HONORING FLORIDA SOUTHERN COLLEGE

(Mr. ROSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROSS. Mr. Speaker, Florida Southern College is a liberal arts college nestled in my hometown of Lakeland, Florida. It is known not only as a great academic institution, but also contains the largest collection of Frank Lloyd Wright architecture in the world and was recently selected by the Princeton Review as the most beautiful college in the country.

However, today, I rise to recognize another important distinction for Florida Southern College. The Moccasins Men’s Basketball Team recently captured the 2015 NCAA Division II National Championship.

On Saturday, March 28, 2015, the Mocs defeated Indiana University of Pennsylvania, capping off a remarkable season with a 36-1 record. Led by senior guard and two-time Sunshine State Conference Player of the Year Kevin Capers of Winter Haven, Florida, the Mocs closed out the year by winning a school record 25 consecutive games.

Growing up in Lakeland, I have watched Florida Southern College flourish before my eyes. President Anne Kerr has done a wonderful job with this college. It is a tremendous educational institution, and this win is a terrific achievement not only for the school, but also the community.

Go Mocs.

□ 0915

PUT INLAND EMPIRE RESIDENTS BACK TO WORK

(Mr. AGUILAR asked and was given permission to address the House for 1 minute.)

Mr. AGUILAR. Mr. Speaker, yesterday, we marked 100 days in the 114th Congress. Since taking office in January, I have traveled across my home district in southern California, in San Bernardino County, on a jobs tour to meet with small businesses, community leaders, labor representatives, and job seekers about what we can do in Congress to put the Inland Empire back to work.

After having many conversations with residents and business owners, today, I am releasing a jobs plan—a strategy—for how we can get the Inland Empire economy back on the road to recovery.

My plan calls for giving small businesses the tools they need to grow and thrive to create 21st century jobs in emerging sectors like renewable energy and biotechnology, connecting employers with job seekers and supporting job training programs and investing in our infrastructure to spur economic development.

We have a lot of work to do, but if we focus on these areas, we can strengthen the Inland Empire and the California economy and put our residents back to work.

PERMISSION TO POSTPONE ADOPTION OF MOTION TO RECOMMIT ON H.R. 1105, DEATH TAX REPEAL ACT OF 2015

Mr. SMITH of Nebraska. Mr. Speaker, I ask unanimous consent that the amendment by the gentleman from Nebraska? There was no objection.

DEATH TAX REPEAL ACT OF 2015

Mr. SMITH of Nebraska. Mr. Speaker, pursuant to House Resolution 200, I call up the bill (H.R. 1105) to amend the Internal Revenue Code of 1986 to repeal the estate and generation-skipping transfer taxes, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

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

There was no objection.

SEC. 2210. TERMINATION.

(a) IN GENERAL.—Except as provided in subsection (b), this chapter shall not apply to the estates of decedents dying on or after the date of the enactment of the Death Tax Repeal Act of 2015.

(b) CERTAIN DISTRIBUTIONS FROM QUALIFIED DOMESTIC TRUSTS.—In applying section 2056A with respect to the surviving spouse of a decedent dying before the date of the enactment of the Death Tax Repeal Act of 2015—

(1) section 2056A(b)(1)(A) shall not apply to distributions made after the 10-year period beginning on such date; and

(2) section 2056A(b)(1)(B) shall not apply on or after such date.

(b) GENERATION-SKIPPING TRANSFER TAX REPEAL.—Subchapter G of chapter 13 of subtitle B of such Code is amended by adding at the end the following new section:

SEC. 2664. TERMINATION.

"This chapter shall not apply to generation-skipping transfers on or after the date of the enactment of the Death Tax Repeal Act of 2015."

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(2) INFLATION ADJUSTMENT.—Section 2505 of such Code is amended by adding at the end the following new subsection:

"(d) INFLATION ADJUSTMENT.—
"(1) In general.—In the case of any calendar year after 2011, the dollar amount in subsection (a)(1) shall be increased by an amount equal to—

"(A) such dollar amount, multiplied by

"(B) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2011' in subparagraph (B) thereof.

"(2) Rounding.—If any amount as adjusted under paragraph (1) is not a multiple of $10,000, such amount shall be rounded to the nearest multiple of $10,000.

(d) CONFORMING AMENDMENTS.—

(1) The heading for section 2505 of such Code is amended by striking 'UNIFIED'.

(2) The item in the table of sections for subchapter A of chapter 12 of such Code relating to section 2505 is amended to read as follows:

"Sec. 2505. Credit against gift tax."

(3) Section 2801(a)(1) of such Code is amended by striking "section 2001(a) as in effect on the date of such receipt" and inserting "section 2001(a)(2)".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to gifts made on or after the date of the enactment of this Act.

(f) TRANSITION RULE.—

(1) IN GENERAL.—For purposes of applying sections 2505(d)(1) and 2506 of the Internal Revenue Code of 1986, the calendar year in which this Act is enacted shall be treated as 2 separate calendar years one of which ends on the date before the date of the enactment of this Act and the other of which begins on such date of enactment.

(2) APPLICATION OF SECTION 2506(b).—For purposes of section 2506(b) of the Internal Revenue Code of 1986, the calendar year in which this Act is enacted shall be treated as one preceding calendar period.

SEC. 4. BUDGETARY EFFECTS.

The budgetary effects of this Act shall not be entered on either PAYGO scorecard maintained pursuant to section 4(d) of the Statutory Pay-As-You-Go Act of 2010.

THE SPEAKER pro tempore. The gentleman from Nebraska (Mr. SMITH) and the gentleman from Washington (Mr. MCDERMOTT) each will control 30 minutes.

The Chair recognizes the gentleman from Nebraska.

Mr. SMITH of Nebraska. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days for these folks all around the country.

Agriculture, particularly raising cattle and crops such as corn, is a land- and capital-intensive process. These Nebraskans aren’t sitting on piles of cash. In fact, their assets are the land and the equipment they use to help feed our Nation and to help feed the world. They pay income taxes on what they earn, and they pay high property taxes on the enormous basis. They take great pride in this work and want their children and grandchildren to continue in their livelihoods. They shouldn’t have to jump through hoops to ensure their descendants can continue their work when they have passed on.

