

COMMEMORATING THE RETIREMENT OF MARGARET L. HUNT

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 17, 2001

Ms. KAPTUR. Mr. Speaker, I rise today in both celebration and sadness to commemorate the retirement of Margaret L. Hunt, senior citizens advocate extraordinaire, from Toledo, Ohio. A pioneer in the Toledo area senior citizens' movement, Margaret takes with her 45 years of experience in senior services.

Born in Kentucky, Margaret has been a Toledoan since the age of two. She has lived in South Toledo, graduating from Libbey High School and raising a family. She and her husband, Daniel, to whom she was married for more than fifty years, have four children: Rebecca, Nancy, Margaret, and Daniel. Margaret is also grandmother to eleven grandchildren and seventeen great-grandchildren.

Margaret got her start in Toledo area services while a young mother. Even while she was employed by a local bakery, she helped to establish Teen Town in Highland Park, working with the City of Toledo's Parks & Recreation Department. During that time it became apparent that although Toledo actively developed programs for young people, the same could not be said for older Toledoans. Margaret was charged with the task of developing and implementing such programming. She started by promoting the formation of neighborhood social clubs that met regularly in park shelter houses. Prior to the days of the Older Americans Act and thus with no kind of senior nutrition program available, Margaret took the creative approach of encouraging weekly potluck luncheons. While enjoying each other's camaraderie and a hot meal, the seniors participated in games and crafts and planned outings. Soon this very successful program was expanded into local senior housing complexes. These groups were the precursor of the modern senior centers. In fact, Margaret was instrumental in the establishment of Toledo's first senior center, Senior Centers Inc.

In 1981, when the idea of senior centers was still in its infancy and there were just a few beginning locally, Margaret took on the task of growing a center in native South Toledo. The South Toledo Senior Center was born in August of that year, with Margaret at the helm as Executive Director. In the twenty years that followed, Margaret fostered unprecedented growth in the center, which is now in a large and airy freestanding building and continuing to grow. The South Toledo Senior Center serves hundreds of seniors a nutritious lunch every day, and is the only one in the area serving lunch on Sunday as well. Its programs are varied and all-inclusive: if it's something seniors enjoy doing it's being done at the South Toledo Senior Center. I cannot imagine it without her, nor not being greeted with her cheerful smile upon my visits there.

Hayes's belief that "Old age is not something to which I have arrived kicking and screaming. It is something I have achieved." Margaret Hunt has arrived at this place in her life with grace. While we wish her a wonderful

EXTENSIONS OF REMARKS

July 17, 2001

life of retirement, we yet look to her for continued quiet greatness.

VICE PRESIDENT CHENEY'S
EXPENSIVE ELECTRICITY BILL

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 17, 2001

Mr. DINGELL. Mr. Speaker, oh, pity the Vice President. His electricity bill is too expensive. It seems that like many other Americans, the Vice President is faced with an intolerably high energy bill this year.

What is our unfortunate Vice President to do?

President Bush has suggested that American people spend their tax-rebate check to pay their energy bills. Regrettably, the Vice President's rebate check will be not enough to cover his costs—his electricity bill is in the six-figure range.

Perhaps he would be well served by turning off some more lights around the house as Lyndon Johnson used to do, or maybe turning his air-conditioner off when he is not at home. But until recently, the Vice President has not been strong on conservation—dismissing it as "a sign of personal virtue, but not the basis for a sound, comprehensive energy policy."

Consistent with that thinking, Vice President CHENEY said, "If you want to leave all the lights on in your house, you can. There's no law against it. But you will pay for it."

Well, thankfully, the Vice President is putting his money where his mouth is.

Or is he?

You see now, Mr. CHENEY, with his 33-room mansion and \$186,000 per year energy bill, doesn't want to "pay for it." He wants the United States Navy to pick up the tab, and House Republicans are going to extraordinary lengths to help him get off the hook. House Republicans are poised to relieve his official budget from paying for his electricity costs, by passing the buck on to our sailors in the Navy.

That's correct, in a classic instance of do-as-I-say, not-as-I-do, Mr. CHENEY, doesn't want to pay his electricity bill. If only the American public had it so easy, to be able to pass their bills on to somebody else.

Coming from an Administration that is doing nothing to help consumers cope with the sharp rise in electricity prices, this raises real questions.

Mr. Vice President at least practice what you preach, and pay for your own electricity bill.

INDIVIDUAL TAX SIMPLIFICATION
ACT OF 2001

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 17, 2001

Mr. NEAL of Massachusetts. Mr. Speaker, today I am introducing with Mr. Matsui the Individual Tax Simplification Act of 2001, and invite all my colleagues to join me in sponsoring this legislation.

