

makes it more likely we will have a healthy debate about tax simplicity, about our code and about further changes that need to be made in the IRS in order to make certain that we can close this breathtaking gap that exists today between what the IRS is able to do and what the private sector is able to do for that 85 to 90 percent of the American people who are voluntarily willing to comply to pay their taxes, if they can just get one answer, which is: How big is the bill? How much do I owe?

It is that question that dictates much of the financial planning that American families are doing, and it is a very difficult question to get answered in the current environment. That question would be made much easier to answer if we would just take this piece of legislation up, enact it and get it on to the President for his signature.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, our colleague from Nebraska, I think, made the same request yesterday, and maybe some of the same comments were made yesterday. If we didn't have additional ideas to make the legislation better, I would agree with him, because I think the House passed some good legislation. I think we can make it better. Chairman ROTH mentioned a couple things we can do.

We had good hearings. Actually, the hearings that promulgated a lot of the IRS reforms happened in the Senate, not in the House. Our House colleagues, as the Constitution provides, initiates revenue measures. So they have acted and they have acted promptly. I congratulate Chairman ARCHER, who I think does an outstanding job as the chairman of the Ways and Means Committee. The House has done good work and passed a good, bipartisan bill.

Likewise, we can do good work in the Senate and pass a bipartisan bill. We might do better. We might add and build upon what the House has in their legislation. We heard from a lot of things. Mr. Dolan, the acting Commissioner of the IRS, had some suggestions, brought out some points. We had witnesses who talked about IRS abuse. I think we can build upon some of the changes that the House has advocated and make a better bill, but it may take a little bit of time to do it. I would like to do it and do it right.

Again, I appreciate what our colleague from Nebraska is saying, but I would very much like and happen to agree with the chairman, I think we would be better off if we allow the Finance Committee to mark up the legislation, make some improvements, and pass legislation that, again, will, hopefully, receive bipartisan support and the President's signature as well.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, I appreciate very much what the distinguished

Senator from Oklahoma is saying. We have had many conversations. He is co-sponsoring the legislation, so I know he wants to get this reform enacted. I believe that when we know we can get something done that will improve the operation of the IRS, we ought to do it.

Again, I respectfully say, I think this sets up the basis for further action, because it gives the IRS Commissioner the kind of authority that the IRS Commissioner needs to manage the agency. It gives the IRS Commissioner authority to say this is what we think the Code is doing to the taxpayers, this is what it is costing the taxpayers to comply with the Code we have.

I favor rather aggressive reform of the Code. I certainly wouldn't come to the floor and say I don't think we ought to do it until we reform the Code. There is lots more that can be done with the IRS, no doubt about it. But I don't think we are ever going to have a single piece of legislation that does it all.

For gosh sakes, we just confirmed a new Commissioner and sent him over to run an agency of 115,000 people. Look at the law. The law doesn't give him the authority to manage the agency.

It doesn't give him the authority to hire and fire senior people.

It doesn't give him the authority to provide positive financial incentives so the agency can be run in a better fashion.

It doesn't give him legal authority to move expeditiously to electronic filing.

It doesn't require the basis of the disclosure of audits. There is a cumbersome Freedom of Information Act process with the IRS. It is especially slow and difficult for citizens who are trying to get information.

It doesn't require the establishment of some complexity analysis so that we can make a judgment about whether or not what we are doing is going to make it harder for the taxpayers to comply.

It doesn't require the kind of coordinated oversight that is needed with a public board governing the IRS that will enable us to achieve consensus on a strategic plan.

All these things are in there. You look at them and say, "I can't be against it." There likely will be 100 votes for all the things I just described. Why not do it now? It doesn't preclude us from coming back next year and taking further action. All these things I listed will improve benefits to American taxpayers, to those 130,000 every single day who are going to receive in the mail a notice that they owe additional taxes, to a quarter of a million who are going to pick up a phone and make a phone call and try to get an answer to some question they have.

If you look at the law that is being proposed that was passed by the House by all but four Members, I urge my colleagues on the other side of the aisle to look at the law and see, for gosh sakes, that this doesn't prevent us from taking action next year, this doesn't pre-

vent the Finance Committee or any other committee from holding hearings and considering legislation to improve it.

All this does is it matches with authority the responsibility that the Commissioner has and will enable, unquestionably enable, the customers, the taxpayers of the United States of America to get better service than they are currently getting. They are going to pay a price for delaying.

The congressional restructuring commission had 12 public hearings, thousands of interviews with private sector individuals. This legislation, by the way, has the endorsement of every provider out there of services to payers, as well as the endorsement of the National Federation of Independent Businesses.

This piece of legislation has been examined from stem to stern by an awful lot of people who are now embracing and endorsing the legislation and saying that on behalf of the American taxpayers, this piece of legislation, this change in the law for the IRS will make the IRS more efficient and make the taxpayers themselves more competent; that not only are they going to get a fair shake, but get a right answer to the question that they ask.

I will be down here again tomorrow if we are still around here, and the next day if we are still around here, and however long it takes. We can conference this thing in a day and get it on to the President. I hope Members on the other side will look at this law and begin to ask the question, do we want to change the law this time and come back and address all the other things the distinguished Senators from Delaware and Oklahoma said we ought to be doing?

Mr. President, I yield the floor.

Mr. SMITH of Oregon addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

#### PRIVILEGE OF THE FLOOR

Mr. SMITH of Oregon. Mr. President, I ask unanimous consent that Jim Ahlgrimm, a congressional fellow in my office, be granted the privilege of the floor for the duration of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SMITH of Oregon. I thank the Chair.

(The remarks of Mr. SMITH of Oregon pertaining to the introduction of S. 1406 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

#### TRIBUTE TO OUR VETERANS

Mr. SMITH of Oregon. Mr. President, I would like to pay tribute to our veterans as we prepare to celebrate Veterans Day on Tuesday. Each day as I drive to work to the U.S. Senate, I cannot help but notice all the beautiful