

each and every day. The truth is that, while we are caught up in our busy lives and absorbed by our personal concerns, the eternal rhythm of time will persist. And we will not even notice. But all too soon, we will open our eyes and realize that the vision of tomorrow has faded and has become the gift of today. Only then, when America's future has become its past, on those wintry nights when we are hurrying home, enjoying all the benefits of American society, will we truly be able to appreciate the significance of today.

PAYING TRIBUTE TO WAYNE  
THOMPSON

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 2002

Mr. McINNIS. Mr. Speaker, I would like to take a moment and pay tribute to the life, legacy, and memory of Wayne Douglas Thompson. Wayne departed us on June 2, 2002 in his Monte Vista home, and as we mourn his loss, I would like to take the opportunity to honor Wayne—a man of great character and conduct.

Wayne was a native of Colorado, born and raised by Douglas and Agnes Thompson in Monte Vista. He graduated from Monte Vista High School in 1952, and entered Adams State College, graduating with honors in 1956. He enlisted in the United States Marine Corps and served our country courageously through three tours in South Vietnam and also in the Middle East, defending the freedoms and liberties we all hold dear. Wayne served with integrity, and today we honor him as a soldier and a patriot.

After 21 years of military service, Wayne retired from the Marine Corps and returned home to accept a position as the Executive Director of the Colorado Potato Administration Committee. His leadership and guidance have inspired his peers and co-workers—Wayne leads by example and has always taken time to pass along his wisdom to the youth of his community.

Mr. Speaker, I proudly honor Wayne before this body of Congress and this nation. He is survived by his two daughters Dawn and Kali, his three grandchildren Nicholas, Melanie, and Devin, and his beloved wife Maryann. Thank you, Wayne, for your many years of service and countless contributions to our society. Although we all mourn the loss of Wayne Thompson, we recognize that he has left a piece of himself with each of those who were lucky enough to have known him.

INTERNATIONAL TAX SIMPLIFICATION, FAIRNESS, AND COMPETITIVENESS ACT OF 2002

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 2002

Mr. LEVIN. Mr. Speaker, today I am introducing a bill, the "International Tax Simplification, Fairness, and Competitiveness Act of 2002." I have worked for many years with my dear colleague, AMO HOUGHTON, to help bring

sensible and low-cost simplifications and reforms to the U.S. international tax rules. I look forward to working with him this year and in future years on these important issues.

The bill contains a menu of proposals unified by a common theme: The way we tax the income of U.S. companies doing business abroad should reflect the economic realities of doing business abroad and should facilitate the efficient allocation of resources. Guided by that principle, the bill provides a list of possible amendments to the U.S. international tax regime that will simplify the reporting burden, update the rules to reflect the new realities of globalization, enhance the competitiveness of U.S. businesses and their workers, and promote exports. While I do not anticipate that all of these provisions would be enacted at once, and certainly the fiscal impact of any provision must be considered as it progresses through the legislative process including by considering appropriate offsets, I look forward to working to get provisions of the bill enacted into law.

In the context of trade policy I have spoken for some time about the need to address head-on the changing nature of trade which has followed from the phenomenon of economic globalization. That need exists in the international tax sphere, as well. The nature of business and commerce has changed dramatically in the past fifty years and continues to change rapidly. Today, companies regularly take advantage of the gains in efficiency that may come from locating strategically in multiple points around the globe. Not only can strategic location around the globe make U.S. companies more competitive, it also can increase demand for U.S. exports, since U.S. companies operating overseas are very likely to purchase U.S. goods and services. In the trade context, I have worked to establish basic rules of international competition, including a floor of core labor standards, to ensure that there is a level playing field for U.S. companies and workers. Just as we need relentless innovation in our trade policy, we must ensure that our tax policy is keeping up with the realities of domestic and international business.

Additionally, as international business transactions have increased dramatically, it is increasingly necessary to be sure that the rules meet two challenges: they must be updated to prevent new types of abusive transactions with little or no purpose other than the avoidance of U.S. taxes, and at the same time they should not have the effect of deterring or severely burdening transactions undertaken for legitimate and, from the point of view of American competitiveness, desirable, economic reasons.

Toward that end, and as someone who has spent a lot of time working to simplify and improve the U.S. international tax regime, I want to put forth a proposition—although there is a need to discuss the competitive implications of the U.S. international tax rules and there is a need for simplification, the issue of corporate inversions does not provide an appropriate vehicle for that discussion.

Corporate inversions are not truly about the complexities of the U.S. international tax rules; they are driven by tax avoidance, plain and simple.

Whether a corporation is headquartered in Germany, France, the Netherlands, Japan, or the United States, it has a tax-based incentive to do an inversion into a tax haven. Coming

from any OECD country with a responsible tax authority, an inversion into a tax haven will allow a company to avoid the relevant passive income rules, embodied in subpart F of the U.S. Tax Code, but in existence in one form or another throughout the OECD.

Also, once a corporation from any OECD country has undertaken an inversion, the corporation can reap further tax benefits through earnings stripping transactions that avoid domestic taxes on domestic-source income.

So, the corporate inversion phenomenon is not about territorial systems versus the U.S. modified worldwide system of taxation. An inversion results in a tax regime more favorable than either of these systems. Any attempt to turn the inversion phenomenon into an indictment of the U.S. system is therefore misguided. Inversions are about tax havens versus developed taxing jurisdictions like those in OECD countries. The only "business reason" driving an inversion—reflected in disclosure filings accompanying each inversion reassuring shareholders that the transaction will not impact business operations—is tax avoidance.

I will therefore resist any effort to draw a false link between the inversion phenomenon and the need for reform of the U.S. international tax rules. I believe that consideration of legislation to close off inversions is important and should be considered on its own merits, similarly, legislation to reform and simplify the U.S. international tax rules to improve the competitiveness of U.S. companies is important and should be considered on its own merits. Attempts to link the two issues together will only add unnecessary difficulty and will jeopardize the types of needed changes included in the bill introduced today.

CELEBRATING THE 100TH ANNIVERSARY OF THE  
VOORHEESVILLE VOLUNTEER  
FIRE DEPARTMENT

HON. MICHAEL R. McNULTY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 2002

Mr. McNULTY. Mr. Speaker, I am so proud to recognize with gratitude the 100th Anniversary of the Voorheesville Volunteer Fire Department, which is located in my congressional district in Albany County, New York.

For more than a century, members of the Voorheesville Volunteer Fire Department have put their lives on the line—day in and day out—to ensure the safety and well being of the citizens of the Village of Voorheesville and its surrounding communities.

Founded April 1, 1902, the Voorheesville Fire Department enjoys a rich tradition of heroism and service. Never have these most admirable qualities been so honorably displayed than by the heroic rescue efforts of firefighters from across New York State following the terrorist attacks of September 11, 2001.

Through their actions, Mr. Speaker, we understand true patriotism.

The heroic efforts of our 'First Responders' are finally being given the recognition they have always deserved.

I proudly extend my highest regard to the Department's President, Richard Berger, to its Fire Chief, Michael Wiesmaier, and to all of