

American taxpayers will see a cut, particularly the middle class in our country. The Congressional Research Service has indicated that all Americans, particularly the middle class and those with incomes up to \$150,000, will see tax relief. The President's panel, the advisory panel that reported today, itself said that most taxpayers under its plan will not see much difference in their taxes.

We are going to have a battle of ideas. We hear often that there ought to be a debate about specific proposals. Now we have one. The advisory panel that reported to the President of the United States said, by their own analysis, that most taxpayers under their proposal will not see much difference in their taxes.

Under the proposal I have made for a fair, flat tax rate, what is going to happen in this country, according to the independent analysts at the Congressional Research Service, is that millions of middle-class people will get a tax cut, and all Americans with incomes up to \$150,000 will see tax relief. Where the panel throws strikes at the middle class, I say it is time to give the middle class a break. I certainly question the fairness of the President further cutting tax rates for those who are the most affluent in this country while the gap widens between those who depend on their wages to support their families.

Finally, to illustrate the contrast, the proposal made by the panel today does nothing to deal with the hemorrhage that we have in the Federal budget. My proposal, on the other hand, according to the Congressional Research Service, makes a real start at reducing the budget deficit and would actually whittle down these budget deficits approximately \$100 billion over the next 5 years.

In summary, I am very troubled by the recommendations coming from the advisory panel today because they continue to twist the Tax Code away from equal treatment of all income, widening the chasm between people who get wages and people who collect dividends. I am troubled that it hits middle-class Americans especially hard, but it treats the special interests and the affluent with kid gloves. And I simply cannot find a sound rationale for adding massively to the country's deficit the way the advisory panel would do. Making the Tax Code simpler and flatter is going to help make it fairer.

What is really needed is to provide actual, concrete tax relief to the middle class and to treat work and wealth equally. That was what was done in 1986.

I have been asked several times since introducing this legislation, How is anything going to happen now? The advisory panel's proposal probably goes off to the Federal agency on collecting dust, where they send these commission reports that do not get a lot of attention. But I will tell you that I think there is a chance to strike a chord out across the country with the middle class. That was what was done in 1986 when, on a bipartisan basis, President Reagan and several leading Democrats said, as I am suggesting tonight: America can do better than to tax the middle-class person's wages at a higher rate than it does the people who make their money on capital gains and dividends. If it was good enough for Ronald Reagan in 1986, I think it ought to be pretty appealing to this Congress tonight and in the days ahead.

Now that the debate has been joined, we have the advisory panel's proposal which shows again what their priorities are, which I have outlined tonight. I think they are unfortunate. The legislation I have authored would give significant tax cuts to middle-class folks by eliminating scores of exemptions and deductions and would reduce the Federal deficit at a time when these budget books are hemorrhaging.

The debate is joined. There are two clear alternatives, two clear approaches to this issue of how to approach tax reform now on the table. I look forward to the debate. It is my hope that the Congress, as was done in 1986, can decide this is time to cleanse the Tax Code. Ever since 1986, one break, one exemption, one deduction after another has been added to the Code. Unfortunately, not many of those breaks went to the middle class. They did go to the fortunate few. Now we have a budget deficit that is hemorrhaging and a middle class that is hurting.

Folks want to know what the difference is between the various parties with respect to tax reform. The difference could not be clearer tonight between what I have proposed, a Fair Flat Tax Act, and what the advisory panel proposed this afternoon. I hope the Senate can come together, as was done in 1986, and cleanse the tax system again, since that exercise has not

been pursued in 20 years. It can be done on a bipartisan basis as was done in 1986.

I look forward to working with colleagues. I serve on the Finance Committee where such a debate will start. I look forward to working with colleagues on a bipartisan basis.

I yield the floor.

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#### ADJOURNMENT UNTIL 8:30 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands adjourned until 8:30 a.m. tomorrow.

Thereupon, the Senate, at 8:23 p.m., adjourned until Wednesday, November 2, 2005, at 8:30 a.m.

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#### NOMINATIONS

Executive nominations received by the Senate November 1, 2005:

##### FEDERAL RESERVE SYSTEM

BEN S. BERNANKE, OF NEW JERSEY, TO BE A MEMBER OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM FOR A TERM OF FOURTEEN YEARS FROM FEBRUARY 1, 2006, VICE ALAN GREENSPAN, TERM EXPIRING.

BEN S. BERNANKE, OF NEW JERSEY, TO BE CHAIRMAN OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM FOR A TERM OF FOUR YEARS, VICE ALAN GREENSPAN.

##### DEPARTMENT OF STATE

STEVEN ALAN BROWNING, OF TEXAS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC UGANDA.

JEANINE E. JACKSON, OF WYOMING, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO BURKINA FASO.

##### IN THE COAST GUARD

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES COAST GUARD RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

##### To be rear admiral

REAR ADM. (LH) JOHN C. ACTON, 0000

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#### WITHDRAWALS

Executive message transmitted by the President to the Senate on November 1, 2005 withdrawing from further Senate consideration the following nominations:

ROGER FRANCISCO NORIEGA, OF KANSAS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE INTER-AMERICAN FOUNDATION FOR A TERM EXPIRING SEPTEMBER 20, 2006, WHICH WAS SENT TO THE SENATE ON JANUARY 4, 2005.

ROGER FRANCISCO NORIEGA, OF KANSAS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE INTER-AMERICAN FOUNDATION FOR A TERM EXPIRING SEPTEMBER 20, 2006, WHICH WAS SENT TO THE SENATE ON FEBRUARY 14, 2005.