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Senate

The Senate met at 9:30 a.m., and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, whose love casts out fear, You are our refuge and strength, a very present help in times of trouble. We come to You for the replenishment of our souls. Grant us a profound experience of Your concern for each of us, as if there were only one of us, and yet, for all of us as we work together. Break down the walls we build around our souls. So often, we hold You at arm's length, usually when we need You the most. Make our souls Your home. Fill us with the security and serenity we need to face the challenges of this day. Bless the women and men of this Senate. Grip them with the conviction that their labors today are sacred and that they will be given supernatural strength, vision, and guidance. Thank You in advance for a truly productive day. Through our Lord and Savior. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, the distinguished Senator from Colorado, is recognized.

SCHEDULE

Mr. CAMPBELL. Mr. President, this morning the Senate will resume consideration of the Treasury-Postal appropriations bill. Senator ASHCROFT will be immediately recognized to offer his marriage penalty amendment. It is expected a motion to table the Ashcroft amendment will be offered after a reasonable amount of debate time. Following that vote, it is hoped that Members will come to the floor to offer and debate remaining amendments on the Treasury bill.

Upon disposition of the Treasury appropriations bill, the Senate may begin consideration of the foreign operations appropriations bill, health care reform, any other appropriations bills or conference reports as available, and any other legislative or executive items cleared for action. Therefore, Members should expect a late night session, with votes throughout the day, as the Senate attempts to complete its work prior to the August recess.

Finally, the leader would like to remind Members that the Senate will recess today from 12:30 until 2:15 to allow the weekly party caucuses to meet.

I thank the President and yield the floor.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. ENZI). Under the previous order, the leadership time is reserved.

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1999

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 2312, which the clerk will report.

The bill clerk read as follows:

A bill (S. 2312) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Thompson amendment No. 3353, to require the addition of use of forced or indentured child labor to the list of grounds on which a potential contractor may be debarred or suspended from eligibility for award of a Federal Government contract.

The PRESIDING OFFICER. Under the previous order, the Senator from Missouri, Mr. ASHCROFT, is recognized

to offer an amendment regarding the marriage penalty.

Mr. ASHCROFT addressed the Chair. The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Mr. President, in collaborating with my colleague, the Senator from Kansas, I have agreed with him that he would offer the amendment on the floor.

Mr. BROWNBACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

AMENDMENT NO. 3359

(Purpose: To amend the Internal Revenue Code of 1986 to provide that married couples may file a combined return under which each spouse is taxed using the rates applicable to unmarried individuals)

Mr. BROWNBACK. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Kansas [Mr. BROWNBACK], for himself, Mr. ASHCROFT, Mr. INHOFE, Mr. GRAMS, Mr. SMITH of New Hampshire and Mrs. HUTCHISON, proposes an amendment numbered 3359.

Mr. BROWNBACK. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert the following:

SEC. ____ COMBINED RETURN TO WHICH UNMARRIED RATES APPLY.

(a) IN GENERAL.—Subpart B of part II of subchapter A of chapter 61 of the Internal Revenue Code of 1986 (relating to income tax returns) is amended by inserting after section 6013 the following new section:

“SEC. 6013A. COMBINED RETURN WITH SEPARATE RATES.

“(a) GENERAL RULE.—A husband and wife may make a combined return of income taxes under subtitle A under which—

• This “bullet” symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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"(1) a separate taxable income is determined for each spouse by applying the rules provided in this section, and

"(2) the tax imposed by section 1 is the aggregate amount resulting from applying the separate rates set forth in section 1(c) to each such taxable income.

"(b) DETERMINATION OF TAXABLE INCOME.—

"(1) IN GENERAL.—For purposes of subsection (a)(1), the taxable income for each spouse shall be one-half of the taxable income computed as if the spouses were filing a joint return.

"(2) NONITEMIZERS.—For purposes of paragraph (1), if an election is made not to itemize deductions for any taxable year, the basic standard deduction shall be equal to the amount which is twice the basic standard deduction under section 63(c)(2)(C) for the taxable year.

"(c) TREATMENT OF CREDITS.—Credits shall be determined (and applied against the joint liability of the couple for tax) as if the spouses had filed a joint return.

"(d) TREATMENT AS JOINT RETURN.—Except as otherwise provided in this section or in the regulations prescribed hereunder, for purposes of this title (other than sections 1 and 63(c)) a combined return under this section shall be treated as a joint return.

"(e) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out this section."

(b) UNMARRIED RATE MADE APPLICABLE.—So much of subsection (c) of section 1 of such Code as precedes the table is amended to read as follows:

"(c) SEPARATE OR UNMARRIED RETURN RATE.—There is hereby imposed on the taxable income of every individual (other than a married individual (as defined in section 7703) filing a joint return or a separate return, a surviving spouse as defined in section 2(a), or a head of household as defined in section 2(b)) a tax determined in accordance with the following table:"

(c) CLERICAL AMENDMENT.—The table of sections for subpart B of part II of subchapter A of chapter 61 of such Code is amended by inserting after the item relating to section 6013 the following:

"Sec. 6013A. Combined return with separate rates.

(d) BUDGET DIRECTIVE.—The members of the conference on the congressional budget resolution for fiscal year 1999 shall provide in the conference report sufficient spending reductions to offset the reduced revenues received by the United States Treasury resulting from the amendments made by this section.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

Mr. BROWNBACK. Mr. President, the amendment we have offered would eliminate the marriage penalty, and that is an item of discussion we want to discuss this morning—the Senator from Missouri and myself. A number of people have been involved in this discussion. The Senator from Texas, Senator HUTCHISON, has been one of the leading proponents of this particular issue of doing away with the marriage penalty.

Our amendment to eliminate the marriage penalty, which is being cosponsored by Senator ASHCROFT, Senator INHOFE, Senator GRAMS, would reinstate income splitting and provide married couples who currently labor

under the onerous burden of our Tax Code with much needed relief.

Our amendment doubles the standard deduction for married couples. It is a very simple amendment. It doubles the standard deduction for married couples.

Currently, the single standard deduction is \$4,150, while the marriage standard deduction is only \$6,900. Our amendment would raise the standard deduction for all married couples to \$8,300, precisely double what it currently is for single people.

That is just the heart and soul—that is the guts of what this is about. We are trying to make the field the same for married couples as it is for singles. We think this will send a powerful signal to the institution of marriage that is central to family involvement in this country and saying that if you get married, we are not going to tax you more than if you are single living together.

That is the simple statement here. You ask people across the country, Is this a good thing to do? And they clearly say, yes. It makes no sense that right now we tax married couples, tax two-wage-earner families more than we do single individuals. This much needed amendment would provide hard-working American families with the tax relief they deserve but have not gotten from this Congress.

Over the past month, the Senate has considered several spending bills, bills which increase the size of Government and which call upon the taxpayers to yield even more of their personal income to the Federal Government.

As many of my colleagues know, during consideration of the budget resolution, I, along with several of my colleagues, Senator ASHCROFT, Senator HUTCHISON, Senator INHOFE, Senator SMITH, Senator GRAMS, called for larger tax cuts to be considered this year. Unfortunately, it appears with only a little amount of time left in this session that we are running out of time.

We have to put this issue forward now. We need to give the American taxpayers relief. We ought to have the integrity to keep our promises to the American people by eliminating the marriage penalty this session. The Senate leader has been very supportive of this effort. This is his top priority as well, to eliminate the marriage penalty. The American people sent us to Congress to lower taxes and to cut Government spending. And this Congress has gotten some of that done, but not enough. Clearly, we need to keep moving forward on tax cuts. Let us get our work done now and let us get it done for the American people.

Unfortunately, because we have failed to get a resolution that calls for elimination of the marriage penalty, I am offering this amendment, along with five of my colleagues, in order to give the taxpayers the relief they deserve.

Mr. President, at the appropriate time I will be calling for the yeas and

nays. I just want to make a point about what this amendment does. We currently have in our Tax Code that if you have a two-wage-earner family, and their combined income is between \$22,000 and \$70,000, you have what is called effectively a marriage penalty. You pay more tax if you exist in this category—a two-wage-earner family between \$22,000 and \$70,000—you pay more tax than if the two people would just live together. It is called the marriage penalty. It amounts to about \$150 billion over a 5-year time period that we are taxing people.

