit bigger. A retail operation may move to another business. My great grandfather set up my grandfather as a harness maker. He moved and bought the building next to him and the building next to him, and we now have a building we lease out to 60 different antique dealers. It is something that came bit by bit. That is what the capital gains means. That is how economic growth occurs, that and inheritance tax.

Mr. Speaker, I yield to the gentleman from Pennsylvania.

Mr. FOX of Pennsylvania. Mr. Speaker, I thank the gentleman, and the fact is he has already shown through his leadership that when we talk about innovation and entrepreneurship, that that is what America is all about. And under this new tax proposal, new businesses will be emerging.

We will have people who have a great idea getting a chance through capital gains tax reduction, through a balanced budget, a real opportunity in the Federal Government to make sure their money goes far and their family has a chance to have a piece of the rock.

ORDER OF BUSINESS

Mr. NEY. Mr. Speaker, I ask unanimous consent to claim the time of the gentleman from South Carolina [Mr. GRAHAM].

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

There was no objection.

THE COST OF EXCESSIVE REGULATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. NEY] is recognized for 5 minutes.

Mr. NEY. Mr. Speaker, this is a great discussion tonight because we are talking about the American people being able to keep more of their hard-earned money. That is why we came here.

Some of the Members sitting here tonight from the 104th, now in the 105th, and we actually are so close to that goal and that reality, and I hate to even mention what I want to say tonight to put a damper on this, but I think it is important that we at least communicate a little on this issue. That is the fact that while we here in Congress are trying to do this, we have an unelected bureaucrat, Carol Browner, the head of the United States EPA, what she is attempting to do is to put a new wave of requirements on us, on ozone, and once again shut down some jobs.

Somebody in an unelected position, who will not come here to the floor to debate this, is trying to stifle the growth of the American people, is trying to take away their money. And if it did something to help people, I guess it would be a different story we could talk about. But these new regulations, we have lived with them in the Ohio Valley and across the country, and they have really been hurting us.

We have tried to comply. We have tried to do coal bonds in Ohio, about $100 million worth. We have tried to do everything we can do, but, once again, she does not want to be reasonable. Just this week we became aware of some reports in the press about maybe she is cutting deals with a few districts across the country and to let them out of it but the rest of us will pay.

We all have to support a clean environment. We want that, but we surely want a reasonable discussion on it. I think the bigger picture on this too, and it is a frame of mind I guess that this whole government can get into, but the idea that veterans fought so we could have a democracy, so we could have a great energetic give-and-take on public debate, but the veterans did not fight so unelected bureaucrats could make a decision no matter what side of the issue we are on.

So tonight I think we really need to talk about what we are doing for tax relief for the average American, but also we have to be aware that down the street there is someone that is trying to once again dip into the wallet of the working people. And that is why we are here, to protect the wallets of the working people. Because it is what that worker puts into the wallet and what the government tries to take out, and once again we are trying to give them more of their take home and somebody down the street is trying to take a little more back.

Mr. SOUDER. Mr. Speaker, If the gentleman will yield, I want to commend the gentleman for raising this. It is basically the same subject. Our goal here is to try to help people who are working hard be able to keep their money and advance without Washington standing as big brother and squishing them, either through spending in incredible ways and without their approval, or through regulations in EPA.

Just like Ohio, in Indiana we make, in my district, pickup trucks, axles, tires. These are hard working Americans, multi-generational Americans, who want clean air, they want a healthy society, but they also want to work. And they are proud of what they do. And the idea that somebody in Washington, for not even any proven scientific gain, by the time we get done with this, in fact, I have heard that, for example, by changing the plastic covers on some of the gas tanks we could change some of this, but what gas stations are not in compliance now? Often they are the ones in the inner cities or in the rural areas where they are marginal.

So are we going to close all those gas stations so the people living in the inner cities and out in the rural areas have to drive farther? And that actually pollutes more air. It is not even clear scientifically the solutions solve the problem, except to put a lot of hard working Americans out of work because some bureaucrat decided, an unelected bureaucrat decided that the Midwest should be punished and that we should send these jobs overseas, and that is, bottom line, what happens.