dangerous work they perform to provide one of the sources of fuel needed to operate the country's industries and to provide energy to homes and businesses.

There were 12 miners, Thomas Anderson, Alva Martin Bennett, Jim Bennett, Jerry Groves, George Hammer, Jr., Terry Helms, David Lewis, Martin Toler, Fred Ware, Jr., Jack Weaver, Jesse Jones, and Marshall Winans, that lost their lives on January 3, 2006, but fortunately one miner was rescued, Randal McCloy. I also recognize the 2 miners that lost their lives early this year in a fire in Aracoma Alma Mine on January 19, 2006. These men were Don Israel Bragg and Ellery ''Elvis'' Hatfield.

It is a burden on all of our hearts when hard working citizens of this country perish, especially while on the job. My prayers go out to the friends and families of those who have lost their lives.

I support H. Con. Res 331 and I urge my colleagues to follow suit. I thank you for your consideration and yield the reminder of my time.

Mr. DAVIS of Illinois. Mr. Speaker, last month, America witnessed the tragedy of the Sago and Aracoma Alma mine deaths. We saw terrible things happen to good people, and the Nation was saddened by the events that unfolded.

I join with my colleagues in honoring these hard-working Americans who died or were injured while laboring to support their families. We also recognize the individuals who worked so hard to save them.

Our thoughts and prayers are with the friends, family, and neighbors of each of the, miners affected.

Mr. COSTELLO. Mr. Speaker, I rise today in support of H. Con. Res. 331, a resolution honoring the 16 extraordinary miners who lost their lives in the recent West Virginia coal mine accidents and recognizing the courage of Randal McCloy who survived. Further, I join my colleagues in extending our condolences to the families of these miners, and recognize the brave efforts of the rescue crews and volunteers during this time.

I represent southwestern and southern Illinois, a region with a rich coal mining history. Coal mining has played a significant role in transforming and developing the region since the mid-1800s when substantial coal mining in Illinois began. In 2006, the coal industry continues to be a vital component of our economy, and one we are working to strengthen for the future. Improving mine safety standards is an important part of this process in Illinois, West Virginia, and other coal producing States.

These unfortunate coal mining fatalities in West Virginia have highlighted the pressing need to revise the national coal mine health and safety s!andards to ensure miners are equipped with state of the art technologies and tracking devices, and sufficient emergency supplies of oxygen. I am pleased West Virginia legislators acted quickly to enact a state law requiring coal companies to give employees electronic tracking devices and to store oxygen supplies underground. Precautionary measures are needed to protect the health and safety of our coal miners and penalties for flagrant violations of the law and regulations must be enforced. To this end, I have joined my colleagues in the House as a cosponsor of H.R. 4695, the Federal Coal Mine Safety and Health Act of 2006.

Mr. Speaker, I know my colleagues join me in honoring the West Virginia coal miners for their courage and sacrifice and expressing our deepest condolences to their families.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield back the balance of my time.

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

The SPEAKER pro tempore (Mr. BONNER). The question is on the motion offered by the gentlewoman from Virginia (Mrs. DRAKE) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 331, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

The title of the concurrent resolution was amended so as to read: ''Concurrent resolution honoring the sacrifice and courage of the 16 coal miners killed in various mine disasters in West Virginia, and recognizing the rescue crews for their outstanding efforts in the aftermath of the tragedies.''.

A motion to reconsider was laid on the table.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the House by Mrs. Wanda Evans, one of his secretaries.

RECESS

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

Accordingly (at 4 o'clock and 40 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 1712

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. REHBERG) at 5 o'clock and 12 minutes p.m.

APPOINTMENT OF CONFEREES ON H.R. 4297, TAX RELIEF EXTENSION RECONCILIATION ACT OF 2005

Mr. THOMAS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4297) to provide for reconciliation pursuant to section 201(b) of the concurrent resolution on the budget for fiscal year 2006, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. NEAL OF MASSACHUSETTS

Mr. NEAL of Massachusetts. Mr. Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Mr. Neal of Massachusetts moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill H.R. 4297 be instructed as follows:

(1) The House conferees shall agree to the provisions of section 106 of the Senate amendment (relating to extension and increase in minimum tax relief to individuals).

(2) The House conferees shall recede from the provisions of the House bill that extend the lower tax rate on dividends and capital gains that would otherwise terminate at the close of 2008.

(3) To the maximum extent possible within the scope of conference, the House conferees shall insist on a conference report that would not increase the Federal deficit for any year.

The SPEAKER pro tempore. Pursuant to clause 7 of rule XXII, the gentleman from Massachusetts (Mr. NEAL) and the gentlemen from California (Mr. THOMAS) each will control 30 minutes.

The Chair recognizes the gentleman from Massachusetts (Mr. NEAL).

Mr. NEAL of Massachusetts. Mr. Speaker, we all know that perhaps more important than anything else we do here, we set and we establish priorities. Our motion to instruct sets forth the priorities that I believe should be followed in the conference on this legislation.

The priorities of the Republican majority are clear: Large tax cuts that disproportionately benefit the wealthiest in our society, while slashing initiatives that protect the most vulnerable in our society. Even in normal times, these priorities would be wrong, but these are not normal times.

America is currently involved in two wars, one in Iraq and one in Afghanistan. These are the first wars in our country's history where only those in the military and the poor are being asked to sacrifice.

Hurricane Katrina forced America to see poverty and its consequences. And let me compliment former President Jimmy Carter for his remarks yesterday at Mrs. King's funeral when he spoke of that very issue.

□ 1715

The administration has converted surpluses into an enormous budget deficit, but has done nothing to prepare programs like Social Security and Medicare for the future other than to threaten privatization. The most significant fiscal turnaround in the history of America has occurred on the watch of the Republican majority here in the Congress.

What I think is interesting, and I say this with great confidence, during these past few years we have almost doubled defense spending, we are fighting two wars, we have created a Department of Homeland Security, we have witnessed the national principle

play out during Hurricane Katrina, and we have done all of this with six tax cuts. There is not anybody who is watching at home tonight in America who could run their personal lives on that basis. They could never hope to balance the ledger of trying to raise a family if they attempted to copy the model utilized by this Congress.

