

make, and I do not know if there are any Republicans who deal with the financial markets, I think these tax plans have all been designed in football huddles. But aside from that, had any of them studied economics and had any of them had any awareness of the implications of what abolishing the Tax Code would do?

I have no quarrel that some people may pay too much tax; some people may pay too little in tax. Some people may not like cigarette taxes. Some people may not like gasoline taxes. All of those things can be debated. They can be debated in the context of what it will do to our country's economy.

But the sheer lunacy, the absolute sophomoric inanity of taking and saying we are going to abolish the Tax Code, I would suggest that you might as well, while you are at it, abolish the Criminal Code. That would give some Members of Congress, and particularly on the Republican side, relief from some fines and some jail terms. But other than that, why not abolish it and say, well, in the year 2002, we will write a new Criminal Code, but in the meantime, go do what you want.

So as we are sitting here debating a bill that might at the outset make some reasonable sense to people who want to support private schools at the expense of destroying public education, a reasonable debate that has been going on for some time, we are getting prepared, as we sit here this morning, to bring to the House of Representatives a bill that would, in effect, end the Tax Code.

I understand that there are a great number of modern-day Pharisees who reside here in the House of Representatives and other types of conservatives who believe that we should have no income tax. Again, the most sensible of those who purport to do that have a replacement. They would suggest a value-added tax or a sales tax or a whole host of revenue raising. But none have been so lunatic in their approach as to say we should raise no revenue.

It would be interesting to talk to the members of our fighting forces. The gentlewoman from New York and I just returned from Bosnia where we were proud to see our forces keeping peace. They might want, as well, to throw up their hands and go home. How do they know that they will get paid at the end of the 3 years if the Republican mind-set were to continue to control this Congress?

This is the most amateurish approach. It is pandering, pandering in the worst conceivable way for a few votes in an election year, pandering about something which some people does not understand.

It is clear that whoever drafted and will support this legislation to sunset the Tax Code has no idea of what they are doing. They are not qualified. There are not many qualifications to membership in this body, but I will tell you one of them ought to be to be able to count to 20 with your shoes and

socks on. I am not sure that many of my Republican colleagues could pass that test when it comes to the economics of dealing with the Tax Code.

So as we sit here in all solemn splendor and discuss whether we are going to help our children, we are just waiting for an hour or two, and we will be in this Chamber saying, let us vote to sunset the Tax Code.

Can you imagine what is happening in Jakarta which is a result of basically a king destroying the economic system in Indonesia? This is exactly what will happen in the United States if this Republican provision prevails. The financial markets will suddenly awaken and realize that none of the contracts, none of our pensions can be depended upon. The very basis of all of our retirement income will collapse. The stock market will be in shambles.

I want to suggest to you that if you want to create financial anarchy in this country, follow the Republican lead. There is a Republican-mandated commission now that is talking about the future of Medicare, the future of Medicare. From where will the income come? From where will the taxes come? From where will the deductions come for the employers who are paying those taxes? This all disappears under this marvelous Republican leadership.

What we are getting here is Dial-A-Prayer in the House of Representatives. Dial-A-Vote. Dial-A-Special-Interest. Dial-A-Special-Interest and ask them what they would like to hear the government do, and we will bring it to the floor of the House without regard to the effect on the United States, on its children, on its families.

Family values? Let me ask the gentlewoman how she would expect any person in the United States could sell their home in the next 3 years, realizing that the homeowner's interest deduction will disappear in 2002.

One of the mainstays of the American family is the right to buy and own a home. The value of homes will plummet as a result of this Republican-concocted cockamammy scheme to buy some attention from the right-wing wackos in this country who would say abolish the income Tax Code.

So I say to my colleagues, while it may be of some interest to discuss, in all seriousness, how we can help our children get educated, we had better worry about whether our children will be able to sell apples on the street corner as children did in the bowels of the Depression, because with the Republicans in leadership, having no understanding of the basic tenets of economics, and leading this House in the most amateurish, asinine way, we will destroy this economy, destroy the values upon which the families are based, and lead us into a confused and distraught and archaic state in the United States.

I urge my colleagues, please, to treat the upcoming tax sunset bill with all of the derision and scorn that it deserves. It is an amateurish bill, written and drafted by people who have not the fog-

giest concept of government, of how to govern, of economics, led by a leadership who is led around by the nose by extreme right-wing religious groups and right-wing wacko groups, and getting a vote a day on issues that some of their Members may have to run on in their districts.

But I urge my colleagues to disdain any more of this foolishness in the House of Representatives. It brings discredit to this House. It brings discredit to those who would like, in all seriousness, to improve the lot of families, as the Democrats have been struggling to do.

I urge my colleagues to vote "no" on the rule, vote "no" on this bill, and vote absolutely, absolutely "no" on the rule on the income tax sunset and, by all means, just vote "no" on sunseting the income tax.

Mr. Speaker, I thank the gentlewoman for yielding to me.

Ms. SLAUGHTER. Mr. Speaker, I yield back the balance of my time.

Mrs. MYRICK. Mr. Speaker, I would just like to say I believe that the gentleman from California's remarks were a little below the decorum of this House in making accusations.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore (Mr. OXLEY). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mrs. MYRICK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, further proceedings on the resolution are postponed.

The point of no quorum is considered withdrawn.

#### PROVIDING FOR CONSIDERATION OF H.R. 3097, TAX CODE TERMINATION ACT OF 1998

Mr. HASTINGS of Washington. Mr. Speaker, by the direction of Committee on Rules, I call up House Resolution 472 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 472

*Resolved*, That upon the adoption of this resolution it shall be in order to consider in the House the bill (H.R. 3097) to terminate the Internal Revenue Code of 1986. The bill shall be considered as read for amendment. The amendment in the nature of a substitute printed in the report of the Committee on Rules accompanying this resolution shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, to final passage without intervening motion except: (1) two hours of debate on the bill, as amended, equally divided and controlled by the chairman and ranking minority member of the Committee on Ways

and Means; and (2) one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Washington (Mr. HASTINGS) is recognized for 1 hour.

Mr. HASTINGS of Washington. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to my friend, the gentleman from Texas (Mr. FROST), pending which I yield myself as much time as I may consume. During consideration of this resolution, all time yielded is for purposes of debate only.

Mr. Speaker, this rule is a fair and balanced attempt to bring to the floor an issue that is front and center in every American's mind. The rule provides for a closed rule, which is typical on tax issues. The rule further provides that the amendment in the nature of a substitute printed in the report of the Committee on Rules accompanying the rule be considered as adopted. The rule also provides 2 hours of debate equally divided and controlled by the chairman and ranking member of the Committee on Ways and Means. The rule provides one motion to recommit with or without instructions.

Mr. Speaker, anyone who has prepared his or her own tax return understands why so many Americans spend hundreds of dollars to hire professional accountants to complete their tax returns. Considering the Tax Code itself is 3,458 pages long, it is not surprising that the preparation of tax returns is so difficult. It is also not surprising that our complex code requires over 110,000 Internal Revenue Service employees at an annual cost to the taxpayers of \$9.8 billion per year. That is just to police the tax collection system.

Americans want and need a tax system that is both fair and simple. Today's Tax Code frankly is neither. That is why the gentleman from Oklahoma (Mr. LARGENT) and others has introduced legislation to begin the process of overhauling the current U.S. Tax Code.

The Tax Code Termination Act will set a date certain for the expiration of Federal tax laws that currently govern the collection of America's corporate, personal, estate, and excise taxes. Under the Tax Code Termination Act, the current Tax Code would continue on the books for 4 more years. At that time, the current system would expire and be replaced by a new Tax Code that would be thoughtfully and deliberately determined by Congress, the President, and, most importantly, the American people.

In addition to terminating the Tax Code, this legislation would protect Social Security and Medicare, require a supermajority of both Houses of Congress in order to raise taxes and eliminate the bias against savings and investment as well as bias against families.

The next 4 years will give Congress and the American people plenty of time to debate the merits of the many tax

reform proposals currently being discussed, as well as new ideas that will undoubtedly emerge. Having a date certain for the expiration of the Tax Code will keep the issue at the top of the national agenda and force Congress and the President to make the Tax Code fair and simple. The rule sets the stage for this first critical step on the debate on tax reform. As a result, Mr. Speaker, I urge Members' support of the rule.

Mr. Speaker, I reserve the balance of my time.

□ 1100

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill, of course, takes the cake. My Republican colleagues want to scrap the Tax Code lock, stock and barrel but are proposing nothing to take its place. Does this demonstrate a commitment to the responsibilities of governance? I think not, Mr. Speaker. This proposal, coming just 5 months before an election, is nothing more than a gimmick. I know it, you know it, Mr. Speaker, and the American people know it.

Mr. Speaker, I have spoken with a number of prominent businessmen in my Congressional District in Texas about the idea of scrapping the Tax Code. And, quite frankly, Mr. Speaker, many of these individuals are Republicans themselves and hold no fondness for the current code. But, Mr. Speaker, to a person they have told me that scrapping the code without a substantial proposal ready to take its place is folly. Not just folly, Mr. Speaker, such an idea is dangerous. Certainty and predictability are absolutely critical to sound business decisions, and the idea that we are going to do away with our existing tax structure without holding a single hearing on what might come next will do little to engender confidence in the business community. What are we saying to America's businessmen and women?

And it is not just business that worries about this idea. What about the countless individual taxpayers who make any number of decisions each year based on what might be the tax implications for them? Who will want to buy a home not knowing if there is a mortgage deduction? The National Association of Realtors said, "Eliminating the current code without having a workable alternative in place would be disastrous for America's homeowners." We can only guess about the chaos this legislation will create in the housing market. Not knowing if mortgage interest and property taxes will be deductible certainly has the potential to create wild fluctuations in home prices, in response to rumors and speculation about what might or might not happen to the new tax system.

Mr. Speaker, 75 percent of the families in this country who claim the mortgage interest deduction have incomes of less than \$75,000. What are we saying to them? What are we saying to

all the industries who depend upon the housing market for their livelihood?

Without a replacement for the Tax Code on the books, Americans planning their retirement will not know what to do about investments for the future. Are KEOGH plans, or IRAs, or Roth IRAs going to be available, if and when the Congress gets around to implementing a new system of taxation? What will happen to money in their company pension plan? And, of course, do we really believe that Congress is going to be capable of passing a new tax plan when Congress cannot even pass a budget on time?

Corporations will delay investments in new plants and equipment if they do not know what will happen to cost recovery rules. Schools and hospitals that depend upon tax exempt bonds to finance construction and maintenance will be in limbo. Who in 1998 will want to buy a tax exempt bond if the exemption is scheduled to end in the year 2002? And who knows what will happen next? States and localities will have a harder time coming up with capital, because investors thinking of buying municipal bonds will not know what will happen to their money.