The death tax doesn’t penalize the wealthiest Americans. In fact, they probably don’t even feel that penalty. They can plan their estates and give away their wealth as they see fit. It penalizes those who have worked all of their lives and who have reinvested in their family businesses to ensure their families and neighbors have every opportunity to be hard-working taxpayers.

I certainly urge a ‘‘yea’’ vote to grow opportunity in the U.S. and to support that growing opportunity.

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

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

It appears that the bipartisan, good feelings of the last few weeks are gone. After reaching across the aisle to pass important legislation, my Republican colleagues are back to their old tricks of handing out tax breaks to the few at the expense of the many.

Today’s vote to repeal the estate tax is just the Republicans’ last attempt to tilt the U.S. Tax Code in favor of their ultrawealthy campaign donors. This week’s target is the estate tax—a tax, I would mention, that was dreamed up by and championed by Teddy Roosevelt, who is the same guy the Republicans like to hold up as one of the greatest the party ever produced.

Their crusade to help the rich has gone too far. This proposed repeal of the estate tax is nothing more than a massive, unfunded tax break for a small sliver of America’s wealthiest families, and, as is usually the case with Republican tax policies, this repeal would do nothing to help hard-working, middle-class families.

In Nebraska, 52 households would benefit while there are 202,000 people living in poverty. The fact of the matter is that the estate tax is only paid by about 5,400 families, or the top 0.2 percent of estates in the country. Estates worth less than $5.4 million pay no estate tax. What is the cost of providing a tax break to the top 5,000 families? It is a quarter of a trillion dollars—$269 billion.

Now, these are the deficit hawks who were talking last week about ‘‘we have got to worry about the deficit, the deficit, the deficit.’’ Yet they are standing here with a straight face, putting $269 billion more on the deficit. Instead, we should be using the money to extend the child tax credit and the earned income tax credit, which are tax credits that would actually help Main Street America—the real drivers of the American economy. Or we could fund universal pre-K or build new bridges and roads for our community college to 9 million people.

My colleagues on the other side of the aisle will try and tell you that the estate tax hurts family farmers. My colleague who began this debate was talking about that, Mr. Speaker. They will tell you the estate tax forces farmers to liquidate in order to pay the estate tax. When pressed to provide examples, as we did, of family farms being forced to liquidate, my Republican colleagues pointed to a 15,000-acre farm they say had to be broken up for the estate tax.

Let me put that into context, as most people who live in the cities don’t know how big that is: 15,000 acres is the equivalent of 23,5 square miles. That is a 5-by-5 square mile farm. That is more than the island of Manhattan. Manhattan isn’t that big, and it is home to a million people. I think most people who work hard would be hard pressed to believe that 23 square miles is a family farm.

As families at the very top of the income scale experience unprecedented wealth and prosperity—some may call it the second Gilded Age—Republicans are helping the rich get richer. They want to talk about ‘‘We are going to help the middle class,’’ but what are they doing? They are shoveling a quarter of a trillion dollars out the door to the richest. Repealing the estate tax will surely sow the seeds of a permanent aristocracy in this country. We learned from Britain what a permanent aristocracy gets you.

As we prepare to take this vote, I would ask my colleagues: Whose side are you on? Are you on the side of working families and communities across this country who are struggling to pay the bills, or are you on the side of the ultrawealthy heirs who don’t feel they need to pay taxes on the millions and billions that they were handed by their ancestors?

Wealth has never been taxed. That land and the accumulation of the wealth in it has never been taxed. I vote for the working middle class, and I hope that you will all vote ‘‘no.’’

Mr. SMITH of Nebraska. Mr. Speaker, I ask unanimous consent to allow the gentleman from Texas (Mr. BRADY) to manage the time for the Ways and Means Committee.

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

There was no objection.

Mr. BRADY of Texas. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of repealing the estate tax. Repealing this death tax is a top priority for Nebraska’s farmers, ranchers, and small business owners—in fact, not just for Nebraska’s farmers, ranchers, and small business owners but for these folks all around the country.

In Nebraska, 52 households would benefit while there are 202,000 people living in poverty. The fact of the matter is that the estate tax is only paid by about 5,400 families, or the top 0.2 percent of estates in the country. Estates worth less than $5.4 million pay no estate tax. What is the cost of providing a tax break to the top 5,000 families? It is a quarter of a trillion dollars—$269 billion.

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Wealth has never been taxed. That land and the accumulation of the wealth in it has never been taxed. I vote for the working middle class, and I hope that you will all vote ‘‘no.’’

I reserve the balance of my time.

Mr. SMITH of Nebraska. Mr. Speaker, I yield myself such time as I may consume.

I thank the gentleman from Nebraska for his leadership on ending this terrible tax.
Can you imagine working your whole life to build up a family-owned business or a farm, and then, upon your death, Uncle Sam swoops in and takes nearly half of what you have spent a lifetime building up for your children and grandchildren?

Can you imagine this case, as my friend from Washington talked about? This was a farm that had been in his family since the 1880s—five generations at that size—and they built it up over years and years and generations and generations. When the young woman went back to Texas—she actually worked up here and went back to Texas to settle her aunt’s estate—she and her brother were forced to sell off two-thirds of the farm that they had had for five generations. They had to sell off two-thirds of it just to pay Uncle Sam, just to try to keep some small portion of what their family had worked so hard to preserve.

These are real life examples of how the death tax is the wrong tax at the wrong time, and it hurts the wrong people. It is the number one reason family-owned businesses and farms aren’t passed on to the next generation. It is at its heart an immoral tax, and it is an attack on the American Dream, especially more so for our newest startups in America—women- and minority-owned businesses that are building wealth for the first time, hoping that they can create a nest egg that they can create a business for their children and grandchildren so that they have greater opportunities in this great country.

I really want to thank my Democrat lead sponsor, Congressman SANFORD BISHOP of Georgia, for his leadership to repeal the death tax and for his belief that you shouldn’t punish success. I want to thank my colleagues on the Ways and Means Committee, Representative KRISTI NOEM; longtime champion, Congressman MAC THOMPSON of California; and a former colleague of mine on the Ways and Means Committee, former Representative KENNY HULSHOF, who carried this legislation for so long.