Our motion to instruct sets forth different priorities. First, it instructs the House conferees to follow the Senate bill and extend alternative minimum tax relief. Now, I must say that during my time as being one of the leaders here, it even was acknowledged by one of my friends on the other side, in the area of alternative minimum tax, that seldom have I had any issue in my time where I spoke of an issue more earnestly, received more congratulations from Members of both parties, and seen less extensive action than in the area of alternative minimum tax. This should be one of our first priorities. Without an extension of this relief, over 17 million Americans will face a tax increase in 2006, and the size of that tax increase could be as large as $3,640. Many middle-income families, largely married couples with children, simply are going to face higher taxes. That should be the priorities that we entertain.

Second, our motion to instruct would require the House conferees to drop any extension of the tax benefits for dividend and capital gains. Those benefits do not terminate until the end of 2008, so there is time to extend these benefits in the future if it is to be determined that they are appropriate as we seek balance in the ledger. Almost half of those benefits would be enjoyed by the wealthiest one-fifth of one percent of individuals, or better understood as individuals with annual incomes over $1 million.

Third, our motion requires the House conferees to develop a conference report with the view to not further increasing the Federal deficit. The administration projects a Federal deficit of over $400 billion for this fiscal year.

By the way, we have been told for the last 5 years that those numbers were going to come down substantially. The administration is proposing large deductions in education and health programs using the large deficit as an excuse, the very deficit they have created by their actions. Many of us on both sides of the aisle will oppose those misguided spending reductions. And once we get to the real battle here in the coming year over Medicare and Medicaid, my suspicion is that they will see all the action that Social Security saw in the past year. Further tax cuts for the superwealthy would jeopardize the remaining safety net for our children, for the disabled, and for other vulnerable individuals in the future.

Mr. Speaker, I would hope that we would have an open conference where the views of all parties might be expressed. After all, that ought to be one of the cornerstones of our democracy.

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

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

Mr. Speaker, I do have to say this is one of the oddest motions to instruct that I have seen in my multiple decades in the House for basically one reason: just a few short days ago the House passed by a vote of 234 to 197, a tax reconciliation package which extended the dividend reductions and the capital gains reductions. On the same day, the House passed, outside of reconciliation, the alternative minimum tax assistance that the gentleman has pleaded for by a vote of 414 Members of the House of Representatives, I believe, to 9 in opposition. That was the substantive action of the House on the floor.

This motion to instruct, which is nonbinding, requests that the House completely reverse itself from the vote we had just a few days ago, and that is, we do not include dividends in capital gains in tax reconciliation, but we include the alternative minimum tax which was voted outside of reconciliation. And I guess I would just ask my Members whether or not it is more important to hang on to the substantive action of the House or the symbolic gesture on the part of the Democrats. That is not the only strange thing about this motion to instruct.

You heard my colleague from Massachusetts and you will soon hear from other Members of very large urban States asking for tax relief for the very richest Americans. After all, by definition, the alternative minimum tax is not applied to the lowest. It is not applied to the 10 percent bracket. It is not applied to the 15 percent bracket. It is applied to the richest among us. And although it is refreshing, it is just ironic that we are going to have Democrats going to the floor pleading to relieve the wealthiest among us from an alternative tax burden. And to do that, they want to deny, the number 17 million was mentioned, as those who were affected by this. That is everyone who has even a dollar affected, as opposed to 14 million who would get total relief on the basis of this if it were substantive, which it is not.

But what my colleague fails to recognize, or chooses not to mention, is that with the reduction for dividends and capital gains, we also provide for significant tax relief in the investment aspect of dividend in capital gains for those in the 10 and 15 percent bracket going to zero before it expires. On capital gains that benefits 14 million alone; on the dividends, that benefits 27 million Americans.

They want to take those people who want to invest, who are in the 10 and 15 percent bracket, and deny them the opportunity to bootstrap themselves so they can give the richest among us a little bit of relief because large States that have high State income taxes and high State sales tax want to live off the rest of the Federal taxpayers in getting relief from alternative minimum tax.

And let me say about the gentleman's example about how we do not seem to be able to figure out how individuals can live if they followed the Federal example of tax cuts, it is very simple. The alternative minimum tax that they ask for in terms of relief are dollars to the richest among us who will spend, who will spend it on consumption. You get a one-time benefit on consumption. In that example, there is no question that American families could never survive tax cut after tax cut if all you did with the money was feed consumption. But what the history of the investment of dividends and capital gains meant is that people were able to invest money going to jobs and to productivity which has given us a bonus back.

And if the individual family took that money and invested it, that is the smartest thing, deferring current gratification for future reward. That is exactly what we are doing with the dividends and capital gains. So I am a little startled that my colleagues are bewildered, the difference between a consumption-insisting tax or an investment insisting tax. One consumes, the other one grows. That is why we are able to continue to see the economy improve as we continue to cut taxes. It depends on which taxes you cut, where you cut them, and how you cut them.

What my colleagues are asking for in this motion to instruct is to give more money to rich people to spend and deny those people even in the 10 and 15 percent tax bracket a chance to invest and grow wealth. One is the American way. I do not know what the other one is.

So all I would tell my colleagues is, please, we acted substantively. We passed tax reconciliation. I know this motion is not binding, but please make sure you understand what you are doing. You would be reversing investment in favor of consumption. If you come from a rich urban State, it probably makes sense to you. If you are from the rest of America, it certainly does not.

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

Mr. NEAL of Massachusetts. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the chairman said that this is one of the oddest motions to instruct that he has come across, but let me say I think that everybody would agree the most peculiar moment we have had in the last few years was the prescription drug bill. If you want to talk about a peculiarity that will be with all of us forever and how that was done at 4 o'clock in the morning, now that is peculiar. That is odd. What we are offering here is a sensible solution.

Mr. Speaker, I yield 4 minutes to the gentleman from New York (Mr. RANGEL).

Mr. RANGEL. Mr. Speaker, my friend, Mr. THOMAS, the chairman of the awesome and powerful Ways and

Means Committee, has normally presented brilliant arguments, many of those I have opposed; but I have really never seen such creative thinking as he has done on the alternative minimum tax. I would hope the whole world, and that is at least those in New York and around the country, will hear who he is describing as the richest people in the world. I mean, coming from California there may be some distorted thinking about incomes, but from all of the statistics, they say that over half of the people are between the incomes of 100 and $200,000, they would be getting the relief.