What then are we saying to everyone in the United States? I will tell my colleagues what we are saying, Mr. Speaker. We will be saying that the Republican Congress is willing to play a reckless game of chicken with the lives of real Americans because they will not otherwise take up real tax reform. The Republican majority is willing to promise reform without offering a clue of where they might be heading. This is bad business, Mr. Speaker.

If the Republican majority really wants to reform the code, then let us do it and let us do it now. There are plenty of interesting proposals that have been tossed around for years, so let us bring them up, debate and vote.

I would like to offer the Republican majority the opportunity to vote; to vote against ordering the previous question and to allow me to offer a substitute to the rule. My substitute would allow the House to consider the flat tax advocated by the gentleman from Texas (Mr. ARMEY), my colleague; the value added tax advocated by the gentleman from Louisiana (Mr. TAUZIN); and the tax reform package proposed by the Democrat leader, the gentleman from Missouri (Mr. GEPHARDT). Those are three very interesting proposals that the House should consider if we want to force the issue of reforming the Tax Code.

Mr. Speaker, I urge my colleagues to vote "no" on the previous question. If we do not prevail there, and a majority of the House decides instead to bring up this reckless proposal, I would urge my colleagues to oppose it. The Republican leadership, in an effort to retain its majority, has brought us a dangerous bit of election year posturing that does not deserve to pass.

Mr. Speaker, I reserve the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. WELLER).

Mr. WELLER. Mr. Speaker, I want to thank my friend from Washington State for yielding me this time. I rise in support of the rule as well as this legislation. Really what this vote is all about, when we cast the vote later today on setting a date certain when we will replace the Tax Code, is really a simple choice for all of us in Congress, and that is are we happy with the status quo.

In town meetings that I have, whether I am at the union hall, the VFW, the business or professional women's club meeting, the local chamber of commerce, or at a coffee shop on Main Street, there is a pretty clear message that I hear as I listen, and that is people are very frustrated. Over half of Americans hire someone else to do their taxes. They are afraid of getting audited by the IRS. They believe the Tax Code is much too complicated, it is clearly unfair, and the tax burden is too high. In fact, today the tax burden is at its highest level since World War II.

One example I want to use of why we need to replace the Tax Code is what is really probably the most unfair provision in the Tax Code today, and that is the marriage tax penalty, which is suffered by 21 million married working couples. It really is an issue of fairness, if we think about it. Do Americans feel it is really fair that 21 million average working married couples pay on the average of \$1400 more just because they are married under other Tax Code? Of course not. That is unfair. And \$1400 in the south suburbs of Chicago, that is real money. That is one year's tuition at Joliet Junior College; that is 3 months of day care at a local day care center in Joliet, Illinois. Clearly, we need to work to make the Tax Code fair.

We have begun a lot of work in reforming and replacing the Tax Code already. Our efforts to restructure the IRS, to make the IRS, the tax collector, accountable to the folks that live by the rules and pay the bills back home. Restructuring the IRS is going to be a major achievement for this Congress when it is sent to the President and signed into law later this summer. That is a big step forward in tax reform.

In bringing fairness to the Tax Code, we need to begin with eliminating the marriage penalty. I believe it should be the centerpiece of this year's budget and, hopefully, we will get that done this year. But we need to set a date certain.

Politicians in Washington talked a long time about balancing the budget. Politicians in Washington said it is something we should do, but politicians in Washington took 28 years, over a generation, in order to balance the budget. Let us set a date certain. It took 28 years before Washington balanced the budget and does something

that our families do back home every day, and that is live within our means. We need to set a date certain that we are going to replace the Tax Code.

If I ask for a show of hands, I very rarely ever find taxpayers back home who feel our Tax Code is simple, that our Tax Code is fair, that the tax burden is not enough. We need to reform our Tax Code. We need to make our Tax Code simpler, fairer, and we need to lower the rates for average, working, middle class Americans. That is the goal of tax reform.

We need to set a deadline. We need to make a commitment to getting the job done. And of course there will be those who do not want to make that kind of commitment. We know how Washington can take a long time. We need a date certain. I support this rule and this legislation. Let us get the job done, let us reform the Tax Code, let us make the Tax Code fairer, simpler, and also let us lower taxes for average, middle class, working Americans.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. STARK).

Mr. STARK. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, the distinguished gentleman from Illinois makes excellent points. I would agree with him that the Tax Code could be more fair and should be more fair; that the burden should be redistributed; that the marriage penalty is something that should be adjusted, taking into account the new structure in families. And that may well get done, if the Republican leadership decides to let it get done and bring it to the floor. I have serious doubts about their ability to do that. But if they do, they would receive a lot of support from this side.

Now, having said that, the bill under discussion, if we did reform the marriage tax penalty, would completely negate that. If we made the Tax Code more fair, this silly bill that is under discussion would completely eliminate that. My colleagues may say, yes, we must set a time. Look at the experience under the Republican leadership, Mr. Speaker. In 1994, the Republicans shut down the government, not once but twice, because the Republicans could not even agree on a budget. Now, imagine rewriting the entire Tax Code at a time when the government is shut down. No money.

Do we have any faith that the Republican leadership that has brought government to a standstill twice in their tenure, that has waited 28 years for a balanced budget, could get the Tax Code revised? They cannot solve the marriage penalty, they cannot get anything done, they cannot protect people in managed care from the greedy insurance companies, they cannot punish the tobacco companies. The Republicans have shown no ability to get their act together. Why would anyone in their right mind think that they could put together a tax bill in its en-

tirety when they cannot bring one to the floor now?

So their way is to destroy the government. Shut it down, again and again. This time, if we shut down the government for the lack of a Tax Code, it will be gone for a long time. I urge my colleagues to think through the seriousness of this, the capriciousness, the irresponsibility, the childishness of bringing forth a bill which could destroy the government.

And it certainly destroys what little, if any, credibility the Republican leadership of this House might have with the American public. They are inept and unable to run this Congress or bring forth bills that will help the country and, in so doing, they show their ineptness, their impotence to pass legislation by saying if we cannot do anything, let us set a time limit.

My children, Mr. Speaker, when they were unhappy, used to say, "I'm going to hold my breath and die if I don't get an extra bit of desert." Well, let us let the leadership hold their breath and see what happens. I urge a "no" vote.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee (Mr. DUNCAN).

Mr. DUNCAN. Mr. Speaker, I thank the gentleman from Washington for yielding me this time, and I rise in strong support of this legislation and the rule that brings it to the floor.

A few months ago Newsweek magazine had on its cover, "The IRS: Lawless, Abusive, Out of Control." Now, when any Federal agency, but especially one that affects so many Americans and is so intrusive as the Internal Revenue Service, is described by a major national magazine, a mainstream magazine like Newsweek, as being lawless, abusive and out of control, things have gotten to a pretty sad state.

We can do much better, Mr. Speaker. We should do much better, if we are going to do the job that the American people want us to do. Almost every poll shows that 85 to 90 percent of the people want us to drastically reform, drastically simplify the Tax Code. There is no good reason why we should have a Tax Code nearly as complicated, convoluted and confusing as the one we have.

Mr. Speaker, we have a Tax Code that is something like 91,000 pages of rules and regulations on top of the code itself, involving five or six million words. Almost no one understands it. All of us have seen articles showing that about 40-something percent, or almost half of the advice that the IRS itself gives out is wrong. And almost everyone in this country has violated some tax law at some point in his or her life, unintentionally, unknowingly, and all it would take would be for an overzealous prosecutor or some power crazed IRS agent to come after them to cause them to go through all sorts of misery and heartache and go to tremendous expense.

So we need to do what the American people want us to do. We need to drastically simplify this Tax Code. We need to throw out the code that we have got and simply start over and come up with a code that is simple and fair to the American people and do the job that they sent us here to do and give this government of this country back to the citizens once again.

I am proud to be a cosponsor of this legislation and I urge its passage.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. TRAFICANT).

(Mr. TRAFICANT asked and was given permission to revise and extend his remarks.)

□ 1115

Mr. TRAFICANT. Mr. Speaker, I support the rule and I support the bill. And I am trying to figure out a strategy for Democrats coming back to the majority here today.

With a Tax Code that is so heavy, it would give Hulk Hogan a hernia. We need 5 Philadelphia attorneys to try to interpret it; and after their session, they will all argue and not come to an agreement. The Tax Code rewards dependency, penalizes achievement, subsidizes illegitimacy, kills investment, kills jobs, and takes our hard-earned tax dollars and in many cases gives them outright to countries overseas that literally have threatened us.

Most recent, North Korea. They said, stay out of it, Uncle Sam. We will sell ballistic missiles to your enemies. And if you want us to stop it, pay us.

What do we expect? We reward China through our Tax Code. And they once threatened, some say passively, to nuke Los Angeles after they made a passive statement about Taiwan.

Look, the American people are taxed off, they are tired of the taxes, and they know the Tax Code is not fair. They want Congress to change it. And there is only one way to change it. We have to scrap this Tax Code.

I would hope the Democrats would take another tack by the year 2002 and submit a substitute. I do not think either of the two major substitutes that the Republicans are talking about is the right answer.

I think we should cut income taxes drastically but leave some of them on and add to it a value-added or a sales tax more specifically for the balance and see how the system works. And if it is possible in the future to scrap the entire income Tax Code, fine. But make it a limited, small, flat tax. Give the American people more of their income. Let them make the choices.

I believe the Republicans are on the right track here. I cannot believe the Democrats are fighting this proposal. I want to say today, it is time to sunset the Tax Code because the Tax Code has lived out its days in the sun. The American people know it and they are tired.

In addition, as one last thing, look at the whole tax structure. If we fix up

our homes, we pay more taxes; let our homes go to hell, we get a tax break; work hard, we pay a lot of taxes; do not work, the government sends us a check. I think we have it all screwed up, folks.

One last thing. If we find ourselves in the tax court against the IRS, the burden of proof is even on the taxpayer. It took 14 years to get us to look at that. We ought to be ashamed of ourselves.

I support the bill. I support this rule. And I ask everybody to support the rule and the bill.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, one of our previous speakers, the gentleman from California (Mr. STARK) characterized this legislation as silly. It would be one thing if this were just silly.

What the Republicans are proposing is dangerous. What they want to do is they want to end the code and have nothing in its place. If that were to pass and become law, and I do not believe it will become law, but if it were to pass and become law to eliminate the code, with nothing in its place, there will not be a person in this country who will be able to purchase a home and rely on any type of mortgage deduction, there will not be a city or a county that will be able to issue a bond to build a school or build a highway.

This is not just silly, this is dangerous. What the Republicans are suggesting is an enormous dice roll that could lead us to become a third-world banana republic with no Tax Code, with no structure in place, simply because they want to make a rhetorical point.