I have letters here, testimonials of people who said, "You know what? We were thinking about getting married, and then we couldn't because of the tax structure that was penalizing us for getting married."

Listen to this gentleman. He is from Columbus, OH, a gentleman by the name of Thomas, who I will leave out his last name.

Thank you so much for addressing this issue. I am engaged to be married and my fiance and I have discussed the fact that we will be penalized financially. We have postponed the date of our marriage in order to save up and have a "running start" in part because of this nasty, unfair tax structure.

There are two economists in this country who every year get divorced at the end of the year so that they can file separately and then are married the first part of the next year and then use the money to have a celebration with. Is that the sort of tax policy that we should have in America that encourages that type of situation to take place?

This is a lady from Alberton, MT:

My husband and I both work. We are 50 and 55 years old. This is a second marriage for both of us. We delayed our marriage for a number of years because of the tax consequences, and lived together. I caused a great deal of stress and lots of anguish amongst our family as this was not the way we were raised. We finally took the tax hit—

Listen to that—

We finally took the tax hit and married to make my family happy. This marriage penalty is awful!

That is from Alberton, MT, that that couple writes.

Is that the sort of thing we want to encourage our couples to be a part of or to have that sort of difficulty? I just don't think so.

This one from Iowa: "I think the marriage penalty is an outrage, yet another way the government stops us from being moral citizens." Can you believe that? They are writing, it "stops us from being moral citizens."

"I really hope this bill passes. I'm taxed enough as it is. I don't mind paying taxes, but enough is enough." That is Joe from Des Moines, IA, writing that.

This from Wichita, KS, my home State: "I appreciate you helping me and millions of other Americans." And I should mention, this affects 21 million American families—21 million American families—many of them just getting started as family members. "I

appreciate your helping me and millions of other Americans who are struggling to keep their families together. I work full time for county government. My wife is a stay at home mom who works. I have four children and it is a challenge to pay the bills but we still do it. It would help us if the government helped us and killed the marriage penalty. A fair tax system would certainly be helpful to us."

They go on and on. I have pages of people who are writing in about the marriage penalty and the impact that it has had upon them. Listen to this from Union, KY: "Before we set a wedding date, I calculated the tax implications. Since we each earned in the low \$30,000s, the Federal marriage penalty [was how this gentleman cited it] was over \$3,000. What a wonderful gift from the IRS." Are those the sort of gifts we want to send?

This is from Indiana: "I can't tell you how disgusted we both are over this tax issue. If we get married, not only would I forfeit my \$900 refund check, we would be writing a check to the IRS for \$2,800. Darrell and I would very much like to be married and I must say it break our hearts to find out we can't afford it." Can't afford to get married, thanks to the marriage penalty.

From Ohio: "I'm engaged to be married and my fiance and I have discussed the fact that we will be penalized financially."

Here is from Baltimore, MD: "I am a 23-year-old, a marriage penalty victim for 4 years now. I'm a union electrician who works hard to put food on the table to take care of my family." Then he asks a simple question: "Why is the government punishing me just because I'm married?"

That is a simple question that Senator ASHCROFT from Missouri and I and a number of other people ask who want to do away with this most onerous, wrongheaded, bad signal of a tax. That is the marriage penalty. That is why we are putting this bill forward here today, to deal with this particular situation. It is time we do it.

I want to address one other topic on this before allowing other Senators to speak, because I know a number want to address this particular issue; that is, whether or not we can pay for this issue. Let me say simply we can pay for this issue and wall off all the payments coming to Social Security that are in surplus for Social Security. You are going to hear a number of people attacking from the other side, saying we cannot do this because it will take from Social Security. Then they try to pit Social Security against marriage. It is a false choice.

We can preserve the entire flow of resources going to Social Security, the entire payroll tax, and do this marriage penalty lifting, which ought to be done for a positive signal and for the working families of this country.

CBO last week said we had \$520 billion surplus they projected over the

next 5 years—\$520 billion. We are talking, with this particular marriage penalty, just over \$151 billion. So about \$1.5 out of \$5. Any surplus that is coming into Social Security we wall off and we say that should go to Social Security, and we can do it. Do not listen to the other side saying we are taking from Social Security to deal with the marriage penalty. We are not. We don't have to do it that way. We are not doing it that way. I do not support doing it that way.

We support keeping Social Security safe and sound, and any flow of resources into Social Security stays in there. We should create a real trust fund and actually put the resources there. We can and we should. I believe we must, for the foundational institution of this democracy, the family, and particularly the marriage, do this repealing of this marriage penalty that penalizes two-wage-earner families making between \$22,000 and \$70,000. Many of those are newlywed, starting a family, with young children involved. This involves 21 million American families. It is time we do away with this terrible tax penalty.

At a later date, I will respond to some of the accusations I think will probably be coming from the other side. The Senator from Missouri, Senator ASHCROFT, has been a key champion of this particular issue, as I have noted, and a number of other people have as well, including Senator HUTCHISON of Texas, and I know they want to speak on this particular issue.

I yield to the Senator from Missouri on this particular amendment.

Mr. ASHCROFT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAMPBELL. Mr. President, I ask unanimous consent the following be the only amendments in order, other than the pending amendment to the pending legislation, subject to relevant second-degree amendments. The list has about 56 amendments on it, and with Senator KOHL's approval, I will submit the list rather than going through the reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The list is as follows:

Campbell—Relevant.
Lott—Relevant.
Lott—Relevant.
Faircloth—Sense of the Senate breast cancer stamp.
Faircloth—Exchange stabilization.
DeWine—Abortion Federal health plans.
DeWine—Customs drug interdiction.
B. Smith—Employee benefit programs.
Mack—Immigration.
KB Hutchison—SEHBP.
Jeffords—Postal location.
Ashcroft—Marriage tax.

Brownback—2nd degree to Ashcroft.
McConnell—Relevant.
Domenici—Fed. law enforcement training center.
Coverdell—Fed. Law Enforcement training center.
Abraham—Family impact statement.
Jeffords—Fed. contractor retirement report.
Stevens—Duty free stores.
Stevens—Relevant.
Mack—GSA land conveyance.
Jeffords—Child care.
Thompson—Federal regulatory programs.
Hatch—Relevant.
Gramm—Relevant.
Managers package.
Lott—Relevant.
Lott—Relevant.
Lott—Relevant.
Baucus—Post office locations.
Bingaman—Relevant.
Bingaman—HIDTA.
Bingaman—Relevant.
Byrd—Relevant.
Byrd—Relevant.
Cleland—FEC—independent litigation authority.
Cleland—FEC—7th member.
Cleland—FEC—fully fund.
Conrad—High intensity drug trafficking.
Daschle—Relevant.
Daschle—Relevant.
Daschle—Internal Revenue Code.
Daschle—Internal Revenue Code.
Daschle—Internal Revenue Code.
Dorgan—Canadian grain.
Dorgan—Advisory cmte intergovernmental relations.
Feingold—Relevant.
Feingold—Relevant.
Feingold—Relevant.
Glenn—\$2.8 million FEC—offset GSA.
Graham—Haiti.
Graham—HIDTA.
Graham—Counter drug funding.
Harkin—Environmental preferably products.
Harkin—Drug control.
Kohl—Managers amendment.
Kohl—Relevant.
Kohl—Relevant.
Kerrey—Sense of the Senate: Priority on payroll tax cuts.
Lautenberg—Sense of Congress.
Reid—Contraceptives.
Wellstone—P.O. designation.
Wellstone—Relevant.
Wellstone—Relevant.
Wellstone—Relevant.
Mr. CAMPBELL. I yield the floor and I suggest the absence of a quorum.
The PRESIDING OFFICER. The clerk will call the roll.
The bill clerk proceeded to call the roll.
Mr. ASHCROFT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.
The PRESIDING OFFICER. Without objection, it is so ordered.
Mr. ASHCROFT. Mr. President, I rise to support this amendment, the Brownback-Ashcroft amendment, to eliminate the marriage penalty in the Tax Code. I do so with a sense of enthusiasm.
As I have had the opportunity to engage citizens in my home State of Missouri, or whether I am in some other location, I have found, and I do find on a regular basis, that people understand that the most important component of this culture is not its Government in

Washington, DC. It is not even the governments that we find in the State capitals of the United States. The best and most important component of governing America is to be found in families. As a matter of fact, I had the privilege of saying on this floor several weeks ago that if moms and dads in America can do their job, governing America will be easy. But if moms and dads in America can't do their job, governing America will be impossible.

I think this is an understanding that we share and is shared from Boston to Brooklyn to Bozeman. It doesn't matter what town you are in, people understand that the future, the success, the survival of this Republic in the next century is probably more related to whether or not we have successful families than any other single component of what happens in this society. Sure, it is important what we do in Congress. Sure, it is important what happens on Wall Street. But what happens on Main Street and on Elm Street and in the subdivisions of America where families exist, where families work to transmit values from one generation to the next, in an institution which has long been revered and always will be revered, an institution which shapes the character of our culture—that is what is truly important.

As I rise to support this amendment that would eliminate the attack on the family that is leveled by our Tax Code, I do so with a sense that this elimination is long overdue. If we really want to be successful in the future—and I think that is the business of government, helping create an environment in which individuals can succeed and in which institutions can succeed—there are lots of reasons to think we are here. But I think we simply want to build a setting in which we have the right conditions for people to flourish, for people to grow, for people to reach the maximum of the potential that God has placed within them. If we are going to do that, we need to do things that encourage structures like the family, instead of attack structures like the family.

The marriage penalty attack is really not just on the family, but it attacks the core institution of the family. A marriage is what a family is built around. It is built on the durable, lasting, legally sanctioned, and enforced commitment of individuals to be together and to help each other as long as they live. There aren't very many things that work that way in our culture. There are a few things they claim to have lifetime guarantees on, and the like. But I don't think there are any institutions that are quite as lasting and helpful, which really strengthen our culture as effectively as families do.

You can get products that say they are guaranteed for life. I was amused by the fellow who said he was running a parachute company. Somebody asked, "Are they any good?" He said, "We guarantee them for life." I don't

know if we would be particularly impressed with that. But the family is focused on and built on marriage, which is designed to be a lasting, durable relationship, sanctioned by law. I think we should do what we can to foster it, since it is most likely to be the thing that provides the basis for our success. This isn't something new, as a matter of fact, in our culture.

America hasn't been great because we had great government or because we had great business; we have had greatness in America because of the hearts of the people. Alexis de Tocqueville, about 160 years ago, came here from France to try to assess what is it about this country that makes it dynamic, that makes this country something that is catching the eye of the entire world. He wrote back—and I have to paraphrase—that he didn't find the greatness of America in the Halls of Congress, but he found it in the homes of the people. He didn't find it in politics; he found it in pulpits. He was really saying that the greatness of America is something that is resident in the values and character of America. He focused on the fact that that happens down beneath the big, overarching concerns of Government, found in the institution that is singularly identified as the most important institution in our culture—the family.

So it is no wonder that people raise their eyebrows when they finally learn what is happening to the family as a result of the Tax Code. I support this effort to eliminate the penalty that the Tax Code imposes on people when they get married. I commend the Senator from Kansas for his outstanding recounting and relating the individual details of the couple from Montana and another couple from Indiana, and different people around the country, who have written to say, for goodness' sake, stop penalizing us and making it impossible for us to really make the kind of marriage that we want to have, making Government attack marriage through the Tax Code.

Frankly, American policy should reflect the principles of the American people. It is time, instead of our policy attacking the principles, to reinforce the principles. One principle is that we don't want to say to people: Don't get married. We don't want to say that we will make it more expensive to get married, we will fine you or penalize you. We want to say: Look, we think marriage is a good thing, and we understand that the values that are transmitted in marriages, the character that is formed there, is the basis for societal success, not only in this but the next century. We want to encourage it.

So it is time for us to get out our eraser, if you will, and to return America to a tax policy that does not discriminate against marriage. I say "return" America, because we haven't always had a discriminatory policy against marriage. But the marriage penalty began to creep into our tax law a couple of decades ago. Its onerous,

negative impact on this most important institution is really a scar on the body politic, and it is a wound that we can ill afford to allow to deepen. We must close this wound and restore this culture to the kind of health that has made America great.

Last April, a group of like-minded Senators and I, including the good Senator from Kansas, Senator BROWNBACK, and others, stated our intention to oppose the Senate's budget resolution, unless meaningful tax cuts were added. We have noted that the United States of America is now charging people to live here more than we have ever charged people to live here before—the highest tax rates in history. Our Government is charging more. We are taking more of people's money for Government, leaving less of people's money for themselves and their families than ever before in the history of the country.

For some, I guess, who like Government and prefer not to make their own decisions about how they live and want to have a bureaucrat buy for them what is to be purchased in the less than efficient system known as "Government," that might be OK. But to me, I am shocked. Why in the world should we be paying the highest taxes in history when we are not at war? As a matter of fact, the highest taxes have not even gone to support defense. I think a number of us are a little bit alarmed about the condition of the Nation's defense. We have slashed the defense budget. We have curtailed it immeasurably to the point where I am not sure we are ready to prepare ourselves. We have skyrocketed other bureaucratic spending in Government. While we have slashed the spending of the defense establishment, we have also slashed the capacity of families to spend their own money. So we are rocking along at the highest tax rates in history, and it is peacetime.

So last April, a group of us said we were not going to vote for a budget from this Senate, unless we put meaningful potentials for tax relief in that budget. We were promised that eliminating the marriage penalty would be the Senate's top priority for 1998. The leadership of the Senate promised us we would not only have an opportunity to try to reduce taxes substantially and significantly—not the \$30 billion gesture over 5 years—incidentally, \$30 billion over 5 years would buy about one cup of coffee per month per person, if you left a little tip. That is really not tax relief.

So here we are; today is July 29 and there are only 31 legislative days left in the session. Yet, we are not any closer to giving the American people tax cuts than we were 3 months ago. I have led the mini revolt against the budget in order to get real potentials for tax relief on the table. I believe it is time for us to say we need real tax relief, and the marriage penalty would be the brightest and best opportunity to provide tax relief that not only reduces

taxes, but it would begin to align the policy of the United States with the principles of the American people. Of course, that embracing principle that everybody understands is the need for strong families.

Now, to add insult to injury—I don't know whether it is an insult or not—but the Congressional Budget Office came out with new numbers on the projected Government surplus. Here the Senate had agreed that we would do \$30 billion, maybe, in tax cuts. The Congressional Budget Office just announced in the last 10 days that the projected surplus is over \$520 billion. Wait a second—\$30 billion to let the people have, which they earned, and we were going to take the other \$490 billion and spend it, in spite of the fact that we were already taxing people at the highest rates in history. I wonder about that.

So we have come forward today. I thank Senator BROWBACK and Senator HUTCHISON for sponsoring this kind of legislation. I am honored to be a person who is helping organize this approach to say we need substantial and significant tax relief. We are not asking that we take the entire \$520 billion. We are not even asking that we take a majority. But we are asking that at least the onerous affront to the values of the American people, this attack on marriages, be taken from our Tax Code.

It would cost about \$151.3 billion, I think, to do this over 5 years. So, if you subtract that from the \$520 billion, you could figure out that you still have about \$360 billion over the next 5 years. That is an amazing sum.

We are not even asking for 1 out of 3 dollars, or what would be equivalent to 1 out of 3 dollars, of the surplus to say leave it in the pockets of people who work hard to earn it. Don't sweep that money away to be spent by the bureaucracy. And, for heaven's sake, let's not send a signal to people, don't get married in this culture, don't begin to form the basis for this most important institution of America. We need to say, indeed, we want marriages; we want intact families; we want the lasting, durable—yes, legally recognized—formal commitments of marriage upon which to build our family.

We stand here at the end of July on the heels of a month-long recess coming up in August. And there is a real possibility that Congress will not pass a budget reconciliation and will not deliver on the tax cut that was promised to the American people. We ought to shout at the top of our lungs, "No, no." We do not want to miss this opportunity, with this substantial capacity in our system, to begin to grant relief to the people, especially to have a cease-fire on American marriages. It is time for us to declare peace instead of declaring war on the principles of the American people when it comes to tax policy. We need a tax policy that represents the people's principles. Let's declare peace in terms of our policy on marriage.

Mr. President, our society has affirmed the importance of marriage and family for a long time. Most Americans would agree that persistent, durable marriages and strong families are absolutely necessary if we are to succeed as a nation in the 21st century. Yet, for 30 years—nearly 30 years—in the last three decades politicians have idly watched as the Federal Income Tax Code has systematically penalized millions of people for having been married. In fact, this last year, 42 million married taxpayers collectively paid \$29 billion—that is with a "b," not with an "m"—\$29 billion more in taxes than they would have paid had they been single.

I find it important for me to once in a while review what \$1 billion means.

We all know that \$1 million is a lot of money. One billion dollars is 1,000 million dollars. So we have 29,000 billion dollars in tax penalty because people are married. When you boil that down to what it means to the average marriage penalty for a family what this tax anomaly, this tax assault, is, it turns out that is about \$1,400 per family. I have to say that is about \$1,400 of after-tax income. If you relieve them of that, that is actually spendable money. In order to have a spendable result of about \$1,400 of more money for a family to spend, I think you have to allow in terms of a salary of about \$2,000. So this would give those families about a \$2,000 increase in their wages, or about \$1,400 in spendable income.

Or, another way, that is well over \$100 a month that families could either add to their payments for better housing, they could add to their budget for better nutrition, they could add to their clothing budget so that their children could be better clothed and that they could be better clothed. This is \$1,400 they could use to promote things that are beneficial to the community.

Yet here we have this marriage penalty that sweeps that \$1,400 right off the kitchen table at budget time merely because these individuals are married.

I believe this marriage penalty is a grossly unfair assault on the bedrock of our culture and civilization. As a matter of fairness, principle, and public policy, Congress should put an end to the Tax Code discrimination against marriage. The marriage penalty exists today because Congress legislated ill-advised changes to the Tax Code in the late 1960s. Fortunately, eliminating the marriage penalty simply requires Congress to amend the code.

I want to just mention that the marriage penalty tax has a pretty substantial negative impact on women. It hurts marriages when their income is equivalent to their husband's income. When their income is equivalent, it hurts them most of all. We enact policies to help women in the workplace, yet we have a Tax Code which penalizes those women once they earn income that is comparable to that of their

spouse. There is significant evidence that such tax consequences have a direct impact on women's labor participation choices. People make judgments based on these taxes.

We have already heard from our good friend, the Senator from Kansas. As a matter of fact, he stated that single people are living together in a way that many of them feel bad—disappointed their families, set bad examples for the communities—and they didn't want to do this.

The amendment which Senator BROWBACK, Senator GRAMS, and Senator INHOFE, Senator SMITH of New Hampshire, and Senator HUTCHISON have proposed would eliminate the marriage penalty. And, of course, I am proposing it with them by allowing husbands and wives to split incomes as equivalent and filing as if both were single.

Over the next 5 years, the Federal Government is expected to collect \$9.6 trillion in revenues. Eliminating the marriage penalty will reduce that total by 1.6 percent, and that is less than a third of the projected surplus. That is, the surplus is expected to be \$520 billion. That is money in excess of what we expect to spend. If we continue to make plans to spend it, we ought to make plans to give it back at least to curtail the marriage penalty.

There is no excuse for withholding tax relief from American families, especially tax relief that is necessary to allow them to continue to be American families. We have no reason to continue to punish Americans with a Tax Code that is designed to make it tough for them to be family. For years Washington has told taxpayers, "You send it, we spend it." We ought to change that. It is time for a new message to be sent to America. It should be, "You earned it, we returned it."

I rise today to say that I find it unconscionable that the policy of the United States would be an assault on the principles of the American people, especially a sacred principle of American families that are built on the core institution of marriage, and that this Government, frankly, should hang its head in shame to think that it has agreed to spend the money of individuals and that it would not provide relief from this war on the principles of America called the "marriage penalty."

In my judgment, we have but one alternative, especially in the face of the kind of projected surplus which we have before us. That opportunity is to say that we are going to declare peace when it comes to the American family, and we are going to tell people that, "We will not penalize you any longer because you have chosen to be married; as a matter of fact, we are going to provide a way for you to enjoy the same kind of treatment under the Tax Code that you would have if you were to have remained single."

The end of the 105th Congress is coming quickly upon us. I call upon my

colleagues to join me for the elimination of the marriage penalty once and for all.

Mr. BROWNBACK addressed the Chair.

The PRESIDING OFFICER (Mr. SANTORUM). The Senator from Kansas.

Mr. BROWNBACK. Mr. President, I ask unanimous consent that Senator FAIRCLOTH be added as a cosponsor to this.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROWNBACK. Mr. President, I want to give a couple of facts and some figures that I think are important to have.

The average marriage penalty in this country for people who are paying the marriage penalty is just over \$1,400 a year; \$1,425 a year is the average amount that families are paying for the marriage penalty in America. I think that is just far too high.

It may not seem like a lot to some people. But in paying electric bills, you could pay an average one for over 9 months. For some families, it would pay for a week-long vacation at Disneyland. It would make four payments on a minivan. You can go out to dinner, buy over 1,000 gallons of gasoline, you can buy over 1,200 loaves of bread. Those are important things to do with \$1,425.

I want to show this chart to my colleagues as well. There are some who suggested last time when we entered into this debate that there is also a marriage bonus, and that if you will do away with the marriage bonus, we will do away with the marriage penalty. I have no problem whatsoever giving a bonus to people who are married. I think that we should honor this institution, and if they want to propose raising taxes on people who are married, they can go ahead and do so. I oppose that.

But I want to show who it hits. Again, you are talking about the highest proportion of the marriage penalty going to those families when the higher-earning spouse is making somewhere between \$20,000 and \$75,000. These are middle-income, a lot of times just starting to be wage-earner families, and it hits two-wage-earner families as well. These are the people that we should be trying to help out the absolute most. I just find it a completely wrongheaded policy, at a time when we are struggling so much in this country with the set of values we are putting forward, to say we are not only going to not help people making between \$20,000 and \$75,000, or are just starting a family, we are actually going to tax them, we are going to tax them more.

Mr. ASHCROFT. Will the Senator yield?

Mr. BROWNBACK. Yes, I yield.

Mr. ASHCROFT. It occurs to me you said this has its most substantial incidence in young families where people are getting started, both individuals working.

Mr. BROWNBACK. That is correct.

Mr. ASHCROFT. Is the Senator aware that when they interview people about family problems, and when families break up, that there is a high incidence of correlation between families that are overstressed economically and those that do not make it to last as families?

Mr. BROWNBACK. I thank the Senator from Missouri for the question. Absolutely. You hear that in any number of cases where people are breaking up, frequently the No. 1 cited problem is financial stress. But it then embellishes and builds into further stresses on them.

Mr. ASHCROFT. So if the average marriage penalty is \$1,445 a year, you wonder about how many marriages might actually survive if the Government were not in there with its bureaucratic hand, extracting an extra \$1,445 a year. You wonder in how many marriages the stress would be relieved enough that some of that financial friction that eventually sometimes flares into the flame which consumes the marriage, and burns down the house, could just be avoided.

Mr. BROWNBACK. The Senator raises a good consideration. We don't know the number of marriages that would be saved. But we do know that a lot of times people know this tax is on them. I think too many times my colleagues think people don't really know this tax exists on them, and that it exists there, but it is not a real tax, it is not one that anybody cites to. But we found, time and time again, people act rationally. They act economically rationally. So if you send a signal that you are going to tax something, they will do less of it. And if you send a signal you are going to subsidize something, they do more of it. So we tax marriage, and what do you think happens in that type of situation where you put more financial pressure on the family? The \$1,445 is the average. There are some that are taxed substantially more.

I read to my colleagues, and the Senator from Missouri, letters from a number of people who have written in and said, "I cannot believe you guys would talk about family values, all of you, everybody saying that families are critical, families are important, yet here is such a classic example of where you are penalizing the family, and it still exists, and you guys are still talking about family values."

One thing I am very pleased about is the majority leader, TRENT LOTT, has been a strong proponent of doing away with this marriage penalty because he knows the importance of what this is about. He knows people act economically rationally and is supportive of this debate and is supportive of our efforts to try to get the marriage penalty done away with. I think it is important, and he has cited to it as well. This is not for high-wage-earning families, I point out to my colleagues as well. We are talking about hitting families the most where the highest earn-

ing spouse earns somewhere between \$20,000 and \$75,000. That is important.

Just because some of these testimonials are so touching, I want to read some more of them to my colleagues, because I think they are very, very telling. This is not just about statistics. This is not just about economists saying this has an impact. This is about real people looking at their real situation of real taxes they are paying. Listen to this one—Steve from Tennessee:

My wife and I got married on January 1, 1997. We were going to have a Christmas wedding last year, but after talking to my accountant, we saw that instead of both of us getting money back on our taxes, we were going to have to pay in, so we postponed it. Now, after getting married, we have to have more taken out of our checks just to break even and not get a refund. We got penalized for getting married.

And then he says something that I think is prophetic and simple and straightforward. He just says, "... and that is just not right."

That is our point with this tax. We have the wherewithal to pay for it in the surplus. We will not touch Social Security surpluses coming into it. And this tax "is just not right."

Here is one from Dayton, OH:

Penalizing for marriage flies in the face of common sense. This is a classic example of government policy not supporting that which it wishes to promote. In our particular situation, [he gives us his own situation] my girlfriend and I would incur a net annual penalty of \$2,000, or approximately \$167 per month. Though not huge, this is enough to pay our monthly phone, cable, water and home insurance bills.

We may sit here and look at this and say \$2,000 a year, \$167 a month, that is not a big deal—it is a big deal. It is a big signal we are sending to families that we are going to tax you and penalize you if you decide to get married. People act economically rational. They are going to look at this and they will understand it. They will also act economically rational if we say we are doing away with this marriage penalty. We think this is a bad tax, bad tax policy. It is not a place that we ought to tax, and they will act rationally there as well, and it sends a signal to families.

This is one I thought was excellent, from Marietta, GA.

We always file as "married filing separately" because that saves us about \$500 a year over "married filing jointly." When we figured our 1996 return, just out of curiosity, we figured what our tax would be if we lived together instead of married. Imagine our disgust when we discovered that, if we just lived together instead of being married, we would have saved an additional \$1,000. So much for the much vaunted "family values" of our government. Our government is sending a very bad message to young adults by penalizing marriage this way.

That is from Bobby and Susan in Marietta, GA.

Is that the sort of signal we want to send? Listen to this one from Ohio:

No person who legitimately supports family values could be against this bill. The

marriage penalty is but another example of how, in the past 40 years the federal government has enacted policies that have broken down the fundamental institutions that were the strength of this country from the start.

That is Thomas from Ohio that writes that in.

I have studies here. We have Joint Economic Committee studies of the impact of a marriage penalty. We have studies from other institutions, citing about the marriage penalty. None of them could put it more succinctly than Thomas has right here: "This is but another example of a policy that has broken down the fundamental institutions that were the strength of this country from the start."

Let us hear the people. Let us hear their cry. Let us hear them say what they are saying to us, that this is a wrongheaded idea, what we are doing.

This one, David from Indiana:

This is one of the most unfair laws that is on the books. I have been married for more than 23 years and would really like to see this injustice changed [And then he says, not for himself, but, he says] so my sons will not have to face this additional tax. Please keep up the great work. We need more people in office who are interested in families.

Then this one from North Carolina:

It is unfortunate that the government makes a policy against the noble and sacred institution of marriage.

Here is somebody, Andrew from North Carolina, who is looking at his Federal Government and he says:

It is unfortunate the government makes a policy against the noble and sacred institution of marriage. I also feel it is unfortunate it seems to hit young, struggling couples the hardest.

Let us hear the people. Let us hear their sense of what they are saying about this particular situation, about this particular tax that is in place.

This gentleman, Michael from California:

I believe a majority of families do not realize the government is stealing from them because of this marriage penalty and indirectly has created this pressure to have both parents work to get by and pay for their family's future. This indirectly is driving a wedge between families.

Michael in California.

I disagree with the first portion of it, where I think the families do know about this, but in the last portion of it he is saying, "This indirectly is driving a wedge between families."

I think anybody here on this floor, if you ask people about this particular bill, "Do we want to drive a wedge between families?" There would be 100 Senators here saying "No, we don't want to drive a wedge between families."

That being the case, then why aren't we doing something at this point in time when we have a chance to deal with this particular issue?

Mr. President, I want to cite some of the studies in case people think we are just citing the people calling in who want a tax cut.

I have a Joint Economic Committee study, "Reducing Marriage Taxes,

Issues and Proposals," that talks about the various bills that are put forward within the marriage penalty. What we are talking about is putting in income-splitting proposals. They are similar.

This is the study on page 10, ". . .to optional filing because they adjust for differences in the tax schedules between single and joint filers." This is the Joint Economic Committee report.

However, the proposals differ from optional filing because they make no distinction regarding the division of income between spouses. In other words, couples are treated as if each spouse earns half of their total income regardless of which spouse actually generates that income. Income splitting would, therefore, provide all couples with the most favorable tax treatment by effectively treating them like two singles with a 50-50 income split. This favorable treatment would reduce taxes for nearly all married couples. Couples with equal incomes would receive equal tax cuts, thus maintaining horizontal equity.

Moreover, income splitting would create marriage bonuses for most couples and increase bonuses for couples already receiving them, including one-earner couples. Thus, the proposals reduce marriage neutrality by [they are saying] heavily favoring marriage.

This is in the study they are putting forward. They are saying, "OK, we are going to create a positive situation for some and we are going to do away with disparity for others."

I say, Mr. President, this is a good thing. This is the sort of thing that we ought to do in doing away with this marriage penalty, and this is according to the Joint Economic Committee study that we have.

I showed you the chart earlier about the differences between marriage penalty and bonuses. What we are trying to get at is this zone of people making between \$20,000 and \$75,000 and just do away with the marriage penalty. That is a good thing, and that is the signal we ought to send.

Mr. ASHCROFT. Mr. President, will the Senator from Kansas yield for a question?

Mr. BROWNBAC. I will be happy to. But first I ask unanimous consent that Senator ABRAHAM from Michigan be added as a cosponsor to this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROWNBAC. I will be happy to yield for a question.

Mr. ASHCROFT. I wonder if the Senator from Kansas is aware of the fact that among people who are concerned about the culture, they have not only been concerned about families that are dissolved, and the divorce problem that we have, but the absence of family formation, the fact that there are lower rates of marriage than people had anticipated, than we have had in the past. I wonder, if given that situation, which individuals who have studied our culture are concerned about, I wonder if the Senator from Kansas might comment on whether or not the fact that we have a penalty on a number of people taxwise if they enter a marriage, if that might affect this challenge to our

culture where we have had lower rates of individuals getting married?

Mr. BROWNBAC. I appreciate the question, and I think it is absolutely right on target that we are having a reduction in family creation. If you ask people in this body is that a good thing to have taking place, they would say no. We need to have more families, not less families, and part of the problem with government is we have had to create more and more government doing more and more things because we have fewer and fewer families proportionally doing less and less things.

If there is anything that we have been about, it is trying to reestablish a sense of family and values and virtues in this culture, and everybody agrees with that. Here you have a direct policy that is hurting creation of families, hurting creation of that foundational unit within a society and culture, that if it is weakened, the Government is weakened; if it is stronger, the Government is going to be stronger, too, because you have that foundational unit.

You can't create enough police forces or militaries or welfare institutions to take the place of the family. We have had a decline percentagewise in the creation of cohesive family units. This policy contributes to that of having a marriage penalty. The removal of that policy would help in the other direction of creating a family unit together.

I might note to the Senator from Missouri and to my colleagues, when we were looking at the welfare reform debate, we were very concerned about what has happened to our families and saying, "Are we sending the right signals or wrong signals to family creation?" We decided we were sending the wrong signals and we needed to change them to the right signals.

Do you know what is taking place? In my State of Kansas, we have a reduction in welfare rolls of 50 percent. I have met with a number of people who are off welfare now who were on welfare. I asked them, "What do you think of the changes we did?" And they said, "Thank goodness you did it. Welfare, to me, was like a drug. I got hooked on it. I got addicted to it, and you said, 'If you can work, you have to work, and we are going to let the States decide if we are going to subsidize additional children born out of wedlock.'"

They were thanking me for forcing them to do something that they needed to do. That was a policy signal that we sent from the Government. For many years we said if you don't want to work, you don't have to work; if you can work and you don't want to work, you still don't have to work; if you want to have more children out of wedlock, fine, we will pay you for doing that.

We said, "No, no, no, if you can work, you need to work." Here let's support marriage.

Mr. ASHCROFT. Will the Senator yield for an additional question?

Mr. BROWNBAC. Yes, I yield.

Mr. ASHCROFT. It occurs to me what you are saying, because families

have begun to replace welfare in a number of settings, they have done a better job and people are becoming independent; that the number of people on welfare is going down, and when the number of people on welfare goes down, the cost to government goes down.

It seems to me that as these costs go down, when families begin to do their jobs and do them well, we ought to share some of the reduced costs of government with families by reducing the cost of families so that we can actually—and I wonder, if you will agree that since families are helping us reduce the cost of government by reducing the cost of welfare, if you agree that it might be appropriate for us, given the fact that families are helping us in this respect, to say to families, “and thank you very much, and we would like to reduce your costs now that you are helping us reduce ours.”

Mr. BROWNBAC. Thank you for the question. My guess is—and we ought to probably have an economic study done on this—that for every dollar we help out the families, we probably get \$10 in reduction of costs to the government. I don't have that based upon studies, but I do have that based upon personal experience of families reaching out and how much more effective they are with heart and soul and arms that can hug and love instead of a cold government check that really doesn't do anything other than make people hooked to it. We need to support, and we need to encourage that.

Mr. President, I will continue to have additional people wanting to be added as cosponsors. Senator LOTT has asked to be added as a cosponsor to this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROWNBAC. Thank you very much. Mr. President, these are commonsense issues. They are commonsense results of what we need to have. If we support marriage, if we support the family, we will have less cost to government. This is a good thing. This is something we ought to support. It is something we ought to readily do. It is something that should pass with 100 votes.

We will shortly have a chance to vote on this particular issue. Whether we get a vote directly on it or we vote on a motion to table, I am asking my colleagues to support us in this effort to do away with the marriage penalty when this comes up. It is not taking the entire surplus of the \$520 billion that the CBO is now projecting. It would actually score CBO \$151.3 billion. I support walling off Social Security for flow of payments for Social Security. This is a statement of marriage to families. We don't have to pay a Social Security against marriage. We don't have to do this.

I support what the President has been saying, “Let's keep Social Security to Social Security. Let's create a real trust fund.” We have real problems there. We also have real problems in

marriage. We also have real problems with families in this country. We can do this.

Mr. President, \$1.50 of every \$5 coming in on the surplus would address this marriage penalty that is a horrific signal we are sending out to the country right now, that we would actually tax marriage more.

Perhaps this is getting somewhat long with people when they keep hearing from folks. These are the commonsense responses from people across country.

A gentleman in Texas:

If we are really interested in putting children first, then why would this country penalize the very situation—marriage—where kids do best? When parents are truly committed to each other through their marriage vows their children's outcomes are enhanced.

And that is Gary from Houston, TX. This one I could not believe. This lady is from Virginia.

I am a 61-year-old grandmother still holding down a full-time job, and I remarried 3 years ago.

A 61-year-old grandmother, full-time job, remarried 3 years ago.

I had to think long and hard about marriage over staying single as I knew it would cost us several thousand dollars a year just to sign the marriage license. Marriage has become a contract between two individuals and the Federal Government.

This one is from Pennsylvania:

My wife and I have actually discussed the possibility of obtaining a divorce, something neither of us wants or believes in, especially myself.

He said he was the product of a marriage that has difficulty, but they were considering divorce. He says “simply because my family cannot afford to pay the price.”

This is Jeffrey from Pennsylvania who says that.

This gentleman from Illinois says:

You try and be honest and do things straight, and you get penalized for it. That's just not right.

That is Mike from Illinois who sent that letter in.

Person after person coming in and writing in saying that, “Look, this just isn't right.”

This one from Sarah that was published in the Ottawa Daily Times:

The marriage penalty is essentially a tax on working wives because the joint filing system compels married couples to identify a primary earner and a secondary earner, and usually the wife falls into the latter category. Therefore, from accountants' point of view, the wife's first dollar of income is taxed at the point where her husband's income has left her. If the husband is making substantially more money than the wife, the couple may even conclude it is not worth it for the wife to earn income. In fact—

And she is quoting from a book by a Professor McCaffrey at the University of Southern California.

In fact, McCaffrey's book details the plight of one woman who realizes her job was actually losing money for her family—

Actually losing money for her family.

by her working.

We are overtaking the American public now anyway, with people having to pay roughly about 40 percent of their income in taxes, taxes at all levels—Federal, State, and local, with Federal being the highest portion. I think that ought to be lowered. But, clearly, you hear there are cases where they are not only being taxed but we are forcing people with two-wage-earner families to work and one just working for the Government, but even in that case you are even taxing them more, to the point where it isn't even worth working.

Mr. President, this amendment needs to pass. We need to have this debate. We can afford to do this. We can do this and still set Social Security, payroll taxes, aside; and I am calling on my colleagues to do just that.

With that, Mr. President, I yield the floor.

Mr. ASHCROFT addressed the Chair. The PRESIDING OFFICER. The Senator from Missouri.

PRIVILEGE OF THE FLOOR

Mr. ASHCROFT. I ask unanimous consent that Heather Oellermann be given floor privileges during the duration of this debate. She serves in my office.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ASHCROFT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAMPBELL. Mr. President, I ask that my name be added as a cosponsor to the Ashcroft-Brownback amendment to S. 2312.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAMPBELL. I yield the floor.

Mr. ASHCROFT addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. I rise to speak further in support of the elimination of the marriage penalty. Some people have asked, “Well, isn't there also a marriage bonus, or isn't there a situation in which people might do better because they are married than if they're not married?” And there are areas of the Tax Code where some individuals do slightly better, but they are supported by very sound logic. I would like to talk for a few moments about them, those instances.

I indicate that in no way do I think that the existence of this so-called “marriage bonus” in some places in the Tax Code—that that bonus really is any reason why we should impose a penalty in some other area of the Tax Code. As a matter of fact, there are sound reasons for us to support the concept of the marriage bonus where it exists.

Currently, the standard deduction for a single person is \$4,150, while the standard deduction for a married couple filing jointly is only \$6,900. I did not major in mathematics, but I did one time have the privilege of serving as the State auditor. I can add \$4,150 twice; that would be \$8,300. And when you put the \$8,300 that you would get for two single people together, and you look at the \$6,900 deduction that you get for a married couple filing jointly, you clearly understand there is a \$1,400 deduction that simply does not exist.

The marriage penalty elimination amendment that Senator BROWNBACK and I, and others, including the majority leader, have offered today will increase the standard deduction for a married couple to equal twice what it is for singles—that would be the \$8,300 figure.

Now the Government rationale for the difference in deduction for singles and married couples is to reduce the so-called marriage bonus that occurs when only one spouse works. So the idea is, why should a spouse get a full deduction if the spouse isn't actually in the workforce? I think that sort of partakes of a myth that we ought to disabuse ourselves of and that I think most people understand. The suggestion that if someone works outside the home they are working, but if someone isn't working outside the home they are not working—I don't think that is really the case.

I think what we really indicate is not so much a bonus if we give a deduction for the person who is nonworking outside the home but stays home, it is a recognition of the substantial contribution that the nonemployed spouse makes to the family.

We have had a pretty substantial experience with marriage in my household. There are three decades plus that my wife and I have been married. There have been times when both of us have been employed, times when only my wife was employed, times when only I was employed. I think in every one of those instances to ignore the sort of contribution that the nonemployed spouse makes to the work product, even of the employed spouse and of the household, would be a tremendous injustice.

I think what we really have, instead of the so-called marriage bonus, is just a recognition of the fact that the non-employed, in-a-formal-sense, spouse is contributing to the income that comes to that household by virtue of the capacity that is expanded to the other spouse who is employed and by virtue of the expanded well-being of the family. American families need help from the ever-increasing tax load which we are imposing on them. Men who stay at home or women who stay at home to care for the children should not be penalized by the Tax Code.

I have been somewhat distressed in recent years that we have begun to extend this myth and to provide incentives for people not to stay at home, to

have a prejudice against people who would stay at home. Our Government policy should work in favor of children, not against them. Sometimes when we have a massive tax prejudice in favor of both parents leaving the house, that is not in the best interests of children. I think most of the data we have seen in recent years is that children really thrive when they have the attention of parents, and, obviously, if you have one of the parents who can stay at home, it really helps children significantly.

Our current Tax Code rewards the dependent child tax credit for families who put their children in child care, for example, and, therefore, provides an incentive for people to institutionalize their children rather than to care for them in the home. A mother who stays at home with her child makes the sacrifice in the total combined paycheck for the family and for her career, perhaps, or the father who does the same, should that family be penalized? I think the answer is clearly no. As a matter of fact, that person may be doing our culture a great favor by providing attention from a loving, compassionate parent in a way that no institution would be able to provide attention or training for that child.

The Tax Code should acknowledge that contributions made by spouses who stay at home, be they male or female—and we have done it both ways in my household from time to time; there have been times when my wife was the earner and I was either doing something at home or running for office or the like—and either way, we should acknowledge that the contributions by the so-called nonemployed spouse are not ignored, and no marriage bonus could ever begin to compensate those individuals for their contributions to the family.

Now, if Members on the other side of the aisle want to eliminate the small "bonus" in the Tax Code, I think that would be ill advised. I predict it would be soundly defeated, as it should be. It is antifamily, it is antimarriage, and given the fact that most of these are women in this setting, it is antiwomen to suggest a full-time homemaker provides no value that should be recognized in the Tax Code. I believe their contribution should continue to be recognized and applauded. The marriage bonus is a way to recognize some of the non-economic contributions of stay-at-home spouses.

What we are really here for, I don't think there is a serious legal attempt to take away those recognitions, but there is a very serious assault on the values of American families. When we are taxing the average family that endures the marriage penalty, we are taxing them \$1,400 a year more in taxes than we would if they were single. It seems to me that assault on the values of the American public is a tragic, tragic invasion of the strongest institution which we need desperately for the success and survival of our country. We should recognize that we need to eliminate that penalty on marriage.

It is with that in mind that I am pleased so many Senators have agreed to cosponsor this measure. I hope we will vote to make sure that this becomes a part of the philosophy and policy of American Government. A government which is at war with the values of its people cannot long endure. No value is more cherished in America than the value of durable families. We simply have to eliminate the assault on marriage, the assault on our families, that is included in a Tax Code which undermines and curtails the value of families in our culture.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INHOFE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INHOFE. Mr. President, I rise in support of the efforts that have been brought to the floor by the Senator from Kansas. I would like to make a few comments and observations about tax cuts and some misconceptions. I was somewhat distressed at the beginning of this administration when a statement was made by Laura Tyson, who was the chief financial advisor at that time. She said—and this is almost a direct quote—that there is no relationship between the level of taxation that a country pays and its economic activity. If you would carry that to its logical conclusion, you would say you could tax somebody by 100 percent and they are going to be just as motivated to work hard and to contribute to the economy and take risks and to hire people as if they had no tax at all. As we know, history has shown us that this is not true.

One of the interesting things that is so overlooked by many of the liberals nowadays is that for every 1 percent increase in economic activity, it produces new income of approximately \$24 billion. Three times in this century we have had administrations that have had massive tax cuts, and each time this has happened we have actually increased the revenue. What I am hoping we will get to is a discussion and a debate along the lines that you can actually increase revenue by reducing taxes. History has shown us that, in fact, this is true. The first time this happened was in the 1920s, during the Warren Harding and Calvin Coolidge administrations. They had consecutive tax cuts, reducing the top tax rate from 73 percent to 25 percent. The lower rates of taxation helped expand the economy dramatically. In fact, between 1921 and 1929, in spite of—or maybe because of—dramatic reductions in personal income tax rates, revenues increased from \$719 million in 1921 to \$1.16 billion in 1928, an increase of more than 60 percent. Now, over a 10-year period, that would have been about a doubling of the tax revenues that came as a result of reducing tax rates.

Then in the 1960s, along came the Kennedy administration. Of course, when you hear some of the things that President Kennedy said at the time that didn't sound that prophetic, they turned out to be true. At that time, he said we needed to have more revenues and the best way is to reduce our tax rates and expand the economy. Again, going back to the assumption that has been proven over and over again that your tax revenues increase with certain types of marginal tax rate reductions, in the 1960s, President Kennedy initiated a series of tax cuts where he took the top income tax rate and reduced it from 91 percent to 70 percent. These cuts, in part, helped increase the growth by some 42 percent between 1961 and 1968. So again, you have a very similar type of growth that we experienced back in the 1920s.

Then in 1980, we remember so well Ronald Reagan coming along and the criticisms that he has had. At that time, he was working with a Congress that was not that friendly—at least a House that wasn't that friendly. He was able to probably make the most dramatic reductions in the tax rates than at any period during any administration in this country's history, knocking the top tax rates from 70 percent in 1980 down to 28 percent by 1988.

The results of this were very interesting in that if you look at total revenues raised to run this country in 1980, it was \$517 billion. By 1990, that figure was increased to \$1.3 trillion. So revenues doubled during that period of time that he reduced the tax rates. As far as the revenues that were generated from the marginal rates, or from income tax, that went from \$244 billion in 1980 to \$466 billion in 1990. So you have almost a doubling in that case, also.

So I think those people who are saying that we don't want to reduce taxes are saying we don't want to reduce the revenues. We have need for more revenues when, in fact, some of the tax reductions that we will be talking about could have the opposite effect. I can remember in Ronald Reagan's speech—one of the speeches he made called "A Rendezvous With Destiny" in the sixties, it was prophetic. He said, "There is nothing closer to immortality on the face of this Earth than a Government agency once formed." I think this is one of the problems we are dealing with now, in that it is so difficult to cut down the size of Government.

Sometimes it is necessary to reduce taxes in order to overcome that temptation to spend the money that is out there. We know the political reality of that. By the way, when many of the Democrats—liberals—were saying, "Look at how the deficits increased during the Reagan administration," yes, that is true, they did, but that was not as a result of reducing taxes; that was a result of increased spending. I think that, in retrospect, the President should have adopted a policy of issuing more vetoes, and I don't think we would have had the deficits that we had.

The bottom line is that we are not an undertaxed Nation. We are a Nation that needs to reduce taxes. This is an opportunity to do it. I can't imagine that in this day and age when we have the projected, huge surpluses that are out there, we would consider anything less than making major tax reductions. The tax reduction that has been promoted on the floor by the various speakers regarding the marriage penalty is certainly one that is justified. I would like to see, in addition, some marginal rate reductions. I hope we will be able to do that before this debate is all over.

Lastly, we have come so dangerously close to what has been stated in history. People have observed this country. When Alexis de Tocqueville came here, he came to study the penal system and to write about that. After he saw the great wealth in this Nation and the freedoms, he wrote a book about the wealth. In the last paragraph, he said that once the people of this country find that they can vote themselves money out of the public trust, the system will fail. I think we have come dangerously close to that. This is the time to reduce taxes and allow individuals to have more control of the money they earn.

I yield the floor.

Mr. KOHL addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KOHL. Mr. President, I rise in opposition to the Ashcroft amendment on marriage penalty tax relief. Let me quickly point out that I strongly support the Senator from Kansas' intentions and believe that most, if not all, of my Senate colleagues do as well. Americans should be free to marry or remain single based on much more important considerations than those related to tax liability.

That said, the Treasury-General Government appropriations bill is not the proper context for the marriage penalty debate. Now is simply not the right time or place. The Senate voted in favor of marriage tax relief during debate on the tobacco bill. And we all look forward to resuming this debate if and when we are able to take up, and it's my hope that we do take up, a comprehensive tax relief measure later this year. The marriage tax relief issue should be debated at that time, in the context of our overall budget priorities. Simply put, we've come too far in our efforts to enforce fiscal discipline to change course now and arbitrarily adopt major and expensive tax policy measures on appropriations bills.

I will oppose the Aschcroft amendment and urge my colleagues to do the same.

Mr. MACK. Mr. President, I rise to state my views on the elimination of the marriage penalty.

Before 1969, the federal income tax treated married couples like partnerships, in which husbands and wives shared their incomes equally. This practice was called income-splitting. It

was ended in 1969, creating what is commonly known as the marriage penalty—the extra taxes couples have to pay because they are married rather than single. According to the Congressional Budget Office, about 21 million couples now pay these penalties, which average about \$1,400 per couple.

This unfair treatment of married couples is fundamentally wrong. The tax code ought to treat married couples no worse than it treats single people. It ought to recognize that marriages are partnerships in which husbands and wives share their incomes equally for the good of their families. Until it does this, the tax code is punishing the most important institution our society has.

This amendment is explicitly pro-family. It is a direct way of letting families keep more of their hard-earned money, which can be used for child-care, taking care of a sick parent, education expenses or whatever else the family wants to do with it. It sends a message to the American people that marriage should be a welcome occasion, not just another excuse for higher taxes.

Mr. President, I encourage my colleagues to support this amendment to eliminate the marriage penalty.

Mr. KYL. Mr. President, there are a lot of things wrong with our nation's Tax Code, but two things in the code that have always struck me as particularly egregious are the steep taxes imposed on people when they get married and when they die. Today, we will have a chance to vote to end the marriage penalty.

All of us say we are concerned that families do not have enough to make ends meet—that they do not have enough to pay for child care or college, or to buy their own homes. Yet we tolerate a system that overtaxes American families.

According to Tax Foundation estimates, the average American family pays almost 40 percent of its income in taxes to federal, state, and local governments. To put it another way, in families where both parents work, one of the parents is nearly working full time just to pay the family's tax bill. It is no wonder, then, that parents do not have enough to make ends meet when government is taking that much. It is just not right.

The marriage penalty alone is estimated to cost the average couple an extra \$1,400 a year. About 21 million American couples are affected, and the cost is particularly high for the working poor. Two-earner families making less than \$20,000 often must devote a full eight percent of their income to pay the marriage penalty. The highest percentage of couples hit by the marriage penalty earns between \$20,000 and \$30,000 per year.

Think what these families could do with an extra \$1,400 in their pockets. They could pay for three to four months of day care if they choose to send a child outside the home—or

make it easier for one parent to stay at home to take care of the children, if that is what they decide is best for them. They could make four to five payments on their car or minivan. They could pay their utility bill for nine months.

Mr. President, it seems to me that if couples need advice about their decision to marry, they should be encouraged to look to their minister or rabbi, or their family, not their accountant or the Internal Revenue Service. This amendment represents an effort to strengthen families and give them a chance to spend their hard-earned money in the way they best see fit.

Given that federal revenues as a share of the nation's income, as measured by Gross Domestic Product, will set a peacetime record this year—a whopping 20.5 percent of GDP—and given that we are anticipating a budget surplus of more than \$63 billion, it seems to me that there is no excuse for the Senate to allow the marriage-penalty tax to continue any longer.

I urge my colleagues to join me today in voting to end the egregious marriage-penalty tax.

Mr. FAIRCLOTH. Mr. President, I rise in strong support of the Brownback-Faircloth marriage penalty relief amendment.

In fact this amendment is the same as the legislation I originally offered with Senator KAY BAILEY HUTCHISON and many others to provide relief from the marriage penalty tax.

Mr. President, in listening to my colleagues, I find very little opposition to the notion that couples should not be penalized with additional taxes simply because they choose to marry.

As several members have stated, the Congressional Budget Office has determined that married couples are taxed an extra \$1,400 on average more than singles. This legislation would correct that problem.

Relief from the marriage penalty tax is an idea which enjoys broad, bipartisan support in the Senate. In fact, legislation which I offered as an amendment to the Fiscal Year 1999 Budget resolution established marriage penalty tax relief as among the highest priorities of the Senate this year. That amendment passed this body by a vote of 99 to 0.

Clearly, there is no objection to providing this much needed relief.

Some of my colleagues have suggested that the bill before us is not the appropriate bill to serve as a vehicle for this tax relief. In fact, the only objections I can find to this amendment are based on procedure, and not about the merits of the issue.

I understand the concerns raised about procedure, but I would urge my colleagues to consider the injustice of this marriage penalty tax, and join me and the other sponsors of this amendment to eliminate this unfair burden. I urge my colleagues to vote no on the motion to table the Brownback-Faircloth amendment.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEASURE PLACED ON CALENDAR—H.R. 4250

Mr. CAMPBELL. Mr. President, I understand H.R. 4250, regarding patient protection, is at the desk and is awaiting second reading.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

A bill (H.R. 4250) to provide new patient protection under group health plans.

Mr. CAMPBELL. Mr. President, I object to the consideration of the bill at this time.

The PRESIDING OFFICER. The bill will be placed on the calendar.

Mr. CAMPBELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BURNS). Without objection, it is so ordered.

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1999

The Senate continued with the consideration of the bill.

AMENDMENT NO. 3359

Mr. ROTH. Mr. President, I rise to address the amendment offered by Senator BROWNBAC. I appreciate the work he and others have done. I agree with the premise of this amendment.

We need to provide much needed marriage penalty relief to American families. We all know how unfair the marriage penalty is. We have heard from our constituents. We see how it cuts into the family budget. We realize that it must be changed. Our laws should not penalize married couples and their families.

Over the years, I have been a forceful advocate for marriage penalty relief. In fact, during the recent consideration of the tobacco bill, I cosponsored an amendment that would have provided such relief. I have also stated many times that marriage penalty relief should be included in any package of tax cuts. As chairman of the Finance Committee, I remain committed to that position.

As we look to real and meaningful tax reform, we will take care of the marriage penalty. This will be one of

our top priorities. But addressing this important issue must be done at the proper time and in the proper way. This is not the time, nor is this appropriations bill the appropriate vehicle to proceed with this amendment. This is a tax issue. It does not belong on this appropriations bill. It did not come through the committee of jurisdiction. That committee is the Finance Committee.

I know many of my colleagues agree with me when it comes to the marriage penalty. They are seeking an opportunity, as I am, to address it and find a remedy as quickly as we can. This will be our objective in the future. We intend to take care of this in the right way. I ask our colleagues outside the committee to support it.

Adoption of this amendment at this time would not only disrupt the proper order of things and result in the loss of appropriate and constructive debate within the Finance Committee, but, equally important, it would subject the entire Treasury-Postal appropriations bill to a blue slip from the House of Representatives. Revenue measures must originate in the House. If not, any Member—I emphasize “any Member”—of the House can raise an objection. The result would be that this appropriations bill dies. And that is not in anyone's interest.

While I completely agree with the objective and necessity of this amendment, while I remain a staunch ally of those who seek to provide marriage penalty relief, I cannot vote for this amendment.

I ask my colleagues to vote with me. Allow the Finance Committee and the Senate to address this important issue in a way that is correct and will bring real and lasting tax relief to married couples and families.

Mr. President, I understand the distinguished Senator from Texas wants to address this matter.

Mrs. HUTCHISON. Mr. President, before the Senator would make any motion, I would like to be able to speak for a few minutes on the amendment. I didn't want to be shut out.

If that is the Senator's intention, I would just ask if he would allow me at the appropriate time—

Mr. ROTH. Mr. President, I yield the floor.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I thank the distinguished Senator from Delaware, because I wanted to be able to speak on this matter. I have just come from a committee markup. But the bill that is on the floor as an amendment is actually a bill that Senator FAIRCLOTH and I introduced.

I am very pleased that Senator BROWNBAC and Senator ASHCROFT and others have pursued this, because I think it is at the core of what we should be doing in this Congress; that is, to try to give people back the money they worked so hard to earn.