

\$40,250 for single taxpayers and \$58,000 for married couple filing jointly in 2005. This would still leave 1 million families paying the AMT. Unlike other tax cuts being forced through by Republicans, this will only be a temporary 1-year fix. The Congressional Budget Office estimates that a true fix of the AMT would cost \$376 billion over 10 years. But Republicans have refused to pull back their tax cuts for the wealthy, which have created a \$3 trillion deficit, in order to pay for this essential middle class tax relief.

I ask unanimous consent to insert into the record an editorial from the May 10, 2004 Los Angeles Times highlighting the budget gimmicks being used to disguise the cost of AMT and other tax cuts.

Today Democrats bring to the House floor a true solution to the AMT problem. The Democratic substitute completely exempts married couple families with incomes under \$250,000 from the alternative minimum tax, providing tax relief to more than 10 million families.

The Democratic plan is fully paid for by cracking down on corporate tax shelters. Nearly two-thirds of corporations paid no tax at all in 2000 and this is an important step to ensuring that corporations pay their fair share while relieving middle class families from the unfair burden of the alternative minimum tax.

It is important that we act today to ensure average income Americans will not unfairly face the alternative minimum tax in 2005. However, I believe we should provide this relief in a fiscally responsible manner that will not burden future generations of Americans. I urge my colleagues in joining me today in support of real AMT relief.

[From the Los Angeles Times, May 10, 2004]

PRESTO!—IT'S DEFICIT MAGIC

Federal Reserve Chairman Alan Greenspan is increasingly testy about the perils of the federal budget deficit, warning Congress and the Bush administration last week that it poses "a significant obstacle to long-term stability." The higher the debt goes, the more the threat of inflation increases. That forces the Federal Reserve to raise interest rates, slowing economic growth. Friday's sunny job creation figures, though good news, also intensify pressure to raise rates.

The Congressional Budget Office projects a deficit of \$477 billion for 2004—and by 2013, a recent average college graduate will shoulder \$51.520 of the total national debt. The new \$25 billion request by the White House to underwrite the Iraq occupation will be on top of those projections. But Congress continues living in a fiscal house of mirrors, using gimmickry to disguise the cost of current and proposed tax cuts.

The mischief begins with the one-year curb on the so-called alternative minimum tax that the House approved Wednesday. If enacted, it will shield about 9 million individuals and families at a cost of \$17.8 billion to the Treasury. The AMT is a parallel tax system originally designed to prevent the wealthy from avoiding all income taxes. But because it was not indexed for inflation, middle-class taxpayers are falling within its limits. Indexing the tax makes sense, but not on top of the more reckless cuts already passed.

Now Congress seeks to have it both ways by relying on one-year extensions. It pretends at budget time that hundreds of billions of AMT dollars will be available over the next decade. Then it can turn around and extend AMT relief for another year.

The "marriage penalty" produces another sleight of hand. A tax code quirk often penalizes married couples when both spouses

work. Once again, relief is good in theory but lawmakers aren't honest about lost revenue. By pretending the AMT will be in effect, they assume for budgeting purposes that about half of the tax cuts the AMT is intended to provide for married couples will be canceled out. Dizzying as well as deceptive.

The congressional Joint Committee on Taxation estimates that if, as is likely, the AMT is curbed each year, the bill the House passed April 28 for marriage relief would cost \$204 billion over 10 years, not \$105 billion.

If Congress rolled back the parts of the tax cuts that benefit the most wealthy, changes to the AMT and marriage penalty could be considered, but cuts already enacted reduce federal taxes of households with incomes above \$1 million an average of \$123,600 in 2004. Over the next decade, interest payments on tax-cut debt will amount to all that the government spends on the departments of Education, Homeland Security, Interior, Justice and State.

The longer that lawmakers budget by fakery, the more they will inundate future generations with trillions in debt. Whom will those generations blame?

