My point is, it sounds great to say, ''Let's abolish the income tax,'' but I want to know what you want to do in place of it. Some would say—and some have offered plans here in the Senate and the House—''Let's have a different tax system. Let's have one that taxes work. You go out and work for a living? We want you to pay a tax. But if, on the other hand, you get your income from capital gains, dividends or interest, you don't pay a tax. Let's tax only activities from work; and let's exempt investments.''

I guess that sounds pretty good, if all your income comes from investment. Guess who would pay taxes and be exempt under that kind of scheme. The wealthiest folks would be exempt and the working people would pay the taxes. That is a tax on work.

My point is, let's take a look at seeing if we can't change the current system in a way that benefits at least a fair number of the American people.

Here is what I propose we do. More than 30 countries have some kind of income tax system in which most of the taxpayers, or many of the taxpayers, do not have a requirement to file an income tax return. Here is how I would propose we do it. Everyone who signs in at work for a job fills out a W–4 form. It says, My name is so and so. My Social Security number is x, y, and Z. I'm claiming this many allowances. And I am married, filing jointly, or whatever that information would conclude; and therefore your employer calculates how much income tax shall be withheld from your weekly or monthly wage.

I propose an approach where we would put a couple of extra lines on the W–4 form, and for a lot of Americans—perhaps 60 to 70 million Americans—with a few extra checkmarks on the W–4 form, their withholding at work will become their exact tax liability for the year. They would have no requirement to file a tax return—no return to be filed at all—therefore, no trips to the post office on April 15 and no worry about major audits. What is your wage? and based on what you checked on your W–4 form, what kind of withholding is necessary.

Let me give you an example of how we would do that. Families earning up to $100,000 in annual wages—$50,000 for singles—and up to $5,000 in capital gains, dividends and other non-wage income—$2,500 for singles—may elect this tax return-free filing system at work. This other income would be tax free. When they sign in at work, they would simply fill out a slightly modified W–4 form that allows them to have their employers withhold their exact tax obligation computed by using a table provided by the IRS, and they would pay a single low tax rate of 15 percent on their wages. They would still be allowed their standard deduction, their personal exemptions, a deduction for home mortgage interest and property taxes paid, and their child tax credits. Those would be the couple of extra boxes checked on the W–4 form. But by and large, this would radically simplify income tax filing for 60 to 70 million Americans to say to them, check these extra boxes, you, therefore, do not have to file an April 15 tax return. You have a flat 15-percent tax rate on wages, and your other income, up to $5,000 for married, filing jointly, is totally exempt from any income tax obligation.

This system makes a great deal of sense in my judgment, and, as I indicated, anywhere from 60 to 70 million Americans will be able to decide if they want to use this system and, therefore, not be required to file any income tax return at all on April 15.

The reason I am describing this system today is the discussion last week on tax day was interesting. I do not quarrel with those who say we ought to change the current tax system. Yes, we should.

The first step would be to dramatically simplify the responsibility for filing income tax returns for the bulk of the American people. I am saying that the majority of taxpayers could avoid having to file any income tax return at all on April 15, could avoid all of the problems of getting paperwork together, and could stop worrying about a subsequent major audit. They could avoid all of that with the Fair and Simple Shortcut Tax plan.

My proposal allows every taxpayer, if they want, to compute and file their tax returns under the old system. You could get your tax return and your catalog size instructions, and you can go through it and you can labor and agonize and sweat and talk to accountants if you want. That is your choice. You will have the choice. But the second choice and I believe much more appealing for most Americans is to access the return-free income tax system with a single 15-percent rate, with the abolition of both the marriage tax penalty and the Alternative Minimum Tax under this system, with up to $5,000 of capital gains, dividends and interest income completely tax free.

We can do this. We can do it easily, and we can do it now. More than 30 countries have some kind of approach like this. This is better tailored to our system, but some 30 countries already have some form of a tax return free system. This country can do that for the 60 to 70 million Americans it would relieve of having to file an annual federal income tax return.

As we debate and discuss the tax system in this Congress, it is important for us to listen to all of the ideas that exist, and there are plenty, some wonderful, some crackpot, some workable, some unworkable. This, in my judgment, is a system that can be implemented almost immediately, is eminently workable, and will address the first roadblock that exists in our current income tax system—that is, complexity. It can eliminate all of the complexities all at once for up to 60 to 70 million American people. That makes a great deal of sense.

I will be visiting with a number of my colleagues about it, and we are going to introduce it as a formal plan very soon. I hope that some of my colleagues will consider it favorably.

Mr. President, I yield the floor.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

## EXTENSION OF MORNING BUSINESS

Mr. MURKOWSKI. Mr. President, it is my understanding that morning business is to conclude at 2 o'clock. Therefore, I ask unanimous consent that morning business be extended with Senators permitted to speak for up to 10 minutes each. I believe I have 20 minutes reserved; is that correct?

The PRESIDING OFFICER. That is correct.

Without objection, it is so ordered.

Mr. MURKOWSKI. I thank the Chair, and I wish my friend a pleasant afternoon.

## KOSOVO POLICY

Mr. MURKOWSKI. Mr. President, I come to the floor today to discuss certain aspects of our military campaign in Kosovo that deeply trouble me.

We are now into the fourth week of the NATO bombing campaign, and so far things are far worse for the Albanian Kosovars who have been systematically uprooted from their homes and either killed or driven into exile in neighboring countries. Many of their homes have been burned to the ground. Whole villages have been destroyed, with the result that hundreds of thousands of people have become refugees with no worldly possessions except what they could carry on their backs.

On March 23, on the eve of NATO's bombing campaign, Secretary of State Madeleine Albright stated that there was a specific purpose, and that was to:

> Deter Slobodan Milosevic from continuing on this rampage and going in and torching—having his soldiers and special police torch the villages. So it is designed to deter that, and also to damage his capability to do that.

Well, less than 4 weeks later, it is clear that Secretary Albright and the Administration seem to have misjudged Milosevic. NATO bombing has in no way deterred the torching and ethnic cleansing. It has, in fact, intensified since the bombing began. There can be no doubt that if, as Secretary Albright stated, our goal was to deter the rampage against the ethnic Albanians, our policy has failed.

When it became apparent to the Administration that its policy of protecting the Albanian Kosovars had failed, the Administration in early April shifted the message and claimed that the bombing was designed to ''degrade'' Serbia's military capacity. However, we appear to be doing this indirectly in that our bombs and cruise