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Statement on Congressional Action on Internal Revenue Service Reform Legislation

June 23, 1998

For months now, I have urged Congress to do more to help the American taxpayer. Today I am pleased that the House and Senate have finally reached a bipartisan agreement to reform the IRS and strengthen taxpayer rights. We need an IRS that reflects American values and respects American taxpayers. This bill goes a long way toward that goal, and I look forward to signing it into law.

Statement on Returning Without Approval to the House of Representatives the "Iran Missile Proliferation Sanctions Act of 1998"

June 23, 1998

I have committed my administration to an unceasing effort to halt the transfer of missile technology to nations that conduct or condone terrorism and otherwise violate international norms. The stated purpose of H.R. 2709—the "Iran Missile Proliferation Act of 1998"—is to further this effort. To the contrary, if enacted, it would damage the U.S. national interest, making it harder to achieve the goals it is intended to serve. Therefore, I am vetoing this bill.

The battle against proliferation is most effective as a cooperative enterprise. It will be successful if other, like-minded governments join in enacting and enforcing the strictest possible export-control policies. As my veto message makes clear, this bill mandates the sweeping application of sanctions according to inflexible and indiscriminate criteria. It would require the imposition of sanctions based on an unworkably low standard of evidence. Sanctions could be wrongly triggered against individuals and businesses worldwide, including against companies that did not know the true end user of their products. The sanctions are also disproportionate. A minor violation would carry the same penalty as a major one. As a result, the bill would generate tensions and discourage cooperation with the very nations whose support we must enlist.

From my conversations with Members of Congress, I sense a growing awareness that the vast machinery of U.S. sanctions law has not served our interests well and is in serious need of an overhaul. Adding yet another flawed sanctions bill is not the way to start, especially since this one is redundant. Existing law provides a sufficient basis for imposing sanctions when we need them.

I am particularly concerned about the impact that the bill would have on our on-going effort to work with the Russian Government to stem the flow of technology from that country to Iran's missile program. This is a very real problem, to which this administration has accorded the highest priority over the past year and a half. As a result of my own work with President Yeltsin, reinforced by the efforts of the Vice President, the Secretary of State, and other officials, the Russian Government recently has adopted new legal and administrative measures to deal with this problem. While the hard work of implementation must continue, we have seen concrete progress, which we seek to encourage, not undercut.

This bill will make it more difficult to continue our work with the Russian Government in this area. Moreover, the imposition of unilateral American sanctions could damage our interests in working with the Russian Government in other vital areas, such as arms control, law enforcement, counternarcotics and combating transnational crime. This bill would hinder, not help, our overall national interests.

Message to the House of Representatives Returning Without Approval the "Iran Missile Proliferation Sanctions Act of 1998"

June 23, 1998

To the House of Representatives:

I am returning herewith without my approval H.R. 2709, the "Iran Missile Proliferation Sanctions Act of 1998."