

Mr. Neal of Massachusetts, and 24 of our colleagues from the Ways and Means Committee. Current law contains a temporary active financial services provision in Subpart F. This provision makes sure that active business income of a U.S. financial services company operating overseas is not subjected to U.S. tax until that income is distributed to the U.S. parent. If this temporary provision were allowed to expire at the end of 2001, American financial services companies would be placed on an unequal footing with their foreign competitors.

Our legislation would make the active financial services provision permanent, securing international parity for our financial services industry and providing it with treatment comparable to that afforded other segments of the U.S. economy.

This legislation is important not only to U.S. financial services companies but also to the U.S. businesses that they service internationally. As just one example, U.S. banks and finance companies support the international sales growth of U.S. manufacturers and distributors. Additionally, Mr. Speaker, because U.S. employees provide support services for the overseas operations of our financial services companies, this legislation will also enhance the creation and preservation of U.S. jobs that depend on these international operations.

The growth of American finance and credit companies, banks, securities firms, and insurance companies is impaired by the uncertainty of an "on-again, off-again" practice of annual extensions of the active financial services provision. Making this provision a permanent part of the law will allow our financial services companies to make long-term plans for their continued international growth. Without this legislation, American financial services companies will be deprived of the certainty that their foreign-based competitors enjoy when operating outside of their home countries.

Mr. Speaker, this legislation will ensure U.S. tax policy does not hamper the ability of our financial services companies to compete in the international marketplace. The permanent extension of the active financial services provision is particularly important today, if the U.S. financial services industry is to continue as a global leader in international markets. The highly competitive and global nature of many of the businesses that will benefit from this legislation highlights the need to ensure greater parity between U.S. tax laws and those of most other industrialized nations. Any disparity enhances the ability of foreign competitors to engage in a wider range of financial activities than U.S. companies.

In closing, making this provision a permanent part of the law would provide for an equitable and stable international tax regime for the U.S. financial services industry. We hope that this legislation will receive every possible consideration.

MAKE SUBPART F LAW  
PERMANENT

**HON. RICHARD E. NEAL**

OF MASSACHUSETTS  
IN THE HOUSE OF REPRESENTATIVES

*Tuesday, April 3, 2001*

Mr. NEAL. Mr. Speaker, I am very pleased to join Representative JIM MCCREY and a majority of the Ways and Means Committee in introducing legislation to make permanent the exclusion from Subpart F of the Internal Revenue Code for active financial services income of U.S. businesses operating in foreign markets. This provision permits American financial services firms doing business abroad to pay U.S. tax on their foreign earnings only when those earnings are returned to the U.S. parent. The provision expires at the end of this year.

This rule for active financial services is the same rule that applies to most other types of U.S. companies, and is the general rule in most of the industrialized world. Most competitors of U.S. financial institutions operate under tax regimes that generally do not tax currently active financial income earned outside their home countries. Making the Subpart F rule for active financial services permanent means that U.S. financial services companies will be on a level playing field throughout the life of the contract for which they are competing when they seek to compete in overseas markets with foreign-based financial services companies. While taxes are clearly not the only factor in determining the competitiveness of U.S. financial companies abroad, they do make a difference. In an increasingly global world with increasingly sophisticated competition, we cannot afford to put our financial services companies at such a disadvantage any longer.

Mr. Speaker, my colleagues and I believe it is vital to make the active financing provisions of current law permanent, to provide stability to our American service industries and all who work for them.

A TRIBUTE TO SHERYL BOYCE

**HON. EDOLPHUS TOWNS**

OF NEW YORK  
IN THE HOUSE OF REPRESENTATIVES

*Tuesday, April 3, 2001*

Mr. TOWNS. Mr. Speaker, I rise today to honor Sheryl Boyce of Canarsie, for her many years of leadership in the civic and religious communities.

Ms. Boyce believes that to live in the community it is important to serve your community as well. For this reason she has spent nearly two decades as an active community resident. She has been an active member of the Bay View Tenants Association, serving as the financial secretary, recording secretary, and editor of the Association Newsletter. In addition, she organized the Association's first clean up day. Ms. Boyce has taken a particular interest as a mentor, serving as a Girl and Boy Scout Leader and a chaperon on numerous youth outings.

Sheryl is also an active member of St. Albans' Episcopal Church. She is on the Altar

Guild and serves as a treasurer of the Episcopal Church Women. She has been elected to the Vestry for the third time and serves as a mentor to the altar girls and boys.

Mr. Speaker, Ms. Sheryl Boyce is a woman of deep religious conviction who has served her community and her church with the same level of dedication. As such, she is more than worthy of receiving our recognition today, and I hope that all of my colleagues will join me in honoring this truly remarkable woman.

FREEDOM OF THE MEDIA IN  
RUSSIA

**HON. STENY H. HOYER**

OF MARYLAND  
IN THE HOUSE OF REPRESENTATIVES

*Tuesday, April 3, 2001*

Mr. HOYER. Mr. Speaker, I participated recently in a Congressional delegation to Russia, led by my friend CURT WELDON, where we met with government officials and others to assess the economic and political situation in that country and the state of U.S.-Russian relations. As Co-Chairman of the Duma-Congress Study Group on which I serve with Mr. WELDON, and as former Chairman and Ranking Member of the Helsinki Commission, I have traveled to Russia and the former Soviet Union frequently since the early 1980s.

We are encouraged by Russia's continued progress, however tentative it may appear at times, towards becoming a democratic state that guarantees the inalienable rights, including religious freedom and respect for human rights and the rule of law, of all its citizens. That is why it is disturbing to see an important tenet of democracy—freedom of the media—being threatened by federal government actions and by local officials as well.

The seriousness of this problem has been addressed by both the Clinton and Bush Administrations and has received widespread attention in the Western press, including recent editorials in *The Wall Street Journal* and *The Washington Post*. In Moscow, we were briefed by Ambassador Jim Collins, who told us about the threats to the media, particularly NTV and its holding company, Media Most, and we also met with Evgeny Kiselev, head of NTV—the only independently operated television station in Russia—who described incidents of harassment and intimidation directed against himself and other NTV personnel.

Moreover, as we have seen in the past, journalists in Russia are under threat of physical attacks, even murder, at the hands of unknown assailants if they offend the wrong people with their reporting.

Mr. Speaker, I would like to bring to the attention of my colleagues the State Department's Country Report on Human Rights Practices—2000, just sent to the Congress by the Bureau of Democracy, Human Rights, and Labor, as required by law. It is a valuable document that assesses human rights conditions, country by country, around the world and has proven a reliable source of information for Members to better understand how individual governments treat their own citizens.

The section on Russia, which covers 45 pages, states that the government "generally