And then if we were talking about, I do not want to start a class war because I do not want to offend any on the other side, but over 50 percent of the relief under the interest in the capital gains would go to people above a million dollars.

And so I do not think we would call the 100 to $200,000, certainly as it relates to the Nation, that is high income, but it certainly does not compare to the recipients of those in the categories that will receive capital gains and corporate dividends.

But more importantly, I beseech Mr. THOMAS to deal with the question of equity. When we are trying to help somebody in terms of taxes or to take away some benefits from somebody, it may be done in the back room, but ultimately the public will know which group are the beneficiaries.

Now, there is no way that you can contradict that nobody in this Congress or the Ways and Means Committee or the Finance Committee ever thought that the people that we were going after to make certain that they paid a minimum tax would find themselves being pushed in the category where they would be paying out thousands of dollars in taxes which we never intended for them to have, they just got pushed into this by inflation. We owe them more than new people that would benefit, some kind of relief.

Now, this whole idea that we did it outside of reconciliation means that you did not do it at all. We know that when the House and the Senate conferees go to conference, that is when Democrats are invited to go but whether we are there or not, that we try to find out what is the best in both of the bills.

□ 1730

So it would seem to me that the only thing that we truly have that was passed by both the House and the Senate was relief for the alternative minimum tax. True, the Republican-controlled House did not put in any reconciliation, but those who were invited to go to conference would at least know that the Senate had it in their reconciliation bill and the House overwhelmingly passed it.

So it would seem to me, in equity and fairness, if you are talking about the intent of the House and the Senate, since they never included in their reconciliation bill the concept of the tax relief being given to capital gains and to corporate dividends, that in good conscience you could come back to the House and report that you followed the instructions.

It just seems to me, Mr. Chairman of the full committee, that you already knew that you were not going to give relief to the AMT; and now, instead of saying that we are sorry that we never responded to an equitable need, we never intended to throw these people into this category, instead of that, you have made them the richest people in the world.

Well, it is getting close to the election; and since the economy is doing so well, we will stick by that. If Republicans say they are the richest people in the world, Democrats would support that you said it.

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

We actually could solve a lot of our problems if we would tax all the people in the world. Clearly, what I said was the people in the United States. Those of us among us.

I cannot speak for the gentleman in terms of how he casts votes. I know he was on the losing side when we voted to extend the dividends and capital gains relief in the tax reconciliation package that just a few days ago passed the House with 239 votes. My vote in insisting for alternative minimum tax outside of reconciliation was an honest vote, and I intend to help those people.

Reconciliation is a process that is used by the Senate, not by the House. In terms of the number of votes necessary to pass legislation, the House always passes legislation by a majority vote, and it is always permanent. What we did with the minimum alternative tax vote, which with the help of the gentleman from New York passed by 414 votes, is exactly the same thing as far as the House is concerned that we did with the dividends and cap gains under tax reconciliation.

It is the Senate that utilizes reconciliation to pass measures by only 51 votes, albeit not permanently, for only a decade; and it is the Senate that needs 60 votes to make things permanent. So far as the institution of the House and the rules of the House and the votes that were cast, both on tax reconciliation and on the alternative minimum tax vote, the effective result of the House vote is absolutely the same.

All I am pointing out about the strangeness of this motion to instruct is that it is a request for the House to reverse itself, albeit nonbinding, from the very vote that we took, and that is that the gentleman from New York and others who were on the losing side on the vote for tax reconciliation want to be on the winning side by offering a motion to instruct. I guess it is okay. I will trade substance for appearance any day of the week. But Members need to know what they are voting on, and what they are voting on is to reverse themselves from the substantive decision they made earlier. I have never seen a motion to instruct that completely flips the legislation that had been presented. That is what I meant by strangeness.

And the argument that the gentleman from New York has just made in terms of the comparisons kind of equals that level as well. It is pretty simple. The economy is moving because we are investing in the economy through the reduction of tax on dividends and capital gains. If you were to give money to people, although the consumer helps, you simply do not get the benefit. And the people who make the most money, who are subject to the alternative minimum tax, deserve help. They do not deserve help in reconciliation, which the Senate needs to be able to make law.

Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania (Mr. ENGLISH), a valuable member of the committee.

Mr. ENGLISH of Pennsylvania. I thank the chairman for yielding me this time; and I will say one thing, Mr. Speaker, and I think the gentleman from Massachusetts had it right when he said this is about priorities. This motion is definitely about priorities, and it is about maintaining or not maintaining the current economic policies that make it a priority to encourage economic growth and encourage job creation.

In 2005, we created 2 million jobs in our country, and since 2003 our GDP has seen its fastest growth rate in 20 years, averaging a robust 4.4 percent per quarter. That growth is attributable at least in part to the competitive rates that we have set on capital gains and dividends, the seed corn of our economy. And it is precisely here that their instruction proposes to impose a tax increase, a tax increase on the most dynamic sector of the economy and on the most sensitive part of our Tax Code.

They do not say tax increase. They couch it in terms of withholding or withdrawing a tax cut. But in fact the markets for years have now taken into account a tax rate on capital gains and a tax treatment of dividends which encourages economic growth. They want to raise taxes.

At a time when our economy is facing pressure from globalization and facing pressure from high energy costs, now is not the time to be raising taxes on dividends. Now is not the time to be raising taxes on capital gains. I realize they desperately want to spend more money and they desperately want to raise taxes, but we cannot permit that to happen.

If we are serious about maintaining America's economic growth rate, if we are serious about maintaining a competitive position in the world, it is essential that we send the right message and that we look to make permanent the current rates on capital gains and

the current tax treatment of dividends that are so important a part of our competitive position.

I am surprised to see the other side coming forward with such a naked and clear attempt to raise taxes. But be that as it may, I think the time has come for us to reaffirm our message and to send a clear message to the markets that we are prepared to maintain current policies to encourage economic growth and to maintain the strong points of our current economic policy.

I call on my colleagues to turn down this instruction and do so decisively.

Mr. NEAL of Massachusetts. Mr. Speaker, there were 22 million jobs created during the Clinton years.

Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. THOMPSON).

