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### AMERICAN JOBS CREATION ACT OF 2004—Continued

The SPEAKER pro tempore. The gentleman from California (Mr. THOMAS) and the gentleman from New York (Mr. RANGEL) each will control 30 minutes.

The Chair recognizes the gentleman from California (Mr. THOMAS).

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

(Mr. THOMAS asked and was given permission to revise and extend his remarks.)

Mr. THOMAS. Mr. Speaker, we are here today because the United States Tax Code is out of sync with the rest of the world. Among our major trading partners, the United States is alone in the world in not using other forms of taxation other than direct income taxation.

Four times the United States defended our ability to create subsidies and, therefore, produce a more level playing field among our trading partners. We had for years refused to reexamine our code more fundamentally and thought that a subsidy mandate would create a more level playing field. Four times, the World Trade Organization said that under the rules of the World Trade Organization, of which we are a founding member, that that would not be permissible.

We are here today because the core of the bill is to repeal the Foreign Sales Corporation extraterritorial tax structure, and it also affords us an opportunity to examine an out-of-date Tax Code.

For those who say all we should be doing is repealing the subsidy, which has been declared against the rules, is to ignore the reason why we put the rules in place in the first place. The reason we did the subsidy was because we were at a disadvantage. It can certainly be argued we should have fundamentally changed our Tax Code back when we did that, but the simple answer is, we did not.

What we are trying to do is correct the errors of our ways, primarily by omission, but occasionally by commission, of not allowing U.S.-based, U.S. workers to put products and services out in the world on a level playing field with the rest of the world. That is what this bill does.

In addition to that, in examining these areas, we discovered portions of the Tax Code that are just flat out unfair. And this is an opportunity; I believe everybody deserves 1 day every 20 years to have a look at the problems they face in the Tax Code. Why? Because small business in certain industries are faced with a discriminatory U.S. Tax Code that puts U.S. small businesses at a disadvantage to foreign businesses.

We are going to hear there is a provision in here about arrows, there is a provision in here about tackle boxes, there is a provision in here about sonar, fish detecting equipment. The reason it is in here is because our code discriminates against American producers.

So not only are we rewriting our laws to be good trading partners and assisting those people who no longer get the subsidy because we are rewriting the laws, we are providing one day every 20 years to examine those portions of the code that make absolutely no sense.

Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

This is so interesting. The chairman of the committee stands to tell us what this bill is all about, which is labeled the American Jobs Creation Act and, guess what? This is nothing about jobs. He would have us believe that the reason for this legislation is to reform the Tax Code, to bring it up to date. Well, I have heard this type of Republican talk before: we have to pull it out by the roots. That is when we only had thousands of pages in the Tax Code.

But in the middle of the night, they bring us now a bill that is 400 pages long, and probably nobody in the House has even seen it yet. Do not call this a tax bill and do not say that you are reforming the system, because the fact is, if you wanted to really fix what this bill was supposed to do, and that is to remove the subsidy, all you do is remove the subsidy, and you do not give a tax cut for \$150 billion, but you pick up \$50 billion, which is the amount of the subsidy.

So you can put lipstick on a pig, but you cannot call it a lady. This is a lousy bill. It has nothing to do with reform.

And about this one day that someone is entitled to get their priorities, well, he is 100 percent correct. They sent the word out that every lobbyist in Washington has one day to get his favorite in this bill. It is just unfortunate that the American people did not get their one day to get jobs in this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

I do not rise to defend the honor of Miss Piggy, as the gentleman from New York indicated, and I am anxiously finding a flashlight because, apparently, the gentleman from New York exists in perpetual darkness since he believes night extends for more than 2 years. This bill has been around a long, long time.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. WALSH) for the purpose of entering into a colloquy with the gentleman from Colorado (Mr. BEAUPREZ).

Mr. WALSH. Mr. Speaker, I thank the gentleman from California (Chairman THOMAS) for his leadership on this important legislation.

I understand the Senate version of the FSC/ETI bill includes the "Green Bonds" proposal. As the gentleman

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