

District. As a teacher, coach, principal, and ultimately superintendent, Bob Buchanan has done it all in his 25 years in Sikeston. Moreover, he's been a positive influence on so many kids and touched many of their families over the past 31 years of dedication to education.

Bob's long and winding road in education started in January 1966 when he first was hired as a social studies instructor in Harrisburg, AR. He then moved across the border to his home State to teach social studies in Bernie, MO—his original hometown—and just down the road in Charleston, MO, before planting new and, as we know today, deep roots in Sikeston in 1972.

Bob Buchanan is a leader by example. His community service record is exemplary. For instance, Bob is a member of Sikeston's chamber of commerce quality of life committee. He's also on the physicians medical organization board, Missouri Delta medical center board, Sikeston area development council board, and in the mid-eighties, he served as chairman of the board of adjustment.

Bob also knows that you must keep learning in life so that you're prepared for the next challenge or hurdle. His personal achievements in his academic pursuits are impressive. After graduating from Bernie High School in 1961, Bob graduated from Arkansas State University with a bachelor of science in education. He earned his master in education administration from Southeast Missouri State University in my hometown of Cape Girardeau in 1971. He graduated with honors 10 years later in 1981 with a specialist in education administration from Southeast Missouri State. Then, in 1987, he earned his doctor of philosophy from the Department of Educational Leadership at Southern Illinois University in Carbondale. Remember, most of these scholastic achievements came about in his spare time because Bob's full-time job was educating our children and helping to provide them a better, brighter future.

Although this will be the last school year for Bob as superintendent of Sikeston schools, I'm sure folks will still find him going to every Bulldog game he and his wife Glenda can attend. Most importantly, I hope that the enthusiastic spirit and drive for excellence that Dr. Buchanan brings to the classrooms under his charge lives on for future generations. Bob Buchanan will be missed, but I truly believe his legacy will live on.

ESTATE AND GIFT TAXES

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. PACKARD. Mr. Speaker, I worry about how our current tax structure will affect America's families and small businesses. I hear from constituents every day who fret that their cherished family home or small business they built from the ground up will end up liquidated because our current estate and gift tax laws make it impossible for families to hold onto their loved one's legacy.

No American should have to stay up late at night worrying about how the tax system will hurt them. The estate and gift tax seems especially cruel when you consider it strips peo-

ple of the very thing a life well lived provides—the opportunity to endow our children with the fruits of our labor. For all of the suffering estate taxes cause loved ones, the tax accounts for only a small fraction of the Federal Government's revenue—about 1 percent or \$15 billion.

Most people mistakenly assume that the estate and gift tax socks it only to the rich. Nothing is further from the truth. In fact, this tax hits small businesses the hardest. More than 70 percent of small businesses never make it into the hands of the next generation, and more than 80 percent never make it to the third generation. The effect on the economy is immeasurable. How many jobs have been lost because a family had to shut down a thriving business just to pay the taxes?

Mr. Speaker, I recently cosponsored the Family Heritage Preservation Act, introduced by Congressman CHRIS COX, Republican from Newport Beach. This legislation would repeal Federal estate and gift taxes. President Clinton's own White House Conference on Small Business has cited estate tax repeal as one of his No. 1 objectives. I will work to repeal the Federal estate and gift taxes in order to ensure for the future of our children and grandchildren.

THE IRS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, April 16, 1997, into the CONGRESSIONAL RECORD:

THE IRS: OVERHAUL OVERDUE

More than 200 million individuals and companies recently sent their tax returns to the Internal Revenue Service. This yearly ritual—and the frustration that surrounds it—makes the IRS the most vilified agency in the federal government. Of course, tax collectors have been criticized since biblical times. No one expects the IRS to be popular, and fair-minded people understand the difficulty of collecting taxes. But American taxpayers have a right to expect fairness and efficiency from their tax collectors.

The IRS is widely recognized to be inefficient. In the previous fiscal year, 74% of all telephone calls to the IRS got a busy signal. The IRS still enters paper returns manually into computers, with a 20% error rate. Because its computers are out of date, the IRS focuses on processing instead of fraud. It is no wonder, then, that millions of suspect returns go unexamined. When it does investigate, the IRS is not always held accountable for investigations that are unfair or overly intrusive. I am most troubled by allegations that some IRS employees "snoop" through tax-payer records without authorization. Any employee who does so should be fired immediately. The IRS is long overdue for a massive management overhaul.

FORMIDABLE TASK

In 1996 the IRS collected \$1.5 trillion from more than 200 million individual and corporate taxpayers. The IRS computer system is the largest in the world, and it is difficult to find highly-skilled computer experts who will work for government salaries. Today the IRS collects about \$150 billion a year less than what the law requires. Strengthening

enforcement, however, can sometimes require more intrusive measures that would be rejected by taxpayers and Congress. It is difficult to strike a proper balance.

These challenges are not new, and Congress has pushed the IRS to modernize for years. A few years ago, Congress created a Taxpayer Advocate and authorized a computer modernization project. Unfortunately, the IRS spent \$4 billion to create 12 computer systems that can't even talk to each other. This failed effort is an outrageous symbol of the mismanagement that has pervaded the agency.

SIGNS OF PROGRESS

The IRS is beginning to make some improvements. About 70% of individuals taxpayers use the one-page "EZ" tax form, and other forms have been simplified. The IRS takes 45 million toll-free calls per year. Taxpayers still complain that they cannot get a real person to speak to them on the telephone, but when they do, they now get the correct answer 91% of the time, up from 63% in 1989. The IRS is also beginning to move to automated returns. The new telephone filing service is used by 17 million people; 15 million use computer filing. Taxpayers who file automatically get their refunds in an average of 16 days, compared with 38 days for paper. Moreover, the error rate on automated returns is just 1/40th of the paper rate. The popular IRS internet site (www.irs.ustreas.gov) provides tax forms and answers to frequently asked questions. I commend these steps, but they still fall short of the efficiency and fairness taxpayers deserve.

MAJOR REFORMS

The last major reform of the IRS took place in 1952, when the agency was riddled with political appointees and was widely corrupt. Today's task is more of a management challenge.

Last year, Congress established the National Commission on Restructuring the IRS to issue a report by July 1. This commission has set six objectives: (1) The taxpayer deserves superior, courteous service; (2) the IRS management structure needs to be revamped; (3) the IRS workforce should be the highest quality; (4) the agency needs state-of-the-art technology; (5) the IRS must balance its books; and (6) the tax code should not be so complex or change so often.

I think there are several specific steps we should take.

Independent Board: The IRS should have an independent board of directors. This board would set goals and hold the IRS accountable for reaching them. A similar board was recently set up for IRS computers, and it boosted private contracting from 40% to 64%. This trend should continue.

Experienced Commissioner: Top leaders of the IRS should have management experience. In the past, Commissioners have been tax lawyers, but we should ensure that top managers know how to manage a large organization.

Reduce Complication: Congress should be forced to consider the complexity of all proposed changes before they are enacted. Many proposed tax measures sound attractive, but they only add to the growing complexity of the tax code. It is easier for Congress to support tax credits for education, investment, and other worthy goals than it is to simplify the tax code.

Crackdown on Fraud: The IRS must reduce fraud. The IRS has made many attempts to strengthen tax compliance and collection, but more needs to be done. A more efficient processing system will free up resources to strengthen enforcement. The IRS should improve its enforcement while protecting taxpayer privacy.