The superrich don’t pay this tax. They have a legion of lawyers and tax planners, and they have charitable trusts and foundations. They never pay this tax. These are family-owned, hardworking, risk-taking, determined Americans who are building their businesses, their farms, their ranches. These are not, as we will hear today, the Big Builders, the robber barons of the Teddy Roosevelt days. These are Americans who are often forced back to the bank for a loan or who are cruelly forced to sell their land and businesses just to satisfy the IRS.

Dealers and public parks will tell you this is all about income inequality, but it turns out, according to a former Federal Reserve Vice Chairman, with regard to income inequality only 2 percent is related to what people inherit. In America, it turns out we do build our prosperity. We pull ourselves up to prosperity. Some people say, Look, this thing generates $200-plus billion.

Let me put this in perspective. For all of the damage it does to our family-owned businesses and farms, the damage it will do to our women-owned businesses and minority-owned businesses that are building wealth, it will generate less than 2 days of Federal spending. It will generate less than 2 days of Federal spending. It will generate less than 2 days of Federal spending. It will generate less than 2 days of Federal spending. It will generate less than 2 days of Federal spending. It will generate less than 2 days of Federal spending.

At the end of the day, there is a basic question: Is this your money and your hard work, or is this the government’s money? Who has the claim over all of the years you have spent working? Why, at the end of the day, are we punishing success?

Let’s give children and let’s give our families their shot at the American Dream and a better nation than the one, frankly, we inherited. That is why, today, we rise to bury the death tax once and for all.

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

Mr. McDERMOTT. Mr. Speaker, I would remind the gentleman from Wisconsin that 202 households in Texas will do nothing for the 4.4 million people who are living in poverty in Texas.

I yield 3 minutes to the gentleman from California (Mr. THOMPSON).

Mr. THOMPSON of California. I thank the gentleman.

Mr. Speaker, I rise in strong support of estate tax reform in strong opposition to this wrongfully and inaccurately titled Death Tax Repeal Act. Whenever you hear people say “death tax,” know right away that they aren’t talking about policy and that they are not talking about tax reform—they are talking about politics. There is no such thing as a death tax. You won’t find those words anywhere at all in the Tax Code. It is partisan jargon. After you die, you don’t have to pay taxes. You don’t have to take out the garbage. You don’t get called for jury duty anymore. When you are dead, you are dead. So there is no such thing as a death tax.

Today, my Republican colleagues are pursuing a full repeal of the estate tax under the guise of helping family farms and small businesses. I wish this were the case, but the rhetoric is simply disingenuous when you look at the policy. I agree that the estate tax is a real issue for family farmers and for ranchers. The first bill I introduced when I came to Congress was a bill to reform the estate tax. Folks in my district, where farmland values have reached as high as $300,000 an acre, are often land rich and cash poor.

There are middle class people who work hard every day and pay the taxes on the income they earn from that work. They are not people who the majority’s bill is designed to help.

Their full repeal is not the answer. It costs too much money. It is not paid for—$250 billion not paid for—and it helps people who don’t need the government’s help.

A more commonsense and targeted approach would be to pass the bill that referenced earlier. My bill exempts farmlands and related assets from estate tax as long as the family that inherits the farm continues to farm the land. If they stop farming the land, then the tax kicks back in. This is a fair and equitable response to the barriers to entry that young farmers are facing today: a shortage of young farmers because the barriers to entry are too high and the high volume of farmland we are losing. More than an acre of farmland is lost every minute of every day.

It is important that we work to ensure farmers preserve farmland for future generations, which will benefit our food supply and our environment, but it needs to be done the right way. So once this political exercise is over, I hope we can get down to business and work together on a proposal that is actually aimed at protecting our family farms and our family-owned small businesses. We are the ones who pay that tax, and they are not talking about tax reform—they are talking about politics. There is no such thing as a death tax. You won’t find those words anywhere at all in the Tax Code. It is partisan jargon. After you die, you don’t have to pay taxes. You don’t have to take out the garbage. You don’t get called for jury duty anymore. When you are dead, you are dead. So there is no such thing as a death tax.

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There are middle class people who work hard every day and pay the taxes on the income they earn from that work. They are not people who the majority’s bill is designed to help. Their full repeal is not the answer. It costs too much money. It is not paid for—$250 billion not paid for—and it helps people who don’t need the government’s help.

A more commonsense and targeted approach would be to pass the bill that...
Mr. PASCRELL. Mr. Speaker, I yield an additional minute to the gentleman from New Jersey.

Mr. PASCAREL. After sitting through 13 hours of our budget markup, I could tell you that this bill goes a long way in making up for the devastating cuts that the other side of the aisle has inflicted on the middle class.

It is also important to note that the budget does not assume, Mr. Ranking Member, the repeal of the estate tax. Where the heck are they going to get the $294.8 billion? It assumes a revenue-neutral—1 like it when they say it—a revenue-neutral reform. It assumes that revenues will be exactly what CBO projects under current law for the next 10 years.

We really have only two conclusions: either this bill is directly contrary to the budget, or it is not paid for today. Congress will, at some point, have to sit down and go down the road, pass a tax hike to pay for this massive deficit—

Mr. Speaker, I am proud to yield 2 minutes to the gentleman from Wisconsin (Mr. McDERMOTT).
Mr. McDERMOTT. I yield the gentleman from Wisconsin (Mr. KIND) an additional 30 seconds.

Mr. KIND. I thank my friend.

That is what is so ominous behind this legislation, that have become very costly, and the debt dominates with the American people we have a spending problem; yet the very programs they decide to target in their budget resolutions are those programs that promote upward income mobility for all Americans.

I am a product of that. I am a kid who went on to school with Pell grants, with student loans, with the workstudy program. There is no way I want to be pulled up the ladder behind me and say “tough luck” to the lower income classes of this country.

That is what this bill leads to, and I encourage my colleagues to oppose it.

Mr. BRADY of Pennsylvania. Mr. Speaker, in 1939, the American country was in the national wealthiest, most prosperous members of our country would be in the national interest—indeed essential to the future of the country.

I think his approach was right at the beginning of the 19th century, and it remains true in this century because that is really a billionaire protection act.

When he introduced this legislation, Mr. BRADY said: What kind of government swoops in upon your death and takes nearly half of the nest egg that you’ve spent your life building?

Well, the answer is not the American Government. Our government does not do that and does not touch the estates of any but the smallest, smallest fraction of the wealthiest 1 percent, or so we can get it from the Saudis, or whomever we can get it from in order to benefit about 5,000 or so of the wealthiest families in this country, and that is precisely what this legislation does.