It is fitting that this bill on tax simplification is being introduced on the first day of joint hearings on tax simplification in the Select Revenue Measures and Oversight Subcommittees of the Ways and Means Committee. Simplification is on everyone's wish list. While my bill may not fulfill everyone's wish, this bill will eliminate approximately 200 lines from tax forms, schedules and worksheets. My bill generally does this in a revenue neutral manner, and without moving money between economic income groups. As we all know, the tax code is terribly complex, and has become dramatically more complex for average taxpayers during the past six years.

A skeptic might argue that there is no constituency for simplification, but that is changing. A poll by ICR found that 66 percent said the federal tax system is too complicated. Five years ago slightly less than half agreed.

I believe that with a little compromise, we can enact significant tax simplification. That is why I have made sure this bill is essentially revenue neutral, so it contains no tax increase. And that is why the bill does not try to change the tax burden between economic income groups. This is not an attack on the wealthy, nor anyone else. As with any change in the tax law, there are some winners and losers—but I want to stress that this is incidental to the objective of the bill—which is simplification that benefits us all.

The bill has three parts. The first is based on legislation I introduced in the last two Congresses regarding nonrefundable personal credits. The second part simplifies the taxation of capital gains. The third part repeals two hidden marginal tax rates on high income individuals, and repeals the individual minimum tax.

TITLE I—SIMPLIFICATION RELATING TO NONREFUNDABLE
PERSONAL CREDITS

In recent years, much tax relief has been given to taxpayers in the form of nonrefundable credits, like the two education credits. These credits are not usable against the alternative minimum tax. That means that more and more individuals will lose all or part of these credits, and will have to fill out the extremely complicated AMT form. Congress recognized this problem last year by enacting my proposal to waive this until the end of this tax year. It also, this year, permanently took the child credit and the adoption credit out of the AMT. Now is the time to finish the job.

The other problem with nonrefundable credits is that the phase out provisions vary from credit to credit, causing unnecessary complexity. In addition, the same additional dollar of income can result in a reduction in more than one nonrefundable credit.

It is fundamentally wrong to promise the American public tax relief, then take all or part of it away in a backhanded manner. This fundamentally flawed policy, enacted in 1997, will get worse each and every year as more American families find themselves to be AMT taxpayers simply because of the impact of inflation, or because of their desire to take advantage of the tax relief we have promised them. Not only that, this situation will also get worse if additional nonrefundable credits are approved by Congress.

The bill addresses both concerns. First, it permanently waives the minimum tax limitations on all nonrefundable credits. Second, the

bill creates a single phase out range for the adoption credit, the child credit, and the education credits, replacing the current three phase out ranges.

TITLE II—SIMPLIFICATION OF CAPITAL GAINS TAX

The second title of this bill is, essentially, Mr. Coyne's capital gains proposal from 1999. Under current law, there are 5 different tax rates for long term capital gains, and a 54 line tax form that must be endured. Moreover, this part of the tax code is already scheduled to get worse because additional rates will take effect under current law in 2006.

The solution is clear. Replace this jumble of rates and forms with a simple 38 percent exclusion. Not only will this result in tremendous simplification (eliminating 36 of the 54 lines), but more than 97 percent of individuals would be eligible for modest capital gains tax reductions.

TITLE III—REPEAL OF CERTAIN HIDDEN MARGINAL RATE INCREASES, AND OF THE INDIVIDUAL MINIMUM TAX

The third title of the bill repeals the hidden marginal rate increases in current law, and repeals the individual minimum tax. Most of my colleagues understand the phrases, PEP and Pease. Under current law, itemized deductions are gradually reduced by 3 percent of adjusted gross income above approximately \$124,000. This is known as the Pease provision. In addition, personal exemptions are phased out for incomes between approximately \$187,000 and \$309,000. This is PEP. If we did not hide the effect of these provisions of current law, more people would know that these provisions result in hidden marginal rate increases. These marginal rate increases begin at almost 1 percent for incomes above \$124,000, and increases for those with incomes above \$187,000 by about .78 percent for each dependent. The important point here is that current law has a hidden marginal rate increase, which gets worse as families grow larger. The most recently passed tax bill made some progress in this area, but not enough.

The second part of this title is a complete repeal of the individual minimum tax. The minimum tax was intended to make sure that wealthy individuals did not overuse certain tax benefits and unfairly reduce their tax burden. It no longer accomplishes that goal. Most of the significant business related provisions have already been repealed. Since the AMT is not adjusted for inflation, more and more middle and upper middle income taxpayers are falling into the AMT. This is not what was intended, especially when you note that what pushes taxpayers into the AMT now, more often than not, are state and local income and property taxes, personal exemptions, and the nonrefundable credits. I repeat, this is not what Congress was trying to accomplish when the AMT was passed.

My suggestion is to repeal it for individuals, and substitute a simple tax on adjusted gross income. The current hidden tax is dropped, and is paid for with an explicit tax on the same individuals. They get simplification, and we convert a deceptive practice into an open one.

