

S.J. Res. 1. A joint resolution proposing an amendment to the Constitution of the United States to require a balanced budget.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. PRYOR (for himself, Mr. GRASSLEY, Mr. REID, Mr. BRYAN, Mr. HATCH, Mr. BAUCUS, Mr. MURKOWSKI, Mr. BREAUX, Mr. NICKLES, Mr. EXON, Mr. COCHRAN, Mr. GLENN, Mr. COHEN, Mr. JOHNSTON, Mr. LOTT, Mr. KERRY, Mr. SMITH, Ms. MIKULSKI, Mr. SARBANES, Mr. SIMON, Mr. KYL, and Mr. DASCHLE):

S. 258. A bill to amend the Internal Revenue Code of 1986 to provide additional safeguards to protect taxpayer rights; to the Committee on Finance.

By Mr. INOUE:

S. 259. A bill for the relief of the Persis Corporation; to the Committee on the Judiciary.

By Mr. MCCAIN:

S. 260. A bill to provide for the protection of books and materials from the Library of Congress, and for other purposes; to the Committee on Rules and Administration.

By Mr. AKAKA:

S. 261. A bill to authorize the Secretary of Commerce to permit the use and occupancy of certain lands within the jurisdiction of the National Oceanic and Atmospheric Administration for recreational and public uses; to the Committee on Commerce, Science, and Transportation.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PRYOR (for himself, Mr. GRASSLEY, Mr. REID, Mr. BRYAN, Mr. HATCH, Mr. BAUCUS, Mr. MURKOWSKI, Mr. BREAUX, Mr. NICKLES, Mr. EXON, Mr. COCHRAN, Mr. GLENN, Mr. COHEN, Mr. JOHNSTON, Mr. LOTT, Mr. KERRY, Mr. SMITH, Ms. MIKULSKI, Mr. SARBANES, Mr. SIMON, Mr. KYL, and Mr. DASCHLE):

S. 258. A bill to amend the Internal Revenue Code of 1986 to provide additional safeguards to protect taxpayer rights; to the Committee on Finance.

THE TAXPAYER BILL OF RIGHTS II

Mr. PRYOR. Mr. President, I am very sorry my colleagues and chief cosponsor of the Taxpayer Bill of Rights II, Senator GRASSLEY of Iowa, has been detained. He is at the White House. I think later in the day he will speak on this subject matter.

Mr. President, over the past several years, there has been extensive debate over ways to achieve tax fairness for middle-income Americans. Proposals are most often costly, and very, very partisan. But there is one legislative package helping taxpayers, Mr. President, that transcends political boundaries and costs very little—we call it the Taxpayer Bill of Rights II.

So, as the debate once again heats up on ways to achieve tax fairness for middle-income Americans, I want to

draw attention to this legislation which will help bolster taxpayer confidence in dealing with the Government by ensuring taxpayers are treated fairly by the tax collector—the Internal Revenue Service.

Mr. President, many of my colleagues in the Senate today were not here in 1988 when Congress passed, and President Reagan signed into law, the first Taxpayer Bill of Rights. That bill was the first ever comprehensive piece of legislation enumerating the rights of taxpayers. For example:

The right of the taxpayer to be informed of their rights;

The right of the taxpayer to rely on written advice of the IRS;

The right of the taxpayer to representation; and

The right of the taxpayer to recover civil damages and attorneys fees from the IRS.

I might note that this particular legislation, the Taxpayer Bill of Rights, which was signed into law in 1988, was the very first piece of legislation throughout recorded American history that gave the taxpayers of America their due rights.

Mr. President, these basic, commonsense provisions were codified by the first Taxpayer Bill of Rights. The battle waged by a strongly bipartisan coalition for their codification was hard fought and their ultimate enactment was a giant first step for the American taxpayer. But the time is overdue to more fully develop and expand these rights.

Mr. President, the Taxpayer Bill of Rights II is the next natural step which builds on the first effort in 1988.

In 1992, I first introduced the Taxpayer Bill of Rights II with a considerable bipartisan backing of 52 of my colleagues. The bill passed Congress twice that year but was ultimately vetoed because it was included as part of two large tax bills with which President Bush did not agree.

Since these two bills were vetoed, the Senate has not had the opportunity to consider the Taxpayer Bill of Rights II. However, Mr. President, I believe the time is now to enact this legislation, and I am committed to work along side my friend and colleague Senator GRASSLEY to push taxpayer rights forward and in the coming months to look for additional ways to ensure the IRS treats taxpayers with respect.

Today, Senator GRASSLEY and I come to the floor, once again, with a strong bipartisan contingent in support of this bill—20 cosponsors—12 Democrats and 8 Republicans—a bill which builds on the foundation laid by the original Taxpayer Bill of Rights and is the next natural step in requiring the IRS to achieve higher standards of accuracy, timeliness, and fair play in providing taxpayer service.

The Taxpayer Bill of Rights II achieves these new standards through 27 provisions, including:

First, expanding the authority of the taxpayer advocate to prevent hardships on taxpayers.

Second, create the right in small taxpayers to an installment agreement, and further, rights when installment agreements are denied or terminated.

Third, require the IRS to abate interest when it has made an unreasonable error or delay, and enable the courts the power to review the interest abatement determination.

Fourth, increase the rights of taxpayers to recover civil damages against the IRS when it has acted negligently or recklessly.

Fifth, strengthen the code so a taxpayer may recover out-of-pocket costs incurred in a case in which the IRS position was not substantially justified.

Sixth, and, prohibit the IRS from issuing retroactive proposed regulations unless the Congress provides otherwise.

These are some of the examples of the 27 provisions that Senator GRASSLEY and our 20 cosponsors in the Senate in a bipartisan effort will bring to this body for action later in this session.

Mr. President, the Taxpayer Bill of Rights II contains many more commonsense provisions designed to safeguard the rights of taxpayers, and I believe, will work to instill some confidence into our system of taxation.

Mr. President, joining me later in the day, as I have mentioned, is my friend and colleague, Senator GRASSLEY. We worked very hard on these provisions in the past, and we look forward to our work in the future.

Let me name one other individual who has worked very, very hard in this field and that, of course, is Senator HARRY REID of Nevada.

Senator REID came from the House of Representatives to the Senate. Mr. President, one day I was presiding in the chair when the Democrats had control of the Senate. I noticed over to my far extreme right that Senator REID of Nevada was making his very first maiden speech in the Senate. And it was about taxpayers' rights. I, too, had been interested in this issue. I called for a page to come up, and I handed the page a note. I said, "HARRY REID, I want to work with you on this provision that you are so concerned about." Ultimately, Senator REID, Senator GRASSLEY, Senator LEVIN, and many of us worked through the course of that year in developing the Taxpayer Bill of Rights I, which was in fact signed into law.

So it has been a great pleasure and honor to have worked with these fine Members of the Senate, I must say in a very bipartisan way. As the Finance Committee continues its march of progress, let us say during the next several months, I look forward to the development now of Taxpayer Bill of Rights II and working with my colleagues on both sides of the aisle.

Mr. President, I think there are other Senators who seek recognition.