future for small business in this country. She knows that it is small businesses that create the jobs, that create a better future.

We all believe that it is very important to encourage people to save, to invest, to create jobs, because we know that if we are going to enter the 21st century and compete in the world market, if our children are going to compete with China and Japan and Korea, with Germany and France and Italy, with Brazil and Mexico, we need to have the best equipment and the best factories with the best jobs.

So this bill provides for the kind of incentives to save and invest and create jobs, called capital gains, because it cuts the tax on those who are willing to take the risk to create jobs, and that is very important to every citizen who wants a job, and it is very important to all of us who want our children to have the best jobs in the world.

Finally, this bill helps families that might have worked all their lives, who might have a family farm or a family ranch, who might have a small business they have created and worked on. We do not believe it is right for someone to have to visit the undertaker and the Internal Revenue Service the same week. We think that is just wrong.

We do not think it is right for someone to be in a position where they have worked all their life, they love their children and grandchildren, they have saved all their lives, and now the government is going to punish them when they die by taking away 55 percent of everything they save. We just think that is wrong.

So this bill begins to reduce the burden of the death tax, it begins to help small businesses and family farms so families can pass on to their children and their grandchildren their life's work.

So on balance, whether you are a young person with children who are young, and you are going to get that extra $500 per child. Remember, for a family with 3 children that is $1,500 in take-home pay more this coming cycle. So that year after year, let us say you have a child born, as our majority leader, the gentleman from Texas [DICK ARMEY], had a grandson born last week, Chris faces the prospect that over the next 16 or 17 years his parents are going to have $8,000 or $8,500 more before he gets of an age to go on to college or a technical school, and that is, we think, good for America; better for the family, better for the parents, better for the children, better for job creation, better in creating the work so people can leave welfare and go to work.

That is why we believe the Taxpayers Relief Act of 1997 is the right thing to do.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF A CONCURRENT RESOLUTION PROVIDING FOR ADJOURNMENT OF THE HOUSE AND SENATE FOR THE INDEPENDENCE DAY DISTRICT WORK PERIOD

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 105–154) on the resolution (H. Res. 176) providing for consideration of a concurrent resolution providing for adjournment of the House and Senate for the Independence Day district work period, which was referred to the House Calendar and ordered to be printed.

THE REPUBLICAN TAX BILL BENEFITS SPECIAL INTERESTS AND THE WEALTHIEST AMERICANS

The SPEAKER pro tempore (Mr. TIAHRT). Under a previous order of the House, the gentleman from California [Mr. FAZIO] is recognized for 5 minutes.

Mr. FAZIO of California. Mr. Speaker, if the 1996 elections told this Congress anything, it was to work together in a bipartisan fashion. In my district in California and throughout the Nation Americans told us to put aside differences and provide a tax cut that makes sense.

Unfortunately, the Republicans who crafted their tax bill turned a deaf ear to the American people, to the President, and certainly to those of us on this side of the aisle. Instead, they chose to listen to the special interests that had inordinate influence in the way the campaigns were conducted.

Just look at their tax bill. The American people want education tax credits to make college affordable. Instead, what do they get? Not much for education, but large cuts in the capital gains tax for the wealthiest Americans, not just the farmers and small business people who build a business and deserve to sell it for retirement.

Americans want affordable child care, but what do they get instead? A bill that denies the $500 per child tax credit to 15 million families who work hard to make ends meet. Americans want the middle class to get tax relief and corporations to pay their fair share. But what do they get instead, in this bill? A proposal to wipe out the alternative minimum tax, which would allow the largest corporations in America to not pay a dime in taxes.

Remember, this debate is not about whether we should cut taxes, it is about who gets the benefits. When we act tomorrow on a tax bill, we will make a clear distinction between the two parties as to where our attention is focused. Who gets the benefits? On that there is a clear difference. The Democratic bill helps working families. The Republican bill, I regret, caters to the wealthy and the special interests.

Mr. Speaker, even by Washington standards there is some extraordinarily creative accounting going on by Republicans as they try to cook the numbers to show who benefits from their tax cut proposal. Now for the first time, truly independent comparisons of the Republican and Democratic tax plans are in. Here is what the U.S. News and World Report had to say when they conducted an independent comparison of the Republican and Democratic tax plans.

Calling the Republican calculations ''ridiculous,'' it pointed out that the Republican tax plan is so tilted to the rich that Steve Forbes will face a lower tax rate than his house servant. ''The GOP's tactical aim here,'' the magazine says, ''is to put middle class voters against the 'undeserving poor.' Well, there is, it seems, a dime's worth of difference between the political parties after all,'' concludes the U.S. news and World Report.

For middle class working families, it is much more than a dime, it is the thousands of dollars in their pockets. The Democratic tax cut plan is the one that makes sense for America. It is fair, it promotes opportunity, and it rewards working families.

When we look back at the history of the last 15 years and we see the stagnant wages that have affected people who make from $25,000 to $50,000 to $75,000 a year, and we have limited options in a restrained budget deal, we have to make sure that we focus the relief on the people who need it most. Many of these people are not part of the stock market boom. They are not in position to share in the growth of this economy. They need to be considered first and foremost when we try to sort out our priorities in dealing with this tax bill.

Most economic analysts have indicated without political bias that fully 50 percent of the funds made available in the Republican tax proposal will go to the 5 percent at the very top of the income ladder. That does not seem to me to be in a fair and even an objective sense the right thing to do with limited resources available.

We have, I think, reached the point where the two parties will put away the myth that some have perpetuated that there is not a dime's worth of difference between us. Tomorrow we will vote on a Democratic alternative and then on a Republican bill. I think Members will find that there is a difference, and that the Democrats, in supporting their reform proposal, are standing up for the people who need us the most, who do not have the resources to take the vacations and to pay for the high cost of private educations, the people who simply want to get their kids a higher education, and who want a little bit of time, maybe on a long weekend, to make the long work week pay.

I certainly hope we will make the decision tomorrow that will be in their interests, and show once again, there is a dime's worth of difference, maybe thousands worth of difference between the two parties.