Mr. THOMPSON of California. Mr. Speaker, at the end of last year we came to the floor, as was pointed out, to vote on the tax reconciliation bill. That bill extended tax cuts that did not expire for years, and it ignored tax relief that was expiring within days, relief from the alternative minimum tax, or the AMT.

Now, just this past Monday, the President released his annual budget; and it was, with apologies to Yogi Berra, deja vu all over again. He called on Congress to make permanent $1.4 trillion in tax cuts. Some of those do not expire for years to come. And he called on Congress to make permanent relief from the AMT only through fundamental reforms of the Tax Code. Unfortunately, his budget did not call for fundamental tax reform.

So that is the naked tax increase that was alluded to. If it is not fixed, this creates 17 million new taxpayers, a tax on 17 million new people.

If our friends on the other side of the aisle tell us, as they do often enough, that the budget is a document outlining the priorities of the President, then we can only deduct that paying down the debt is not a priority of this administration; that managing our money so that we no longer have to mortgage our future to countries like Japan and China is not a priority of this administration; and permanent AMT relief for working and middle-class families is just not a priority of this administration.

Mr. Speaker, these are priorities for everyday Americans and for those of us on the Democratic side of the aisle. I urge my colleagues to support this motion to instruct which reflects the priorities of Americans and calls upon the conferees to provide immediate and fiscally responsible relief from the alternative minimum tax, which is going to tax 17 million new people.

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

If it is going to tax 17 million new people, why do they call it the alternative minimum tax? These people are already being taxed. It is an alternative way to tax them and was actually put in place when my colleagues on the other side of the aisle were in the majority.

The gentleman from Napa Valley, in pleading for some of the richest Americans to get some relief from an alternative system of taxation they put in place when they were a majority and could have dealt with it, literally wants to take money from the 10 and 15 percent bracket, people who are trying to invest and grow a nest egg so that they can have a piece of America like the people in Napa Valley.

The people in the 10 and 15 percent bracket for the first time actually can figure out a way to invest in America, to grow a nest egg, and to see the ability to have a better tomorrow. But they want to take the money from these people and ease taxes on those people in the upper tax brackets who have now triggered the alternative minimum tax.

I said I am in favor of helping relieve the alternative minimum tax, but the plan we have proposed is not trading one for the other. It is not denying the 10 and 15 percent bracket a piece of America. We passed assistance to the alternative minimum tax. It was outside of tax reconciliation. What they want to do is shove that nest egg-building approach out of tax reconciliation and move the alternative minimum tax in its place. That is what we are opposed to.

We are not opposed to assisting the alternative minimum tax. We are opposed to denying the 10 and 15 percent bracket a chance to invest in America at the lowest possible cost. That is what this is about.

Mr. THOMPSON of California. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from California.

Mr. THOMPSON of California. Thank you, Mr. Chairman, for yielding to me; and I just want to point out that I represent seven counties, and I have people that are going to get caught in this AMT tax just like you do and just like every one of our colleagues across the country.

This was a tax, as you point out, to make sure people did not get out of their tax liability. But it was never indexed; and now it has crept up to catch all those good, hardworking people in the middle. And, Mr. Chairman, you know that our State pays 25 percent of the AMT that comes to the Federal Government.

Mr. THOMAS. Reclaiming my time, Mr. Speaker, the gentleman and his party had every opportunity when they were in the majority to index that. And in fact they had every opportunity to remove the credits and deductions which allowed those people not to pay any taxes. Instead, they took the easy way out of offering an alternative minimum, and you have gotten bitten.

I find it is ironic that the people in New York, New York City, and other areas are now asking relief for very wealthy people. I do not have a problem with that. We passed 414–4 relief for that on the floor. At the same time, within tax reconciliation, a structure which assists the Senate, we placed our highest priority, investment to creating nest eggs for the 10 and 15 percent brackets. That is where we decided to place our priorities. Your attempt here is to reverse that.

Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. CAMP), the chairman of the Select Revenue Committee of the Ways and Means Committee.

□ 1745

Mr. CAMP of Michigan. Mr. Speaker, I thank the gentleman for yielding me this time.

I rise in opposition to this motion to instruct. This motion is really based on a flawed rationale and flawed thinking. They are saying that we drop the 2-year extension on reduced rates for capital gains and dividends, somehow thinking that is going to help the deficit. First of all, that would be a tax increase on all those investors. As we have seen with employee stock ownership and employee-owned companies on the rise, stock ownership on the rise, more Americans participating in the stock market and investments than ever before, more than half, this would be a huge problem and tax increase for them.

Not only that, as we have seen when President Clinton was President in 1997 and signed a reduction in capital gains rates from 28 to 20 percent, we saw that then increased revenue to the government because of the economic growth that came out of that increased investment. We have seen the same with our recent capital gains and dividend reductions.

For example, the Congressional Budget Office says that receipts to the government have not declined, but have increased significantly by 45 percent, and that is by reducing the capital gain rates from 20 to 15 percent because not only did that double the realization of gains, and one reason was there was a higher return on investment as that tax declined, but also there was this unlocking effect where investors could sell their assets and move into other investments that then grew more rapidly. So we had this growth and dynamic aspect of the economy that took over that is so critical.

The CBO also found that tax collections from what they call nonwithheld tax receipts also jumped dramatically by 32 percent. We have seen dividend payouts from American companies virtually triple as a result of this reduction. So we have seen that this is tremendous benefit for the American people as their investments grow and they become more well off, and this is all income levels. Anybody who is part of an employee-owned company can participate, anybody can participate in the market, it is not just the high-income people, and we have seen lower and lower income levels participating in

the stock market over times because of these changes.

So I think it is critical that we not approve this motion to instruct, that we reject it for the reasons that to create economic growth, increase prosperity and give every American a shot at the American dream, we must extend the reduction in capital gains and dividends.

Mr. THOMAS. Mr. Speaker, I yield the remainder of my time to the gentleman from Michigan (Mr. CAMP) and ask unanimous consent that the gentleman from Michigan control the remainder of my time.

The SPEAKER pro tempore (Mr. REHBERG). Is there objection to the request of the gentleman from California?

There was no objection.

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

Mr. NEAL of Massachusetts. Mr. Speaker, I yield 3 minutes to the gentleman from Washington (Mr. MCDERMOTT).