What we do here on this floor is serious business. We are not here playing games. With this bill, the Republicans, who do not have the courage to bring a proposal to the floor, a reform proposal, are saying to the American public they do not care if this economy crashes and burns. If they cared about the economy of the United States, they would do the right thing, they would bring forward a reform proposal and say, here is what we stand for. Here is what we want. Vote it up or down. But they lack the courage to do that.

What they want to do is say, let us risk no one being able to get a home mortgage, let us risk not a single municipality in this country being able to issue a municipal bond, so that they could say, oh, we did something; we abolished the Tax Code.

There are a lot of changes that need to be made in our Tax Code. Everybody understands that. And we have a proposal that we are prepared to offer.

I would advise my colleague on the other side that the speaker that we had been anticipating has come on the floor, so that I will need to yield some time to him. And then I will have to reclaim my time because I have one point I have to make before I close.

Mr. Speaker, I yield 5 minutes to the gentleman from New York (Mr. RANGEL), the ranking Democrat on the Committee on Ways and Means.

(Mr. RANGEL asked and was given permission to revise and extend his remarks.)

Mr. RANGEL. Mr. Speaker, one of the great things about being a Member of Congress is that we follow a real tradition, that our Founding Fathers set up a Constitution which allowed the people to express their concern through us.

They did not say that they wanted chairmen of committees to find out what is best for America. They did not say it should be the President or the Supreme Court. They said that in this House of Representatives, the people of the United States of America should speak.

And that is why we have only a 2-year term so that, if we misspeak, the voters may not be able to get to the Senate, they may not be able to express their disagreement with the President, they darn sure cannot reach the Supreme Court, but we are here to be held accountable.

To protect us, we have a committee system, because it is common knowledge that we were not elected based on our IQ rates. We were elected to find out and to search for the truth. And in most every piece of legislation, we have more than two sides of the issue; and, so, we have hearings and we have experts and we are able to get staff, Republican and Democrat, who are experts to review this so that when the committees report to the House, most of the work is done, the arguments are crystallized, and the Members have an opportunity to vote.

For 200 years, the Committee on Ways and Means has had the constitutional responsibility to raise the revenues and to provide the ways and the means for this great Nation to move forward. But under recent majority leadership, it was decided in some back room that we do not need any committees, we do not need any subcommittees, we do not need any committee chairmen, all we need is a Speaker and one good press relations person.

And, so, instead of legislation, we get press releases, we get one press release that the whole IRS, the whole code, is going to be abolished not because the Ways and Means Republicans said it, but because the Speaker said it.

If he can eliminate our ability to pay taxes with legislation, maybe he can eliminate our ability to have to pay our indebtedness, maybe we can eliminate cancer, maybe we can do a variety of things just by one-shot legislation not going through any responsible committee.

Where is the chairman of the Committee on Ways and Means? How are we letting the institutions of this House just fall apart? Whether we are for term limits or not, we have an obligation to leave this House in as good a shape as we found it.

And now we find that we have an education tax bill coming out of the Committee on Rules because there was an amendment on the Senate floor. I am

not here to say anything about the Senate. If they wake up and want to pass an amendment, they can do it. They do not need hearings over there.

But it is assumed that when they amend a bill that this House will be responsible and that we would have hearings and we will have experts and when people discuss and our staff discuss what does the bill mean, that we will be in the position to say that it is not a rip-off, it is sound, good tax policy that makes some sense.

Ask any American that knows the serious nature of our education problem in this country whether giving them a \$2,000 savings account interest free is going to better the education of their kids. If the kid goes to private school, they save 37 bucks. If they are poor enough to have their kid go to public school, they save 7 bucks. And if they do not have \$2,000 to save at all, they save nothing.

So it just seems to me that far more important than the legislation is the process in which this bill comes to the floor, without hearings, without witnesses, without any of the members of the Committee on Ways and Means, without a liberal point of view, without a conservative point of view. Where are the educators to say, what are we doing to help education?

Mr. Speaker, this is a wrong way for the House of Representatives to proceed.

Mr. HASTINGS of Washington. Mr. Speaker, how much time is remaining on either side?

The SPEAKER pro tempore (Mr. OXLEY). The gentleman from Washington (Mr. HASTINGS) has 22 minutes remaining, and the gentleman from Texas (Mr. FROST) has 12 minutes remaining.

Mr. FROST. Mr. Speaker, I reserve the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 6 minutes to the gentleman from Oklahoma (Mr. LARGENT) the author of this legislation.

Mr. LARGENT. Mr. Speaker, I thank my colleague, the gentleman from Washington for yielding me the time.

I am one of those people that believe that God created the heavens and the Earth and that he created man in his own image. That used to be indisputable. Unfortunately, we live in a time that some people now dispute that. I do not. And I think that it is informative to understand that when God created man in his own image, he gave us some instructions, some very simple instructions.

I make no apologies to the ACLU. These are the Ten Commandments that God gave us as his instructions of how to live and conduct our lives in a productive and healthy way. Those are the Ten Commandments.

Now, God expanded on the Ten Commandments through using the divine inspiration of man and he expanded on those and we now have the Bible, which again is God's expanded version on how we are to conduct our lives. The Cre-

ator, the wisdom of the universe, has given us the Bible as an instruction manual about how to conduct our lives. Here is the Bible. Here are the Ten Commandments.

When Jesus came, in fact, he basically boiled down all of this into one simple paragraph when he said that we are to love the Lord, our God, with all our hearts, souls, and minds and our neighbors as ourselves. That sums up all of the instructions that God has given us of how to conduct our entire life.

Now, let me contrast that with this. The IRS, telling us how to file our tax returns, this is what they do. First of all, here is the Internal Revenue tax code right here, this stack of books. That is the tax code that has been passed by Congress since 1913.

This tax code has grown 100 pages every year since it was created in 1913 by Congress, 100 pages. In fact, the 105th Congress just last year passed 400 changes in one bill, passed 400 changes to the tax code, added 325 pages to the tax code.

□ 1130

Here is the Tax Code. That is the commandments the Internal Revenue Service gives to the taxpayers about how to file your tax return.

These are the instructions God gives us to live our lives. Here is the Tax Code about how to file your tax return.

The IRS was kind enough to expand the rules on how to file your tax return. Here are the instructions and the forms that the IRS has given to us, in giving us direction about how to file our tax returns in this country, 6,200 pages of instructions and forms about how to file your tax returns in this country, right here. That is what this represents, from the Internal Revenue Service.

Do I need to go on any further about what the problem is with the current Tax Code? I do not think so. It is too complex, it is too onerous, it needs to go. We need to pull it out by its roots.

Mr. Speaker, let me quote a very distinguished colleague of mine from the House of Representatives. This is what he said in 1996:

"Let me be very clear about this: nobody likes today's Tax Code."

And again in 1997:

"But let's also understand that the complexity of our Tax Code undermines the confidence of the American people in their government and, in part, leads to the problems we're addressing today. Today's action is just a partial solution. The real solution is abolishing the IRS Code and starting over building a tax system that's fair and makes sense. A Tax Code that allows people to make decisions based on what's in their family's best interest, not because of some tax gimmick or loophole."

"Today we're striking a blow for reform. Let's not delay the next step, the need to abolish the Tax Code and start over with real reform."

"Decades of toying and tinkering at the margins have only made the problem worse. And I've concluded that the only way to fix anything is to replace everything, to overhaul the entire system, from top to bottom."

"Tax reform is the path to achieving real progress towards simplicity and fairness."

"The Tax Code is riddled with preferences."

Again finally in 1998:

"Our Tax Code has become a dense fog of incentives, inducements, and penalties that distort the most basic economic decisions, constrain the free market, and make it hard for Americans to run their own lives."

My distinguished colleague, the minority leader, DICK GEPHARDT, has been saying that what we are about to vote on, the Tax Code Termination Act, is needed, it restrains the economy, it keeps people from experiencing the freedom in this country, what we are all about. The Tax Code and pulling the Tax Code out by the roots and abolishing it and starting over and having a real comprehensive debate on tax reform is desperately needed.

The Tax Code Termination Act that sunsets the Tax Code 2 years after the next presidential election year does several things. One is it assures us that we will in fact do it and quit just talking about it. The second thing it does, and probably most importantly, is that it includes all Americans in the discussion, because we will have a quasi-national referendum through the next presidential election year that says, what do you want for comprehensive tax reform. This will be a bill that will be written not by special interests in Washington, D.C., but by the American people, and the genius and the creativity of the American people.

I would urge my colleagues this morning to vote yes on the rule and yes on the Tax Code Termination Act. Let us pull the Tax Code out, have a comprehensive, full debate and dialogue over a 4½ year period of time. I believe that we can come up with a system that is more fair, certainly more simple than the one that we currently have.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to ask the gentleman who was in the well a question. I did not want to intrude on his time but I would like to ask him a question if I may. The gentleman in the well pursued a very distinguished career as a professional athlete prior to being elected to Congress. Many professional athletes as a part of their salary negotiations come up with deferred compensation. I would ask the gentleman if in, during his career, if part of his compensation was deferred compensation that will be paid out in a future year.

Mr. LARGENT. Mr. Speaker, will the gentleman yield?

Mr. FROST. I yield to the gentleman from Oklahoma.

Mr. LARGENT. Yes, it was.

Mr. FROST. Is the gentleman prepared to forgo the tax advantages that he negotiated as a part of his contract when he was a professional athlete if we wind up having no code? If we are sunsetted and we have no code, then he would lose all the advantages that he negotiated during his playing career and presumably would have to realize that as current income in one year.

Mr. LARGENT. I guess the question that I would ask in reverse to the gentleman is are you prepared to defend the current Tax Code in its current form or do you really want tax reform in a comprehensive nature?

Mr. FROST. I just asked my distinguished colleague who apparently received a considerable tax advantage in his contract negotiations during his professional career, which he certainly was entitled to do, whether he is prepared when we have the absence of a code to forgo all the tax advantages that he secured during his playing years.

Mr. LARGENT. I would tell the gentleman in all sincerity that I am prepared to do that and would do it willingly, that I participated in a number of the tax shelters that the Congresses in the past created that were a total disaster, and I would have been far better off just to pay the taxes and not been allowed to do the things that were allowed by past Congresses.

Mr. FROST. I would ask the gentleman why he participated in all those tax shelters. Was this on the advice of counsel? Was this on the advice of his agent? He is a grown man and could make those kind of decisions of course in terms of how he conducted his own affairs.

Mr. LARGENT. Absolutely it was on the advice of counsel, to take advantage of the tax loopholes and shelters and everything else that have been created in Congresses past.

Mr. FROST. I would only ask the gentleman one other question. He talked about 100 pages being added to the code last year.

Mr. LARGENT. 400 pages.

Mr. FROST. 400. Did the gentleman vote for the legislation that added those pages?

Mr. LARGENT. I did.

