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House of Representatives

The House met at 3 p.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Let us pray using the words of Sarah Taylor:

O God of light, Your word, a lamp unfailing, shall pierce the darkness of our earthbound way and show grace, Your plan for us unveiling, and guide our footsteps to the perfect day.

To all the world Your summons You are sending, through all the Earth, to every land and race, that myriad tongues, in one great anthem blending, may praise and celebrate Your gift of grace. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Indiana [Mr. PEASE] come forward and lead the House in the Pledge of Allegiance.

Mr. PEASE led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

THE MORAL CASE FOR TAX CUTS

The SPEAKER pro tempore (Mr. PEASE). Under the Speaker's announced policy of January 7, 1997, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes as the designee of the majority leader.

Mr. GINGRICH. Mr. Speaker, I wanted to start by talking about the moral case for tax cuts, because I think we

don't talk often enough about why tax cuts matter and why we are attempting to not just balance the budget, but to balance the budget with a smaller Government so we can reduce taxes and offer tax relief for the American people.

We start with the premise that taxes are too high, that the Tax Code is too complicated, that it takes too much of the average American's time to earn the money to pay taxes, that it takes too much of the average American's time to fill out their tax forms, to keep the tax records, possibly to pay for an accountant or a tax attorney; and that the effect of our current very complicated Tax Code is to make life harder, particularly harder for small business men and business women who are particularly hard-hit by the complexities.

My older daughter, Kathy Lubbers, runs a little company called the Carolina Coffee Co. in Greensboro, NC, and she called me recently and said that they estimate that they have to have 7 days of sales just to pay their Federal, State, and local taxes, and that does not count the cost of redtape and the cost of filling out all the forms and keeping all the records.

So if we start with the notion that we are very committed to increasing the freedom of the American people, increasing the power that the American people have by allowing them to spend more time working for themselves and their families and less time working for the Government and working to fill out complicated tax forms, I think there is a strong moral case to be made.

I want to make it at three levels: Our role as parents and as children who might have older parents, our role as citizens in our local community, and our role in the economy in helping encourage economic growth. In all three areas, I believe one can make a moral case for reducing taxes to increase the

ability of citizens to do their job as parents, as citizens, and as job creators.

Let us start with the role of parents. As recently as President Harry Truman's time, in 1998 dollars, the tax deduction per child was \$7,500. So if one was married with two children, one had to actually have a \$30,000 income before one paid any income tax. The program was designed to strengthen families and strengthen parents by giving them the take-home pay so that they could take care of their children.

One of the reasons we feel so strongly about the \$500 per child tax credit and about the educational tax breaks that will help people get more education, is that these tax credits and tax breaks put more money in the hands of parents so that they can make decisions about the lives of their children.

It is a very simple choice. We believe that parents are better as providers for their children's future than are bureaucrats, and so we believe that there should be more resources in the parents' hands after taxes, whereas some of our friends believe in higher taxes with more money going to the bureaucracy. That is a very clear-cut choice of two very real differences in approaches.

Second, we believe in an America described by de Tocqueville in "Democracy in America," an America in which voluntarism, charities, private activities, play a major role in the lives of our communities. For example, I wear two pins, a Habitat for Humanity pin and an Earning by Learning pin. Both of those are charities that are engaged in helping the poor.

Earning by Learning helps poor children learn how to read, and Habitat for Humanity is a worldwide organization in 53 countries founded in America's Georgia, committed to the idea that if we help people build a home and we help grow their family, that they will be dramatically better off and be in a better position to lead a fuller life.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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