“If ever our people become so sordid as to feel that all that counts is moneyed prosperity, ignoble well-being, effortless ease and comfort, then this Nation shall perish.”

“No advantage comes either to the country as a whole or to the individuals inheriting this wealth, by permitting the transmission in their entirety of the enormous fortunes which would be affected by such a tax.”

Those are bold words of a different kind of Republican than we have today. They are the bold words in 1907 of President Teddy Roosevelt when he originally proposed the tax that has been discredited today as the “death tax.”

President Roosevelt thought that it would be the death of our country if we had a permanent leisure class elite of the type that dominated so many European countries. He thought that a reasonable tax on inheritance of the wealthiest, most prosperous members of our country would be in the national interest.

I think his approach was right at the beginning of the 19th century, and it remains true in this century because that is really a billionaire protection act.

When he introduced this legislation, Mr. BRADY said: What kind of government swoops in upon your death and takes nearly half of the nest egg that you’ve spent your life building?

Well, the answer is not the American Government. Our government does not do that and does not touch the estates of any but the smallest, smallest fraction of the wealthiest 1 percent, or so we can get it from the Saudis, or whomever we can get it from in order to benefit about 5,000 or so of the wealthiest families in this country.

We must repeal this unfair policy that does no good to the Federal Government and does enormous harm to American job creators and families. We must make sure this law goes away. In God we trust.

Mr. McDERMOTT. Mr. Speaker, I yield myself 15 seconds.

I would say let’s have the courage to stop hiding behind Warren Buffett, George Soros, the superrich. They don’t pay this tax. They have lawyers and tax accountants and tax finders. They have charitable trusts. This is a caste system where birth determines outcome.

That is why one of the richest people in the world, Warren Buffett, who opposes repealing the estate tax, says that our fate in life should not depend on whether we win the lottery or lose it. That is the American Dream. When he died, the IRS was there 3 days later after the father’s death, wanting the money, 50 percent of the value of the business. His son nearly declared bankruptcy. Fortunately, he was able to pull resources together to keep his family’s profitable dealership afloat and save jobs. He still runs the dealership to this day and has more than 100 employees. That was the American Dream.

Mr. Speaker, today, the House will vote to repeal the death tax, the most unfair double taxation on job creators we have ever seen. The death tax is a tax on savings that have already been taxed on before, but the tax provides less than 1 percent of Federal revenue. According to the Tax Foundation, repeal of the death tax would boost GDP, create 139,000 jobs, and eventually increase Federal revenue. That is right. Ironically, by killing the death tax, the U.S. Government would earn more money and more opportunities.

Mr. Speaker, many second-genera
tion business owners do not have the means to hire teams of accountants and lawyers to minimize the costly obstacles to save the family farm and save the family business.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. McDERMOTT. I yield the gentleman from Texas (Mr. DOGGETT) an additional 30 seconds.

Mr. DOGGETT. Mr. Speaker, I am concerned about the anticompetitive effects of this bill because, while this money could be used to address the size of our national debt—and that might be an appropriate place for it. Think about the size of $269 billion and what it could do. We know that our infrastructure is crumbling. That would be more than enough.
Most Americans would say: I have made it. That is the American Dream. If I can guarantee those things and know my kids are going to have an opportunity to be better than me, that is great. Can I do more? I would love to do more.

I don’t think that most Americans say that we have to give a tax break not to the wealthy, not to the megawealthy, but to the uber-mega-ultrawealthy: a tax break that would cost all us taxpayers $270 billion because this bill is not paid for when, at the same time, that $270 billion would pay for the same amount of coverage for the entire National Institutes of Health to do all the research that we expect it to do to help us cure Alzheimer’s, Parkinson’s, diabetes, lung cancer, and heart disease.

All that research that the National Institutes of Health is doing with all those grants, all those universities today in America costs for 10 years the same amount that this bill would cost to give not 1 percent of the wealthiest—one-tenth of 1 percent of the wealthiest Americans—a tax break that costs $270 billion.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. McDERMOTT. I yield the gentleman an additional 30 seconds.

Mr. BECERRA. Thank you. I yield the gentleman.

Mr. BRADY of Pennsylvania. Mr. Speaker, I yield myself 15 seconds.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BRADY of Pennsylvania. Mr. Speaker, I yield myself 15 seconds.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BECERRA. Thank you. I yield the gentleman.

Mr. BRADY of Pennsylvania. Mr. Speaker, I yield myself 15 seconds.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BECERRA. Thank you. I yield the gentleman.

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The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BECERRA. Thank you. I yield the gentleman.

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The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BECERRA. Thank you. I yield the gentleman.

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Mr. BECERRA. Thank you. I yield the gentleman.

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Mr. BECERRA. Thank you. I yield the gentleman.

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Mr. BECERRA. Thank you. I yield the gentleman.

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Mr. BECERRA. Thank you. I yield the gentleman.

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Mr. BRADY of Pennsylvania. Mr. Speaker, I yield myself 15 seconds.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BECERRA. Thank you. I yield the gentleman.

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The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BECERRA. Thank you. I yield the gentleman.

Mr. BRADY of Pennsylvania. Mr. Speaker, I yield myself 15 seconds.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BECERRA. Thank you. I yield the gentleman.
nearly half of everything you have worked a lifetime to earn? I am proud to yield 2 minutes to the gentleman from Minnesota (Mr. Paulsen), a key member of the Ways and Means Committee.

Mr. PAULSEN. Mr. Speaker, we all love hearing about American success stories. It might be that startup that begins with an idea, a couple of dollars, and a lot of hard work that grows into a business that can support a family, that serves a community, and provides for the future.

Many family-business owners, ranchers, and farmers do hope to keep that success going by passing it on to the next generation.

However, for too many, the dream of taking over the family business can quickly turn into a nightmare. While having to cope with the loss of a loved one, relatives are often forced to make tough decisions in order just to meet the expectations under law.

It can mean taking on large amounts of debt. It can mean selling off critical assets. It can mean even closing down the business and being forced to sell the entire family farm or business just to pay the tax bill.

The truth is that average Americans can be negatively affected by this tax. Not only are businesses not being passed down to the next generation, but they are also being forced to lay off other employees that are currently employed. When a small business shuts its doors and then lets those employees go, it can have a very profound affect on the community.