Mr. FROST. Was he concerned at the time that he voted for the legislation about the amount of pages that were being added to the code?

Mr. LARGENT. Very much so.

Mr. FROST. But he voted for it anyway.

Mr. LARGENT. Yes, sir.

Mr. FROST. I thank the gentleman.

Mr. Speaker, I yield 3 minutes to the gentleman from Washington (Mr. McDERMOTT), a distinguished member of the Committee on Ways and Means.

(Mr. McDERMOTT asked and was given permission to revise and extend his remarks.)

Mr. McDERMOTT. Mr. Speaker, I sat and listened to the gentleman from Oklahoma talk about his desire to rip

the Tax Code out by its roots. By the analogy he used, he stood up here and told us what God did, and I suppose that if he did not like something in the world, he would also say that we should go back to the beginning when it was form and void and God created all the world again. He wants this country to go to a position where there is no Tax Code whatsoever. Now, when he points to all those books of rules and he admits that he himself participated in taking advantage of the Tax Code, he wants us to throw all that away.

Well, first of all, in this country, three-quarters of the people in this country do not itemize their deductions. They do not use hardly a single page in that book of rules and regulations that he himself was a real advantage taker. The gentleman from Texas (Mr. FROST) asked him a question about whether or not he added these pages to the law last year. Now, if I had his Bible up here, it would be smaller than the number of pages which he voted to put into the Tax Code. Now, the people in his district and the people in this country ought to ask, are these people really serious? Are they serious? Last year they came out here and very proudly passed 800 pages of additions to the Tax Code and beat their breasts and said they made it better for every American. And this year they come in and say, last year what we did was stupid. We want to tear it all out and throw it away and start again.

Now, you have to ask yourself, which person should you believe? The one that last year passed all 800 pages and was proud of every single thing that is in here? Or are they proud of they are now going to tear it out?

Let me tell my colleagues what it means to ordinary Americans. If they take this bill and pass it and say in 3 years we are not going to have a Tax Code, how is an American going to buy a house or sell a house in this country when you do not know where the interest deduction that we all take advantage of when we buy a house, where will that be? Will that be included in this next Tax Code? Or will it not? I mean, the whole real estate industry in this country is based on the fact that we can take a deduction for the interest that we pay on our mortgages. What will that mean as to the value of our house? If you cannot take the deduction, does the value go up or does the value go down? How do you make a decision as Americans? This is the stupidest idea I have seen in 10 years.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. PAXON).

Mr. PAXON. Mr. Speaker, this is clearly an historic day in the history of this great legislative body. It is an historic day because it offers such a clear choice between two competing visions of how this institution should work. On one hand, we are hearing it today across the aisle, the defenders of the status quo in Washington. They like the 5.5 million word Tax Code. They

think it is just fine because they spent their careers building it up, for one reason: They like high taxes. They think government should take money from the American people, send it here to Washington so the bureaucracy can spend it. They like the uncertainty that comes with the current Tax Code because it confuses people and they do not know what their tax situation is because over half of Americans because of this code are forced to seek professional assistance in rendering their taxes, and that does not even count the folks who have to seek professional psychiatric assistance once they are done trying to figure all this out. They like the fact that the special interests drive the debate because it is done behind closed doors and the American people never get a chance to have at these reforms, so-called reforms, of the current Tax Code.

Mr. Speaker, on the other hand, it is all the rest of the country and an awful lot of us here in the Congress who think this is historic because we are going to change it. This legislation, the legislation that we have put forward today, reverses the trend. We are going to let the American people decide. We are going to say 4 years from now, the Tax Code is gone, you know it, we are going to end the skepticism, the American people can come forward and get their representatives and tell them what they want in the Tax Code, not just the folks in Washington in the K street community. The American people will have a choice for a change.

I believe it will result in a clearer Tax Code, a more understandable Tax Code, a Tax Code that most importantly takes less money out of the pockets of the American people. And would that not be a great change for the better in this country?

Mr. Speaker, this is truly a moment of great history in this legislative body. The gentleman from Oklahoma (Mr. LARGENT) and I believe very strongly that the Tax Code Termination Act will help move this country forward in the global economy. It will help this Congress reestablish our credibility with the American people that for 40 years looked at Congress and saw it in the hip pocket not of the American people but of the special interests.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 3 minutes to the gentleman from Florida (Mr. WELDON).

Mr. WELDON of Florida. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise in support of this bill and encourage all my colleagues to vote in support of it. The current Tax Code is complex, confusing, corrupt, costly and coercive. Even experts do not agree on the Tax Code. Some studies actually show that the IRS itself gives the wrong answers to questions from taxpayers up to as often as 40 percent of the time. Money magazine gave a hypothetical tax return to 45 different tax preparers nationwide.

The result? Forty-five different responses, ranging from paying 123 percent too much in taxes to 14 percent too little. Thirty-three of the 45 preparers exceeded the acceptable range of error by \$1,000. And for these erroneous tax returns, the tax preparers charged from \$300 to \$4,950.

The current Tax Code is costly to our economy. It costs Americans between \$157 to \$22 billion per year just to prepare the taxes. This \$157 for each person could be invested in schools, businesses or in savings. Enforcement for the Federal Government itself costs \$13.7 billion per year. Businesses spend between \$4 and \$7 in keeping up with the taxes they owe for each \$1 in taxes they pay. It costs taxpayers 5.3 billion hours to comply with the code. This is more than it takes to produce all the cars and trucks in America and is equal to 2 weeks of American productivity nationwide.

□ 1245

H.R. 3097, the Tax Code Termination Act, is simple. It directs Congress to enact a new Tax Code by July 4, 2002.

What is so bad about that?

It ends the existing Tax Code on December 31 of that year, six months after the initial enactment of the new code. Calls for a fairer and flatter Tax Code are made in this bill. It will enable the American people to have a national debate about how they want the Tax Code to change and become fairer and more simple. It will ensure that the Tax Code is replaced with one that has been vetted out by the American people and not decided by special interests in Washington.

Mr. Speaker, this bill is a good piece of legislation. The American people are fed up with the complicated Tax Code laws that they now have to live under. They want more, they demand more, they deserve more. They deserve a better system, and what is more important, we are heading into a new millennium, a new century, a new age, and we need to have a Tax Code that will enable America to continue to be competitive and lead the world.

Mr. Speaker, I encourage all my colleagues to vote in support of this legislation.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I hate to engage in elementary civics lessons, but I think it is important that we understand, and particularly people outside this Chamber understand, how the Congress of the United States works.

The Republicans are in the majority. They control what bills come to the floor through the Committee on Rules that I serve on, and they also control what bills are reported out of the Committee on Ways and Means on which the gentleman from New York (Mr. RANGEL) serves.

They are in the majority. If they want to change the Tax Code as the majority party, they have the ability to report a bill out of the Committee on Ways and Means changing the code.

Whether it is the flat tax, whether it is the value-added tax really does not make any difference. They are in control. They can bring a bill to the floor.

Mr. Speaker, they lack the courage of their own convictions. They will not bring a bill to the floor. Why will they not bring a bill to the floor? I do not know. Maybe they have a disagreement inside their own caucus, maybe some of these ideas are a little bit crazy, maybe they do not have enough votes to pass anything. I do not know why they do not bring a bill to the floor. They are in charge; they have the votes. If they want to reform the Tax Code, bring a bill for this House to vote on.

What do they do? They risk financial chaos in this country by tearing down the current code which admittedly has a lot of problems and needs to be fixed and not offer a single alternative to the current code.

If they really want tax reform, bring a bill to this floor and have us vote on it.

Mr. Speaker, I urge Members to vote no on the previous question. If the previous question is defeated, I will offer a substitute to the rule that will allow for a responsible debate on real tax reform for the Tax Code, not simply election year grandstanding. The rule I will offer will make in order the Armeey flat tax proposal as base text. It will also make in order 2 substitutes to that bill, the Gephardt simplified tax bill and the Tauzin sales tax legislation. Members will have the opportunity to vote up or down on all of these proposals. The substitute that passes and receives the most votes will be the one that is considered as adopted.

Mr. Speaker, if we are serious about reforming or replacing the current Tax Code, let us not fool around with meaningless and irresponsible legislation that could jeopardize our economy and our government. Let us take action on real legislation that addresses the issue, not frivolous legislation that does nothing except provide a handy campaign slogan.

Mr. Speaker, I ask unanimous consent to insert the text of my substitute rule and extraneous materials at this point in the RECORD.

The SPEAKER pro tempore (Mr. OXLEY). Is there objection to the request of the gentleman from Texas?

There was no objection.

The text of the substitute rule and extraneous materials are as follows:

PREVIOUS QUESTION FOR H. RES. 472—TAX CODE TERMINATION ACT

Strike all after the resolving clause and insert in lieu thereof the following:

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 1040) to promote freedom, fairness, and economic opportunity for families by reducing the power and reach of the Federal establishment. The first reading of the bill shall be dispensed with. General debate shall be confined to the

bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. After general debate the bill shall be considered for amendment under the five-minute rule and shall be considered as read. No amendment shall be in order except the amendments in the nature of a substitute specified in section 2 of this resolution. Each amendment may be offered only in the order designated, may be offered only by the Member designated or his designee, shall be considered as read, shall be debatable for one hour equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment. All points of order against the amendments specified in section 2 are waived. If more than one amendment in the nature of a substitute is adopted, then only the one receiving the greater number of affirmative votes shall be considered as finally adopted and reported to the House. In the case of a tie for the greater number of affirmative votes, then only the last amendment to receive that number of affirmative votes shall be considered as finally adopted and reported to the House. The chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without restrictions.

Sec. 2. The amendments described in the first section of this resolution are as follows:

(1) An amendment in the nature of a substitute consisting of the text of H.R. 2001 if offered by Representative Dan Schaefer of Colorado;

(2) An amendment in the nature of a substitute consisting of the text of H.R. 3620 if offered by Representative Gephardt of Missouri; and

(3) An amendment in the nature of a substitute consisting of the text of H.R. 1040 if offered by Representative Armeey of Texas.

Amend the title to read: Providing for consideration of the bill (H.R. 1040) to promote freedom, fairness, and economic opportunity for families by reducing the power and reach of the Federal establishment.

The majority argues that our attempt to defeat the previous question is futile because our proposed amendment is not germane. The fact of the matter is that the chair has not made a ruling nor heard our arguments as to the germaneness of our amendment. The only way to make that determination is to allow us to offer the amendment by defeating the previous question.

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote.

A vote against ordering the previous question is a vote against the Republican majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan.

It is a vote about what the House should be debating.

The vote on the previous question on a rule does have substantive policy implications. It is



one of the only available tools for those who oppose the Republican majority's agenda to offer an alternative plan.

I ask unanimous consent to insert material in the RECORD at this point.

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote. A vote against ordering the previous question is a vote against the Republican majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan. It is a vote about what the House should be debating.