Mr. MCDERMOTT. Mr. Speaker, as we stand out here and argue this sort of arcane piece of tax policy here today, the chairman tells us we are better off than we ever were before. Anybody who has looked at where the national debt is knows that is not true. Whatever this tax policy they are pushing is about, it is driving us deeper and deeper into debt.

In addition, today the President presents a budget to us that says nothing about the war and what it is costing. It is probably going to cost us a trillion dollars by the time it is all done, if we ever get out of it, stagnant wages in this country, and 500,000 more people in poverty.

Now the chairman says we want to have everybody have a shot at the American dream. Well, let me tell you something, this is a shot like a shot at the moon for most of them with a shotgun. It is not going to come anywhere near it. We do not want any more tax holidays for the rich.

The fact that you are trying to get rid of the AMT by letting it drift down further and further and further into the tax-paying people in this country is very obvious. You want there to be an uprising that says let us get rid of the AMT. You know why it was put there. You said yourself. They put the AMT because there were rich people in this country paying nothing. We could have kept it at that level, but in 2001 you decided we have got to balance the budget. Let us not do anything about the AMT. We told you over and over and over again in the Ways and Means Committee that is what you were doing. And yet you now say, oh, well, it is somebody else's problem.

You are driving this country over the edge. You think you are sending a market message. You are sending a message to the market with the kind of debt this country is in. If you take the credit card debt and the amount people have borrowed against their homes to keep up their level of income, you have a country seriously in debt. Now you say we do not care who has to figure their taxes twice, we will let it go down to $50,000, $60,000, whatever the number is going to be. That is of no consequence to you at all because you are dedicated to only one group in this society, and that is the people on the top.

This whole construction that you put together over the last 4 years, and I welcome you back to the well, I think you might have a couple of things to say to me, but bringing this tax bill to where we are today was a deliberate attack on the middle class. That reconciliation bill that the President signed took away the money that people would use to educate their children. You gave the banks big breaks so they could take more out of the hides of the kids. This is a good motion, and it ought to be adopted.

Mr. CAMP of Michigan. Mr. Speaker, I yield myself such time as I may consume.

I note that the House voted 414–4 to move the alternative minimum tax outside of reconciliation to pass alternative minimum tax relief. I was sincere in my vote. I would just inquire whether those on the other side of the aisle who voted for this bill were sincere in their votes.

Mr. NEAL of Massachusetts. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Speaker, I thank the gentleman for yielding me this time.

A budget is indeed about choices about picking winners and losers. And there is a certain consistency in the approach that we have seen in this Republican Congress.

Each year this administration targets the same losers and rewards the same winners. Each year it offers more tax breaks for those at the top, the wealthiest few, and it insists that the deficits that are thereby created be paid for in part by cutting aid to working families, to students and to our seniors. Each year it sacrifices long-term fiscal responsibility at the altar of short-term political gratification, escalating the national debt to subsidize private fortunes.

The administration's budget does not just crunch numbers, however, it crunches people.

Only last week the same folks that are here today demanding more and more tax breaks for those at the very top were here saying they had billions in what they called ''savings'' to help finance these tax cuts. But if you were a family caring for an abused and neglected child, that savings meant no support.

If you were a single mom relying on Federal child support enforcement to get a deadbeat dad to pay their monthly child support payments, it meant no child support.

For many a student relying on Federal student financial assistance, it meant an inability to get aid to go to school. And the health cuts, the same burdens imposed on the most vulnerable.

This Republican-controlled Congress continues to make these cuts to the vulnerable while offering high tax cuts for million-dollar-a-year-income folks. Extending these tax breaks today will put over $32,000 in the hands of people who earn a million dollars or more every year. While true that some of the 64 percent of families who earn less than $50,000 a year will get a tax cut, too, it will amount to only about $11 a year. So it is the difference between giving a new car to some of the privileged few and a car wash to the 64 percent.

The difference that they propose today is the difference between tuition at some fancy private school to the few, but only a pack of pencils to the many. It is the difference between a down payment on another vacation villa for the wealthy and some Lincoln logs or Legos for most everyone else.

At the very moment we are now debating this, the Office of Management and Budget is over here at the Capitol whacking away again at what they claim are unnecessary programs. But there are more programs that they propose to eliminate or significantly reduce in the Education Department than in any other department in the Federal government. Such unfortunate actions by the Republicans create another kind of deficit, an ''opportunity deficit,'' where young people and some not so young are not able to obtain the resources needed to achieve their full, God-given potential.

I think it is wrong to add to that opportunity deficit in our communities, just as it is wrong to build a national deficit that those future generations will be asked to pay. There is no balance in the budget these folks are offering to us today, and there is no equity either. It ought to be rejected.

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

Mr. NEAL of Massachusetts. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. STARK).

Mr. STARK. Mr. Speaker, I would just like to correct, if I may, the chairman's assertions. He has suggested that the Senate's relief is more focused at the rich, and that is not true. It is true that both the House and the Senate would give about 90 percent of their benefits to the top 20 percent, but at the very high end, the difference is amazing. More than half of the House's capital gain and dividend tax cut goes to the best 1 percent of taxpayers, and that 1 percent, those people earning more than $1.2 million a year would receive an average reduction of $26,500 apiece. That is where half of the Republican House bill goes.

The Senate's bill, on the other hand, would give the AMT relief, would give that same 1 percent merely 2.5 percent of their AMT relief, or an average of $600 apiece.

The other thing that is missing, and I do not suppose it is untrue to say

things are missing, you cannot find weapons of mass destruction, did we lie about the war, I do not know, but to look at the fact that the Senate has paid for a good bit of their relief, and if we look at the subsequent 5 years, it is true in the first 5 years the House bill loses $56 billion, and the Senate loses $57 billion, but that is only the tip of the iceberg because in the second 5 years the Senate bill picks up $20 billion because it has not recklessly given away revenue through reduction of capital gains and dividend income. The House, on the other hand, in the second 5 years loses another $30 billion. So while the grand total in 10 years for the Senate is only $37 billion, less than it is in 5 years, it is $80 billion for the House bill over 10 years, a difference of $43 billion.

Come on, folks, that $43 billion would pay for the education and health care and housing and rebuilding from Hurricane Katrina, and a whole host of things that the Republicans tend to ignore because the rich people that the Republicans represent already have that. They are turning their backs on the children and the middle class by capriciously and recklessly giving away our Federal revenues to the very richest in this country, and that is obscene.