Farmers can be impacted by the Federal estate tax simply based on the value of the farmland alone. That doesn’t even take into account, Mr. Speaker, the buildings, the equipment, the livestock, and other nonliquid assets that are at risk.

I spoke to a Minnesota family business who was forced to be spending 20 percent of their net income on an expensive life insurance just to fund their future death tax obligations. That is money that is not being used to expand and grow the current business.

We have to ask ourselves, Mr. Speaker, for a country that prides itself on the American Dream that we all agree on and the idea that our children will be better off than we were: Does it make sense to penalize success? Does it make sense to penalize those that are present.

Mr. BRADY of Texas. Madam Speaker, I am very proud to yield 2 minutes to the gentlewoman from South Dakota (Mrs. Noem), a key member of the Ways and Means Committee.

Mrs. NOEM. On March 10th of 1994, my dad was killed in an accident on our family farm. We couldn’t afford to close the door and then let the family go. All I could hear during that point in time were the words that my dad had said to me for many years. It wasn’t very long after he was killed that we got a bill in the mail from the IRS that said “death by a thousand cuts.”

All I could hear during that point in time were the words that my dad had said to me for many years. It wasn’t very long after he was killed that we got a bill in the mail from the IRS that said “death by a thousand cuts.”

One of the things my dad had always said to me is, “Kristi, don’t ever sell land, because God isn’t making any more land.”

But that was really our only option. We could either sell land that had been in our family for generations, or we could take out a loan. So I chose to take out a loan, but it took us 10 years to pay off that loan to pay the Federal Government those death taxes.

One of the main reasons why I got involved in government and politics, because I didn’t understand how bureaucrats and politicians in Washington, D.C., could make a law that says that when a tragedy hits a family they somehow are owed something from that family business. And it doesn’t work for normal, everyday people.

That is why this death tax is so unfair. Because, at one of the most vulnerable times of people’s lives, the Federal Government says, We need to take what you have and what your family has worked for.

A lot of the conversation today has been about that the rich need to pay more. Well, the rich will avoid this tax. They have the resources to do that. But it hits families like mine harder than ever. The rich certainly are not going to pay the burden of this tax.

I will also say that some of the discussion has been about the deficit. The government does not earn money. The government takes other people’s money, is what it does. It certainly is not going to earn more money by this policy.

This previous administration and the members of the other party here on the House floor today talk about the people who have struggled. We have more people living in poverty today under your policies than we had before we were in charge of this country.

One in 15 children are on food stamps because of the policies of this administration. Fifty percent of our college students can’t find work or are underemployed because of the policies of this administration. We talk about income inequality, and we are seeing it because of those previous policies.

This tax is a very unfair tax. It is double taxation. Please don’t put any more families in the situation where they lose their family operation or are threatened by it because of a tragedy that happens to their family.

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

Mr. BRADY of Texas. Madam Speaker, I am proud to yield 2 minutes to the gentleman from Missouri (Mr. Smith), another new member of the Ways and Means Committee who understands just how fragile these family-owned farms and businesses are.

Mr. SMITH of Missouri. Madam Speaker, growing up and working on my great-grandfather’s farm, I learned many values. One that I was taught is a comparison and, basically, when you are out there working with the hogs, you learn that there is little value in hogwash. And I say that under the stipulation that I have heard numerous facts stated of farms the size of 1,000 acres.

Well, the average family farm in this country is less than 500 acres. If you look at the Bootheel of Missouri, which I represent, every farm in that area, if you would just consider a 500-acre farm pair because of the price of 500 acres, times that by how many acres they have—say, 500 acres times $10,000. That’s $5 million—$5 million.
Then you have to put the price of a combine and a tractor to harvest the rice and the cotton. Guess what? They are part of that top 2 percent that the other side says is the wealthiest of the wealthy. Well, guess what?

Less than 2 percent of Americans are farmers. Less than 2 percent of Americans are farmers. This legislation, this tax is directly after farmers.

Our Tax Code, what is wrong with it. It is disadvantaging rural America, and the death tax is a part of that disadvantage. You are seeing people leave rural America because of the Tax Code, and this is a way to fix the Tax Code.

When you look at family farmers, 85 percent of their investment is in the land and in the equipment. It is not in liquid assets. And when they get a tax bill, like the Congresswoman from South Dakota who spoke mentioned, they have to either sell their land or they have to take out a loan so they can keep their family business. This is a tax on the American Dream, and this is awful.

The folks on the other side of the aisle have never found a tax that they disliked. Folks, we have to stop this.

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

Mr. Brady of Texas. Madam Speaker, I am proud to yield one and a half minutes to the gentleman from Washington (Mr. Reichert), the leader of the Select Revenue Subcommittee on the Ways and Means Committee.

Mr. Reichert. Madam Speaker, I thank the distinguished gentleman from Texas for bringing this bill to the floor and for his hard work on this bill. I appreciate the opportunity to speak today in support of this bill. I am proud to be a cosponsor.

The story is the same across this country in all of our districts, whether you have heard that today from every Member or not.

Business owners and farmers work hard for their entire lives with the goal of passing on the first fruits of their labor but face the sometimes insurmountable hurdle of the death tax. And, in addition to the actual tax liability the death tax imposes, merely planning for it, regardless of whether these businesspeople and farmers end up owing it, is yet another challenge.

Last month, when I chaired the hearing in the Select Revenue Subcommittee on this bill, we heard from three witnesses: a rancher, a farmer, and a product distributor. Their stories were the same. This is an onerous tax, creating hours and hours and months of work by attorneys and by their own employees trying to figure out how they are going to keep their business in their family.

One business owner said, for the first 26 years working in his family business—26 years he spent trying to figure out how to meet the debt tax. When one relative was about to pass away, they had another death tax issue they had to address. Another relative was about to pass away and did pass away, and again they had to address the death tax.

This is an issue that the other side wants to make between the rich and the poor. This is about average American men and women, business owners who work hard to keep their family-owned business and protect their hard work.

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

Mr. Brady of Texas, Madam Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. Bishop), the lead sponsor of the Repeal the Death Tax Act, an Eagle Scout, Army veteran, key member of the Select Revenue Committee.

Mr. Bishop of Georgia. I thank the gentleman for yielding.