Mr. Clarence Cannon's "Precedents of the House of Representatives," (VI, 308-311) describes the vote on the previous question on the rule as "a motion to direct or control the consideration of the subject before the House being made by the Member in charge." To defeat the previous question is to give the opposition a chance to decide the subject before the House. Cannon cites the Speaker's ruling of January 13, 1920, to the effect that "the refusal of the House to sustain the demand for the previous question passes the control of the resolution to the opposition" in order to offer an amendment. On March 15, 1909, a member of the majority party offered a rule resolution. The House defeated the previous question and a member of the opposition rose to a parliamentary inquiry, asking who was entitled to recognition. Speaker Joseph G. Cannon (R-Illinois) said: "The previous question having been refused, the gentleman from New York, Mr. Fitzgerald, who had asked the gentleman to yield to him for an amendment, is entitled to the first recognition."

Because the vote today may look bad for the Republican majority they will say "the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution . . . [and] has no substantive legislative or policy implications whatsoever." But that is not what they have always said. Listen to the Republican Leadership "Manual on the Legislative Process in the United States House of Representatives," (6th edition, page 135). Here's how the Republicans describe the previous question vote in their own manual: "Although it is generally not possible to amend the rule because the majority Member controlling the time will not yield for the purpose of offering an amendment, the same result may be achieved by voting down the previous question on the rule. . . . When the motion for the previous question is defeated, control of the time passes to the Member who led the opposition to ordering the previous question. That Member, because he then controls the time, may offer an amendment to the rule, or yield for the purpose of amendment."

Deschler's "Procedure in the U.S. House of Representatives," the subchapter titled "Amending Special Rules" states: "a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate." (Chapter 21, section 21.2) Section 21.3 continues: "Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon."

The vote on the previous question on a rule does have substantive policy implications. It is one of the only available tools for those who oppose the Republican majority's agenda to offer an alternative plan.

DEPARTMENT OF THE TREASURY,  
SECRETARY OF THE TREASURY,  
Washington, DC, June 16, 1998.

Hon. NEWT GINGRICH,  
Speaker, House of Representatives,  
Washington, DC.

DEAR MR. SPEAKER: I am writing to express my grave concern over H.R. 3097, the "sunsetting" bill that would effectively repeal the Internal Revenue Code without providing for its replacement. If presented to him, I would recommend that the President veto the bill.

The President stands ready to consider carefully all proposals to reform the tax system. He will evaluate these proposals by using four criteria: fairness, fiscal responsibility, impact on economic growth, and simplification. In contrast, it would be irresponsible for the Congress to enact legislation to terminate the tax code without having already provided a reform plan to replace it. Moreover, none of the proposals currently under discussion by Members of Congress meet the President's four criteria. At a time when the country is experiencing the strongest economy in a decade, we simply cannot allow that economy, the nation's fiscal discipline, and the well-being of its families to be put at risk.

Proposing to sunset the tax code is a deeply flawed idea that, if enacted, would harm our strong economy. Many families, for example, would refrain from buying homes because of the uncertain tax treatment of mortgage interest and property taxes (as well as other State and local taxes), that would harm current homeowners. Many businesses would hire fewer workers and make fewer capital investments because of uncertainties in how taxes would affect the return on productive assets. Furthermore, the uncertainty of the size of future receipts would raise the specter of increased Federal deficits which in turn would raise interest rates and weaken or destroy economic growth.

Adoption of this legislation would have many other harmful effects on the well-being of families. A family's health insurance would be threatened because the tax status of employer-provided health benefits would be uncertain. Hope Scholarships that make higher education more affordable for students would be in jeopardy as would child tax credits that help families with the costs of child-rearing. The structure of employer-provided pensions and tax incentives for retirement saving could be altered in ways that could harm retirement income security. In short, enactment of this legislation would create substantial risks to our economy and the American people.

The right way, the responsible way, to reform is to work to reduce unwarranted complexity in our tax laws, to increase their fairness and efficiency, to enact responsible legislation restructuring the Internal Revenue Service, and to continue to refocus it on customer service. Last year, for example, President Clinton proposed and signed into law 40 tax simplification measures as part of the balanced budget agreement. As a result of that simplification 99 percent of homeowners will not have to pay capital gains tax when they sell their home, 9 out of 10 corporations will not have to worry about complex alternative minimum tax calculations, and many dependent children will be able to earn a greater income without being subject to tax. Furthermore, the President wants to see a responsible IRS restructuring bill on his desk as soon as possible.

In conclusion, I urge you and all members of the House of Representatives to vote against H.R. 3097 when it is considered later this week.

Sincerely,

ROBERT E. RUBIN.

NATIONAL ASSOCIATION  
OF MANUFACTURERS,  
Washington, DC, June 16, 1998.

Hon. NEWT GINGRICH,  
Speaker of the House,  
Capitol Building, Washington, DC.

DEAR MR. SPEAKER: On behalf of the NAM's 14,000 members, and of the 18 million people employed in manufacturing, I urge you to oppose H.R. 3097, the "Tax Code Termination Act."

Let me make it clear, however, that this is in no way a defense of the current federal tax code. The attached resolution, adopted by our board of directors more than two years ago, makes it quite clear that we believe "the federal tax system as now configured is beyond repair and should be scrapped and replaced with a new model." [emphasis added]

But, while we defer to no one in our enthusiasm for scrapping the tax code, we do not support doing so until such time as a replacement code has been agreed upon and the numerous problems involved in transitioning from the old law to the new law have been satisfactorily resolved.

In our view, the numerous real problems associated with so-called "expiring provisions" already in the code—such as the research and experimentation tax credit—should be enough to dissuade anyone from taking the approach of H.R. 3097. These provisions frequently do expire, vastly complicating business and investment planning because taxpayers are uncertain as to whether the provision will be reinstated and, if so, whether such reinstatement will be retroactive.

Thank you for considering our views in opposition to H.R. 3097.

Sincerely,

PAUL R. HUARD.

Enclosure.

NATIONAL ASSOCIATION OF MANUFACTURERS  
BOARD OF DIRECTORS MEETING—FEBRUARY  
10, 1996

#### RESOLUTION ON GROWTH AND TAXES

The single biggest obstacles to increased economic growth is our impossibly complex and ever-changing tax code. And as 1996 unfolds, signs of a weakening economy make it more important than ever to focus the nation's policy priorities on the critical need for increased economic growth. The NAM continues to believe that technological advances, worldwide competitive pressures, productivity improvements and other factors have substantially raised the economy's potential for non-inflationary growth. Those arguing growth must be held at or below 2.5 percent to avoid a resurgence in inflation are ignoring the enormous transformations that have occurred in manufacturing. In our view, a target growth rate of three percent or more is not only attainable but also essential. We can see no other way to improve incomes and living standards for American wage-earners while at the same time maintaining U.S. global competitiveness.

But we can't get there with our existing tax structure. There is a growing consensus among policymakers that the federal tax system as now configured is beyond repair and should be scrapped and replaced with a new model. We agree, and believe our present anti-employee, anti-growth tax system should be replaced with a pro-employee, pro-growth model having these characteristics:

**Simplicity.** This should be paramount. The new system should be one that average wage-earners can both understand and believe to be fair. The current code is not only incomprehensible to most taxpayers but also gives rise to the suspicion that it can be manipulated by high-income taxpayers. What's needed is a simple low-rate system with relatively few deductions or other adjustments.



The billions of dollars currently wasted on compliance costs of the current system could then be applied to more productive uses.

**Elimination of Multiple Taxation.** Income once taxed should not be subjected to multiple taxation just because it is saved or invested rather than consumed. The highly regressive situation whereby wage income is subjected to both income and payroll taxes must also be corrected. Similarly, business income should be taxed only once so that, among other things, corporate profits paid out as dividends are not taxed to both the corporation and the shareholder. And, business taxes under any new system should be compatible with those of our trading partners so that, for example, American exports are not double-taxed by the U.S. and the destination country.

**Stability.** Present tax laws are both disliked and hard to understand in large part because they are in a constant state of flux. Once a new, simple tax system is in place, procedures—such as supermajority voting requirements—should be adopted to ensure that future revision is both difficult and infrequent.

Recent analysis concludes that excessive levels of taxation have been a significant drag on economic growth. Reversing this trend by adopting a tax system that is not biased against work, savings and investment should be one of our highest national priorities. The resulting dynamic growth will benefit businesses and their employees alike.

AMERICAN FEDERATION OF LABOR  
AND CONGRESS OF INDUSTRIAL OR-  
GANIZATIONS,

Washington, DC, June 16, 1998.

DEAR REPRESENTATIVE: The AFL-CIO strongly urges you to help protect America's working families from serious economic hardship by voting against H.R. 3097, the Tax Code Termination Act.

The AFL-CIO is very disappointed that the leadership of the 105th U.S. Congress has, once again, decided to waste its time on an extreme measure like H.R. 3097—legislation which would eliminate the Internal Revenue Code by December 31, 2001, without specifying which alternative tax system would replace it.

Needless to say, H.R. 3097 would hurt our nation's working men and women in several different ways. It would make buying a home more expensive for working families by eliminating the mortgage interest tax deduction. It would reduce employer-provided health and pension benefits for America's workers by abolishing all of the tax incentives which currently help make these important benefits more affordable and more available. In fact, this deeply flawed legislation would also harm those who need help the most by repealing the \$500 child tax credits and the \$1,500 Hope Scholarships which currently help millions of working families raise and educate their children.

H.R. 3097 would also create economic uncertainty for all American businesses. By not specifying which alternative tax system would replace the current one, H.R. 3097 would discourage businesses from making any new capital investments until Congress decided how the new tax system would affect them. In turn, this reduction in private investment could substantially increase interest rates and the federal deficit by dramatically decreasing productivity and federal revenues.

Finally, H.R. 3097 would devastate thousands of America's religious institutions, social service organizations, cultural institutes, colleges, and universities by eliminating the tax deduction for charitable contributions.

For all of these reasons, the AFL-CIO strongly urges you to vote against H.R. 3097. Sincerely,

PEGGY TAYLOR,  
Director,  
Department of Legislation.

TAX EXECUTIVES INSTITUTE, INC.,  
Washington, DC, June 16, 1998.

Re proposal to sunset the Internal Revenue Code.

Hon. NEWT GINGRICH,  
Speaker of the House, House of Representatives,  
Rayburn House Office Building, Wash-  
ington, DC.

Hon. RICHARD GEPHARDT,  
Minority Leader, House of Representatives,  
Longworth House Office Building, Wash-  
ington, DC.