Mr. Speaker, I would first like to thank Leader PELOSI for appointing me to this conference committee, and I rise in support of this motion to instruct.

I strongly believe tax cuts are unnecessary, irresponsible, and morally reprehensible at the present time. If allowed in the room, as Democrats rarely are these days, I will work hard on the conference committee to make sure that any tax cuts adopted be targeted to the middle-class rather than to millionaires.

I will argue for fiscal responsibility. I will insist with my colleagues in the Senate that the tax reconciliation bill protect middle-class families from the Alternative Minimum Tax. I will work to strike the extension of capital gains and dividend tax cuts that benefit the wealthy few at the expense of the hard working many.

In short, I will fight for Americans the President in his budget left behind.

The President in the document released Monday clearly illustrates the course he prefers for tax reconciliation—more tax cuts for the wealthy at the expense of vital domestic programs on which many Americans depend.

The President wants to cut Medicare by more than $100 billion, eliminate Social Security benefits for many older children whose parents have died, and severely cut state funding for child care. His proposal to expand Health Savings Accounts takes direct aim at the more than 160 million workers and their families who have job-based health coverage.

These cuts aren't necessary. Neither are the $21 billion in extensions of capital gains and dividend tax breaks for the top 1 percent of Americans put forth by Republicans in the House in their ill-conceived tax reconciliation bill.

A vote against this motion to instruct is a vote against working families and in favor of millionaires. Voters won't forget that in November.

I urge all my colleagues to support this motion to instruct.

Mr. CAMP of Michigan. Mr. Speaker, I yield myself such time as I may consume.

I would just say for the RECORD, the will of the House by a vast majority extended both kinds of AMT relief we have been discussing today without raising taxes as the Senate did.

I just want to say that one in five taxpayers, or 20 percent with capital gains, and one in four taxpayers, 25 percent of the taxpayers with dividends, have incomes below $50,000, so this clearly is an opportunity for Americans to begin to become part of the American dream by investing and growing that income. To not extend the tax relief would be to raise taxes, which would be the wrong thing to do.

Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. BRADY), a distinguished member of the Ways and Means Committee.

□ 1800

Mr. BRADY of Texas. Mr. Speaker, there is actually bipartisan support for reducing taxes in the AMT on American families. If I could go back in time and stop that Congress from ever creating it, I would have because the principle of it has always been so wrong. The principle was our Tax Code is so complex, it is so full of loopholes that it really is not fair anymore. So rather than fix the problem, let us just create a second type of tax, make people create second books, second type of accounts and then try to catch them another way.

It was a terrible principle to begin with; and because it was not put in place, it was put in place for the wrong reasons, in the wrong way and now affecting more and more of our American taxpayers who should never have to fool with this.

The question today is, how do we do it? Do we do it as proposed in this issue, to raise taxes to pay for it? Or as Chairman CAMP has said, this House has voted overwhelmingly to provide tax relief to these families the right way, by just exempting them and not raising their taxes to pay for it. That is exactly the right way to do it.

And another, I think, bad side effect of this proposal that we are debating today is that we take away the tax savings on capital gains and dividends. That is very important to America's seniors, very important to seniors in Texas. And what I especially appreciate is that since this Republican Congress lowered taxes on dividends and capital gains, more and more people, especially seniors, are investing for their retirement, and more companies are not just promoting their stock value. They are actually returning money to dividends to our investors, to our neighbors. And so they are not just saying we have got a great company. They are actually showing it, showing us the money through dividend relief.

That is very important in a time where you just saw last week that America has a negative savings rate, a negative. We are going in the hole more and more each year, American families are. We ought to encourage savings. We ought to encourage dividends. We ought to encourage investment, and we ought not raise their taxes in order to provide relief from AMT. And I respectfully oppose this and urge us to work in a bipartisan measure to do this the right way.

Mr. NEAL of Massachusetts. One thing I agree with the previous speaker on, that the American people are going more in the hole; and when they feel what is happening to student aid and cutbacks in scholarship money because of the Republican majority, they are going to know what being in the hole is really about.

Mr. Speaker, I yield 3½ minutes to the gentleman from Michigan (Mr. LEVIN).

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

Mr. LEVIN. Mr. Speaker, this issue was put so squarely, and I think clearly, in the answer of Secretary Snow when he testified in the Senate. He was asked why the White House had put a higher priority on the investment tax breaks than relief from an alternative minimum tax. His answer, and I quote, ''because lower taxes on dividends and capital gains more broadly benefit taxpayers than AMT relief.'' That is the position of the administration. So what they are saying is that tax relief dividends and capital gains, we are talking now about 2009 and 2010, not this year, next year or the year thereafter, that that is more important when over 50 percent of the benefit goes to people making a million dollars a year, that is more important than the impact of the AMT not in 2009, 2010, but this year, on 19 million taxpayers. That is really the issue.

Now, we hear all kinds of arguments. Mr. THOMAS kind of says, well, those AMT people are kind of wealthy people. A lot of them are not, nowhere near the million bucks made by the people who are the 53 percent who gain in 2009 and 2010.

And then, well, it said, okay. More taxpayers receive capital gains in dividend reduction, that is true, most of them are in lower middle income brackets, but most of the money goes to people making a million bucks a year. That has never been challenged.

Well, then the answer is, Mr. CAMP, we are going to do both. Tell us how you are going to do both. Tell us. Stand up now and tell us. How are you going to pay for both?

Mr. CAMP of Michigan. Mr. Speaker, will the gentleman yield?

Mr. LEVIN. I yield to the gentleman from Michigan.

Mr. CAMP of Michigan. Well, because your whole assumption is based on the flawed principle that if we reduce investment taxes, revenues to the government decline.

Mr. LEVIN. Mr. Speaker, I take back my time.

How are you going to pay for both? The Senate said they could not pay for both and that is why they put the AMT in. We voted for AMT relief, the 400-some, because we wanted the issue to stay alive and for the conference committee to act responsibly, civilly and to have the AMT in there. How are you going to pay for both? Tell me how you are going to pay for both.

Mr. CAMP of Michigan. Well, we are certainly not going to raise taxes like the Senate did.