Madam Speaker, I am pleased to join Representative Brady on this important bipartisan legislation to repeal the death tax once and for all. I have always believed that the death tax is politically misguided, morally unjustified, and downright un-American. It is really a tax on success.

The assets that people want to pass on to their children have already been taxed. If it is a business or if it is a farm, the individuals who earned it, who started the business, they paid income taxes. If it was a corporation, the corporation paid taxes also.

Why should it be taxed a third time just to be passed on and just to keep the business together?

It undermines the life work and life savings of farmers, small-to-medium-sized businesses in Georgia and all across the nation. We have all heard the statistics. The United States has the fourth-highest estate tax in the industrialized world at 40 percent. Only Japan, South Korea, and France have higher death taxes.

Some people have argued that the estate tax is something to be used in political campaigns as to what you voted for and why you voted against it. It is something to be used in political campaigns as to what you voted for and why you voted against it. It is something to be used in political campaigns as to what you voted for and why you voted against it.

I urge my colleagues to really think realistically, not ideologically, and just do the right thing. I urge you to join my colleagues and repeal the death tax once and for all.

Mr. McDermott. Madam Speaker, I yield 2 minutes to the gentleman from New York (Mr. Rangel).

Mr. Rangel. I thank the gentleman for this opportunity.

Madam Speaker, having served on the Ways and Means Committee for decades, it is a little bit embarrassing to see us debating a bill that goes nowhere. This is a political action that is taken by the majority to select provisions that are in the Tax Code and to have those of us that advocate tax reform to just select those parts that appear to be very popular with some parts of our constituencies.

There is nobody in this House that truly believes that this legislation, if passed, ever would become law, but it is something to be used in political campaigns as to what you voted for and why you voted against it.

The truth of the matter is that, to listen to the other side talk, we have some very, very rich farmers; and just because they are in a family doesn’t mean that they are not wealthy.

First of all, let’s go to the video, let’s go to the facts, and let’s find out how to college law schools, and they are affected. And the statistics show that 99.8 percent of the population, those people who die, don’t pay any taxes. So what
Mr. BRADY of Texas. Madam Speaker, I rise today in support of H.R. 1105, the Death Tax Repeal Act.

As a fourth-generation farmer, I can see how family-owned businesses already struggle each year with a destructive mess that is our Federal Tax Code. The death tax, which is a double tax on the family's hard work, only adds to the problem. It stifles prosperity, and it prevents individuals and families from making the personal decisions they want to make with their savings and their property for generations to follow them.

Madam Speaker, it is time to repeal the death tax. Only accounting for a fraction of a percent of annual revenue for the Federal Government, let's call what it really is: it is a distorted attempt to redistribute the earnings of Americans' hard work.

With that, I strongly urge my colleagues to support this commonsense, bipartisan legislation.

Mr. MCDERMOTT. Madam Speaker, would you tell us the time left on each side?
Mr. BRADY of Texas. Madam Speaker, feel free to dismiss the woman in my district, a widow, who now has been forced back to the bank for the third time to take out a loan just to be able to keep the family farm they worked generations—work they genetically and biologically—down. Dismiss her as the Paris Hiltons of the world, as the superrich.

Dismiss the 114 organizations who back the repeal. Most of them are Main Street businesses who support this tax. 'Death taxes are storeowners; they are loggers—loggers in the field—and they are plumbers. There is a glamorous life. That is the superrich.'

That is who, after these people worked years and years and weekends and nights to build up their business, these are the ones who, when they pass away, Uncle Sam swoops in and confiscates—takes—nearly half of what they would rather put into their farm and their business. There is no money. That is their only problem. That is their only problem.

So I want people to understand: this is a quarter of $1 trillion. And as the gentleman from Oregon pointed out, we have a tremendous problem in infrastructure in this country, but there is more money for that.

We have a tremendous problem in investment in the National Institutes of Health. It used to be the National Institutes of Health funded 20 percent of the grant applications that were given to them. Today they are only funding 6 percent of the grant applications that are given to them.

We are not investing either in the physical infrastructure or the human infrastructure of this country. What has made us strong, all of us immigrants who came here—about 99.99 percent of them, as immigrants, came here with nothing, and this country gave us an opportunity to be rich or to be successful. The only way it will work is if we pay something back into the process, not sitting there using money that you never have been taxed on.

I urge my colleagues to vote "no" on this and to think about the 99.9 percent of Americans who will get no benefit whatsoever.

I yield back the balance of my time.

Madam Speaker, the estate tax would amount only 5,400 estates out of an estimated 2.6 million this year. That means repealing the estate tax would amount to a tax break for the top 0.2 percent—the Hitlons, the Adelsons, the Kochs, those folks.

According to the Tax Policy Center, only 20-1 I emphasize 20—small businesses and small farm estates nationwide owed an estate tax in 2013—20.

Furthermore, those estates owed just 4 percent of their value in tax.

Now, the real question here is this: America is a wonderful country. We all have a chance to make it. Some make it better than others. That is because luck and whatever hard work—and it isn’t that everybody who doesn’t have money isn’t working hard. We are all working hard, but some have a little more luck than others. The fact is that, if you have had a little luck, don’t you owe a little something back to the country?

Here you have got people who have gotten $10 million that we have given them as an estate exemption, and then they owe 4 percent of the value on money that has never been taxed before. It is all on capital appreciation.

Now, my Republican friends conveniently forget to mention how much this handout to the rich would cost—$290 billion. That is as though every American today was giving a $1 billion tax cut to the wealthy in this country. There are about 300-and-some-odd million of us. And if we all gave, there we would be. And we are doing this to a group that has no problems whatsoever. Their problem is how to keep their money. That is their only problem.

So I want people to understand: this is a quarter of $1 trillion. And as the gentleman from Oregon pointed out, we have a tremendous problem in infrastructure in this country, but there is more money for that.

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I urge my colleagues to vote “no” on this and to think about the 99.9 percent of Americans who will get no benefit whatsoever.

I yield back the balance of my time.

Mr. BLUM. Madam Speaker, to paraphrase Benjamin Franklin, there are only two sure things in life: death and taxes. Unfortunately for Americans, the federal government has managed to combine the two into greater tragedy with the federal estate tax, more commonly known as the "death" tax.

