

of these small business provisions are vitally important to the future wellbeing of the bankruptcy system.

I urge you to table the Kerry amendment.
Sincerely,

JEFFERY J. HARTLEY.

MARCH 8, 2001.

SENATOR CHARLES GRASSLEY.

Re: BRA 2001—Small Business Provisions

Please be advised that the National Bankruptcy Review Commission, of which I was a member, voted 8 to 1 in favor of the Commission's recommendation to enact the Small Business Provisions. There was very little dissent among the Commissioners; the vote was not 5 to 4, as has been reported. There was solid support for the recommendation and for the proposals.

Thank you,

JAMES I. SHEPARD,
Bankruptcy Tax Consultant.

45TH ANNIVERSARY OF TUNISIA'S
INDEPENDENCE

Mr. LIEBERMAN. Mr. President, I rise today to congratulate the people of Tunisia on the 45th anniversary of their nation's independence. Throughout our long friendship, the United States and Tunisia have shared a mutual commitment to freedom, democracy, and the peaceful resolution of conflict. Indeed, Tunisia was one of the first countries to sign a Treaty of Peace and Friendship with the new United States of America in 1797, and in turn, the U.S. was among the first to recognize Tunisia's independence from France in 1956. Our nations have worked together on many issues of importance over the years, including the ongoing efforts for a lasting peace in the Middle East.

Tunisia and its citizens have many successful endeavors to celebrate, particularly impressive strides in economic development and reform. Tunisia's high standards of living and education, and advancement of opportunities for girls and women, stand as testament to its achievements. I hope that the growth of political freedoms for all Tunisia's people will soon equal its economic success.

As we observe this important milestone in Tunisia's history, we look forward to continued cooperation and friendship between our Nations and our people for many years to come.

Mr. INOUE. Mr. President, I extend my warmest congratulations to the people of Tunisia as they commemorate their country's 45th anniversary of independence. Tunisians have much to celebrate and be proud of, and their firm resolve to fulfill their responsibilities as a republic and to govern themselves with integrity is most admirable. Tunisia has managed, in a relatively short period of time, to make significant gains on the political, economic, and social fronts.

I salute President Zine El Abidine Ben Ali for his leadership in initiating and supporting several reforms that

paved the way for open government. I commend leaders from the public and private sectors for balancing the demands of economic development and social concerns. Finally, I wish to praise all the people of Tunisia for their peaceful participation in Tunisia's remarkable journey from colony to republic.

It is my hope that as Tunisians commemorate their country's 45 years of independence, they will also celebrate their ancient past and their unique cultural identity, which is an amalgam of Arab, Berber, African, and European influences. The country's long and rich history has made Tunisians a resilient and resourceful people, and I am confident that the future of the country will be bright and promising. I look forward to many more years of friendship and cooperation between Tunisia and the United States.

EXTENDING THE INTERNET TAX
MORATORIUM

Mr. BURNS. Mr. President, I commend the chairman of the Committee on Commerce, Science, and Transportation for holding today's hearing, as it concerns a topic of great importance to the future development of the Internet—how to make sure that our Nation's tax policy keeps pace with rapid technological change.

The Internet Tax Freedom Act recognized that uniformity and common sense must be brought to taxation policy on the Internet. The act placed a 3-year moratorium on State and local taxes that discriminate against online transactions. I strongly supported the bill and welcomed its passage by the Senate.

This hearing is particularly timely, as the moratorium on discriminatory taxes on electronic commerce expires on October 21. If the moratorium is not extended, our small businesses across the country face the burden of having to comply with the requirements of over 7,000 taxing jurisdictions.

I am more convinced than ever of the folly of imposing a devastating patchwork of taxes on Internet transactions. I agree with the recommendation of the Advisory Commission on Electronic Commerce that we should extend the moratorium. I would like to add my name as a cosponsor to the Wyden bill, the Internet Tax Non-discrimination Act, which will keep the Internet a "tax-free" zone until December 31, 2006 and will help foster the growth of electronic commerce.

Both consumers and businesses will benefit from a reasoned Internet tax policy. Growth will create more revenue and an expanding tax base for the future. The empowering aspects of the Internet for small business—low barriers to entry and an immediate global reach—must not be inhibited by a heavy-handed government approach to

Internet taxation. Extending the moratorium on discriminatory taxes on Internet transactions will help to ensure that the nearly limitless potential of electronic commerce is realized.

I would like to touch on another issue arising from this debate, the broader question of whether Congress should allow the States to require all remote sellers—be they over the new medium of the Internet, or the more traditional mediums of mail order or telephone to collect sales tax on deliveries into states where the seller has no physical presence or "tax nexus."

I believe the current rules on whether an out-of-state company should collect sales tax are, in fact, fair and reasonable. Simply stated, a company is required to collect tax on deliveries into a State if it has a presence in that State. This rule has served interstate commerce well, and importantly, has not burdened small, entrepreneurial companies with having to hire lawyers and accountants to comply with 7,600 different taxing jurisdictions, and worse still, liability to audit from States and localities throughout the country.

I'm not prepared at this point to support any new tax collecting requirements on remote commerce. However, if this committee were to act on this broader issue, the Wyden bill's approach, which requires full congressional scrutiny and a mandatory up-or-down vote by Congress before there is any new tax collecting, seems to me to be the correct course.

RETIRED PAY RESTORATION ACT
OF 2001

Mr. BIDEN. Mr. President, I am pleased to be a cosponsor of the Retired Pay Restoration Act of 2001, which corrects a long-standing inequity that has resulted in a major slap in the face of our dedicated service men and women.

Current law bans so-called concurrent receipt of VA disability compensation and military retired pay, so that the amount of any VA disability payment to a military retiree is subtracted from the monthly retirement check. In operation, this rule seems to turn logic and common sense on its head, and its repeal is long overdue.

Let's be clear what we're talking about. This provision only applies to military retirees, those who have served their country in uniform for at least 20 years. Such retirees receive a taxable monthly pension based on their length of service and their final pay, which is determined primarily by their rank and length of service. In this regard, the military retirement pay system resembles the civil service retirement system with which we are all familiar.

VA disability compensation is completely different. VA disability compensation consists of tax-free monthly