

108TH CONGRESS  
1ST SESSION

# H. CON. RES. 141

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IN THE SENATE OF THE UNITED STATES

APRIL 10, 2003

Received and referred to the Committee on Finance

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## **CONCURRENT RESOLUTION**

Expressing the sense of the Congress that the Internal Revenue Code of 1986 should be fundamentally reformed to be fairer, simpler, and less costly and to encourage economic growth, individual liberty, and investment in American jobs.

Whereas the Internal Revenue Code of 1986 is overly complex, and imposes significant burdens on individuals, businesses, and the economy;

Whereas the complexity of the Internal Revenue Code of 1986 makes the Code extremely difficult and costly to administer and to comply with;

Whereas recent reports estimate that 1 in 4 Americans are out of compliance with the Code and that the Internal Revenue Service provides the wrong answer nearly half the time through its telephone information program;

Whereas in 2001 the Internal Revenue Service spent \$8,900,000,000 to administer the current system while American taxpayers spent an estimated \$135,000,000,000 and 3,000,000,000 hours, more than a full day for each return, to comply;

Whereas the Code imposes multiple layers of taxation and hides the true cost of taxes in the price of goods and service;

Whereas the Code penalizes investment, discourages the flow of capital into our domestic economy, drives businesses to consider moving investment and jobs to foreign locations, and disadvantages domestically produced goods and services in international markets;

Whereas the Code disincentivizes work, savings, and investment by individuals and families;

Whereas the Code is riddled with decades of loopholes, special interest exemptions, and contradictions which make the Code confusing, costly, and unfair;

Whereas the Department of the Treasury estimates that approximately \$70,000,000,000 in taxable income remains untaxed in off-shore accounts;

Whereas on April 13, 2000, the House of Representatives passed, by a vote of 229 yeas and 187 nays, House Resolution 4199, calling for replacement of the Internal Revenue Code not later than December 31, 2004; and

Whereas the most recent Economic Report of the President states that “the current tax system also causes house-

holds and businesses to rearrange their affairs in a number of ways that make poor use of economic resources, leading to substantial economic waste and, ultimately, reducing real incomes’’: Now, therefore, be it

1       *Resolved by the House of Representatives (the Senate*  
 2 *concurring)*, That the Congress—

3           (1) encourages and supports a national debate  
 4       on fundamental reform of the Internal Revenue  
 5       Code of 1986;

6           (2) agrees with the most recent Economic Re-  
 7       port of the President which identifies reducing com-  
 8       plexity, improving economic incentives, and achieving  
 9       fairness, as key objectives of fundamentally reform-  
 10      ing such Code; and

11          (3) as part of this national debate, will begin a  
 12      series of hearings to examine the case for, and the  
 13      possible options for, fundamental reform of such  
 14      Code.

Passed the House of Representatives April 10, 2003.

Attest:

JEFF TRANDAHL,

*Clerk.*