DEAR SPEAKER GINGRICH AND MINORITY LEADER GEPHARDT: On behalf of Tax Executives Institute, I am writing to express the Institute's serious concern about proposals to sunset the Internal Revenue Code on a designated date without specifying a replacement tax system. In our view, these proposals reflect either a misapprehension of the importance of certainty and predictability to business enterprises and individuals or a disregard for the consequences of "terminating" the tax system. They illustrate the folly of making tax policy by sound bite and should be rejected.

#### BACKGROUND

Tax Executives Institute is the principal association of corporate tax executives in North America. TEI is a nonpartisan not-for-profit membership association that represents approximately 5,000 in-house tax professionals employed by 2,800 of the leading companies in the United States and Canada. TEI is dedicated to the development and effective implementation of sound tax policy, to promoting the uniform and equitable enforcement of the tax laws, and to reducing the cost and burden of administration and compliance to the benefit of taxpayers and government alike. TEI members deal with, and are frustrated by, the complexities of the tax laws on a daily basis, and know that abrupt or ill-conceived shifts in the law—changes without due consideration of transitional issues—exact a heavy toll.

#### SUNSETTING THE CODE: A BEGUILING BUT UNWISE MOVE

Later this week, the House of Representatives is scheduled to vote on H.R. 3097, which is styled "The Tax Code Termination Act." The legislation would sunset the Internal Revenue Code on December 31, 2001. Although the legislation includes a hortative declaration that any new federal tax system should be approved by Congress in its final form no later than July 4, 2001 (to permit a six-month transition to the new system), there is no assurance that the principles underlying a replacement system could be agreed upon, that the new system's contours could be defined, and that meaningful and comprehensive transition rules could be developed in time to meet that ambitious deadline. What is more, there is substantial doubt whether, even if the Fourth of July 2001 target were met, the six-month transition period contemplated by the legislation would be sufficient to avoid major disruptions in particular industries or the economy as a whole.

Given our members' ongoing experiences with the tax laws, it should come as no surprise that TEI supports efforts to improve and simplify the Internal Revenue Code. Moreover, while the Institute itself has not taken a position on which of the competing tax reform proposals should be adopted (in large measure because of the diversity of our

membership and the divergence of their views). We fully understand the desire of many members of Congress "to scrap the Code" and replace it with a different system. And we appreciate the popular appeal of striving to make the tax law simpler and fairer.

The legislation before the House, however, is nothing more than a Siren's song—alluring but ultimately dangerous—because it is far from clear how the legitimate objectives of tax reform can best be achieved. The ongoing debate in Congress and the country at large, while spirited, demonstrates that finding consensus will not be easy or quick. Even assuming that agreement can be expeditiously achieved on "where" tax reform should take us, determining the "how" of getting there will pose additional challenges. Whether or not you agree with the estimates of the U.S. General Accounting Office and the Treasury Department that the implementation of a new tax system would require between 18 and 24 months, it is clear that the change cannot be made overnight. It is also clear that individuals and businesses—the U.S. economy as a whole—cannot convert to the new system with the ease of flicking a light switch. Transition rules cannot be handled as an afterthought. Indeed, given the intricacies of the American economy, how it interacts and is integrated with the global marketplace, and the overriding importance of the tax law in providing incentives to salutary behavior (such as investments in plants and equipment, retirement savings, home ownership, municipal bonds, and charitable giving), the "pain" of the transition from the current regime to a new one could well overwhelm the promised benefits of reform.

Supporters of H.R. 3097 argue that the legislation is necessary to force action on tax reform. Even if that were true—and Congress's recurring inability to renew expiring tax provisions in time to forestall gaps in the law suggests that future Congresses may not feel so obliged—TEI questions whether the uncertainty and potential chaos is worth the risk. For example, a company that otherwise would invest millions of dollars in a multi-year expansion of its manufacturing facilities might well demur if the pending legislation were enacted because of uncertainty over whether or how, after December 31, 2001, it would be able to recover its costs. (There are an estimated \$3 trillion in unrecovered costs of existing property, and of course the current economic expansion is dependent on sustained future investments.) Similarly, individuals who would otherwise invest and save toward retirement might pause because of uncertainty over how their retirement earnings would be taxed. To repeal the Internal Revenue Code without specifying a replacement system—to exalt the exhilaration of "doing it now" over the necessity of "doing it right"—is to threaten major disruptions of the economy and the lives of the American people. The proposal might score well in public opinion polls, but that does not make it any less imprudent.

Once again, TEI appreciates the surface appeal of calls to terminate the Internal Revenue Code. H.R. 3097 and similar bills, however, would create a sense of urgency for tax reform much like plunging the detonator on a time bomb and then scrambling to disarm it before it explodes. The action might cause the adrenaline to flow, but we question whether the Nation would be the better for it. Because the bill fails to meet the standards of reasoned and responsible legislation, Tax Executives Institute urges you to work toward its rejection.

#### CONCLUSION

Tax Executives Institute appreciates this opportunity to present its views on the proposal to sunset the Internal Revenue Code.

Any questions about the Institute's views should be directed to either Michael J. Murphy, TEI's Executive Director, or Timothy J. McConnally, the Institute's General Counsel and Director of Tax Affairs. Both individuals can be reached at (202) 638-5601.

Respectfully submitted,

PAUL CHERECOWICH, JR.,  
International President.

Mr. FROST. Mr. Speaker, I ask that my colleagues vote no on the previous question so that we can take up actual tax reform.

Mr. Speaker, I yield back the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to speak just a minute on the underlying bill that this rule will make in order, and I want to couch that, my remarks, in terms of what I experienced back home in the last year, 9 months to a year. I had several town hall meetings that dealt specifically with the Tax Code, and I can say from those people, and by the way, we had a huge turnout at both those meetings that we had, and I can say without any qualification that those that attended the town hall meetings that spoke regarding a Tax Code, nobody was defending the current tax system, nobody was defending the current tax system. It is also fair to say, however, that there was no unanimity as to what should replace this tax system, but there certainly was a broad consensus and probably near unanimity that we need to do so. The question that faces us today then is how do we get from here to there.

Now we heard all of the adjectives about how, and I do not know if the word draconian was used, but it is certainly implied, but let us put things into perspective. What this bill would do would simply say 4 years from now the Tax Code will end. What will happen between now and the end of year 2002? Well, we will go through an election, if this bill were to pass, and obviously it will be the top of everybody's agenda, this Congress will have passed the bill to end the Tax Code. That means that Members in this body would have the opportunity to go to the polls, or to go to election this year, and voters would have an opportunity to go to the polls, ask us what we think would be the best method or best system to replace our Tax Code. We would do that this year, one election cycle. And probably more important, in the year 2000, because of what this bill would allow, we would have a presidential election whose probably primary debate would be centered on the Tax Code. Now at that time I think the American people would be very, very well engaged, and the next Congress after that would be the Congress that would come up with a brand-new Tax Code.

My friend from Texas (Mr. FROST) said that he wanted to talk about elementary civics lessons. Let me offer one other addendum to that. An elementary civics lesson as it relates to

this body is this: We deal in deadlines. This Tax Code is some 86 years old. It is badly in need of an overhaul and, frankly, scrapping. This sets a time certain for that to happen. It sets a deadline for this body and the President, the next President of the United States, to come together, come up with a Tax Code that the American people will feel comfortable with.

So I feel very strongly that this bill needs to be debated, which it will if we pass this rule, and, furthermore, that it needs to be passed so that the Congress can act on this legislation.

Now as to this rule, let me make a point.

At this time, Mr. Speaker, I ask unanimous consent to insert into the RECORD what the previous question vote means.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

The document referred to is as follows:

#### THE PREVIOUS QUESTION VOTE: WHAT IT MEANS

The previous question is a motion made in order under House Rule XVII and is the only parliamentary device in the House used for closing debate and preventing amendment. The effect of adopting the previous question is to bring the resolution to an immediate, final vote. The motion is most often made at the conclusion of debate on a rule or any motion or piece of legislation considered in the House prior to final passage. A Member might think about ordering the previous question in terms of answering the question: Is the House ready to vote on the bill or amendment before it?

In order to amend a rule (other than by using those procedures previously mentioned), the House must vote against ordering the previous question. If the previous question is defeated, the House is in effect, turning control of the Floor over to the Minority party.

If the previous question is defeated, the Speaker then recognizes the Member who led the opposition to the previous question (usually a Member of the Minority party) to control an additional hour of debate during which a germane amendment may be offered to the rule. The Member controlling the Floor then moves the previous question on the amendment and the rule. If the previous question is ordered, the next vote occurs on the amendment followed by a vote on the rule as amended.

Mr. HASTINGS of Washington. Mr. Speaker, the previous question procedure is simply one to end debate, and, if the previous question is defeated, then those that oppose it, which in this case would be my friend from Texas who had an opportunity to change, and actually we would lose control, to put it in perspective, of the floor and turn it over to a bill that frankly, ironically, none of the three provisions in that bill have been debated in the Committee on Ways and Means or on the floor. I find that rather ironic. But what it would do, it would turn over to the minority the floor, and I think that would be not advantageous for us.

So, Mr. Speaker, then what I would like to do and to urge my colleagues is to vote for the previous question so

that we can get on with this debate, and I would also say that I believe the debate that is going to ensue after this rule is passed will indeed be historic.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to clause 5 of rule XV, the Chair will reduce to 5 minutes the minimum time for electronic voting on adoption of this resolution, and, without objection, the proceedings will resume on House Resolution 471 immediately thereafter.

The Chair also will reduce to 5 minutes the minimum time for electronic voting on adoption of that resolution.

There was no objection.