In the last Congress, the replacement tax began at 1 percent for adjusted gross incomes in excess of \$120,000 on a joint return, and increased to 2.08 percent for income greater than \$150,000, which is where the minimum tax exemption begins to phase out. This year

I have given the Secretary of the Treasury the ability to set the rate so that this bill would be revenue neutral over ten years. The initial threshold amount and the second threshold amount remain the same—\$120,000 and \$150,000 in the cases of a joint return.

CONCLUSION

Ironically, this simplification proposal must be complex, because it mirrors our current law. I want, therefore, to focus on what is important.

This bill provides fairly dramatic simplification of the individual tax system.

It eliminates approximately 200 lines on tax forms, schedules and worksheets.

It is basically revenue neutral, so it can be accomplished during a year when there is no non-social security non-medicare budget surplus to fund tax cuts.

It does not attempt to shift money between income groups. The general philosophy behind the bill is that those who benefit from tax simplification of the current code should offset any revenue loss involved.

It is estimated that more than 50 percent of individuals use tax return preparers, and that more than 16 percent use computer software to prepare their return. Only about one-third of individuals actually fill out their own forms. There is no excuse for that reality, and we should do something about it. Given the lack of resources to write another major tax bill the priority for which is likely to be business tax breaks anyway, the reality that no one wants to pay for simplification no matter how much they support the goal, and the need to resolve the solvency issues surrounding social security and Medicare, I think the opportunity exists this year to solve some of the problems that bother all our constituents during this tax filing season in the manner that I have suggested. I am introducing this legislation to continue the discussion I began in the last Congress, and I hope it will be seriously considered by all parties.

MARKING THE FIFTH ANNIVERSARY OF THE TRAGEDY OF TWA FLIGHT #800

HON. FELIX J. GRUCCI, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 17, 2001

Mr. GRUCCI. Mr. Speaker, I rise today in recognition of the fifth anniversary of the tragedy of TWA Flight #800, remembering the passengers and crew who perished in that horrible event, and expressing our thoughts and sympathies to the families they left behind and those who participated in the rescue and recovery effort in the days following.

On the night of July 17, 1996, I was called and told that the unthinkable happened. A commercial jet, TWA Flight #800 bound from New York to Paris, had exploded in the skies over Long Island's South Shore.

There were no survivors.

As a locally elected official of the community closest to the crash site, I was one of the first people on the scene in the moments following the crash at the U.S. Coast Guard Facility in East Moriches, New York.

This tragedy has left an indelible memory that will last forever in the minds of all the residents of Long Island. They rallied to the aid of those who needed them when Flight #800 crashed off the shores of East Moriches.

I speak today to honor not only those who lost their lives that night, but the families and friends they left behind and those who worked so hard, day and night, in the recovery effort.

For so long after this tragedy, many of our residents wanted to know how they could help the families of the victims or those participating in the rescue effort. They came with donations of food, clothing, and eventually contributed to the construction of two separate memorials.

The Tragedy of TWA Flight #800 is an event that has changed all of us as a nation forever, and one we should never forget.

As the families of our lost neighbors and friends gather on the South Shore of Long Island in a candlelight vigil, Colleagues, please join me today in remembering and honoring the fifth anniversary of this tragedy with a moment of silence. Let us also recognize those who worked so hard in the rescue and recovery effort, and in expressing our sympathy and support to the families who lost a loved one that frightful night five years ago.

HONORING MR. ANTHONY F. CAROZZA FOR HIS OUTSTANDING CAREER IN THE RESTAURANT AND FOOD SERVICE INDUSTRY

HON. DAVID L. HOBSON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 17, 2001

Mr. HOBSON. Mr. Speaker, Whereas, Mr. Anthony F. Carozza, known as "Tony" by his friends and family, retired on the first day of May 2001, after more than 40 years of exemplary service in the restaurant industry; and

Whereas, Tony launched his career in 1960 with Gino's successfully assisting in the start up of many of these famous food chains, and

Whereas, in 1962, he desired a new challenge, and he opened three of his own pizza and sub shops, in Baltimore, MD, called Tony's Snack Shops; and

Whereas, in 1970, Tony Carozza and family grew tired of city life, and up and moved to Ocean City, Maryland, where Tony worked as pile driver in the frigid February waters before becoming a manager at Pappy's Pizza and Beer, and taking over Beefy's, the first real fast food restaurant in this resort town; and

Whereas, in a small community where all the locals know each other, Tony, his wife, Mary Pat, and their four young children ran the restaurant, with each family member making his/her own significant and sometimes humorous contribution to the business; and

Whereas, the Carozza home and Beefy's served as a "home away from home" for countless friends, neighbors, and family members who shared many fond and funny memories with the Carozza family including enjoying the famous upside down Christmas tree hanging from the rafters of Beefy's; and

Whereas, in 1980, Tony, a shrewd businessman who was known for being tough on