

thank all the members of the Committee on Ways and Means, especially the chairman, for moving this piece of legislation. This was, in fact, an oversight that was affecting thousands of businesses if not more across the country. I know a number of people in my district, small-business people, have asked to have this corrected. I am glad that we are, in fact, doing it.

Let me add to the chorus of remarks to my good friend the gentleman from Texas (Mr. ARCHER). The gentleman from Texas and I have worked very closely together during the years that I served in the Republican leadership and as the gentleman from Texas was the chairman of the Committee on Ways and Means. I do not think one could find a more dedicated public servant, someone who believed in reforming the Tax Code and worked hard on behalf of not only his constituents but taxpayers all across the country. After 30 years in the Congress, he deserves a little rest. He has been a pleasure to work with and I think a model Member of this body. I wish him well in his retirement.

Mr. BEREUTER. Mr. Speaker, this Member wishes today to express his support for H.R. 3594, the Installment Tax Correction Act of 2000, of which this Member is a cosponsor. This bill, which is being considered under suspension of the rules, will have a positive effect on small businesses nationwide.

At the outset, this Member would like to thank both the distinguished gentleman from California [Mr. HERGER] for introducing this legislation and the distinguished Chairman of the House Ways and Means Committee from Texas [Mr. ARCHER] for his efforts in bringing this measure to the House Floor.

This legislation, H.R. 3594, eliminates the provision of the tax code which repealed the use of the installment method of accounting for accrual method taxpayers. This bill is necessary because of a provision in the Ticket to Work and Work Incentives Improvement Act (P.L. 106-170), which was signed into law in 1999. Unfortunately, this Act included a prohibition on the use of the installment method by accrual method taxpayers. As a result of this provision, these type of taxpayers are currently required to pay tax on all capital gains in the first year of an installment sale, regardless of when cash payment is received.

This provision is particularly onerous for small businesses. For example, installment sales methods are common for situations where the seller continues to stay involved in the transferred small business or when a family business transfers from one generation to the next. Furthermore, this Member has been told that neither the Administration nor the Ways and Means Committee anticipated nor understood the effect the inclusion of this prohibition in the Ticket to Work and Work Incentives Improvement Act would have on small businesses. Fortunately, H.R. 3594 remedies this by situation by repealing the prohibition on using the installment method of accounting for accrual method taxpayers.

Therefore, for these reasons, this Member urges his colleagues to support H.R. 3594, the Installment Tax Correction Act of 2000. Thank you.

Mr. UDALL of Colorado. Mr. Speaker, as a cosponsor of H.R. 3594, I rise in strong sup-

port of the bill. I am very glad that it is being considered today rather than being left to languish until the new Congress convenes next month.

The bill would repeal a change in the tax law that was part of the "Ticket to Work" bill enacted last year.

It evidently was included as a way to help offset the costs of that bill by increasing tax receipts. However, I do not think that it was necessary or appropriate.

The 1999 change prohibited use of the "installment method" for calculating taxes on certain asset sales where the seller is paid over time rather than all at once. The effect of this is to make it much harder for small-business owners to sell their businesses or to seriously reduce the amount they can receive if they do sell. I have heard from many people in Colorado who have been and remain concerned about this aspect of the changes made in 1999.

H.R. 3594 would repeal that, restoring the ability of sellers to spread their receipts—and taxes—over several years. I think that is a good idea, which is why I joined as a cosponsor.

I urge the House to approve the bill.

Mr. KLECZKA. Mr. Speaker, I yield back the balance of my time.

Mr. ARCHER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. PEASE). The question is on the motion offered by the gentleman from Texas (Mr. ARCHER) that the House suspend the rules and pass the bill, H.R. 3594.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 10 o'clock and 25 minutes a.m.), the House stood in recess subject to the call of the Chair.

□ 1647

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. PEASE) at 4 o'clock and 47 minutes.

CONFERENCE REPORT ON H.R. 4577, DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

Mr. YOUNG of Florida submitted the following conference report and statement on the bill (H.R. 4577) making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2001, and for other purposes:

CONFERENCE REPORT (H. REPT. 106-1033)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4577) "making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2001, and for other purposes", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with amendments, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

SECTION 1. (a) The provisions of the following bills of the 106th Congress are hereby enacted into law:

(1) H.R. 5656, as introduced on December 14, 2000.

(2) H.R. 5657, as introduced on December 14, 2000.

(3) H.R. 5658, as introduced on December 14, 2000.

(4) H.R. 5666, as introduced on December 15, 2000.

(5) H.R. 5660, as introduced on December 14, 2000.

(6) H.R. 5661, as introduced on December 14, 2000.

(7) H.R. 5662, as introduced on December 14, 2000.

(8) H.R. 5663, as introduced on December 14, 2000.

(9) H.R. 5667, as introduced on December 15, 2000.

(b) In publishing this Act in slip form and in the United States Statutes at Large pursuant to section 112 of title 1, United States Code, the Archivist of the United States shall include after the date of approval at the end appendixes setting forth the texts of the bills referred to in subsection (a) of this section and the text of any other bill enacted into law by reference by reason of the enactment of this Act.

SEC. 2. (a) Notwithstanding Rule 3 of the Budget Scorekeeping Guidelines set forth in the joint explanatory statement of the committee of conference accompanying Conference Report 105-217, legislation enacted in section 505 of the Department of Transportation and Related Agencies Appropriations Act, 2001, section 312 of the Legislative Branch Appropriations Act, 2001, titles X and XI of H.R. 5548 (106th Congress) as enacted by H.R. 4942 (106th Congress), Division B of H.R. 5666 (106th Congress) as enacted by this Act, and sections 1(a)(5) through 1(a)(9) of this Act that would have been estimated by the Office of Management and Budget as changing direct spending or receipts under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 were it included in an Act other than an appropriations Act shall be treated as direct spending or receipts legislation, as appropriate, under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) In preparing the final sequestration report required by section 254(f)(3) of the Balanced Budget and Emergency Deficit Control Act of 1985 for fiscal year 2001, in addition to the information required by that section, the Director of the Office of Management and Budget shall change any balance of direct spending and receipts legislation for fiscal year 2001 under section 252 of that Act to zero.

This Act may be cited as the "Consolidated Appropriations Act, 2001".

Amend the title of the bill so as to read: "An Act making consolidated appropriations for the fiscal year ending September 30, 2001, and for other purposes.".

And the Senate agree to the same.

JOHN EDWARD PORTER,