The vote was taken by electronic device, and there were—yeas 229, nays 194, not voting 10, as follows:

[Roll No. 234]

YEAS—229

Aderholt	Danner	Hostettler
Archer	Davis (VA)	Houghton
Armey	Deal	Hulshof
Bachus	DeLay	Hunter
Baker	Diaz-Balart	Hutchinson
Ballenger	Dickey	Hyde
Barr	Doolittle	Inglis
Barrett (NE)	Dreier	Istook
Bartlett	Duncan	Jenkins
Barton	Dunn	Johnson (CT)
Bass	Ehlers	Jones
Bateman	Ehrlich	Kasich
Bereuter	Emerson	Kelly
Bilbray	English	Kim
Bilirakis	Ensign	King (NY)
Bishop	Everett	Kingston
Bliley	Ewing	Klug
Blunt	Fawell	Knollenberg
Boehlert	Foley	Kolbe
Boehner	Forbes	LaHood
Bonilla	Fossella	Largent
Bono	Fowler	Latham
Brady (TX)	Fox	LaTourette
Bryant	Franks (NJ)	Lazio
Bunning	Frelinghuysen	Leach
Burr	Gallegly	Lewis (KY)
Burton	Ganske	Linder
Buyer	Gekas	Livingston
Callahan	Gibbons	LoBiondo
Calvert	Gilchrest	Lucas
Camp	Gillmor	Manzullo
Campbell	Gilman	McCollum
Canady	Goode	McCrery
Cannon	Goodlatte	McDade
Castle	Goodling	McHugh
Chabot	Goss	McInnis
Chambliss	Graham	McIntosh
Chenoweth	Granger	McIntyre
Christensen	Greenwood	McKeon
Coble	Gutknecht	Metcalfe
Coburn	Hall (TX)	Mica
Collins	Hansen	Miller (FL)
Combest	Hastert	Moran (KS)
Condit	Hastings (WA)	Morella
Cook	Hayworth	Myrick
Cooksey	Hefley	Nethercutt
Cox	Herger	Neumann
Crane	Hill	Northup
Crapo	Hobson	Norwood
Cubin	Hoekstra	Nussle
Cunningham	Horn	Oxley

Packard  
Pappas  
Parker  
Paul  
Paxon  
Pease  
Peterson (MN)  
Petri  
Pickering  
Pitts  
Pombo  
Porter  
Portman  
Pryce (OH)  
Quinn  
Radanovich  
Ramstad  
Redmond  
Regula  
Riggs  
Riley  
Rogan  
Rogers  
Rohrabacher  
Ros-Lehtinen  
Roukema

Royce  
Ryun  
Salmon  
Sanford  
Saxton  
Scarborough  
Schaefer, Dan  
Schaffer, Bob  
Sensenbrenner  
Sessions  
Shadegg  
Shaw  
Shays  
Shimkus  
Shuster  
Skeen  
Smith (MI)  
Smith (NJ)  
Smith (OR)  
Smith (TX)  
Smith, Linda  
Snowbarger  
Solomon  
Souder  
Spence  
Stearns

Stump  
Sununu  
Talent  
Tauzin  
Taylor (NC)  
Thomas  
Thornberry  
Thune  
Tiahrt  
Traficant  
Upton  
Walsh  
Wamp  
Watkins  
Watts (OK)  
Weldon (FL)  
Weldon (PA)  
Weller  
White  
Whitfield  
Wicker  
Wolf  
Young (AK)  
Young (FL)

## NAYS—194

Abercrombie  
Ackerman  
Allen  
Andrews  
Baesler  
Baldacci  
Barcia  
Barrett (WI)  
Becerra  
Bentsen  
Berman  
Berry  
Blagojevich  
Blumenauer  
Bonior  
Borski  
Boswell  
Boucher  
Boyd  
Brady (PA)  
Brown (CA)  
Brown (FL)  
Brown (OH)  
Capps  
Cardin  
Carson  
Clay  
Clayton  
Clement  
Clyburn  
Conyers  
Costello  
Coyne  
Cramer  
Cummings  
Davis (FL)  
Davis (IL)  
DeFazio  
DeGette  
Delahunt  
DeLauro  
Deutsch  
Dicks  
Dingell  
Dixon  
Doggett  
Dooley  
Doyle  
Edwards  
Engel  
Eshoo  
Etheridge  
Evans  
Farr  
Fattah  
Fazio  
Filner  
Frank (MA)  
Frost  
Furse  
Gejdenson  
Gephardt  
Gordon  
Green  
Gutierrez  
Hall (OH)

Hamilton  
Harman  
Hefner  
Hinchey  
Hinojosa  
Holden  
Hooley  
Hoyer  
Jackson (IL)  
Jackson-Lee  
(TX)  
Jefferson  
John  
Johnson (WI)  
Johnson, E. B.  
Kanjorski  
Kaptur  
Kennedy (MA)  
Kennedy (RI)  
Kennelly  
Kildee  
Kilpatrick  
Kind (WI)  
Klecza  
Klink  
Kucinich  
LaFalce  
Lampson  
Lantos  
Lee  
Levin  
Lewis (GA)  
Lipinski  
Lofgren  
Lowey  
Luther  
Maloney (CT)  
Maloney (NY)  
Manton  
Markey  
Martinez  
Mascara  
Matsui  
McCarthy (MO)  
McCarthy (NY)  
McDermott  
McGovern  
McHale  
McKinney  
Meehan  
Meek (FL)  
Meeks (NY)  
Menendez  
Millender-  
McDonald  
Miller (CA)  
Minge  
Mink  
Moakley  
Mollohan  
Moran (VA)  
Murtha  
Nadler  
Neal  
Oberstar  
Obey

Oliver  
Ortiz  
Owens  
Pallone  
Pascrell  
Pastor  
Payne  
Pelosi  
Pickett  
Pomeroy  
Poshard  
Price (NC)  
Rahall  
Rangel  
Reyes  
Rivers  
Rodriguez  
Roemer  
Rothman  
Roybal-Allard  
Rush  
Sabo  
Sanchez  
Sanders  
Santolin  
Sawyer  
Schumer  
Scott  
Serrano  
Sherman  
Sisisky  
Skelton  
Slaughter  
Smith, Adam  
Snyder  
Spratt  
Stabenow  
Stark  
Stenholm  
Stokes  
Strickland  
Stupak  
Tanner  
Tauscher  
Taylor (MS)  
Thompson  
Thurman  
Tierney  
Torres  
Towns  
Turner  
Velazquez  
Vento  
Visclosky  
Waters  
Watt (NC)  
Waxman  
Wexler  
Weygand  
Wise  
Woolsey  
Wynn  
Yates

Ford  
Gonzalez  
Hastings (FL)  
Hilleary

NOT VOTING—10  
Hilliard  
Johnson, Sam  
Lewis (CA)  
McNulty

Ney  
Peterson (PA)

Pickering  
Pitts  
Pombo  
Porter  
Portman  
Pryce (OH)  
Quinn  
Radanovich  
Ramstad  
Redmond  
Regula  
Riggs  
Riley  
Rogan  
Rogers  
Rohrabacher  
Ros-Lehtinen  
Roukema  
Royce  
Ryun  
Salmon  
Sandlin  
Sanford  
Saxton

Scarborough  
Schaefer, Dan  
Schaffer, Bob  
Sensenbrenner  
Sessions  
Shadegg  
Shaw  
Shays  
Shimkus  
Shuster  
Skeen  
Smith (MI)  
Smith (NJ)  
Smith (OR)  
Smith (TX)  
Smith, Linda  
Snowbarger  
Solomon  
Souder  
Spence  
Stearns  
Stump  
Stupak  
Sununu

Talent  
Tauzin  
Taylor (NC)  
Thomas  
Thornberry  
Thune  
Tiahrt  
Traficant  
Upton  
Walsh  
Wamp  
Watkins  
Watts (OK)  
Weldon (FL)  
Weldon (PA)  
Weller  
White  
Whitfield  
Wicker  
Wolf  
Young (AK)  
Young (FL)

## □ 1213

Mr. JACKSON of Illinois, Mr. MILLER of California, Ms. HOOLEY of Oregon, and Ms. KAPTUR changed their vote from “yea” to “nay.”

Mr. HOBSON changed his vote from “nay” to “yea.”

So the previous question was ordered.

The result of the vote was announced as above recorded.

## □ 1215

The SPEAKER pro tempore (Mr. OXLEY). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

## RECORDED VOTE

Mr. HASTINGS of Washington. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 232, noes 188, not voting 13, as follows:

[Roll No. 235]

## AYES—232

Aderholt  
Archer  
Armey  
Bachus  
Baker  
Ballenger  
Barr  
Barrett (NE)  
Bartlett  
Barton  
Bass  
Bateman  
Bereuter  
Bilbray  
Bilirakis  
Bishop  
Bilely  
Blunt  
Boehlert  
Boehner  
Bonilla  
Bono  
Brady (TX)  
Bryant  
Bunning  
Burr  
Burton  
Buyer  
Callahan  
Calvert  
Camp  
Campbell  
Canady  
Cannon  
Castle  
Chabot  
Chambliss  
Chenoweth  
Christensen  
Coble  
Coburn  
Collins  
Combest  
Condit  
Cook  
Cooksey  
Cox  
Cramer  
Crane  
Crapo  
Cubin  
Cunningham  
Danner  
Davis (VA)

Deal  
DeLay  
Diaz-Balart  
Dickey  
Doolittle  
Dreier  
Duncan  
Dunn  
Ehlers  
Ehrlich  
Emerson  
English  
Ensign  
Everett  
Ewing  
Fawell  
Foley  
Forbes  
Fossella  
Fowler  
Fox  
Franks (NJ)  
Frelinghuysen  
Gallegly  
Ganske  
Gekas  
Gibbons  
Gilchrist  
Gillmor  
Gilman  
Goode  
Goodlatte  
Goodling  
Goss  
Graham  
Granger  
Greenwood  
Gutknecht  
Hall (TX)  
Hansen  
Hastert  
Hastings (WA)  
Hayworth  
Hefley  
Herger  
Hill  
Hobson  
Hoekstra  
Horn  
Hostettler  
Houghton  
Hulshof  
Hunter  
Hutchinson

Hyde  
Inglis  
Istook  
Jenkins  
Johnson (CT)  
Jones  
Kasich  
Kelly  
Kim  
King (NY)  
Kingston  
Klug  
Knollenberg  
Kolbe  
LaHood  
Largent  
Latham  
LaTourette  
Lazio  
Leach  
Lewis (KY)  
Linder  
Livingston  
LoBiondo  
Lucas  
Manzullo  
McCarthy (NY)  
McCollum  
McCrery  
McHugh  
McInnis  
McIntosh  
McIntyre  
McKeon  
Metcalf  
Mica  
Miller (FL)  
Moran (KS)  
Morella  
Myrick  
Nethercutt  
Neumann  
Northup  
Norwood  
Nussle  
Oxley  
Packard  
Pappas  
Parker  
Paul  
Paxon  
Pease  
Peterson (MN)  
Petri

Ackerman  
Allen  
Andrews  
Baesler  
Baldacci  
Barcia  
Barrett (WI)  
Becerra  
Bentsen  
Berman  
Berry  
Blagojevich  
Blumenauer  
Bonior  
Borski  
Boswell  
Boucher  
Boyd  
Brady (PA)  
Brown (CA)  
Brown (FL)  
Brown (OH)  
Capps  
Cardin  
Carson  
Clay  
Clayton  
Clement  
Clyburn  
Conyers  
Costello  
Coyne  
Cummings  
Davis (FL)  
Davis (IL)  
DeFazio  
DeGette  
Delahunt  
DeLauro  
Deutsch  
Dicks  
Dingell  
Dixon  
Doggett  
Dooley  
Doyle  
Edwards  
Engel  
Eshoo  
Etheridge  
Evans  
Farr  
Fattah  
Fazio  
Filner  
Ford  
Frank (MA)  
Frost  
Furse  
Gejdenson  
Gephardt  
Gordon  
Green  
Gutierrez