PROVIDING FOR CONSIDERATION OF H.R. 4279, PROVIDING FOR DISPOSITION OF UNUSED HEALTH BENEFITS IN CAFETERIA PLANS AND FLEXIBLE SPENDING ARRANGEMENTS; H.R. 4280, HELP EFFICIENT, ACCESSIBLE, LOW-COST, TIMELY HEALTHCARE (HEALTH) ACT OF 2004; AND H.R. 4281, SMALL BUSINESS HEALTH FAIRNESS ACT OF 2004

SPEECH OF

HON. C.A. DUTCH RUPPERSBERGER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 12, 2004

Mr. RUPPERSBERGER. Mr. Speaker, the rising cost of health care is running out of control. With these flexible savings accounts it allows employers to pay for health care not covered by their health plans. It is only right that left over funds be rolled over into next years accounts. I support this bill to help people pay for their health care coverage.

PROVIDING FOR CONSIDERATION OF H.R. 4275, PERMANENT EXTENSION OF 10-PERCENT INDIVIDUAL INCOME TAX RATE BRACKET

SPEECH OF

HON. JOHN LINDER

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 12, 2004

Mr. LINDER. Mr. Speaker, I rise in support of this modified, closed rule, and thank my friend and colleague from the Rules Committee, Mr. SESSIONS, for yielding me this time.

Mr. Speaker, this is a fair and traditional rule for legislation that amends the Internal Revenue Code, and I am pleased that the House will have the opportunity to consider the merits of the underlying legislation, H.R. 4275, as well as an amendment in the nature of a substitute from the Ranking Member of the Ways and Means Committee, Mr. RANGEL.

Mr. Speaker, this rule before the House, H. Res. 637, will give Members of the House an opportunity to consider legislation that will spur economic growth and save taxpayers money by providing tax relief for working Americans.

I also want to commend Mr. SESSIONS, my friend and colleague on the Rules Committee, for introducing this important legislation. H.R. 4275 would permanently preserve the 10-percent income tax bracket, which was created in the 2001 Bush tax cut in order to reduce the burden on working Americans. As a result of this tax relief, currently, the first \$7,000 of individuals and \$14,000 of couples' taxable income is taxed at 10-percent instead of 15-percent.

If we fail to enact H.R. 4275, tax brackets will revert to their pre-2001 levels at the end of this year. For example, the ten percent bracket's income limits would return to \$6,000 for individuals and \$12,000 for couples in 2005, causing 73 million working Americans to pay higher taxes next year.

Additionally, the ten percent bracket would disappear completely after 2010, and taxpayers could face an average tax increase of \$2,400 over the next decade.

Lastly, over 24 million low-income workers will be pushed into a higher tax bracket. Therefore, compared to 2004 levels, many individuals and businesses will face higher federal taxes if we fail to enact H.R. 4275.

Mr. Speaker, I urge my colleagues to join me in supporting this rule so that we may proceed to debate the underlying legislation.

SUPPORTING THE GOALS AND IDEALS OF THE PEACE OFFICERS MEMORIAL DAY

SPEECH OF

HON. JIM MATHESON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 11, 2004

Mr. MATHESON. Mr. Speaker, this week, we honor the dedicated service of law enforcement officers across America as law enforcement officers and their families will participate in the 16th Annual Candlelight Vigil at the National Law Enforcement Officers Memorial located in Washington, DC and other events that recognize and honor the work and sacrifice of officers throughout the country. The memorial is a monument of remembrance that has the names of 14,000 law enforcement officers killed in the line of duty engraved on its surface.

In my home state of Utah, we are particularly fortunate to have a number of dedicated individuals working to protect our citizens.

These days, we all tend to focus on the armed forces, which are obviously a critical element of national defense. But it is also important to remember those on the front lines here at home. Local law enforcement officers need Congress' help to ensure that our streets stay safe for law-abiding citizens. That's why I support both the COPS grants and Byrne grants. I think that one of the best things the federal government can do for local law enforcement is to provide the tools for police officers to best carry out their duties.

Every single day, acts of heroism and valor are performed by police officers across our nation. We have made tremendous progress