

we can gain in West Virginia from marketing our goods in the European Union. So on Monday, in Martinsburg, at the Holiday Inn, we will be holding the first of Project Europe functions in which we bring together representatives of the German Embassy, the United States Department of Commerce, the West Virginia Development Office and other West Virginia businesses that have already cracked the European market and to work with our other West Virginia businesses that maybe want to increase their opportunities or indeed want to get into the European market for the first time.

Seventy-five percent of foreign investment in West Virginia is European. Over a billion dollars worth of goods sold from West Virginia goes to the European Union. So I know, Mr. Speaker, that this is going to be a valuable undertaking, and I am delighted the eastern panhandle, and Martinsburg in particular, will host our first Project Europe seminar on Monday.

#### SUPPORT COMPREHENSIVE TAX REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nevada [Mr. GIBBONS] is recognized for 5 minutes.

Mr. GIBBONS. Mr. Speaker, I rise today in support of comprehensive tax reform. My personal belief is that we should completely scrap the current Tax Code and replace it with one that is fairer, flatter and simpler. While I am not certain of which tax reform proposal is best for our country, I am certain that our current system is desperately in need of reform.

April 15, millions of Americans will struggle with the current Tax Code in a desperate attempt to comply with the rules and regulations and their obligation to this country. Since enactment, the Internal Revenue Act of 1954, the income tax code has grown from 744,000 words in 1955 to 5,577,000 words in 1994. This represents a growth rate of 625 percent for that 40-year period.

The Code has been revised well over 400 times through major tax enactments and public laws. The Tax Code has become so overly complicated that the average American taxpayer finds it extremely difficult, if not impossible, to comply.

I understand that major reform does not come about overnight and there are significant steps we can take in the interim to help ease the tax burden for the hard working men and women of this country. The first is a reduction of the capital gains tax. The capital gains tax represents a significant disincentive for investment in this country and stifles economic growth. Its reduction would help unlock stagnant investment and allow our economy to thrive.

Second, I would like to eliminate altogether the estate tax. The death tax, as it is called, is one of the worst provisions in the Tax Code. This tax penalizes hard working families who work so

hard to provide financial security to their children and grandchildren. It often forces businesses and business owners, farmers as well, to liquidate their businesses just to pay this tax.

If Congress is serious about easing the tax burden and making our tax system more equitable, capital gains and estate taxes are a good place to start.

#### OUR COUNTRY NEEDS SWEEPING TAX REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah [Mr. COOK] is recognized for 5 minutes.

Mr. COOK. Mr. Speaker, I believe the most compassionate and practical thing that this Congress can do is to give the American people tax laws that make sense and tax relief that is meaningful. Our country desperately needs sweeping tax reform. Our people need tax laws they can understand. They need a method of taxation that is fair and reasonable.

Our tax laws now are so complicated that even the IRS cannot explain them. I think it is ludicrous the IRS sends out 8 billion pages of forms and instructions each year. Our tax system is too complicated, and our taxes are simply too high.

Mr. Speaker, I am proud to join the growing number of congressional Members calling for sweeping tax reform and meaningful tax relief.

We lost the fight this year to give the American people the term limits the majority said they wanted, and it appears from this week that we may be losing the fight to give the American people the balanced budget amendment that they have been wanting and feel they can build their future on. But let us not lose this fight. Let the 105th Congress be remembered for slaying the dragon that terrorized previous Congresses.

I have been a long-time advocate of the flat tax. I support the Freedom and Fairness Restoration Act of the gentleman from Texas [Mr. ARMEY]. A flat tax is simple. I like Mr. ARMEY's suggestion that Americans ought to be able to file their taxes on a form the size of a postcard.

A flat tax treats everyone equally and fairly. It will spur the economy and encourage people to save and invest. The Freedom and Fairness Restoration Act will also give Americans desperately needed tax relief, providing a reasonable tax cut while raising nearly as much money as the current system. But more than this, I think a flat tax can reform our entire political system.

Congress has used the American Tax Code as a tool for social engineering, and that is not right. Behaviors are rewarded or punished through a little tinkering here and a little tinkering there of the Tax Code. I believe that is a cynical and improper use of our power. Americans pay taxes to support a government created to serve them,

not to a government created to control them.

Mr. Speaker, we never enjoy paying our taxes. The millions of American families struggling to make ends meet will never be eager to give their precious dollars to the Federal Government. But if we have the courage to act, these families can say for the first time that they now understand the tax laws that they are obeying. They can say for the first time that they know their tax burden is not heavier for them than for the family down the street or those across town. They can say for the first time that the American tax system is simple, fair, and just.

#### DEATH TAX IS PARTICULARLY METTLESOME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. SHIMKUS] is recognized for 5 minutes.

Mr. SHIMKUS. Mr. Speaker, it is no secret that the Tax Code hurts our economy. We all know that Americans who try to save get penalized and that most Americans need a tax attorney to help them file their returns.

I want to speak briefly, however, on a part of the Tax Code that is particularly mettlesome to constituents in my district: The death tax, which was first enacted in 1916 on estates larger than \$50,000, which in today's dollars would be about \$720,000 at a top tax rate of 10 percent.

Today, under the tax and spend policies of the past, this tax has grown to include estates valued as low as \$600,000 with a top tax rate of 55 percent.

The goal of this tax is to prevent families from amassing huge estates and to promote wealth redistribution. That may sound like a good goal on paper, but in practice this tax does not have that effect. In fact, the estate tax hurts middle class, family owned businesses and farms by making it harder for the business to be passed on to the next generation.

Back in my district, in Illinois, the Buesinger family, from Christian County, have recently found out how terrible this tax can be.

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After Glen Buesinger, Sr. passed away, his three sons and wife were left to manage the farm. The family almost lost their farm and is still hurting from the costs, aggravation, and frustration this tax has placed on them.

The rich in this country, at which this law is aimed, simply evade this tax legally by using complex estate planning techniques and tricky lawyers. Since many of these techniques are costly and require long lead times to implement, those with the largest estates have the greatest ability to engage in this practice. A disproportionate burden of the death tax falls on those with recently acquired assets, such as farmers and small business owners.