## NOES—188

Hall (OH)  
Hamilton  
Harman  
Hefner  
Hilliard  
Hinchey  
Hinojosa  
Holden  
Hooley  
Hoyer  
Jackson (IL)  
Jackson-Lee  
(TX)  
Jefferson  
John  
Johnson (WI)  
Johnson, E. B.  
Kanjorski  
Kaptur  
Kennedy (MA)  
Kennedy (RI)  
Kennelly  
Kildee  
Kilpatrick  
Kind (WI)  
Klecza  
Klink  
Kucinich  
LaFalce  
Lampson  
Lantos  
Lee  
Levin  
Lewis (GA)  
Lipinski  
Lofgren  
Lowey  
Luther  
Maloney (CT)  
Maloney (NY)  
Manton  
Markey  
Martinez  
Mascara  
McCarthy (MO)  
McDermott  
McGovern  
McHale  
McKinney  
Meehan  
Meeks (NY)  
Menendez  
Millender-  
McDonald  
Miller (CA)  
Minge  
Mink  
Moakley  
Mollohan  
Moran (VA)  
Murtha  
Nadler  
Neal  
Oberstar

Obey  
Oliver  
Ortiz  
Owens  
Pallone  
Pascrell  
Pastor  
Payne  
Pelosi  
Pickett  
Pomeroy  
Poshard  
Price (NC)  
Rahall  
Rangel  
Reyes  
Rivers  
Rodriguez  
Roemer  
Rothman  
Roybal-Allard  
Rush  
Sabo  
Sanchez  
Sanders  
Sawyer  
Schumer  
Scott  
Serrano  
Sherman  
Sisisky  
Skaggs  
Skelton  
Slaughter  
Smith, Adam  
Snyder  
Spratt  
Stabenow  
Stark  
Stenholm  
Stokes  
Strickland  
Tanner  
Tauscher  
Taylor (MS)  
Thompson  
Thurman  
Tierney  
Torres  
Towns  
Turner  
Velazquez  
Vento  
Visclosky  
Watt (NC)  
Waxman  
Wexler  
Weygand  
Wise  
Woolsey  
Wynn  
Yates

## NOT VOTING—13

Abercrombie  
Gonzalez  
Hastings (FL)  
Hilleary  
Johnson, Sam

Lewis (CA)  
Matsui  
McDade  
McNulty  
Meek (FL)

Ney  
Peterson (PA)  
Waters

□ 1224

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

# WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 2646, EDUCATION SAVINGS AND SCHOOL EXCELLENCE ACT OF 1998

The SPEAKER pro tempore. The pending business is the question de novo on the passage of House Resolution 471.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

## RECORDED VOTE

Mr. HASTINGS of Washington. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 228, noes 191, not voting 14, as follows:

[Roll No. 236]

AYES—228

Aderholt	Dickey	John
Archer	Doolittle	Johnson (CT)
Bachus	Dreier	Jones
Baker	Duncan	Kasich
Ballenger	Dunn	Kelly
Barr	Ehlers	Kim
Barrett (NE)	Ehrlich	King (NY)
Bartlett	Emerson	Kingston
Barton	English	Klug
Bass	Ensign	Knollenberg
Bateman	Everett	Kolbe
Bereuter	Ewing	LaHood
Bilbray	Fawell	Largent
Bilirakis	Foley	Latham
Bishop	Forbes	LaTourette
Bliley	Fossella	Lazio
Blunt	Fowler	Leach
Boehlert	Fox	Lewis (KY)
Boehner	Franks (NJ)	Linder
Bonilla	Frelinghuysen	Lipinski
Bono	Galleghy	Livingston
Brady (TX)	Ganske	LoBiondo
Bryant	Gekas	Lucas
Bunning	Gibbons	Manzullo
Burr	Gillmor	McCollum
Burton	Gilman	McCrery
Buyer	Goodlatte	McDade
Callahan	Goodling	McHugh
Calvert	Goss	McInnis
Camp	Graham	McIntosh
Campbell	Granger	McKeon
Canady	Greenwood	McKinney
Cannon	Gutknecht	Metcalfe
Castle	Hall (TX)	Mica
Chabot	Hansen	Miller (FL)
Chambliss	Hastert	Moran (KS)
Chenoweth	Hastings (WA)	Morella
Christensen	Hayworth	Myrick
Coble	Hefley	Nethercutt
Coburn	Herger	Neumann
Collins	Hill	Northup
Combest	Hobson	Norwood
Cook	Hoekstra	Nussle
Cooksey	Horn	Oxley
Cox	Hostettler	Packard
Crane	Houghton	Pappas
Crapo	Hulshof	Parker
Cubin	Hunter	Paul
Cunningham	Hutchinson	Paxon
Davis (VA)	Hyde	Pease
Deal	Inglis	Petri
DeLay	Istook	Pickering
Diaz-Balart	Jenkins	Pitts

Pombo	Schaffer, Bob	Tauscher
Porter	Sensenbrenner	Tauzin
Portman	Sessions	Taylor (MS)
Pryce (OH)	Shadegg	Taylor (NC)
Quinn	Shaw	Thomas
Radanovich	Shays	Thornberry
Ramstad	Shimkus	Thune
Redmond	Shuster	Tiahrt
Regula	Skeen	Trafigant
Riggs	Smith (MI)	Upton
Riley	Smith (NJ)	Walsh
Rogan	Smith (OR)	Wamp
Rogers	Smith (TX)	Watkins
Rohrabacher	Smith, Linda	Watts (OK)
Ros-Lehtinen	Snowbarger	Weldon (FL)
Roukema	Snyder	Weldon (PA)
Royce	Solomon	Weller
Ryun	Souder	White
Salmon	Spence	Whitfield
Sanford	Stearns	Wicker
Saxton	Stump	Wolf
Scarborough	Sununu	Young (AK)
Schaefer, Dan	Talent	Young (FL)

## NOES—191

Abercrombie	Goode	Neal
Ackerman	Gordon	Oberstar
Allen	Gutierrez	Obey
Andrews	Hall (OH)	Olver
Baessler	Hamilton	Owens
Baldacci	Harman	Pallone
Barcia	Hilliard	Pascarell
Barrett (WI)	Hinchey	Pastor
Becerra	Hinojosa	Payne
Bentsen	Holden	Pelosi
Berman	Hooley	Peterson (MN)
Berry	Hoyer	Pickett
Blagojevich	Jackson (IL)	Pomeroy
Blumenauer	Jackson-Lee	Poshard
Bonior	(TX)	Price (NC)
Borski	Jefferson	Rahall
Boswell	Johnson (WI)	Rangel
Boucher	Johnson, E. B.	Reyes
Boyd	Kanjorski	Rivers
Brady (PA)	Kaptur	Rodriguez
Brown (CT)	Kennedy (MA)	Roemer
Brown (FL)	Kennedy (RI)	Rothman
Brown (OH)	Kennelly	Roybal-Allard
Capps	Kildee	Rush
Cardin	Kilpatrick	Sabo
Carson	Kind (WI)	Sanchez
Clay	Klecza	Sanders
Clayton	Klink	Sandlin
Clement	Kucinich	Sawyer
Clyburn	LaFalce	Schumer
Condit	Lampson	Scott
Conyers	Lantos	Serrano
Costello	Lee	Sherman
Coyne	Levin	Sisisky
Cramer	Lewis (GA)	Skaggs
Cummings	Lofgren	Skelton
Danner	Lowe	Slaughter
Davis (FL)	Luther	Smith, Adam
Davis (IL)	Maloney (CT)	Spratt
DeFazio	Maloney (NY)	Stabenow
DeGette	Manton	Stark
Delahunt	Markey	Stenholm
DeLauro	Martinez	Stokes
Deutsch	Mascara	Strickland
Dicks	Matsui	Stupak
Dingell	McCarthy (MO)	Tanner
Dixon	McCarthy (NY)	Thompson
Doggett	McDermott	Thurman
Dooley	McHale	Tierney
Doyle	McGovern	Torres
Edwards	McIntyre	Towns
Engel	Meehan	Turner
Eshoo	Meek (FL)	Velazquez
Etheridge	Meeks (NY)	Visclosky
Evans	Menendez	Waters
Farr	Millender	Watt (NC)
Fattah	McDonald	Waxman
Fazio	Miller (CA)	Wexler
Filner	Minge	Weygand
Ford	Mink	Wise
Frank (MA)	Moakley	Woolsey
Frost	Mollohan	Wynn
Furse	Moran (VA)	Yates
Gedjenson	Murtha	
Gephardt	Nadler	

## NOT VOTING—14

Armey	Hefner	Ney
Gilchrest	Hilleary	Ortiz
Gonzalez	Johnson, Sam	Peterson (PA)
Green	Lewis (CA)	Vento
Hastings (FL)	McNulty	

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Mr. MORAN of Virginia changed his vote from "aye" to "no".

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider is laid on the table.

## THE JOURNAL

The SPEAKER pro tempore (Mr. THORNBERRY). Pursuant to clause 5 of rule I, the pending business is the question of agreeing to the Speaker's approval of the Journal of the last day's proceedings.

Pursuant to clause 1, rule I, the Journal stands approved.

## TAX CODE TERMINATION ACT

Mr. BUNNING. Mr. Speaker, pursuant to House Resolution 472, I call up the bill (H.R. 3097) to terminate the Internal Revenue Code of 1986, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The bill is considered read for amendment.

The text of H.R. 3097 is as follows:

H.R. 3097

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. SHORT TITLE.

This Act may be cited as the "Tax Code Termination Act".

### SEC. 2. TERMINATION OF INTERNAL REVENUE CODE OF 1986.

(a) IN GENERAL.—No tax shall be imposed by the Internal Revenue Code of 1986—

(1) for any taxable year beginning after December 31, 2001, and

(2) in the case of any tax not imposed on the basis of a taxable year, on any taxable event or for any period after December 31, 2001.

(b) EXCEPTION.—Subsection (a) shall not apply to taxes imposed by—

(1) chapter 2 of such Code (relating to tax on self-employment income),

(2) chapter 21 of such Code (relating to Federal Insurance Contributions Act), and

(3) chapter 22 of such Code (relating to Railroad Retirement Tax Act).

### SEC. 3. NEW FEDERAL TAX SYSTEM.

(a) STRUCTURE.—The Congress hereby declares that any new Federal tax system should be a simple and fair system that—

(1) applies a low rate to all Americans,

(2) provides tax relief for working Americans,

(3) protects the rights of taxpayers and reduces tax collection abuses,

(4) eliminates the bias against savings and investment,

(5) promotes economic growth and job creation, and

(6) does not penalize marriage or families.

(b) TIMING OF IMPLEMENTATION.—In order to ensure an easy transition and effective implementation, the Congress hereby declares that any new Federal tax system should be approved by Congress in its final form no later than July 4, 2001.

The SPEAKER pro tempore. Pursuant to House Resolution 472, the amendment in the nature of a substitute printed in House Report 105-580 is adopted.