The death tax is a tax levied against property transferred at death to a person's heirs. This property is neither new income or newly acquired real estate or assets, but rather a simple transfer of ownership. Confusing to most commonsense folks, this the federal government has already taxed this income. While there is an exemption of up to $5.43M, the death tax remains a growing issue with farmers and small businesses in the First District of Iowa as the values of farmland real estate and industrial equipment continue to rise.

The supporters of the death tax say only a small percentage of businesses and farms actually end up paying the tax, I believe this is a question of fairness. I oppose any means that grants the federal government the ability to tax you twice on your income.

This, along with the compliance costs for estate planning, is why I advocate for abolishing the death tax altogether.

As a cosponsor of H.R. 1105, the Death Tax Repeal Act of 2015, I commend my colleagues in the House of Representatives in joining me in passing this legislation by a bipartisan vote of 240 to 179.

Americans, already taxed to death, should not also be taxed in death. Let the heirs, no
MOTION TO RECOMMIT

Mr. NOLAN. Madam Speaker, I have a motion to recommit at the desk.

The SPEAKER pro tempore. Pursuant to H.R. 1165 to the Committee on Ways and Means with instructions to report the same back to the House forthwith with the following amendment:

Add at the end the following:

SEC. 4. BENEFITS DISALLOWED IN CASES OF GIFT AND ESTATE TAX EVASION.

(a) In General.—In the case of any disqualified individual—

(1) the Internal Revenue Code of 1986 shall be applied and administered as if the amendments made by this Act had never been enacted;

(2) no credit shall be allowed under section 2505 of such Code (relating to unified credit against gift tax) with respect to any gifts made after such conviction, and

(3) the applicable exclusion amount with respect to such individual under section 2010 of such Code (relating to unified credit against estate tax) shall be zero.

(b) Disqualified Individual.—For purposes of this section, the term “disqualified individual” means any individual who—

(1) filed an income tax return for attempting to evade or defeat the tax imposed under chapter 12 of such Code (relating to gift tax), or

(2) prior to the date of the enactment of this Act, engaged in a transaction (or series of transactions) with the intent to evade or defeat the tax imposed under chapter 11 of such Code (relating to estate tax).

Mr. BRADY of Texas. I rise in opposition to the motion.

The SPEAKER pro tempore. The reservation of the point of order is withdrawn.

Mr. BRADY of Texas. I rise in opposition to the motion.

The SPEAKER pro tempore. The gentleman from Texas is recognized for 5 minutes.

Mr. BRADY of Texas. Madam Speaker, this is the final amendment to the bill which would immediately proceed to final passage, as amended.

Madam Speaker, years ago, when I first went into public life, my father—as fathers could be expected—gave me a little fatherly advice. He said: Son, I will always be proud of you if you just do a couple of things. I said: What? He said: Number one, be honest, I don’t want my kids getting in trouble. Tell the truth.

Secondly, he said: If you are going to go in public life, commit yourself to working for the common good. Don’t worry too much about the rich. They have got a way of taking care of themselves.

Well, my father never had any money to speak of, but, boy, he sure understood that. If you look at this chart here, this is what this bill is really all about. This bill is about giving $270 billion in tax benefits to the richest of the rich. That’s right.

This is America, and here is that less than 1 percent, $270 billion tax break, 5,500 individuals over the next 10 years. That means the rest of the country is going to have to pay for it.

Have these people benefited from the greatness of America where people can work hard, prosper, and become successful? Yes, of course, they have. They are the richest of the rich.

Here, we want to give them another tax break? Talk about greed. Talk about carrying the water for the rich. That is exactly what my amendment does—my amendment is about here today. Under my amendment, this little percent, this little 1 percent of the 1 percent, if they have engaged and been found guilty of tax fraud as it relates to inheritance and gift taxes, they are going to benefit from this. They amass fortunes through illegal activities as it relates just to this very specific tax; and we want to give a tax break on the fortunes that they amassed illegally?

The least we can do—and that is what my amendment does my amendment says that, if you have been found guilty of tax fraud trying to get more than you already have illegally and criminally, then you are not going to get the benefit of this tax exemption.

I am confident that if my good friends and good colleagues here on the floor, who are spending $800 billion, Republicans and Democrats think at this thing honestly, they will say: I have got to support that amendment. I can’t go back home and tell my folks how we are going to spare $270 billion in gifts that we gave already to the richest of the rich. That is not how you fix this problem of growing disparity that is threatening our economy and threatening our well-being.

Madam Speaker, I urge the adoption of my amendment, and I yield back the balance of my time.

Mr. BRADY of Texas. Madam Speaker, 1 withdraw the reservation of the point of order.

The SPEAKER pro tempore. The reservation of the point of order is withdrawn.

Mr. BRADY of Texas. I rise in opposition to the motion.

The SPEAKER pro tempore. The gentleman from Texas is recognized for 5 minutes.

Mr. BRADY of Texas. Madam Speaker, all this is a red herring. The desperation you hear is for a government in Washington that desperately wants to do whatever they can to make up the $270 billion dollars in tax breaks for people that have benefited from the tax-and-give system in this country. Ninety-nine percent of the people in this country are not required to pay any estate or gift tax because the value of their farm, their business, their accumulation in life does not exceed the limits that are allowable under the law—which, by the way, are $5.5 million per individual, $10 million, $11 million for a family.

That is a pretty nice gift at the end of the day for something that, quite frankly, you were not the hard-working, creative, innovative person who made that money. You are just the beneficiary by wealth the old-fashioned way: you inherited it.

Do we all aspire to wealth and success? Yeah. That is something we want to applaud. It is something we want to celebrate. This is about celebrating the gift of inheritance, and there is plenty of it here in this legislation.

At the end of the day, this bill is really about the other 99 percent because they are the ones who are going to have to bail out the 1 percent that are going to benefit from this. They amass fortune through illegal activities as it relates to just this very specific tax; and we want to give a tax break on the fortunes that they amassed illegally?

Tell the truth. Let’s tell the truth. Ninety-nine percent of the people in this country are not required to pay any estate or gift tax because the value of their farm, their business, their accumulation in life does not exceed the limits that are allowable under the law—which, by the way, are $5.5 million per individual, $10 million, $11 million for a family.

I look forward to working with my colleagues in the Senate to continue to advance this important legislation that will finally permit farms and small businesses to pass from generation to generation without the specter of the death tax looming.

The SPEAKER pro tempore. Pursuant to House Resolution 200, the previous question is ordered on the bill, as amended.

Mr. NOLAN. I am in its current form.

The SPEAKER pro tempore. The Clerk will report the present.

The Clerk reads as follows:

The SPEAKER pro tempore. All time for debate has expired.

Mr. BRADY of Texas. I rise in opposition to the rule, the gentleman from Texas is recognized for 5 minutes.

Mr. NOLAN. Madam Speaker, this is the final amendment to the bill which would immediately proceed to final passage, as amended.

Madam Speaker, today, we heard Congresswoman KRISTI NOEM talk about the tragedy of her dad and how, 3 days after his death, they were notified by Uncle Sam that they owed or they would have to sell their ranch.

We heard from a gentleman from Texas whose dad built up a $4 million car and four stalls a family-owned car dealership with 400 workers. It was a profitable company that nearly went
bankrupt because they had to pay Uncle Sam or sell the business. They worked 20 years to pay off that loan.

My constituent, a woman who is widowed, was forced back to the bank for the third time, paying death tax for her grandchild, her father, and now her and her husband, just to keep the family farm they have worked generations on. These are the people who are punished by this tax.

It is not the government’s money and work. It is yours. This is all about that issue. At the end of the day, unless we want to keep attacking the American Dream and insisting that Uncle Sam swoop in and take your nest egg, it is time to restore the American Dream and to end the death tax once and for all.

Madam Speaker, I urge my colleagues to defeat this motion to recommit.

I yield back the balance of my time.

The SPEAKER pro tempore. Pursuant to the order of the House of today, further proceedings on this question will be postponed.

STATE AND LOCAL SALES TAX DEDUCTION FAIRNESS ACT OF 2015

Mr. BRADY of Texas. Madam Speaker, pursuant to House Resolution 200, I call up the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to make permanent the deduction of State and local general sales taxes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 200, the amendment in the nature of a substitute recommended by the Committee on Ways and Means, printed in the bill, modified by the amendment printed in part A of House Report 114–74 is adopted, and the bill, as amended, is considered read.

The text of the bill, as amended, is as follows:

H.R. 622

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

SECTION 1. SHORT TITLE.

This Act may be cited as the “State and Local Sales Tax Deduction Fairness Act of 2015”.

SEC. 2. PERMANENT EXTENSION OF DEDUCTION OF STATE AND LOCAL GENERAL SALES TAXES.

(a) IN GENERAL.—Section 164(b)(5) of the Internal Revenue Code of 1986 is amended by striking subparagraph (I).

(b) EFFECTIVE DATES.—The amendment made by this section shall apply to taxable years beginning after December 31, 2014.

SEC. 3. BUDGETARY EFFECTS.

The budgetary effects of this Act shall not be entered on either PAYGO scoreboard maintained pursuant to section 6(e) of the Statutory Pay-As-You-Go Act of 2010.

The SPEAKER pro tempore. The gentleman from Texas (Mr. BRADY) and the gentleman from Illinois (Mr. DANNY K. DAVIS) each will control 30 minutes.

The Chair recognizes the gentleman from Texas.

Mr. BRADY of Texas. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous materials on H.R. 622, the State and Local Sales Tax Deduction Fairness Act of 2015.

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

There was no objection.

Mr. BRADY of Texas. Madam Speaker, I yield myself such time as I may consume.

I want to thank my colleagues, Jim McDermott and Marsha Blackburn, for joining me in leading the fight to make this middle class tax provision permanent.

This provision is about tax fairness and equal treatment. If taxpayers in income tax States can deduct their State and local income taxes, so should residents of sales tax States. That, in America, is just fair.

This provision helps hard-working taxpayers keep a little more of what they earn, which is even more important to families, given their stagnant paychecks over the past number of years. More than 10 million American taxpayers in nine States depend on this commonsense deduction, and the dollars that stay in the local community help grow their community rather than grow Washington’s economy.

A permanent State and local sales tax deduction provides certainty to American families, makes Federal budget scorekeeping more honest, and removes the asterisk from this temporary provision so the progrowth tax reform can advance.

It is certainly important to Texas. Since it has been restored, my neighbors have saved more than $10 billion, which buys a lot of school clothes, gas for your car, and helps with rising college costs.

To be sure, this provision isn’t reserved just for sales tax States. It allows all American taxpayers to choose whether they deduct their State and local income taxes or their State and local sales taxes, whichever is greater. That is fair. That is equal treatment.

Let’s be honest. Extending this provision temporarily for one year, which is exactly what has been done since 2004, that won’t cost any more than making it permanent today and creating that certainty and fairness for taxpayers.

I want to urge my colleagues to join me in supporting middle class families by making this provision permanent.

Madam Speaker, I reserve the balance of my time.

Mr. DANNY K. DAVIS of Illinois. Madam Speaker, I yield myself such time as I may consume.

The State and local sales tax deduction is an important tax provision for Americans living in States without a State income tax who cannot take advantage of the State and local income tax deduction.

Although I support this deduction as an important alternative for taxpayers in States without income taxes, H.R. 622 is fiscally irresponsible, given that it permanently extends this deduction without any offsets.

Frankly, I am quite surprised that the Republican leadership is advancing this bill that would add $12 billion to the deficit. Just last year, then-Chairman Dave Camp proposed eliminating the State and local sales tax deduction in the Republican tax reform draft. At that time, current Chairman RYAN said he approved of eliminating the sales tax provision before the next bill.

Further, just last month, the Republican leadership presented a budget that requires offsetting the cost of any tax extenders that are made permanent with other revenue measures. Indeed, the GOP budget plan line itemizes the Republican tax reform draft last year, which adopted a fiscally responsible approach.

I am at a loss to understand why the Republican leadership is adding $42 billion to our deficit for the sake of this provision. It extends a provision that they have proposed eliminating in tax reform.

We need to provide certainty to taxpayers in affected States that the sales tax deduction will be available to them this year, and the last thing we want is a provision that we must cut from domestic discretionary spending.

The Republican budget said that we had to cut $759 billion over the next 10 years in domestic discretionary spending in the name of fiscal prudence but can throw $300 billion to the wind for a provision that they have proposed eliminating in tax reform.

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