

shows, magazines, and music nowadays, you'll very quickly reach the conclusion that our society is obsessed with youth. In many ways, it is good to see greater concern about hanging on the health, energy and optimism that go along with being young. However, we will be making a grave mistake as a society if we over-value youth at the expense of rejecting the wisdom, common sense, and experience our senior citizens acquire over a lifetime.

Nowhere is this principle more evident than in the life of Miss Martha Davis. Miss Martha, as she is known to her students, earned her college diploma at Brenau College in Gainesville, Georgia. After graduating, she returned to her hometown of Cave Spring, Georgia, where she held a job as a teacher for the next four and a half decades. In the process she helped shape the lives of her students, many of whom still visit and spend time with her on a regular basis.

Miss Martha's own words are perhaps the most appropriate way to describe the outlook that has served her so well. She says, "There's three things: God is first, then people, then yourself. I try to live by that. Making people happy and helping them—those things have made me happier than anything else."

This month, Miss Martha, who lives in Cave Spring, will turn 100. On July 31st, her former students have planned a celebration for her on the front lawn of her home. It is with great pride that I join all of those whose lives she has touched in wishing this great teacher and outstanding citizen a happy 100th birthday.

HONORING LT. COL. CHARLES A.
HAMILTON

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. KILDEE. Mr. Speaker, I rise today to recognize the accomplishments of a gentleman who has given much in the name of national service, and protecting our citizens. On Friday, July 23, the men and women of the United States Air Force 16th Operations Group and the 16th Special Operations Squadron, located at Hurlburt Field, Florida, will gather to witness the relinquishment of command by Lt. Col. Mark P. Transue, and the assumption of command by Lt. Col. Charles A. Hamilton.

Born in my hometown of Flint, Michigan, Lt. Col. Charles Hamilton lived there until he was 18, and then entered the Air Force Academy. He graduated with a degree in Economics from the Academy and was commissioned on May 28, 1980. He was stationed at Reese Air Force Base in Texas from August 1980 to March 1985, where he was a student as well as instructor of new pilots. From there he went on to bases in New Mexico, Japan, Florida, and in January 1994, moved to the Pentagon, where he served as Operations Branch Chief, and Deputy Chief of the Special Operations Division, Directorate of Operations and Training, Deputate of Operations and Plans.

Lt. Col. Hamilton remained at the Pentagon until August of 1997, where he was then re-

turned to Hurlburt Field as an Instructor Pilot until August 1998, where he was then assigned to his current position of Operations Officer.

The 16th Special Operations Squadron has committed themselves to support unified and theater special operations commands, through the implementation of night, close air support, armed reconnaissance, and interdiction missions in support of National Command Authorities taskings. The 16 SOS is one of only two squadrons utilizing the AC-130 Gunship, an aircraft which was an important part in such exercises as Operations Just Cause, Desert Storm, and United Shield, among others. They have been honored with numerous commendations, including Two Presidential Unit Citations, four Air Force Outstanding Unit Awards, and the Republic of Vietnam Cross of Gallantry with Palm.

Mr. Speaker, I am exceptionally proud to represent a person like Lt. Col. Charles Hamilton in Congress. The task he prepared to undertake, to take command of one of the Air Force's premier squadrons, is one of great responsibility which I am certain he will handle with the utmost maturity and sense of duty. I ask my colleagues in the 106th Congress to join me in congratulating Lt. Col. Hamilton and sending him the best of wishes.

HONORING STATE SENATOR MARK
HILLMAN, REPRESENTATIVE
BRAD YOUNG, AND THE COLORADO
GENERAL ASSEMBLY

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. SCHAFFER. Mr. Speaker, Colorado State Senator Mark Hillman and State Representative Brad Young have advanced a Resolution in the Colorado General assembly important to the debate we are about to engage about tax relief. Adopted this year by the Colorado General Assembly, Senate Joint Memorial 99-004 urges us to repeal the Federal Unified gift and estate tax.

Mr. Speaker, one of our colleagues has observed that only with our government are you given a certificate at birth, a license at marriage, and a bill at death. One of the most compelling aspects of the American dream is to make life better for our children and loved ones. Yet, the current tax treatment of a person's life savings is so onerous that when one dies, the children are often forced to turn over half of their inheritance to the Federal Government. The estate tax is imposed at an alarming 37 to 55 percent rate. This is higher than in any other industrialized nation in the world except Japan. Even worse, not only does this take place at an agonizing time for the family, but they also have to watch their loved one's legacy be snatched up by the federal government—an entity not known for great wisdom in spending money. This is as wrong as it is tragic. And it dishonors the hard work of those who have passed on.

The purpose of the estate tax, or "death tax" as many call it, has evolved over time. It has been enacted three other times in our Na-

tion's history as a way to help fund wars—the naval war with France in 1797, the Civil War in 1862, the Spanish American War in 1898, and World War I. Although it was repealed within 6 years in each of the first three instances, in 1916 the Federal Government put its hand in the pocket of Americans to fund WWI and never took it out. Over time, the tax began to reflect political philosophy as liberal politicians sought to break up what they perceived to be the concentration of wealth in society by heavily taxing estates. It has become less of a tax on wealth, however, and more of a tax on the accumulation of wealth of those who are trying to get ahead and save for the future.

It is the small businesses and family farms that are particularly vulnerable to the death tax. Asset rich and cash poor, these enterprises do not have the liquid resources to settle a tax bill of up to 55 percent with the Federal Government. Their only option is to sell some or all of the land or business, thereby diminishing the asset generating the wealth for that family.

Today, less than half of all family-owned businesses survive the death of a founder and only about 5 percent survive to the third generation according to the Life Insurance Marketing Research Association. Under current tax law, it is cheaper for an individual to sell the business prior to death and pay the individual capital gains rate than pass it on to heirs. This is terrible public policy.

The amount of money spent complying with, or trying to circumvent, the death tax is astronomical. Congress' Joint Economic Committee reported that the death tax brings in \$23 billion in annual revenue, but costs the private sector another \$23 billion in compliance costs. Therefore, the total impact on the economy is a staggering \$46 billion. When one calculates the amount of money spent on complying with the tax, the number of lost jobs resulting from businesses being sold, or the resources directed away from business expansion and into estate planning, it is no wonder that a grandswell has formed to eliminate this punitive tax that constitutes only 1.4 percent of all federal revenues.

Congress has attempted to help ease the burden of the death tax by increasing the personal exemption—which now stands at \$650,000—to adjust for the inflation of assets. Unfortunately, this will continue to be too little help as home values, the increasing popularity of defined contribution retirement plans, and the trend toward more small business entrepreneurship drives middle-income people above the exemption. If you calculated the personal exemption that existed under Franklin Roosevelt's administration in today's dollars, it comes out to \$9 million.

In particular, Congress has tried to help small businesses by creating an additional death tax exemption for family-owned businesses. Here too, however, is where good theory becomes impractical in the real world. The family-owned business exemption enacted as part of the Taxpayer Relief Act of 1997 creates 14 new definitions with which a business must comply before it is eligible for relief. Although a good idea at the time, this exemption has proven to be nothing more than a boondoggle for attorneys and estate