

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

[Mr. FRANK of Massachusetts addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

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

[Mr. DREIER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia [Ms. NORTON] is recognized for 5 minutes.

[Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

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

[Mr. JONES addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

NEW TAX PLAN DOES NOT FULFILL BARGAIN WITH AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, the reason why it is difficult to be at this podium is because I thought it was extremely important to take a moment to explain to the American people just what occurred here today.

Mr. Speaker, first of all, it is interesting that this debate began more than 2 years ago with a claim to the American people that the real focus would be on changing radically the tax system. Whether it was on a consumption tax or a flat tax, the key was simplification and equality. At least that is what we thought the debate was all about.

But, Mr. Speaker, in the course of dealing with the political winds, today we voted on a tax bill that is unequal and does not hold its bargain and its partnership with the American people. First of all, let me share that included in these documents will be the so-called changes that were made in the tax bill. It is recognized that, yes, there were some tax cuts made by the Republicans, but it also is accurate that that tax cut does not impact the bulk of working Americans.

Mr. Speaker, there was some representation about the Joint Committee on Taxation, holding that body, bipartisan that it is supposed to be, as the standard bearer to suggest that the Re-

publican tax bill does meet the requirements of working Americans.

They do seem to suggest that those making between \$20,000 and \$75,000 would get 71 percent of the tax cuts under the Republican bills, and those making \$75,000 to \$100,000, 16 percent. But yet the Treasury Department calculations of that same bill indicate the real facts.

Under that bill, those making 30,000 to 75,000, the bill that was just passed, get a mere 19 percent. Nineteen percent of those who make that amount of money would be able to get tax cuts under the Republican bill. Mr. Speaker, \$75,000 to 100,000, if that is a taxpayer's earnings, only 13 percent would be able to come under the Republican bill. But if they made over 100,000 up to 200,000, 32 percent would benefit. And if they made over 200,000-plus, 31 percent would benefit.

Mr. Speaker, let me simply say that it is not only those of us who voted against the Republican bill that acknowledge that it is skewed to the high-income individuals in this country who have not asked for a tax cut. The Wall Street Journal on Thursday, June 26 said, "According to more reliable Treasury estimates, when the bill is fully effective, the top 1 percent of taxpayers would get 19 percent of the benefits under the House bill. Conversely, the bottom three-fifths of families get only 12 percent."

This same article notes that the Republican-run Congressional Tax Committee, the very tax committee that says those who make 20,000 to 75,000 will get 71 percent, in this article, the Wall Street Journal says, not necessarily a captive of the so-called Democratic liberals, says, "The Republican-run congressional tax committee has put out phony estimates of both the distribution effects and costs only calculating the first 5 years. The bills are back-loaded so that the tax cuts for capital gains, estate taxes, and new retirement accounts explode in 5 to 10 years."

Mr. Speaker, we went to the floor today and we called on God. Some of us, those in the Republican side, wanted to claim John F. Kennedy. Well, let me cite the last time we made major tax cuts: Under the Reagan administration in 1981. That skewing of tax cuts resulted in the trillion dollar deficit that we face in this country. Many would argue that it was tax and spend.

We all understand that there is a connection between taxation and spending. But, yet, my colleagues on the other side of the aisle want to argue against the budget plan of 1993. Mr. Speaker, I was not here; that offered to the American people today the lowest deficit in our history, some \$50 billion and going down.

So now we have heard the American people. But we responded to the trillion dollar debt created by the Reagan tax plan giving all of it to the rich by creating a difficult vote in 1993 that, yes, raised some of the taxes. But, Mr.

Speaker, it brought the deficit down. And then the American people spoke again and said they wanted a balanced budget. I have voted for a balanced budget. But in saying that, they said something else.

Mr. Speaker, if I can add these in the record, let me say as I close, they said something else. They said they believe in the Democratic tax plan because it stood for working Americans, those making under \$75,000. This is what my colleagues voted for: confusion and one-sidedness. I hope we will get this straightened out.

Mr. Speaker, I include the following for the RECORD:

Forty-five percent of the children in Texas do not get the child credit under the Republican bill. That's more than 3.3 million children.

[From the Wall Street Journal, June 26, 1997]

THIS REPUBLICAN TAX-CUT DOG WON'T HUNT

(By Albert R. Hunt)

"Taxes are the killing fields for Democrats," Grover Norquist, the irrepressible conservative activist, predicted to Time magazine this week.

After the government shutdown and minimum wage defeats of the last Congress and the disaster relief debacle of last month, the GOP hopes that finally the political game is being played on their turf. They're living in yesteryear.

The case for any tax cut in this booming economy is dubious. If President Clinton gets his way, precious few additional kids are going to get college education because of this tax bill. If the Republicans get their way, the tax bill is going to add precious few jobs.

Moreover, voters should feel duped by this debate. Last year, the Republicans stressed a simpler and flatter tax code; their proposals create more special preferences and a more complicated code. In 1996, the Democrats emphasized equity; whatever emerges, however, will be skewed heavily to upper-income individuals and exacerbate the income gap between rich and poor.

Thus the battle over the size and shape of tax cuts over the next month is about politics. The heart of the GOP tax cut effort—capital gains and estate tax relief—resonates with campaign contributors, not with voters. When it comes to the specific proposals before Congress today, according to this past weekend's Wall Street Journal/NBC News poll, Americans side with the Democrats by a lopsided 2-to-1 margin.

The House and Senate both likely will pass separate Republican-crafted bills this week. Both bills, however, are so bad—a bonanza for the affluent, crumbs for the working class and eventually costly—that President Clinton will enjoy enormous leverage in the negotiations over distribution and costs. The Republican-run congressional tax committee has put out phony estimates of both the distribution effects and the costs, only calculating the first five years; the bills are back-loaded so that tax cuts for capital gains, estate taxes and new retirement accounts explode in five to 10 years.

According to more reliable Treasury estimates, when the bill is fully effective, the top 1% of taxpayers would get 19.3% of the benefits under the House bill and 13.3% under the Senate version. Conversely, the bottom three-fifths of families get only about 12% in both measures. The liberal Center on Budget and Policy Priorities argues that the Treasury underestimates the case; it calculates that under the House Republican tax and spending measures, the poorest 20% of the