Mr. LEVIN. No, no. Do not tell me what you will not do. Tell me what you will do.

Mr. CAMP of Michigan. Well, because the investment taxes actually increase.

Mr. LEVIN. Tell me. I think the answer is, Mr. CAMP, that you do not intend to pay for both. What you hope to do is to have some AMT relief, later on, unpaid for, in addition to 2009 and 2010 provisions on capital gains and the like. You do not have any intention to pay for both because you cannot do it. This is a further example of the fiscal irresponsibility of the majority in this Congress.

Mr. CAMP of Michigan. Mr. Speaker, first let me say, we are certainly not going to pay for it by raising taxes as our friends in the Senate did by including AMT in reconciliation. And let me just say that we have seen since we reduced investment taxes in 2003, we have seen a doubling of capital gains realizations, meaning, a huge increase in the amount of revenue generated by capital gains sales and a huge 45 percent increase in tax receipts as a result. This is part of the revenue that I hear from the other side.

And so what happens when investment taxes are reduced is revenues to the government increase. That occurred in 1997 when President Clinton signed a bill that reduced investment taxes, that occurred in 2003 when President Bush signed a bill reducing investment taxes. And so one of the things that you have seen from the investment community is that even though we have seen dramatic, positive revenues to the government as a result of decreasing these taxes, a lot of people in the investment community say that if we do not enact an extension, that would be a very negative signal for Wall Street.

Others have said you really will not even see the full potential of realization from the effects of lower rates on investment taxes until they are perceived to be permanent. And that is from the Congressional Budget Office. So the threat of these taxes expiring will affect business decisions well before they do expire and personal investment decisions. So that is why it is important we act now. So, again, I urge Members to reject this motion to instruct.

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

Mr. NEAL of Massachusetts. Mr. Speaker, I yield 2 minutes to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. Mr. Speaker, the distinguished chairman arguing the other side has voted to raise the debt limit three times. You know, all of this new revenue is coming in. You have got to wonder how come we have to keep borrowing more because of our deficit and national debt getting deeper and deeper and deeper.

With this motion we say we ought to address first things first. What is the threat that American taxpayers will pay higher taxes in 2006 and 2007?

Well, millions will pay higher income taxes through application of the alternative minimum tax in 2006 and 2007. Under existing law, no one, not one American will pay a higher capital gains rate or higher corporate dividends rate than they do now. That is established in present law. So if we have got a problem with the alternative minimum tax and we do not have a problem with the capital gains and corporate dividends tax, it seems to me you ought to address the 2006 and 2007 problem. And it is a big problem. In 2005, 1.1 percent of taxpayers in the 75,000 to $100,000 income range paid alternative minimum tax. In 2006 it will be 30 percent. 30 percent will pay a higher income tax in that bracket. Only 7 percent in the 100,000 and up bracket got hit with the AMT last year. It will be two-thirds in 2006. Do not increase income taxes through AMT. Fix it.

And so this resolution that they are supporting, the motion to recommit that they are opposing, it makes no sense. It places all the emphasis on 2008 and 2009. Guess what, Chairman CAMP? We can do that later. Let us deal with the problem that is right before us, the alternative minimum tax income tax increase that faces millions of our households.

I urge a ''yes'' vote on the motion to recommit.

Mr. CAMP of Michigan. Mr. Speaker, I would just say briefly that the threat of these expiring will have an effect on business and individuals from investment decisions well before midnight on December 31, 2008. So it is important that we act now while we can, because that will send a very strong signal that these reductions in investment taxes are here to stay, which will continue to encourage the kind of investment and growth that has created the job relief that the gentleman from Pennsylvania (Mr. ENGLISH), or job creation that the gentleman from Pennsylvania (Mr. ENGLISH), mentioned, over 2 million jobs. And it is so important that we continue to do that.

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

Mr. NEAL of Massachusetts. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. CARDIN).

Mr. CARDIN. Mr. Speaker, let me urge my colleagues to support this motion and point out that this motion makes it clear that if we work together, Democrats and Republicans, that we can get through a reconciliation bill that deals with expiring tax provisions that need to be dealt with, including the R&D tax credit and other provisions, but we need to do this in a financially responsible way. You cannot extend all of these tax provisions and fix the alternative minimum tax and not worry about the impact it is going to have on the Federal deficit. And I think that is a point Mr. NEAL and others on this side of the aisle have been making. We are talking about trying to reduce the Federal deficit. The first thing you do is stop getting greater and deeper in debt.

So last week we cut programs for our students. We cut programs in health care. We cut programs for those who are the most vulnerable, and we said we were doing it to help reduce the deficit. But, no, we are using every dollar of those dollars for tax cuts. That is not what we should be doing.

We have lots of unmet needs, including rebuilding from Katrina and dealing with the financing of No Child Left Behind. So we have unmet needs. You cannot have these large tax cuts and try to deal with the unmet needs without further increasing the Federal deficit, and that is what this motion is about. This motion is about, yes, there are areas we need to move forward in the Tax Code, and, yes, there are additional investments that need to be made; but if we do it in a reasonable manner, we can reduce the Federal deficit.

Without us paying attention to what is in this motion, we are going to be digging a deeper hole and making it more difficult for us to get out. So I just urge my colleagues to support this motion, but more importantly, support action in this body that will bring us together and not have extensions of tax cuts that are going to make it more difficult for us to balance the budget. Support the motion.

Mr. CAMP of Michigan. Mr. Speaker, I yield myself such time as I may consume. First let me just say that lowering tax rates on capital gains and dividends helps contribute to the long-run economic growth and expansion of this country. Sixty percent of the people who realize capital gains have incomes below $100,000. Twenty-five percent of the people who have dividend income have incomes below $50,000. Capital gains tax receipts have been increasing since the 2003 tax cut. More companies have been offering dividends since the 2003 tax cut. These pro-growth policies are getting America moving again. In the past 12 months, 2 million jobs were created, and the unemployment rate is at its lowest level since July 2001. Do not derail or reverse that growth.

Second, I would say the House voted 414 to 4 to move the alternative minimum tax outside of reconciliation. The House voted in a majority vote just a few days ago to include capital gains relief inside of reconciliation.

□ 1815

This motion to instruct is a clear attempt not to instruct the conferees, but to reverse what the will of the House has voted just a short time ago.

