

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ISAKSON. Mr. President, I rose yesterday afternoon when we opened the vote and voted in favor of going to a final vote today on the tax package before us. Like many have expressed in this body, there are things I like and things I dislike about it, but I come to the floor today to talk about the things I like about it and to make a particular point with regard to scoring.

First, I want to point out that 41 days ago the people of the United States went to the polls and voted. In the State of Georgia they voted for me. I ran a campaign on the basis that we do not have a tax problem; we have a spending problem. I ran a campaign based on the American people wanting us in Washington to do what they have had to do in the last 3 years: sit down at the kitchen table, reprioritize, and spend within their means. We must do that.

I commend what Senator CONRAD from North Dakota said, and I commend the courage of the others who voted for the deficit reduction commission report because it is the kind of shared sacrifice and tough love that all of us need next year to rein in spending in this country and get our balance back. But in the immediate future, in the next 3½ weeks, America's taxes are going up at a time of protracted recession and high unemployment. That doesn't make any sense.

In 2003, when I was in the House, I didn't like the idea of putting a sunset on the Bush tax package because I feared exactly what is happening now—protracted uncertainty, 2-year renewals, American business not knowing what to do. While I will vote for this package today, I hope we will learn the lesson that 2-year incremental sunsets or things such as that are not good for the economy and not good for America. We, as Members of this Congress and this Senate, must deal with challenges when they confront us—not by arbitrarily setting times for sunsets and sunrises that make us make policy under duress and difficult circumstances.

But on the scoring issue I want to point out two things about the tax rates and about the estate tax. There are those who say by extending the existing tax rates we cut revenue that would have come in. Hypothetically, that is correct, but in reality that is not correct because, historically, from John Kennedy to Ronald Reagan to George W. Bush, Republicans and Democrats who were confronted with difficult economic times, when they changed tax policy and lessened the burden, they increased the revenue. So my forecast based on the next 2 years is we will see for the first time a clear example of dynamic scoring and hopefully change a little bit of CBO's mind on how they look on tax policy. I think we are going to see more employment, we are going to see more risk capital put out by business, and we are going

to see a sense of certainty and a sense of optimism, which certainly our country needs.

As far as the estate tax—and I love very much the Senator from North Dakota, but I disagree vehemently on his explanation about the estate tax. Let me tell you the reality of the estate tax. I have dealt with it. I have dealt with it for 33 years as a real estate broker in the State of Georgia.

The assets of most American families are real estate, whether it is farmers and landowners or whether it is simply a homeowner. Other wealth in America is by people who have a small business. With the confiscatory tax rate of 55 percent, which is what it would be January 1, and an inordinately low deduction or unified credit of \$1 million, most American landowners, most American business owners who had an estate worth anything over \$1 million would have had to liquidate their estates to pay their taxes.

A little known fact about the IRS Code that a lot of people don't realize but we all suffer from is that when you die, you have 9 months to file your taxes and pay your taxes with the government. They have 3 years to say whether they will accept it. So in a 9-month period of time, a family at a point of bereavement, with some assets, find themselves at a rate of 55 percent. That is confiscatory, and it is not right. If they have to liquidate their property or sell their business that asset no longer produces income; therefore, income taxes go down.

I can demonstrate on a graph or chart or blackboard that an asset that has to be liquidated and paid at a tax rate of 55 percent one time does not, over 10 years, pay as much as would have been paid over the earned income that small business or land would have created. So the estate tax 2-year deal is a good deal, and it should be permanent. Five million dollars is a lot of money, but in the scheme of things for a small business, a family farm, a cooperative, it is not a lot of money. But it is the lifeblood of a lot of families. If we confiscate that business or confiscate that land because the tax rate forces a sale, then we are actually hurting ourselves in the long run, and we are hurting families in the long run.

Last, there is a spending component, and we are going to have to, next year, sit around the kitchen table of the Senate and deal with our spending because it is out of hand. But I do believe the tax policy we are extending for the next 2 years will bode well for our economy. I agree with Senator CONRAD it will probably help increase productivity by about one-third, which will be good for our country. It will be good for our tax rates. If we can combine that with a fiscal policy that has shared sacrifice and tough love when it comes to spending, we can regenerate the American dream and the great American engine of entrepreneurship and return our country to the prosperity we all hope and desire it will have.

With those remarks, I yield the floor.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:44 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. BEGICH).

FEDERAL AVIATION ADMINISTRATION EXTENSION ACT OF 2010—Continued

The PRESIDING OFFICER. The Senator from New Hampshire.

FAREWELL TO THE SENATE

Mr. GREGG. Mr. President, I rise today on behalf of myself and my wife Kathy to thank the people of New Hampshire for giving us the great honor and privilege to represent them.

This is an extraordinary body, the Senate. It is filled with wonderful people. I look around this room and I see a lot of them, friends, people I have had the chance to do work with. I admire them immensely. I thank them for their friendship. And when people ask me about leaving the Senate, what is the thing I am going to miss the most, I always say, it is the people, the people of the Senate, because they are special, dedicated to making this country a better place, dedicated to doing their jobs well, dedicated to serving America.

So I thank you for the great honor and privilege that you have given Kathy and me to allow us to serve and participate in this body with yourselves and your spouses. I want to thank everybody else who has been so helpful throughout our career, the folks here at the dias, the staff, people in the cloakroom, throughout this building. I mean, there are so many people who make this Senate work, people working in the furniture room, and people working in the hallways, our staffs, obviously.

This is a special place filled with people who are committed to making the Senate work. I thank them for allowing Kathy and me to be part of that. But I want to take a point of personal privilege here and especially thank my wife Kathy who is here today. You are not allowed to acknowledge people, I know that, but I am going to violate the rules. My wife is sitting right up there. Kathy.

We have been married 37 years, and for 32 of those years we have held elective office; 9 major campaigns, innumerable campaigns such as those for other people that we have participated in. Through this whole intensity—and we all know, who have participated in this process, the intensity of the elective process in this Nation—there has been a rock and a solid force in our family. She has raised three extraordinary children, Molly, Sarah and Joshua, who have been exceptional in