

and mentoring program for businesses; Waste Reduction and Recycling Consultation, an advisory, assessment and action program for governments, businesses, educational and cultural institutions; Regional By-Product Synergy Initiative, a project to help business and government reduce waste and increase productivity; Shadowcliff Retreat Center, environmental education and retreat center in Grand Lake, Colorado; and Environmental Excellence Awards, an annual event to honor individuals, businesses and schools.

Bob's efforts have been recognized locally and nationally for Building the Gap's leadership. Awards include: National Recycling Coalition's Award for Environmental and Community Leadership, Kansas City Consensus Achiever Award, Missouri Governor Carnahan's Pollution Prevention Award, EPA Pollution Prevention Award, American Forest & Paper Association's Best Paper Recycling Award, Mid-America Regional Council Regional Leadership Award, Waste Reduction and Recycling Award for non-profits, Missouri Environmental Education Association Environmental Education Service Award, and Keep America Beautiful First Place National Litter Prevention Award.

Bob's leadership and vision of collaboration, his perseverance in environmental problem solving, and his service and commitment to a healthy earth have inspired thousands of individuals to make a difference. Mr. Speaker, please join me in honoring Robert J. Mann, a bridge builder who has indeed made our community, our region and our planet a better place through his tireless efforts to honor our Earth and all who share its wonders.

CONFERENCE REPORT ON H.R. 4520,
AMERICAN JOBS CREATION ACT
OF 2004

SPEECH OF

HON. PHIL ENGLISH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 7, 2004

Mr. ENGLISH. Mr. Speaker, I submit the following exchange of letters between myself and Chairman THOMAS for submission into the RECORD related to debate on H.R. 4520, The American Jobs Creation Act of 2004, which took place October 7, 2004.

HOUSE OF REPRESENTATIVES,
Washington, DC, October 7, 2004.

Hon. WILLIAM M. THOMAS,
Chairman, Committee on Ways and Means,
Longworth House Office Building, Wash-
ington, DC.

DEAR MR. CHAIRMAN: I am writing to raise a concern regarding regulations issued several years ago by the Internal Revenue Service (IRS) in which they apply an expansive new interpretation of the law retroactively.

Congress enacted section 263(g) of the Internal Revenue Code as part of the Economic Recovery Tax Act of 1981 ("ERTA") to discourage the use of certain "straddle" type tax shelters known as "cash and carry" transactions. In the Report accompanying ERTA, the Senate Finance Committee noted that "[t]he committee intends to discourage these transactions, sometime called 'cash and carry' shelters, in its legislation." The Committee also described the nature of the "cash and carry" transactions Congress was trying to discourage, in detail.

Twenty years later, on January 17, 2001 the Treasury Department issued a set of proposed regulations under section 263(g), that would expand the scope of 263(g) beyond so-called cash and carry transactions, and states in its effective date section that the new rules apply to "... interest and carrying charges properly allocable to personal property that are paid, incurred, or accrued after the date these regulations are adopted as final . . . for a straddle established on or after January 17, 2001."

Despite the clear legislative intent, the IRS has attempted to apply the proposed regulations expanding the coverage of 263(g) to transactions undertaken prior to January 17, 2001, and a number of field agents have indicated to taxpayers that absent clear guidance to the contrary, they will continue to apply this expansive interpretation of section 263(g) on a retroactive basis.

When the tax writing committees decide to change the law in a way that might affect ongoing transactions our normal practice is to put the public on notice through an announcement. Once we have so acted, it is considered fair to make the change effective on the date of the announcement because taxpayers have been given fair warning.

I would like to know if you agree with my conclusion that the IRS should follow rules that are equally fair. If a change in the law which was not made as a result of a legislative mandate is announced in regulations, do you agree that the change should be prospective?

Thank you for considering this matter and I look forward to your response.

Sincerely,

PHIL ENGLISH.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON WAYS AND MEANS,

Washington, DC, October 8, 2004.

Hon. PHIL ENGLISH,

House of Representatives, Longworth House Of-
fice Building, Washington, DC.

DEAR MR. ENGLISH: I am writing in response to your letter regarding Sec. 263(g) of the Internal Revenue Code and the Internal Revenue Service's (IRS) application of related regulations.

Without in any way questioning whether IRS interpretation in this case was appropriate, I agree with your conclusion that the expansion of the scope of 263(g) should have been prospective. I believe the Secretary of Treasury should do whatever is necessary to make sure that the regulations that have been brought to my attention by your letter are implemented in that manner.

Sincerely,

WILLIAM M. THOMAS,
Chairman.

CONFERENCE REPORT ON H.R. 4520,
AMERICAN JOBS CREATION ACT
OF 2004

SPEECH OF

HON. KEVIN BRADY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 7, 2004

Mr. BRADY of Texas. Mr. Speaker, let's be honest: Republicans don't ship American jobs overseas. Neither do Democrats. Why would they?

But our own U.S. Tax Code does, and that's the responsibility of both parties in Congress. It's time we stop pointing fingers and start working together to save American jobs.

That's what the American Jobs Creation Act does. It removes the job-killers in our Tax Code.

It's a proven, commonsense principle: Stop punishing those who build in America. Lower the tax burden on those who manufacture and produce here in America, with a higher tax rate if you build it overseas.

Create jobs in America's small businesses by letting them keep more of what they earn—making it easier to buy that new computer, that new printer, that new machinery so they can compete with anyone, anywhere.

And for all those small industries—whether they are American companies making bows and arrows, tackle boxes, small aircraft, or U.S. films—let's get rid of the job killers where our Tax Code treats them worse than their overseas competitors.

Some critics may ridicule these provisions, but it's no laughing matter to the American workers in these small industries.

This bill also restores sales tax fairness to the Tax Code, easing the sales tax burden on American families and giving a direct economic boost to Main Street.

In States like mine, it means delivering \$1 billion of tax relief to Texas families each year, and creating enough new jobs to fill nearly every seat in the Toyota Basketball Arena with a new Texas worker.

Best of all, every taxpayer in America will have the option of choosing to deduct either their state and local income taxes or sales taxes, whichever is highest.

Thanks to the leadership of Chairman BILL THOMAS, the key support of Majority Leader TOM DELAY and hard work by my colleague SAM JOHNSON of Texas, we have re-opened the door to sales tax fairness that has been locked shut for 18 years.

Every legislator from a sales tax State should support this bill because this opportunity may not occur again for another two decades, if at all.

In conclusion, let's get the job-killers out of our Tax Code, and create jobs right here in America.

RECOGNIZING FRANK D. JACKSON
OF EUGENE, OREGON

HON. PETER A. DeFAZIO

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Friday, October 8, 2004

Mr. DeFAZIO. Mr. Speaker, I rise today to recognize and to thank Frank D. Jackson of Eugene, OR, for his tireless efforts to improve the lives of working men and women and their families.

Frank Jackson is a man of conviction, dedicated to serving his community by strengthening labor rights. His unwavering vision for working America has put him on the front lines in the fight for decent pay and benefits, safe and healthy workplaces, and dignity and respect for the rank and file.

Until he retired in 1992, Jackson worked two jobs for decades—firefighter and union activist. He has been a steadfast advocate for workers since joining his first union at the age of 15 and was recently inducted into the Labor Hall of fame for his many years of leadership in the labor movement. He served as president and secretary-treasurer of his union, Eugene Firefighters Association Local 851, International Association of Fire Fighters; president and executive secretary-treasurer of the Lane