I urge Members to vote ''no'' on this motion to instruct.

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

Mr. NEAL of Massachusetts. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, it is okay every once in a while if the Sheriff of Nottingham does not win. Addressing the issue of alternative minimum tax ought to be the priority here. Speaking to those 19 million Americans who are going to get caught in this again is where we ought to be.

Once again, Katrina; two wars; doubling defense spending; the creation of Homeland Security; and although the President did not mention it the other night, he has planned a trip to Mars for NASA.

The point is very simple. We cannot continue going down this road of shaving revenue all the time for the strongest among us. It always has to be more for the powerful, more for the strongest. And on the point that was raised by the gentleman from Michigan about job growth, this has been, by the 5-year standard, anemic job growth. It is the weakest performance in 70 years. Twenty-two million jobs were created during the Clinton years.

Ms. JACKSON-LEE of Texas. Mr. Speaker, we have before us a very important piece of legislation, H.R. 4297, the ''Tax Relief Extension Reconciliation Act.'' It is very important to understand this piece of legislation within the big picture the Republicans are painting here. Just last week, the Republicans passed a bill called ''The Deficit Reduction Act.'' This was a spending cut bill that slashed funding to many vital programs my constituents depend on, including Medicaid, Medicare, student loans, food stamps, and child support programs. The Republicans lectured us on the need to make sacrifices to control the national debt. By passing the spending cut bill, the Republicans actually asked the poor, the downtrodden, the disabled and the young to sacrifice on behalf of the rest of the country.

Now we are faced with the Tax Reconciliation Act, which will add billions, if not trillions, to the deficit over the next 10 years. One source estimates that if all of President Bush's expiring tax cuts are extended, including the Alternative Minimum Tax (AMT) relief, it will cost this country $3.3 Trillion over the next 10 years.

Last year, both the House and the Senate passed our respective versions of the Tax Reconciliation Bill. The major difference between the two bills involves AMT and the low rate on dividends and capital gains. The Senate version extends the temporary AMT relief for one year, while the House bill extends the 15 percent tax rate for dividends and capital gains for 2 years.

CAPITAL GAINS AND DIVIDENDS

The House bill contains language that will further extend the contentious capital gains and dividends tax cuts. We shouldn't even have to debate this right now, because these tax cuts don't expire until 2008. If passed, the capital gains and dividends tax cuts will cost almost $51 billion over the next 10 years. These tax cuts will be enjoyed by the ultra wealthy, with those earning more than $1 million a year saving an average of $32,000 in taxes. According to the Center on Budget and Policy Priorities:

Over half—54 percent—of all capital gains and dividend income flows to the 0.2 percent of households with annual incomes over $1 million. More than three-quarters—78 percent—of this income goes to those households with income over $200,000, which account for about 3 percent of all households.

In contrast, only 11 percent of capital gains and dividend income goes to the 86 percent of households with incomes of less than $100,000. Only 4 percent of this income flows to the 64 percent of households that have income of less than $50,000.

ALTERNATIVE MINIMUM TAX (AMT) RELIEF

If the Senate AMT provision is not adopted, over 17 million middle class Americans will face a tax increase next year from the Alternative Minimum Tax, the AMT. The AMT was enacted over 35 years ago to ensure that the richest Americans would pay their fair share of income tax. Unfortunately, when the AMT was enacted, Congress neglected to index the tax rates to inflation. The AMT has now begun to add an extra burden to middle class taxpayers at an alarming rate. I urge the conferees to recognize the need for continued AMT relief and include that language in the conference report.

KATRINA TAX RELIEF

In the House bill, unbelievably, there are no tax benefits for areas affected by last year's devastating hurricanes; Katrina, Rita, and Wilma. The Senate version of this bill contains language similar to language Congress already passed, providing a few billion dollars over the next 2 years. The economy of the gulf coast has been set back decades, and it is going to take years to rebuild. Congress should provide even more supportive tax laws for the region so that both businesses and individuals can get themselves back on their feet. I again urge the conferees to include language further providing tax relief to the areas affected by last year's hurricanes.

MISGUIDED PRIORITIES

Last month, Republicans in Congress couldn't find the money to spare the elderly from Medicaid cuts, to spare the students from loan increases, or to spare our children from child care cuts. They can't seem to find the money to properly rebuild the gulf coast or get New Orleans back on its feet. They are having trouble finding this money because they are choosing to extend the dividend and capital gains tax cuts for the richest in our country. As such, they are making the choice to pass the burden of paying for these tax cuts on to our children in the form of a huge deficit.

This is NOT how we take care of our own in Texas, and this is not how we do things in the United States. The Republicans are launching an unabashed attack on the American way by ignoring the neediest in our country to give tax cuts to the richest.

DEMOCRATIC SUBSTITUTE

At the time of the last vote, the Democrats offered an amendment in the form of the substitute that is much more fiscally responsible and equitable. The Democratic Substitute extended for one year all temporary tax provisions that expire at the end of this year, similar to the Majority's bill. The major difference, however, is that the Democratic substitute addresses the problem of the AMT by eliminating all liabilities for middle class individuals. Further, this $45 billion provision would be fully offset by rolling back a portion of the tax cuts that would otherwise go to those with annual incomes of over $1 million for joint returns and $500,000 for other returns. I again urge the conferees to seek fiscally responsible options and point out that there are other options to alleviate tax burden on the middle and lower class without lining the pockets of the ultra-wealthy.

CONCLUSION

Mr. Speaker, the priorities in the Republican bill are misguided. Congress should not be providing additional tax breaks for the rich less than a month after enacting huge spending cuts aimed at the most vulnerable. In the end, this tax bill will either exacerbate our already large Federal deficits, or will force even deeper cuts in critically important domestic programs. I am strongly opposed to this legislation in its current form, and I implore the conferees to seek more fiscally responsible options.

The SPEAKER pro tempore (Mr. REHBERG). All time for debate has expired.

Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Massachusetts (Mr. NEAL).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. NEAL of Massachusetts. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this question will be postponed.

GENERAL LEAVE

Mr. CAMP of Michigan. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 4297.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

RESIGNATION AS MEMBER OF COMMITTEE ON FINANCIAL SERVICES

The Chair laid before the House the following resignation as a member of the Committee on Financial Services: