Murphy (CT)	Ruppersberger	Stark
Murphy (NY)	Ryan (OH)	Stupak
Murphy, Patrick	Sánchez, Linda T.	Sutton
Nadler (NY)	Sanchez, Loretta	Teague
Napolitano	Sarbanes	Thompson (CA)
Neal (MA)	Schakowsky	Thompson (MS)
Nye	Schauer	Tiberi
Oberstar	Schiff	Tierney
Obey	Schock	Titus
Pallone	Schrader	Tonko
Pascrell	Schwartz	Towns
Pastor (AZ)	Scott (GA)	Tsongas
Paulsen	Scott (VA)	Velázquez
Payne	Sensenbrenner	Visclosky
Perlmutter	Serrano	Walz
Perriello	Sestak	Wasserman Schultz
Peters	Shea-Porter	Waters
Peterson	Sherman	Watson
Pingree (ME)	Shuler	Watt
Polis (CO)	Simpson	Waxman
Pomeroy	Sires	Weiner
Price (NC)	Skelton	Welch
Quigley	Slaughter	Wilson (OH)
Reyes	Smith (WA)	Woolsey
Richardson	Snyder	Wu
Rodriguez	Space	Yarmuth
Ross	Speier	
Rothman (NJ)	Spratt	
Roybal-Allard		

NAYS—166

Aderholt	Foxx	Moran (KS)
Akin	Franks (AZ)	Murphy, Tim
Alexander	Gallegly	Myrick
Austria	Garrett (NJ)	Neugebauer
Bachmann	Gerlach	Nunes
Bachus	Gingrey (GA)	Olson
Barrett (SC)	Goodlatte	Owens
Bartlett	Graves (GA)	Paul
Barton (TX)	Graves (MO)	Pence
Biggert	Griffith	Petri
Bilbray	Guthrie	Pitts
Bilirakis	Hall (TX)	Platts
Bishop (UT)	Harper	Poe (TX)
Blackburn	Hastings (WA)	Posey
Blunt	Heller	Price (GA)
Boehner	Hensarling	Putnam
Bonner	Herger	Rahall
Bono Mack	Hoekstra	Reed
Boozman	Holden	Rehberg
Boucher	Hunter	Reichert
Boustany	Inglis	Roe (TN)
Brady (TX)	Issa	Rogers (AL)
Broun (GA)	Jenkins	Rogers (KY)
Brown-Waite, Ginny	Johnson (IL)	Rogers (MI)
Buchanan	Johnson, Sam	Rohrabacher
Burgess	Jones	Rooney
Burton (IN)	Jordan (OH)	Ros-Lehtinen
Calvert	Kaptur	Roskam
Camp	King (IA)	Royce
Campbell	King (NY)	Ryan (WI)
Cantor	Kingston	Scalise
Cao	Kline (MN)	Schmidt
Capito	Lamborn	Sessions
Carter	Lance	Shadegg
Cassidy	Latta	Shimkus
Chaffetz	Lee (NY)	Shuster
Childers	Lewis (CA)	Smith (NE)
Coble	Linder	Smith (NJ)
Coffman (CO)	Lipinski	Smith (TX)
Cole	LoBiondo	Stearns
Conaway	Lucas	Stutzman
Costello	Luetkemeyer	Sullivan
Culberson	Lummis	Taylor
Davis (KY)	Lungren, Daniel E.	Terry
Diaz-Balart, L.	Mack	Thompson (PA)
Diaz-Balart, M.	Manzullo	Thornberry
Djou	McCarthy (CA)	Tiahrt
Dreier	McCaul	Turner
Duncan	McClintock	Upton
Emerson	McCotter	Walden
Fallin	McKeon	Westmoreland
Flake	Mica	Whitfield
Fleming	Miller (FL)	Wilson (SC)
Forbes	Miller (MI)	Wittman
Fortenberry	Miller, Gary	Wolf
		Young (AK)

NOT VOTING—26

Berry	Hare	Ortiz
Brown (SC)	Johnson, E. B.	Radanovich
Buyer	Kilroy	Rangel
Cleaver	Marchant	Rush
DeGette	McCarthy (NY)	Salazar
Gohmert	McHenry	Tanner
Gordon (TN)	McMorris Rodgers	Van Hollen
Granger		Wamp
Halvorson	Olver	Young (FL)

□ 1933

Messrs. LIPINSKI and COSTELLO changed their vote from ''yea'' to ''nay.''

So (two-thirds not being in the affirmative) the motion was rejected.

The result of the vote was announced as above recorded.

TAX RELIEF, UNEMPLOYMENT INSURANCE REAUTHORIZATION, AND JOB CREATION ACT OF 2010

The SPEAKER pro tempore. Pending any declaration of the House into the Committee of the Whole pursuant to House Resolution 1766, the Chair would note that the Senate amendment to the House amendment to the Senate amendment to the bill H.R. 4853 contains an emergency designation for purposes of pay-as-you-go principles under clause 10(c) of rule XXI and an emergency designation pursuant to section 4(g)(1) of the Statutory Pay-As-You-Go Act of 2010.

Accordingly, the Chair must put the question of consideration under clause 10(c)(3) of rule XXI and under section 4(g)(2) of the Statutory Pay-As-You-Go Act of 2010.

The question is, Will the House now consider the Senate amendment to the House amendment to the Senate amendment?

The question of consideration was decided in the affirmative.

The SPEAKER pro tempore. Pursuant to House Resolution 1766 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the consideration of the Senate amendment to the House amendment to the Senate amendment to the bill, H.R. 4853.

□ 1937

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the Senate amendment to the House amendment to the Senate amendment to the bill (H.R. 4853) to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes, with Mr. SABLAN in the chair.

The Clerk read the title of the bill.

The CHAIR. Pursuant to the rule, the Senate amendment is considered read.

General debate shall not exceed 3 hours equally divided and controlled by the chair and ranking minority member of the Committee on Ways and Means.

The gentleman from Michigan (Mr. LEVIN) and the gentleman from Michigan (Mr. CAMP) each will control 90 minutes.

PARLIAMENTARY INQUIRIES

Mr. GOHMERT. Mr. Chairman, I have a parliamentary inquiry.

The CHAIR. The gentleman will state his parliamentary inquiry.

Mr. GOHMERT. My parliamentary inquiry is, since the rules of the House allow for someone in opposition to claim time in order to speak on a bill, is that rule being abrogated now, or can we follow the rules and have someone like me, who is opposed to the bill, claim time?

The CHAIR. No such rule is applicable to these proceedings.

Mr. GOHMERT. I'm sorry. I did not understand.

The CHAIR. There is no such rule.

Mr. GOHMERT. So this is set up now, the rules have been abrogated, so no time is allotted to anyone in opposition? Did I understand that correct, Mr. Chairman?

The CHAIR. The gentleman has not stated a parliamentary inquiry.

Mr. GOHMERT. Parliamentary inquiry, then.

The CHAIR. The gentleman will state his inquiry.

Mr. GOHMERT. Under the rules of the House, going back to the Thomas Jefferson rules of the House, as adopted by this majority in this term, someone in opposition to a bill is always given the right to claim time. So I am asking the parliamentary inquiry if that is now the case, or if that rule—the standing rule—is not going to be allowed at this time?

The CHAIR. The gentleman's premise is incorrect.

Mr. GOHMERT. The gentleman's premise is incorrect?

So someone can claim time in opposition? Thank you.

The CHAIR. The House is operating under a rule that allocates control of the time for debate to the chair and ranking minority member of the Committee on Ways and Means.

□ 1940

Mr. TAYLOR. Further parliamentary inquiry, Mr. Chairman.

The CHAIR. The gentleman from Mississippi will state his inquiry.

Mr. TAYLOR. I understand that under the rule just passed, the time has been allocated to a proponent on this side of the aisle for the bill, a proponent on this side of the aisle for the bill. The understanding was, though, that time would be allowed to the opponents of this bill.

I am asking if the Chair or someone would identify who that time will be yielded to.

The CHAIR. The rule provides for the debate time to be allocated equally and controlled by the chair and ranking minority member of the Committee on Ways and Means.

The Chair recognizes the gentleman from Michigan.

Mr. LEVIN. I yield myself such time as I may consume.

The Democratic majority in the House has made it crystal clear that we stand on the side of middle income families, of unemployed workers, of small businesses struggling in this difficult economy. The compromise before us clearly requires painful choices. These choices relate to each of the three criteria for judging the merits of this package: Does it add to the deficit? Does it promote economic growth? And does it promote fairness?

For decades, Republicans have unwisely promoted a view that tax cuts pay for themselves. So while making deficit reduction their rhetoric, they never have had any intention of paying for tax cuts which add to the deficit, plain and simple. Adding to the deficit is defensible if the bill meets another criterion: Does it promote economic growth? Adding to the deficit in the short term as a tool to promote economic growth that will, in turn, help address the long-term deficit has been the basis of vital actions taken by the Democratic majority, actions to stem the financial crisis, jump-start the economy, and save the auto industry. These were necessary steps, sometimes unpopular ones, and steps unfortunately not effectively articulated at times by the administration.

This bill does include important provisions aimed at increasing economic growth and jobs: unemployment insurance for millions out of work who will spend money received to keep their families afloat; the middle income tax cut; the temporary reduction in payroll taxes; and business provisions like the R&D tax credit, the new markets credit, and full expensing of business investment for 1 year.

Unfortunately, in their zeal to undo the Recovery Act, Republicans have insisted that we not extend the successful 48C credit for advanced engineering manufacturing or the Build America Bond program, working to rebuild our economy. The Republicans have insisted on provisions that violate the third criterion, fairness for taxpayers.

In order for the administration to be able to include provisions that help lower and middle income families, it came at the price of assisting the very wealthy, the Republicans' priority. Their position has led to a package where the top six-tenths of 1 percent of the very wealthiest receive 20 percent of the benefits of the tax package. My amendment would strike a blow at this unfairness by replacing the highly irresponsible and unfair Kyl estate tax giveaway. The resulting $23 billion in additional borrowing won't go to create jobs. It will be used to provide an average tax cut of more than $1.5 million to the 6,600 wealthiest estates next year. This represents less than three-tenths of 1 percent of all estates.

I urge my colleagues to vote to change this egregious piece of the legislation so the American people can see clearly who puts the interests of the middle class ahead of the very wealthiest. And then the Republicans in the Senate will have a stark choice that might be painful for them. It would make it clear whose side they are on.

I will accept the remainder of the bill because after the approach taken by Republicans in the House and Senate these last weeks, obstructing and holding hostage everything until they get their way on the tax breaks for the very wealthy, I am not willing to put the fate of the middle class and the unemployed in the hands of the Republican majority next year. Especially when voiced by the Senate Republican leader that their main priority is the failure of our President.

I reserve the balance of my time.

Mr. CAMP. Mr. Chairman, I yield myself such time as I may consume.

This House—the people's House—has a simple choice today: raise taxes on families and small businesses or prevent a massive job-killing tax increase from going into effect a mere 16 days from now.

If you think our economy can handle higher taxes, if you think middle class families should lose roughly $100 per week out of their paychecks, then vote ''no'' today. Make no mistake about it, a ''no'' vote today is a vote for higher taxes, taxes that would devastate families and send shock waves throughout our economy.

If you believe we should stop this massive tax increase in its tracks, especially when unemployment is stuck at nearly 10 percent, then vote ''yes.'' If you want to be sure we don't extend the failed Making Work Pay policy from the failed stimulus law that has the IRS writing checks to people who pay no income or payroll taxes, then vote ''yes.'' If you are opposed to the Federal Government taking more than half of a family farm or business due to a death, then vote ''yes.'' And if you are interested in fundamental tax reform—getting rid of exemptions, deductions, and loopholes that complicate our Tax Code—then vote ''yes'' because this bill gives us the time that we need to rewrite the Tax Code, cut spending next year, and get our economy back on track.

I know some of my friends want to wait until January when Republicans are back in the majority because they think that we can get a better deal. That is as misguided as it is politically callous. And let me be blunt. It's irresponsible to play a game of chicken with the Senate and the White House next year when middle class Americans are literally forced to pay $100 more a week in taxes and are forced to suffer even greater job losses. If this bill fails today, that's what will happen. Paychecks and jobs will burn while Washington fiddles.

If that's your stance, then I ask, What better deal could we get? People talk about making tax rates permanent. That's something I support. That's something every Republican in this House supports. But how does waiting until January, February, March, April, or May make that a reality?

The Senate voted yesterday on the DeMint amendment which would have made the rates permanent, and it failed 37–63. Last time I looked, we didn't pick up 23 seats in the United States Senate. And the President has flatly refused to sign such legislation into law. So again, tell me, how do we get a better deal by waiting? It makes no sense to gamble with the American people's jobs and the very paychecks they rely on to put food on the table and keep the house warm this winter.

Americans are suffering through the deepest and longest recession since the Great Depression. This is not a time for political speeches or electoral posturing. This is a time to act responsibly, to do what is right, and to vote ''yes.'' Employers are begging us to pass this legislation. Small businesses and the National Federation of Independent Business are supporting the bill because they know they cannot afford a tax hike. The Business Roundtable which represents the largest employers in the country with over 12 million employees is supporting this bill because they know the economy cannot afford a tax hike.

□ 1950

The U.S. Chamber of Commerce is supporting this legislation because they know we cannot afford a tax hike. The National Association of Manufacturers is supporting this legislation. Economists across the spectrum, from the far left to the far right, are supporting this legislation, and so should the Members of this House.

By no means is this bill perfect. For example, I think we should have paid for the extension of unemployment insurance and, frankly, we will. I'm committed to producing legislation next year to revamp, reform, and pay for the Federal unemployment benefits our Nation provides. We should not have to choose between adding to the deficit and providing this important help, but we cannot allow that single concern to hold this bill up.

Time has run out. This is our only chance, and the harm to our economy and the hit families would suffer is far too great a risk.

And let's be clear, this bill is about taxes, longstanding tax policy, for that matter, and preventing a tax hike. It isn't about spending. Nearly 90 percent of this bill is tax policy, and that policy is aimed at preventing a tax hike for families and employers or providing direct tax relief to the American worker.

It also protects family farms, ranches and businesses from being hit by the destructive death tax. That will go as high as 55 percent next year if we do not act. Instead, this bill reduces that rate to 35 percent, while increasing the exemption amount from $1 million to $5 million.

Now, I know $1 million sounds like a lot of money, and it is. But think about the family farmers in your districts. Think about the costs of the big machinery it takes to operate and manage their land. Some of the combines I see every day in my district cost a quarter of a million each. That isn't cash in the bank. That's equipment in the field, and the Federal Government has no right to take half of it when mom or dad passes on.

While I support a total repeal of the death tax, at least this bill makes significant improvements to the estate and gift taxes, and it deserves our support.

Members should also know, and the American people should know, that this bill does not contain new policy. New provisions were not snuck in late in the night or behind closed doors. We took a firm stand against new policy. We took a firm stand against policy that had not been renewed repeatedly and, as a result, more than 70 provisions, some of them my own, were excluded from the bill, well over $100 billion worth.

The most notable provisions of these we terminated were from the failed stimulus bill, like the refundable Making Work Pay credit, the Build America Bonds program, which simply subsidized State and local governments going deeper into debt, and grants in lieu of the low-income housing credit. None of that is in here, nor are there the usual Washington Christmas tree ornaments. This bill is narrowly focused on tax and unemployment policy.

Unlike the omnibus Democrats are preparing, there are no earmarks like the $2 million for an Ice Age National Scenic trail in Wisconsin. There isn't a $3.5 million study on subterranean termites in New Orleans, and there certainly isn't an extra $1 billion for the new job-killing health care law.

My friends, the election's over. Let's not start the next campaign here today. Let's make the right choice. Let's stop this tax hike from going into effect in 2 weeks. Let's put our constituents' jobs before our own. Let's show the American people we can govern and we can take yes for an answer.

So let's pass this bill with broad bipartisan support, as the Senate did yesterday by a vote of 81–19. I urge my colleagues to vote ''yes.''

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

Mr. LEVIN. Mr. Chairman, I yield 2 minutes to the very distinguished gentleman from New York (Mr. RANGEL).

(Mr. RANGEL asked and was given permission to revise and extend his remarks.)

Mr. RANGEL. Tonight is going to be a rather historic vote. In the old days, the House would initiate tax bills, and then we would send it to the Senate, and then the Senate and the House would come together and have what was known as a conference.

But it's clear to me that rules are changing fast, and now that the House has spoken in terms of a tax bill, in terms of giving some comfort to those people who are unemployed, it seems to me now that it works that the President works with a handful of Republicans and tells us, on the House side, that if we change anything, there's absolutely no deal. I think the President said that these people that were unemployed were being held as hostage.

In addition to that, we find that all of the tax benefits seem to be centered among the people who are the richest that we have in this country, while we find more and more Americans going into poverty. I submit to you that democracy cannot grow with this type of diversity, where we find so much wealth held in the hands of so few and so many other people are without jobs and without hope.

It would seem to me that we have time to correct these things. There's nothing in the Constitution or the House rules that indicates that we can't work closer to Christmas. I know other people believe that this would be a violation of Christian values. But helping those people who are poor, helping those people who are without jobs, I submit to you and to Christians, Jews and Gentiles, that this will be the proper thing to do, with the spirit of Christmas, rather than just to do what people outside of the House have dictated that if we don't do it their way, then these people that we have such a moral commitment to will go without compensation, and the rest of the people that deserve a tax break would be denied if we don't go along with the package.

So, to Members who are coming to this body, this is a new set of rules, a new set of tradition; but I tell you, it is not the American tradition that I knew and loved so well.

Mr. CAMP. I yield 3 minutes to a distinguished member of the Ways and Means Committee, the gentleman from California (Mr. HERGER).

Mr. HERGER. Madam Chairman, the bill that came to us from the Senate is far from perfect. I'm going to vote ''yes'' because if the scheduled $3.8 trillion tax increase takes effect in just 2 weeks, the consequences for our economy could be catastrophic. Even if we reversed this tax hike next year, families and small businesses would see higher taxes immediately on January 1.

According to the Tax Foundation, the average middle class family in my own northern California district would see their Federal income taxes more than double. People in my district are already struggling. Small businesses are barely hanging on. The unemployment rate is near 20 percent in several counties I represent. We simply cannot afford this enormous tax hit.

This has been a difficult decision for me. I'm outraged that the President and the Democratic leaders are demanding billions of dollars in unpaid-for spending on unemployment benefits and special interest giveaways as the price for stopping a massive tax increase.

Additionally, we should be making the current tax rate permanent. If businesses face the threat of another tax increase in 2 years, they will be reluctant to make investments that pay off in 5 or 10 years.

Madam Chairman, we have to provide long-term certainty for America's small businesses. I commend Mr. CAMP for his dedication to protecting taxpayers and his hard work on this legislation. In the next Congress, I look forward to working with Chairman CAMP to fix this bill's flaws. We must bring permanency to the Tax Code, and we must cut wasteful Federal spending, both to pay for the unemployment benefits and also to start bringing down our unsustainable Federal deficit.

Finally, I know from personal experience how much of a burden the death tax is for family businesses. My relatives on my mother's side of the family had to sell our own family's farm in North Dakota just to pay the death tax bill. That should not happen in America.

I urge the House to vote ''no'' on the Pomeroy death tax amendment and ''yes'' on the Senate bill.

□ 2000

Mr. LEVIN. I yield 2 minutes to the very distinguished gentleman from North Dakota, a member of our committee, Mr. POMEROY.

Mr. POMEROY. Madam Chair, for the last five sessions I have worked to try and clarify the rate of estate taxation in this country. I felt the right approach was ultimately to take the 2009 levels and make them permanent.

The amendment that carries my name in this debate would take the 2009 levels for estate taxation instead of the levels contained in the Senate compromise.

The rationale for the 2009 level is pretty compelling. The estate tax in 2009 was the smallest rate of taxation on estates in 80 years.

My friend just referenced an estate tax situation encountered from his family. He did not say it was at a much higher rate of tax than was ultimately achieved in 2009. In fact, the rate in 2009 means 99.8 percent of the families in this country have no estate tax. Zero. It went gradually lower and lower, and in 2009 hit a lower rate of taxation for estates than was ever the case under Ronald Reagan, was ever the case under George Bush I, was ever the case under George W. Bush.

Now, why would we want to go with 2009 levels as opposed to the Senate deal? It's simply a matter of money: $23 billion over 2. And, quite possibly, the levels in the Senate bill would be the new rate for the estate tax. In that case, we would lose $90 billion over 10.

I have heard on the other side such concern about unpaid-for unemployment benefits. I have not heard one word about unpaid-for estate tax levels. They would add to the national debt $23 billion more than the 2009 levels. They don't pay for a cent of it, and they seem to think that is fine. Do you know who benefits from the Senate tax levels compared to the 2009 levels? 6,600 of the wealthiest families.

Let's go with the 2009 levels. Let's save $23 billion over 2, let's save $90 billion over 10. Let's tackle these deficits, starting with a fair estate tax level.

Mr. CAMP. I yield 4 minutes to a distinguished member of the Ways and Means Committee, the gentleman from Texas (Mr. BRADY).

Mr. BRADY of Texas. Madam Chair, a gun is pointed at the head of our taxpayers, and it will go off January 1 unless Congress acts.

If we let that gun go off, it is going to hurt families who are struggling to make ends meet, it is going to hurt small businesses trying to survive this recession, it is going to hurt seniors, almost tripling the taxes on the dividends that they need to live month to month and day to day. It is going to hurt businesses trying to track capital. And it is going to revive the death tax, an immoral tax where you work your whole life to build up your nest egg, your small business, your family-owned farm, and when you die, Uncle Sam swoops in and takes more than half of everything you have earned. All that happens if Congress refuses to act.

Some are here today saying, no, let's not change that death tax. Let's raise that death tax.

Last night on my Facebook page, I got a posting from Tammy Fisher of East Texas. Her family has had to sell 6,000 acres of their timber land to pay the death tax. They held that land for 100 years.

Clarence Leaveritt of Texas is a rancher. His grandmother died. They had to take out a loan from the bank to pay the death tax. They are still paying on it. His father passed away recently, and they had to take out a second loan. Today he is paying two loans to Uncle Sam and can barely keep his ranch. And last night, we heard Democrats say, Those people are stingy and cheap, and haven't worked a day in their life.

All that death tax comes back January 1 if we don't act. And I'll tell you what, we have some very good friends of mine who say, ''Look, just let that gun go off because we can get a better deal later.'' Well, I am conservative and I am skeptical, and I am not raising taxes for anyone for any period, period.

I don't like the spending in this bill, and I offered an amendment, along with other conservatives, to cut $152 billion from this bill to cover all the costs. We couldn't get a vote on that. We are voting on a lot of things tonight, but not a straight up-or-down vote on trimming government.

We didn't get that vote, but I can tell you, on the spending cuts, this isn't the end of that discussion; it is the beginning. When we have a new Republican majority, I'm going to take that gun down from our taxpayers' head. I'm going to give them a chance to keep their own money, get this economy going, and keep fighting for permanent tax relief and a permanent death tax repeal.

Mr. LEVIN. I now yield 2 minutes to the distinguished gentleman from Massachusetts (Mr. NEAL), an active member of our committee.

Mr. NEAL. I thank the gentleman.

Madam Chair, I am standing in opposition to this proposal. When we debated the middle income tax cut a few weeks ago, I spoke in favor of a tax system that we might design for the future, a progressive system with substantial tax relief for working families, and, in our own Democratic caucus, suggested that the number $250,000 was too low; that if we raised that ceiling to $500,000, we could take care of every S corporation, we could take care of every small business person who at the end of the month uses their credit card. That was rejected. But I still thought that was a reasonable compromise.

Now, when my friend Mr. CAMP spoke a couple of minutes ago, he delineated the clearest position of the two parties when he said he was upset that we were not paying for the extension of unemployment benefits.

For years they borrowed the money for Iraq, they borrowed the money for Afghanistan, and, I challenge anybody on the other side tonight to dispute this point, they borrowed the money for the Bush tax cuts as well. That is what we are discussing here.

Now, the reason that I stand in opposition to this proposal tonight—because there are many good provisions in this bill, including alternative minimum tax, and I do wish the Build America Bonds program was in here—this represents a serious threat to the solvency of the Social Security system. We will never return that number down the road. And you mark my words tonight, what they will argue down the road is the Social Security system has been weakened, proving that you need private accounts. Their fingerprints will be all over it. They will suggest this proves the theory of the benefit of a private account.

So we borrowed the money for Iraq. And when I said to President Bush in 2001 in the Oval Office, ''Mr. President, modest tax cuts for middle income Americans,'' it was rejected. And that is why we are in the condition that we are in today financially.

Mr. CAMP. I yield 5 minutes to a distinguished member of the Ways and Means Committee, the gentlewoman from Florida (Ms. GINNY BROWN-WAITE).

Ms. GINNY BROWN-WAITE of Florida. Madam Chair, I rise today in support of grownups, grownups who realize that the end of the year is coming, and taxes will be raised if we don't act now.

When I first came to Congress, I knew that partisanship had taken over. I knew the enormous extent of the philosophical divide, but I didn't fully realize that entire years would go by without the two sides working together to come up with an answer for the American people. Sadly, it seems it takes a genuine crisis and a sense of panic before we can work together. In any case, here we are.

The bill before us is not the bill that I would have written, that I would have participated in; it is not the bill that conservative radio talk show host or Tea Party constituents would have liked written; and it is not the bill that The New York Times editorial page or the President himself would have written. It is a compromise. This is what a compromise looks like. Some so-called constitutionalists want to ignore the fact that the Constitution itself actually was a compromise, with a capital ''C.''

And while we are still in this bipartisan moment of clarity, let me say a few other things. First, while I strongly disagreed with the policies put forth by my Democrat colleagues, I do not envy them for having to preside over the biggest economic collapse in a generation. And while I believe their economic premise is misguided, I cannot fault any legislator for sticking to his or her principles.

□ 2010

What I do believe is unforgivable, however, is the tremendous uncertainty that has been created over the past few years. Uncertainty is not good for families; it is not good for investors; it is not good for employers.

Regardless of the cause, all economic crises are ultimately a crisis of confidence. Frankly, the Democrat-controlled government has contributed to that. At a basic level, beyond all of the fancy models and theory, the economy is really not that complicated. Uncertainty leads to doubt, doubt leads to fear, and fear leads to paralysis; and that, ladies and gentlemen, is exactly where our country is today.

By refusing to work with this side of the aisle until this point, we have prolonged uncertainty and aggravated the fear. Even here today, in what feels like a great legislative compromise, the most we can deliver for the American people is a year of this and 2 years of that.

The uncertainty must end, Madam Chair, and I believe Mr. CAMP when he says that we are going to work on that in January when the Republican majority takes over. At this point, I don't much care what the policy is. I just think it needs to be set in stone. My constituents want to see all the tax cuts extended permanently, and they want the estate tax eliminated permanently.

Now, let me make it clear: I probably have about five wealthy people living in my district, so some might say, What do they care about the estate tax? While they may not be wealthy, they certainly hope that sometime in their life they will be wealthy or their children will be, and they realize the impact of that. And based on the economic situation, it is kind of a mystery to me why they would even care so much about these rich people, but as I said, they probably would like to work hard and become them.

Madam Chair, we know better and our constituents know better. If they aren't rich, they have lived just long enough to know that in this world there are no free lunches. You have to work for what you get and you have to fight to keep it. So even though many of them are poor and even though many of them are struggling, my constituents don't want handouts. My constituents just want to be able to earn an honest living and rest easy at night knowing that the government isn't going to come in and suddenly swoop in and take everything away from them. For them, Madam Chair, it is more than a matter of principle—it is simply a way of life.

My constituents are upset that the tax cuts aren't permanent, and many of them believe I should vote against this bill.

In short, the story cannot explain that despite the fact that only 2 percent of Americans are rich, more than half the country does not want them to be taxed more to expand government spending. You know, the truth of the matter is, Madam Chair, it is simple. They don't want government's help and they don't want our generosity with other people's money. My constituents simply don't buy it. They don't want a nanny state, and they don't want somebody else to have to pay for it—not their kids, not the Chinese, not their grandchildren, and not rich people.

The Acting CHAIR (Ms. NORTON). The time of the gentlewoman has expired.

Mr. CAMP. I yield the gentlewoman an additional minute.

Ms. GINNY BROWN-WAITE of Florida. I thank the gentleman.

Their philosophy and mine is we want the government to reward hard work, savings, investment, and job creation. I simply don't think these things should be punished, and certainly not in the name of fixing everybody's problems everywhere, because at the end of the day, doing that will just create more problems, more uncertainty, and more panic.

Finally, Madam Chair, my constituents know that we will never climb out of this ditch as long as we keep moving that ladder. Keeping taxes low has to be our goal. That is the ladder to getting out of that ditch.

I urge adoption of the bill.

Mr. LEVIN. Madam Chair, I yield 2 minutes to the distinguished gentleman from Wisconsin (Mr. KIND), a member of our committee.

(Mr. KIND asked and was given permission to revise and extend his remarks.)

Mr. KIND. Madam Chair, I rise in opposition to the underlying bill and in support of the Pomeroy amendment. But let's be clear what this legislation does tonight. It adds another $1 trillion to our national budget deficit over the next 2 years. One trillion dollars.

Given the weak recovery we have going on with our economy, I think everyone is in agreement that now is not the time to be increasing taxes on working families and small businesses. We did that. We had that vote just a couple of weeks ago, where we protected tax relief on the first $250,000 worth of income, no matter who you are, and on small businesses. That covered 98 percent of Americans.

But for those of you who are saying we need to continue tax breaks for the wealthiest 3 percent that is included in this bill, I say, find corresponding spending cuts in the budget to pay for it so we are not having to go to China to borrow another $300 billion and adding to the debt burden of our children and grandchildren.

These are two unstated facts that we have before us today that no one is talking about and that are not being reported in the media. First, our effective tax rate in this country today is at a 60-year low. A 60-year low. That predates the Medicare program and it certainly predates the 80 million baby boomers who are about to begin their massive retirement and join Medicare and Social Security.

But also, the effective tax rate for the wealthiest 3 percent is not the 36 or 39 percent marginal rate that some talk about. The effective tax rate for the wealthiest 3% is 17 percent, after they itemize and they deduct and back out their expenses with the numerous tax loopholes that exist in the current code. That is less than the average working family is paying with their effective tax rate. We cannot sustain that. It is irresponsible.

Now, about a week from now little boys and girls around the country are going to be waiting for Santa Claus' arrival. And I hope they are not watching this debate tonight, because the truth is there is no Santa Claus for the U.S. economy. But there are too many people in this Congress who think that their Kris Kringle is China that they can run to and borrow money from in order to sustain a fiscally and economically reckless policy. Rather than their children leaving out cookies and milk for Santa, they instead should leave out their piggy banks because of what we're doing to them in this bill.

We can do better, and I encourage my colleagues to vote ''no'' on this legislation.

Mr. CAMP. I yield 5 minutes to a distinguished member of the Ways and Means Committee and the ranking member on the House Budget Committee, the gentleman from Wisconsin (Mr. RYAN).

Mr. RYAN of Wisconsin. I thank the gentleman for yielding.

Madam Chair, let me address just a few of the issues that I have been hearing here on the floor. I am hearing some of my colleagues from the other side of the aisle saying, ''We just can't afford these tax cuts.'' Well, let's look at it.

Only in Washington is not raising taxes on people considered a tax cut. What we are talking about here is not cutting taxes. We are talking about keeping taxes where they are and preventing tax increases.

The second point: We, meaning the government, can't afford this. Whose money is this, after all? Is all the money that is made in America Washington's money, the government's money, or is it the people's money who earned it? I hear all this talk about the death tax, the estate tax. This is going to give a windfall to these people, all this money going to these privileged people who have built these businesses, made all this money. It's their money.

Which is it? Do we have a country built on equal natural rights, where you can make the most of your life, get up, work hard, take risks, become successful, create jobs, grow businesses, do well, earn success, and, yes, pass it on to your kids? What on Earth is wrong with that? That's the American Dream.

And to my friends on my side of the aisle who simply don't like some of the spending in this bill, I don't like it either. So let's cut the spending next year when we're in charge.

There's junk in the Tax Code. Everybody agrees with this. This is advancing some of the junk in the Tax Code. And what I say to my friends on the other side of the aisle is, next year, let's get rid of that junk in the Tax Code when we're in charge. But right now, let's not hit the American people with a massive tax increase.

If we want to get this debt under control, if we want to get our deficit going down, there are two things we need to be doing: We need to cut spending and we need to grow the economy.

We need prosperity in this country. We need job creation. We need people going from collecting unemployment to having a job and paying taxes so the revenues can reduce the deficit. And if we raise taxes, even the Congressional Budget Office is telling us, if this bill fails and these tax increases continue, we're going to lose 1.25 million jobs next year. Do we want to do that?

Low tax rates give us economic growth. Low tax rates make us competitive in the international economy. Low tax rates allow businesses to plan.

Is this a growth package? No, it's not a growth package. You know why it's not a growth package? Because it still proposes to move this uncertainty forward. It's only a 2-year extension.

□ 2020

So we're not talking about a pro-growth economic package, but we're talking about preventing a destructive economic package from being inflicted on the American people in about 2 weeks. The last thing you want to do is put more uncertainty in the economy, hit the economy with a huge tax increase, trigger a stock market sell-off, and lose jobs.

So do we want to make these permanent? You bet we do. And that's exactly what we're going to be advancing. But the last thing we want to do is inject more uncertainty, raise taxes. We need economic growth. We need spending cuts. That's exactly what we intend on doing. And I think that's the message the voters sent us here. So let's prevent this tax increase from happening. Let's clean up the stuff we don't like in this bill next year. And let's make sure that when people go to Christmas, they know they're not going to have a massive tax increase 5 days later.

Mr. Chairman, this is a bill that is necessary to prevent our economy from getting worse. This is not a bill that's going to turn it around. Next year, let's pass the policies that will turn this economy around.

Mr. LEVIN. I now yield 15 seconds to Mr. WELCH of Vermont, followed by 3 minutes to Mr. JACKSON of Illinois.

Mr. WELCH. We have been awarded 45 minutes to state our objections to this bill. And it is essentially this: Too much debt, too few jobs, too much risk to Social Security.

Our lead speaker is the member from Illinois (Mr. JACKSON).

Mr. JACKSON of Illinois. Mr. Chairman, in about a month, almost every Member of this body will be speaking at events in their district commemorating the life of Rev. Martin Luther King, Jr., and his famous, ''I Have a Dream'' speech. Amid the soaring rhetoric and the beautiful prose, Dr. King made a clear point. In a sense, we have come to our Nation's capital ''to cash a check. When the architects of our Republic wrote the magnificent words of the Constitution and the Declaration of Independence, they were signing a promissory note to which every American wants to fall heir. That note was a promise that all men would be guaranteed the inalienable rights of life, liberty, and the pursuit of happiness.''

And I paraphrase, It is obvious today that America has defaulted on this promissory note. Instead of honoring this sacred obligation, America has given the people a bad check which has come back marked ''insufficient funds.'' But we refuse to believe the bank of justice is bankrupt. We refuse to believe that there are insufficient funds in the great vault of opportunity in this great Nation. So we have come to cash this check—a check that will give us upon demand the riches of freedom and the security of justice.

Mr. Chairman, if we pass this bill, it will signal a refusal to pay our fair share into the vaults of opportunity for all Americans. It will drive up the debt and put pressure on our Nation's Capital to cut programs for the most vulnerable. If this agreement passes, when out-of-work Americans look in the 112th Congress for help in paying their rent, our Nation's Capital will look to those Americans and say, insufficient funds. When we look to veterans who need health care that is owed them, the 112th Congress will say, insufficient funds. When our schools look for funding they need to teach our kids, our Congress will say, insufficient funds.

Mr. Chairman, this bill will only drive up the deficit, which is already too high in the eyes of the American people. It will put even more pressure on Congress and the President to cut vital programs when we convene next year.

If this sounds familiar to the American people, it should. In the early 1980s, President Reagan's budget director, David Stockman, conceived of a strategy called ''starve the beast.'' By cutting taxes and increasing military spending, the President could force Congress to cut social spending in order to control the deficit. As Stockman put it, they would cut ''real blood and guts stuff.'' You heard it from the Budget chairman a few moments ago. When they're in charge, they plan to cut real blood and guts stuff.

Mr. Chairman, if this tax deal goes through, blood and guts will affect us. At a time when they're needed the most, they will put these important programs on the chopping block. Indeed, Mr. Chairman, we refuse to believe that the American people should be forced to accept this tax deal, to accept ''insufficient funds.'' We see $858 billion that should be in the vaults of opportunity of this Nation. And that's why we oppose this bill.

Members will follow me opposed to any argument that say there are insufficient funds in the great vaults of opportunity to rebuild this Nation.

Mr. CAMP. I yield 5 minutes to a distinguished member of the Ways and Means Committee, the gentleman from Kentucky (Mr. DAVIS).

Mr. DAVIS of Kentucky. Mr. Chairman, today we debate legislation to prevent taxes from increasing on all taxpayers as our economy struggles to recover. We know without any doubt that virtually all Americans will be forced to send more of their hard-earned dollars to Washington on January 1, 2011, if we fail to act.

Although this legislation is not perfect in my estimation, the package does provide a measure of certainty and predictability that will allow broader debate in the coming Congress without immediately damaging our fragile economy. This package will prevent devastating tax increases from falling on the backs of hardworking Americans, small businesses, and job-creating investments.

This imperfect legislation represents the best agreement that can be reached by Republicans and Democrats determined to avoid the shock to our economy that would come from increasing taxes on the American people and many of our job creators. A vote against this agreement, which would prevent the largest tax increase in history, is really a vote for a $3.8 trillion job-killing tax increase. Regardless of what side of the aisle the opposition comes from, they're willing to accept the proposition that taxes will increase for all Americans. They may hope to gain political points, but I am not willing to let perfect stand in the way of good when it comes to matters that negatively impact the paychecks of Kentuckians.

Earlier this week, this package earned the bipartisan support of more than 80 Senators. If we fail today, middle class families will see roughly $100 per week taken out of their paychecks. Increasing taxes now will cause more pain for families with tight budgets, force small businesses to cut more employees, and further slow economic growth throughout the Nation.

Critics of extending the tax cuts for Americans have suggested that the cost will add to the deficit in coming years. While taxing is a functioning of government, the Federal Government is not entitled to any specific amount of revenue from the American people. What is the ''cost'' of letting Americans and job creators keep their own money? Because of budgetary gimmicks in Washington, many Members of Congress have lost sight of the fact that the money Congress spends comes from the American people, is owned by the American people, and the debt we accrue falls on their shoulders. Instead of following the budgetary common sense possessed by most Americans, Democrats and Republicans in Congress have routinely spent well beyond their means.

Now, many of my colleagues are looking to the pockets of the American people to foot the bill rather than making tough choices to cut spending in Washington. If less tax revenue is coming into the Treasury, Congress has an obligation to spend less. Democratic leadership in the House refuses to accept that proposition. Rather than take steps to solve excessive congressional spending, Democrats in Congress have had one response to the problem of our mounting debt: send more money.

Americans have lost faith in the ability of their Federal Government to demonstrate fiscal responsibility and self-control. Why would they trust those who claim the tax increases are the answer to our fiscal problems? With the tax record of this Congress, increasing taxes is tantamount to entrusting your teenager with a credit card.

This past November, voters sent a clear message, a restraining order on Washington: stop the political games with our economy, restore fiscal sanity to Washington, and create certainty and stability in our markets. American families and small businesses can't afford for Congress to play chicken with their hard-earned tax dollars rather than renewing the expiring tax cuts. Therefore, if Congress chooses to ignore the demands of the people, dragging the debate into the next year, the result will be more money taken out of American families' paychecks, impeded job creation, and more partisan political bickering.

Were I drafting this legislation, I would repeal the AMT, permanently abolish the estate tax, make the tax reductions permanent for all Americans, and insist that the unemployment compensation be offset by commonsense spending reductions. However, President Obama has made it clear that he won't sign an extension of current tax relief without the unemployment provisions or that makes the 2001 and 2003 tax relief permanent. Congress must develop and adopt a workout plan to eliminate the deficit just like any business or family in financial trouble.

Congress must learn from the mistakes epitomized by Washington's ''bailout'' culture and support policies to increase American competitiveness and improve the economic climate for entrepreneurs and small businesses. The road to prosperity allows you to take more home to your family and enjoy the economic freedom that historically has been a hallmark of American culture.

Mr. McDERMOTT. I yield 2 minutes to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. ''Moment of Truth'' is the very appropriately entitled report of the President's bipartisan deficit commission, since it took barely a moment for him to cut a deal with Senate Republicans that spikes our national debt upwards almost a trillion dollars in new borrowing from the Chinese and others. This deal borrows from our future to throw tax money at problems with the efficiency of most of its provisions that you would get if people stood and shoveled out cash at the front door of the Capitol.

□ 2030

Billionaire estate bonuses, or 1 percent of the people getting a giant tax cut—that doesn't provide meaningful job growth.

There is a very good reason we pay Social Security taxes: in order to share in the old-age survivor and disability insurance that is Social Security. This proposed Republican payroll tax holiday is not a day at the beach. It endangers the very fabric of Social Security. That is why the National Committee to Preserve Social Security and Medicare has rightfully called this bad deal ''a disaster'' for Social Security.

In a very few months, these same Republican privatizers of Social Security will claim, just as they are tonight about the Bush tax proposal, that we are raising taxes on workers when we seek to end this alleged ''temporary'' payroll tax cut.

This same dangerous deal for Social Security discriminates against so many people, who tonight are on the front lines with their lives, as our firefighters, as our law enforcement officers, as those who educate our children—those who provide vital public services. They don't get a dime out of this provision. Ninety-five percent of the public employees in Massachusetts and a majority of those in the State of Texas get absolutely no benefit from this provision.

This bill undermines a guiding Democratic principle—dignity for seniors—and it undermines 75 years of Social Security.

Mr. CAMP. Mr. Chairman, I yield 3 minutes to the gentleman from Washington (Mr. REICHERT).

Mr. REICHERT. I thank the gentleman for yielding.

Mr. Chairman, I rise to express my support for this bipartisan tax compromise. We need to do this. We need to do this to prevent a massive tax increase on the American people, on American families and on American businesses.

The clock is ticking and the American people are waiting. If Congress doesn't approve this proposal, our small businesses will be saddled and crushed by a $858 billion tax hike. One-third of all business activity in the United States will see higher taxes—businesses that create 80 percent of our jobs in this country. Raising taxes on small businesses in the middle of a recession is absolutely the last thing Congress should do. Even those in Congress who want to raise taxes must question the timing of doing so when credit is scarce, wages are being cut, and people are losing their jobs.

As I travel around my district, I hear one consistent theme over and over again from small business owners: they need certainty. They want certainty—certainty so they know what Uncle Sam is going to take from them from their bottom lines now and into the future; certainty so they can plan for and make future investments—hire workers and buy equipment; certainty so they can pursue the American Dream without worrying about how government will get in the way.

Opponents of extending all of the individual income tax rates ignore the fact that more than 4.5 million small businesses in America pay taxes at the individual rate, not at the corporate rate. Failure to extend the current individual tax rates is a tax hike on small businesses.

My colleagues who want to discuss comprehensive tax reform should remember that extending all of the rates now will give us the chance to have that discussion without adding a massive tax increase on small businesses.

Avoiding this tax hike is just as important for families across this country as it is for our small businesses. Millions of Americans are employed by small businesses that will face this tax hike; and in many cases, their wages and their jobs hang in the balance of the decision that we will make here today.

The business world needs certainty and families need certainty—certainty to plan for the cost of higher education for their children, certainty to buy homes that they can call their own, and certainty for the day-to-day task of making ends meet in order to provide for the basic needs of their families. Businesses are struggling and families are hurting. The last thing we need government to do is to reach deeper into their pockets and take their hard-earned dollars.

This compromise package isn't perfect, as has been said over and over—compromise rarely is—but perfection shouldn't be the barrier to what is practical and necessary.

Mr. McDERMOTT. Mr. Chairman, I yield 2 minutes to the gentleman from Washington (Mr. INSLEE).

(Mr. INSLEE asked and was given permission to revise and extend his remarks.)

Mr. INSLEE. Mr. Chairman, I came to peace with my decision on this bill this weekend when I was holding my 2-year-old grandson, Brody, who was checking out the Christmas tree. I became focused on the real question before us: Is it right to put $858 billion of debt on that kid's shoulders? The answer is ''no'' for three reasons.

First, this bill represents an old and unsuccessful experiment in supply-side economics. It has failed time and time again. In 2001, it was going to create jobs. It didn't create a single net job. Most of us remember when the first President Bush called this type of scheme ''voodoo economics.'' Do you remember that? Well, this is deja vu voodoo economics, and we have no interest in erecting a fiscal monument to the failed policies of George Bush.

Second, let's be honest about what this deal is—a bipartisan deal gone bad. It's a case where both sides handed out candy to their favorite constituencies, put the candy together in one pile of $858 billion of deficit spending and said, We will sober up, just not today.

We've got to have time to eat our spinach, not just our candy. Stop kicking this can down the road. True bipartisanship will happen when both parties confront fiscal reality and become responsible.

Third, we have to face the music as to what this deal is. It's just another case of using an overextended credit card. We cannot build an economy based on consumer credit card spending, which is what got us in the hole in the first place. This deal does not educate one kid; it does not build one bridge; it does not lead to the production of one innovative company. It doesn't build America. It just builds American debt.

So let's learn from our past. Let's put away the credit card. Let's get an unemployment extension the old-fashioned way. Let's have more jobs and less debt.

Let's defeat this bill.

Mr. CAMP. Mr. Chairman, I yield 5 minutes to a distinguished member of the Ways and Means Committee, the gentleman from Louisiana (Mr. BOUSTANY).

Mr. BOUSTANY. I thank the gentleman for yielding time to me.

Mr. Chairman, indeed, this is a sad state of affairs in which we find ourselves and having to deal with this in the waning days of the 111th Congress. In just a mere 16 days, a massive tax increase—$3.8 trillion—will hit every American taxpayer at a time when we are dealing with high unemployment, very sluggish economic growth, and uncertainty about our future.

American families and businesses have had uncertainty hanging over their heads for months, and we have known about the date of the expiration of these tax provisions. It is time for this Congress to act. It is way past due.

No one is satisfied. No one in this body, I'm sure, is satisfied completely with this bill. I certainly don't like provisions in it. We may not like the situation that we find ourselves in, but it is this situation that determines our duty to act.

Mr. Chairman, we cannot roll the dice with the American economy and with the fate of American families and American businesses. That would be the height of irresponsibility, and we have seen enough of that in this 111th Congress. Let's examine just some of the provisions in this bill.

If you vote ''yes,'' you are voting to prevent tax increases on working Americans. You are voting to prevent tax increases on small businesses and job-creating investments.

If you vote ''no,'' you are voting for a job-killing $3.8 trillion tax increase that kicks in on January 1, and it will be paid for by every taxpayer and most small businesses in this country. If you vote ''no,'' you are basically voting to allow for the average middle class family to see $100 pulled out of their paychecks every week. That is a lot of money for the average family.

If you vote ''yes,'' you are voting to prevent a hike in the death tax on our family farmers and small business owners, who take risks and who have built farms and small businesses—taking those risks in a uniquely American way.

□ 2040

Why do we want to penalize that? Mr. Chair, now there are some who say on our side that we ought to wait. They may think it's good politics. They may think we may have more leverage. Well, it's not all that clear as to what could be gained if we were to wait. But I will say this, Mr. Chair: It's inevitable that there would be delays in enacting any kind of a package, and as a result of the delays, months going by perhaps, we'll see a job-killing massive tax hike on everyone.

For those concerned about the deficit, certainly a concern I share, this tax increase will basically hit economic growth, hit prosperity in this country like a category 5 hurricane. It will put us back into a recession, and the prospects to try to correct these problems will be even worse and make it much more difficult for us to act in the future.

Let's be clear. This is not a progrowth program as my colleague Mr. RYAN said earlier. This is a 2-year agreement. It is a first step in correcting the severe problems that we find ourselves in. This will give us time to move forward with fundamental tax reform which, when coupled with spending decreases, cutting spending, we can get our country back on a sustainable economic course, a sustainable path to prosperity, a sustainable path to restore American competitiveness and to restore American leadership at a time when we need to do this from a position of economic strength.

So let's clear the slate so that we can start anew in January to get our country back on a competitive basis. I urge our colleagues on both sides of the aisle to support the passage of this bill.

Mr. LEVIN. It is now my privilege to yield 2 minutes to a member of our committee, the distinguished gentleman from Washington (Mr. MCDERMOTT).

(Mr. MCDERMOTT asked and was given permission to revise and extend his remarks.)

Mr. MCDERMOTT. Mr. Chair, I rise today in opposition to the Senate amendment to the Middle Class Tax Relief Act of 2010.

This bill has good parts to it for the poor and the middle class, but it gives away $120 billion don't to the superrich, $120 billion the rich don't need, and will not create any jobs. It's a huge giveaway to the superrich in these tough economic times. It just boggles the mind. It's unconscionable. It's indefensible.

We all know the only reason we're even considering this craziness is to get Republican votes in the Senate so they won't filibuster the bill. That Republicans insist on giving away taxpayer money to the rich while sticking it to the poor and the unemployed is worse than wrong. It is without conscience.

Yesterday, my State of Washington announced it will cut all of the working poor health care from the State basic health plan. 66,000 people and 16,000 low-income children will lose their health care. All they will have is the emergency room. It doesn't end there. Washington State is also cutting off 85,000 elderly off their drug assistance program. These are people's lives we're talking about, and we're pushing American families off their last lifelines during a recession to give tax breaks to the rich. That's the Republican tradeoff.

Americans don't want this giveaway. They want us to act with compassion and economic common sense and not help start another Republican economic disaster.

We could and should fix this bill with fair rates, but we won't because Senator MCCONNELL says, Give me money for the rich.

I urge you to vote against it.

Mr. Chair, I rise today in opposition to the Senate Amendment to the Middle Class Tax Relief Act of 2010.

This bill has good parts to it for the poor and middle class, but it gives away $120 billion dollars to the super rich—$120 billion dollars the rich don't need and will do nothing to create jobs.

A huge give-away to the super-rich in these tough economic times just boggles the mind.

We all know the only reason we're even considering this craziness is to get Republicans votes in the Senate so they won't filibuster the bill.

That Republicans insist on giving away tax payer money to the rich while sticking it to the poor and unemployed is worse than wrong—it's without conscience.

Just yesterday my own State of Washington announced it will cut all of the working poor from the State basic health plan.

Working poor numbering 66,000 and 16,000 low income children will lose their health care—all they'll have is the emergency room. It doesn't end there—Washington State is pushing 85,000 elderly off of drug assistance too.

This bill undermines Social Security and increases taxes on the poor. Republicans won't ever want to restore the so-called temporary 2-year cut to social security taxes in this bill. Republicans will soon be calling the restoration of this tax, which keeps social security solvent, a 'tax hike'. Then Republicans will bring up privatization as the only way to solve the shortfall. As a replacement to the Making Work Pay Credit, this tax cut actually increases taxes on the poor, and gives even more tax benefits to the rich.

This bill creates only stop-gap funding for unemployment insurance. Next year at this time unemployment will still be high, and we'll have another mean-spirited debate that demonizes the unemployed.

The give-aways and bad policy in this bill are capped off with the wasteful, environmentally disastrous Ethanol subsidy. Subsidizing ethanol distorts food markets and slows this country's real progress toward a sustainable green energy economy.

This bill transfers enormous amounts of wealth from the average American tax payer into the pockets of the wealthiest of this country at a huge cost.

These are people's lives we're talking about. We're pushing American families off their last life lines during a recession to give tax breaks to the super rich. That's the Republican trade off.

Americans don't want this give-away. They want us to act with compassion and economic common sense—and not help start another Republican economic disaster.

We should fix this bill with fair rates for the wealthy and funding for unemployment insurance that lasts until the working families of this country are back on their feet.

I urge my colleagues to vote "no."

Mr. CAMP. I yield 5 minutes to a distinguished member of the Ways and Means Committee, the gentleman from Illinois (Mr. ROSKAM).

Mr. ROSKAM. Mr. Chair, I thank the gentleman for yielding.

The State of Washington is cutting the working health care for the working poor? That's what we heard a minute ago. But wasn't it just an argument just a couple of months ago, Mr. Chair, that if this body took up the ObamaCare that basically the birds were going to be chirping and the sun was going to come out and the clouds were going to part and the economy was going to be fabulous and we were not going to have another health care problem again? But what happened? Running ramrod through this body ended up a job-killing health care bill, and now we're wringing our hands. It's amazing to me.

Back when I was in the Illinois General Assembly, Mr. Chair, I used to practice law, and there was one time when I filed a motion at a courthouse and I approached a judge, and he knew that I was a legislator. And with a twinkle in his eye, he said, Well, Mr. ROSKAM, let's see how you voted on the judicial pay raise, and he kind of looked underneath his blotter. He was teasing me, and I quickly said, Well, Your Honor, I voted ''no'' but I hoped ''yes.'' He thought about that for a second and he said, Motion granted.

Now, I hope today there's a whole lot of show business going on here, because I hope today, Mr. Chair, what's happening is that there's a lot of people who say they're voting ''no'' that aren't really voting ''no.'' I mean, with due respect to my friend and colleague from the State of Illinois who acknowledged that there's insufficient funds, he thinks there's going to be insufficient funds, Mr. Chair, in the 112th Congress? Hey, look around, 111th Congress, there isn't sufficient funds.

This Congress and this leadership, Mr. Chair, has doubled our national debt in 5 years and, based on their own numbers, will triple that national debt in 10 years. So this is not a news flash that's coming in the 112th Congress. It's here today.

We had Debt Dependence Day here in the United States on August 4 of this year, which was the date at which every dime that went out from the Federal Government, Mr. Chair, was borrowed money. So let's not act as if this is a new issue. This is not a new issue.

Here's the issue that's before us: We're looking at a cataclysmic tax increase that has the potential to drive us and to push us to a tipping point and a spiral that goes further and further down.

Now, let me talk to friends on my side of the aisle who think a better deal is coming. Friends on my side of the aisle say, Oh, we're going to get a better deal. On January 5, we'll pass a bill. On January 6, somehow, miraculously, the Senate is going to pass it. On January 7, the President is going to remove all his objections. Even assuming, Mr. Chair, that that's true, let's think that through for a second.

Okay. So January 7, a new fabulous bill is signed into law. It's not until mid-February until the Internal Revenue Service can deal with that. It's not until mid-March when corporations and payers can deal with it. And so, again, at the best case scenario, you're looking at sucking the life out of this economy for 90 days. And what does that do to all of our constituents? That puts us in a downward trajectory that none of us want. Nobody wants that.

You know, I think one of the messages of November 2 is that we need to come together and work together. Yeah, there's things in this bill I don't like. There's things in this bill that I'm not pleased with, but I do know that at all costs we need to avoid a job-killing tax increase.

I would be happy to yield to the gentleman from Illinois.

Mr. JACKSON of Illinois. I thank the gentleman for yielding.

I just wanted to ask the question. I was hoping the gentleman might comment on whether or not his impression of the bill was that it was deficit neutral. The gentleman has spoken about the deficit in the past. I wanted to know if he wanted to comment on that.

Mr. ROSKAM. Reclaiming my time, clearly it's not deficit neutral. Clearly, it does add to the deficit, which is why I said that it's not completely satisfactory. So Mr. RYAN, as ranking member and incoming chairman of the Budget Committee, has indicated what his intentions are.

But, you know, I do find it ironic that there is this newfound robust interest on the other side of the aisle as it relates to deficit reduction, notwithstanding the CBO's, OMB's, and everybody else's numbers that the national debt will triple in 10 years based on the current majority.

So I've said my piece, but I think it's very clear that what we need to avoid, Mr. Chair, at all costs, is raising taxes and putting this economy into a spiral out of which real, real difficulties come.

Mr. LEVIN. It is now my pleasure to yield 2 minutes to the distinguished gentleman from Oregon (Mr. BLUMENAUER), an active member of our committee.

Mr. BLUMENAUER. A vote on this agreement may or may not be good politics, but it is wrong. It continues the Washington tradition of ducking tough issues, making suboptimal choices, and trying to make every interest group happy.

I'll be the first to admit that it contains items I support, including some I've worked hard to enact, but they're not worth the price, no matter how much I've invested in them.

□ 2050

This should be the time when we stopped adding to the deficit with nothing to show for it but a temporary boost to pocketbooks with a minimal boost to the economy and controversies that will continue nonstop through the next election. If, like a prudent family, we must borrow, it should not be for current operations but for long-term investment. The tinkering around the edges of the tax code and the fixes, like the need to continue to ''patch'' the AMT in order to protect 30 million people, is counterproductive. It will cost money to repair the broken tax code, but it is an investment well worth the cost.

We should, instead, repeal the AMT, lower the rates, broaden the base, make the code simpler, more fair, and less costly. If we will be $1 trillion more in debt, we should at least address the infrastructure deficit. That would at least pay for itself with projects that will last for decades while putting hundreds of thousands to work at family wage jobs.

Make no mistake, this vote means an exchange for a little temporary relief weighted in favor of those who need it the least. This bill means Americans will pay more in debt and interest, a sluggish economy, and costs of an unfair tax system. It's a bad bargain for the future of America's families.

Mr. CAMP. I yield 2 minutes to the gentleman from Arizona (Mr. FLAKE).

Mr. FLAKE. I thank the gentleman for yielding.

I don't have time to detail all that is wrong with this bill, so I will focus on one very small part of it. It's the Social Security payroll reduction. I want everybody in this body to remember this figure, this one number: $2,136. $2,136—that's the raise that we're all giving ourselves with this bill. That's the raise that we're giving ourselves, and we're borrowing every penny of it from our kids and our grandkids, or probably China.

$2,136. We don't know where that came from. I asked people in this body, How did that provision get in here? It's not part of extending current tax rates, keeping the tax rates current. This is something completely new. We're told, Oh, somebody in the Senate put that in. But nobody has sought to remove it here. But keep in mind, again, $2,136. That's how much every Member of this body—because all of us make more than $106,000 a year, so all of us are giving ourselves a $2,136 raise with this legislation. We had better remember it because the voters certainly will.

As I mentioned, we're borrowing this money. We don't have it. We can't pull it from another account. There is nothing in the Social Security Trust Fund to take it from, so we're borrowing it, every penny of it. So just remember that number, $2,136. That's the raise we are giving ourselves with this legislation. I urge a ''no'' vote.

Mr. LEVIN. I now yield 2 minutes to the gentleman from New Jersey (Mr. PASCRELL), a very distinguished colleague on the Ways and Means Committee.

Mr. PASCRELL. Mr. Chairman, our families are hanging by threads—literally—as we debate this tonight. We know the economic wreckage that occurred between 2001 and 2008. Double unemployment, flat wages, and unbridled greed. We didn't do a very good job in correcting the problem in the second 2 years since we took over, no question about it. So these are perilous times.

And I say to my friend from Arizona, both sides agree. We need extraordinary remedies in extraordinary times. Ordinarily, your side and our side would vote against this legislation because it's not paid for. But these are not ordinary times.

You have said in the past ''no'' to tax relief that every American, even billionaires, could take advantage of, if an extra 2,800 estates don't get a massive tax break at a cost of $60 billion. We had an agreement on the estate tax. H.R. 4151 provided a $7 million exemption for families, affecting less than 0.02 percent of the country. That wasn't good enough. So when the negotiations over the next tax relief for America's middle class started, opponents saw the chance. They decided to take the middle class hostage, agree with the tax relief for all of America, only if 2,800 additional estates worth over $7 million were also provided billions more in tax relief.

The truth of the matter is that I don't know any working class families that own estates worth over $7 million. Maybe you do in your district. No, you said to middle class tax relief, if the top bracket is not extended for the top 2 percent, so as to give $63.2 billion to 315,000 families making over $1 million a year.

I ask for your support of this amendment.

Mr. CAMP. I yield myself such time as I may consume.

Let me just say, the gentleman from Arizona who spoke is a cosponsor of the legislation that would reduce the payroll tax that would give the so-called pay hike to Members of Congress. But let me just say, this payroll tax deduction applies to every working American, just as the rate reductions apply to every small business in America.

I yield 3 minutes to the gentlewoman from Kansas (Ms. JENKINS).

Ms. JENKINS. I thank the gentleman from Michigan for yielding.

When I ran for Congress, I made a pledge to the people of Kansas that I would not vote to raise their taxes. Today I will honor that pledge and vote for the tax bill before us because a ''no'' vote on this measure is a vote to raise taxes on every American taxpayer, every working parent, every small businessperson, every retiree, everyone. While the economy struggles to get back on its feet and unemployment remains at nearly 10 percent, allowing liberals to achieve their goal of raising taxes on American families and small businesses by nearly $4 trillion is extremely bad economics.

There are several aspects of this provision that I am adamantly against, including the massive deficit spending required to extend unemployment benefits for 13 months that are not paid for and the onerous 35 percent death tax which will create hardship for many family farms across the entire Midwest. But failure to pass this legislation will be the equivalent of reaching into the bank account of every middle class family and pulling out an additional $5,000 next year. The families I represent in Kansas have had to tighten their belts and can't figure out why Washington continues to raid their bank accounts and refuses to tighten the belt of the Federal Government.

It is truly sad that we have reached this point. The current majority could have addressed this issue at any time over the last 2 years, but they were so busy throwing money at solutions in need of problems that they didn't take time to build a budget, appropriate money, or address the issue of taxes, and now our backs are against the wall. While this is far from the ideal permanent extension we desire, a 2-year extension of all the current tax rates provided in this bill gives business some short-term certainty so they can go out and invest and hire new workers to grow the economy, and it provides Congress with a window to truly reform the tax code correctly without a mad scramble next year to undo the damage.

When we reconvene in January, it is imperative that the next Congress, led by a new majority, reform our tax code and the death tax, rein in spending, and balance our budget. Placing punitive and oppressive taxes on hardworking Americans until Washington can agree on how best to accomplish all that is not the right way to go about this. Kansans expect more of their representatives in Washington. I urge my colleagues to cast a vote against tax increases and vote in favor of this bill.

□ 2100

Mr. LEVIN. Mr. Chairman, it is now my privilege to yield 2 minutes to the distinguished Member from the great State of Nevada (Ms. BERKLEY).

Ms. BERKLEY. Mr. Chairman, I rise in favor of this bill. The people in the State of Nevada are having a very tough time right now. We have the highest unemployment rate in the country and the highest mortgage foreclosure rate. The people in my district are particularly hard hit. One in five people that I represent have no jobs. The unemployment benefit extension in this piece of legislation is critical to the very survival of so many of the families that I represent.

Everybody thinks of my district of Las Vegas and North Las Vegas as a very glitzy, shiny, wonderful town, and it is all of those things. But it's a working class town, and most people don't fully appreciate that. I represent construction workers and electricians and plumbers, Keno runners and cocktail waitresses and waiters and waitresses and valets and porters. All of these people are middle-income wage earners, and the middle-income tax extension is going to be a tremendous help to these families.

The child care tax credit, so many of the people that I represent in Las Vegas are single mothers who are working. The bane of every single mother, and I know this, is good child care at an affordable price. The child care tax credit makes a difference whether these women can go to work or not.

If you add in the alternative minimum tax, 33,000 of the people I represent will be slammed by that if we don't extend it.

Marriage penalty tax, earned income tax, these are all very important to the middle-income wage earners that call Las Vegas and Nevada home.

One of the most important things is the tax extenders that are included in this. Nevada is one of eight States that does not have a State income tax. If you're a State income tax State, you can deduct your State income tax from your Federal income tax. Nevada doesn't have one, so we, a few years ago, along with Brian Baird and a few others, were able to get an extension for sales tax and being able to deduct the sales tax.

The Acting CHAIR (Mr. SNYDER). The time of the gentlewoman has expired.

Mr. CAMP. Mr. Chairman, I yield 2 minutes to the gentleman from Florida (Mr. BUCHANAN).

Mr. BUCHANAN. Mr. Chairman, job creation is priority number one. Fourteen million Americans are striving every day to find a job. But what they fail to understand in Washington, to get a job, you've got to promote small business and free enterprise and entrepreneurship.

Seventy percent of all the jobs created in America are created by small business. In my State of Florida, 99 percent of all businesses registered in Tallahassee, our capital, are either small businesses or medium-sized businesses mainly, a couple of hundred employees or less.

To raise taxes in this environment, when many businesses right now are struggling, on the verge of trying to stay open—many of them can't get credit. If we raise the taxes on small businesses—and a lot of people don't realize, a lot of small businesses are subchapter S, LLCs, partnerships, sole proprietorships, so it's all pass-through income to them personally. But raising taxes on small business, they're saying it will affect 48 percent of the businesses if we don't pass this today.

People ask, Why is it that business doesn't have any confidence right now or the confidence they should?

They just don't believe what's happening in Washington. The administration and this Congress, in their mind, and they're right, is very antibusiness.

So if we want to create jobs, the last thing we should be doing is raising taxes on small businesses. If we want to help families and we want to get people back to work, we need to pass this bill and do what we can. No tax increases come January 1.

Mr. LEVIN. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Illinois (Mr. DAVIS), a member of our committee.

Mr. DAVIS of Illinois. Mr. Chairman, Justice Oliver Wendell Holmes is credited with saying that taxation is the price that we pay for a civilized society. And today we need the money.

As a matter of fact, I was in a meeting 2 days ago at CEDA—that's the organization in Chicago and Cook County that services low-income families—trying to figure out how to help some of my constituents get their homes heated, because it might be snowing in Washington, but it's cold in Chicago.

The telephone rang. Somebody said, Could you take a call from the President? I said, Which President? They said, Well, the President of the United States. And I said, Of course, I'll take it.

I got on the phone and the President said to me, DANNY, we need to pass this bill, and we need to pass it because even though it's cold, it's going to get colder; and there are going to be people who don't have any unemployment compensation benefits, and they can't pay their heating bill. There are going to be people who want to send their kids to college, and without the tax credits for college tuition, they won't be able to pay the tuition.

And I said, Yeah, but, Mr. President, what about those people way up at the top that are getting all of this money?

He said, Well, there might be an opportunity to reduce that.

And I'm looking forward to voting on the Pomeroy amendment so that we can reduce some of that money that they're going to keep in their pockets, put it into the Treasury so that we can help the poor people in Chicago who are cold and don't have any heat.

Mr. CAMP. Mr. Chairman, I yield 2 minutes to the gentleman from Nebraska (Mr. SMITH).

(Mr. SMITH of Nebraska asked and was given permission to revise and extend his remarks.)

Mr. SMITH of Nebraska. Mr. Chairman, I rise today in support of the underlying tax bill and in opposition to the Pomeroy amendment that would increase the death tax.

It is vital we do not stymie any economic recovery by failing to extend current tax rates. If we fail to enact this legislation, in just two short weeks, taxes will increase on every American.

Our country needs real economic growth, which can't happen if Washington doesn't prevent these tax increases on farmers, ranchers, and small businesses. The sooner we can provide certainty to American businesses, the sooner they can get our economy back on track and start hiring again.

In particular, I would like to highlight the importance of providing certainty to farmers and ranchers in my district with a lower estate tax rate indexed for inflation. Despite the rhetoric from some, these folks aren't millionaires and billionaires. They want to simply leave their children and grandchildren the land they use to grow and raise food which feeds Americans and others around the world.

In the last year, the value of Nebraska farmland has increased by 9 percent, continuing a trend in which this land has doubled in value over the past decade. Without an estate tax exemption indexed for inflation, these farmers and ranchers will be forced to divide or sell their land, threatening the very existence of farming traditions which, in many cases, have been passed on for several generations.

Grieving families should never be forced to deal with the IRS during a time of mourning. The prosperity earned by generations of Americans should not be forfeited just because one life has reached its end.

I urge my colleagues to support the underlying bill.

Mr. LEVIN. Mr. Chairman, I yield 2 minutes to the distinguished Member from Pennsylvania (Ms. SCHWARTZ).

Ms. SCHWARTZ. Mr. Chairman, tonight I rise in support of middle class Americans. As families and the Nation continue to face economic challenges, we should extend tax cuts for Americans; yet the Republicans insisted that tax cuts apply to all incomes, even multimillionaires. And they are insisting, even tonight, on including an additional tax break for just 6,600 wealthy estates at the expense of tax relief for middle class Americans.

The goals of this tax relief package should be to help middle-income Americans and promote economic growth. And because of the President and Democrats in Congress, most of this bill accomplishes just that.

I commend the pro-growth business provisions, particularly the acceleration of business depreciation and extension of the research and development tax credits, which encourage innovation and investment. And I strongly support the extension of tax breaks for middle class families.

Unfortunately, the Senate Republicans' last-minute estate tax provision does not meet the goal of either economic growth or tax relief for the middle class. It is simply a bonus to the wealthiest few that is not fair, not justifiable, and not fiscally responsible.

Instead, the estate tax proposal that we offer as a substitute saves $25 billion. The House should vote for this proposal because it promotes economic growth, extends tax cuts for all Americans, and provides sensible estate tax relief for 99.75 percent of the Nation's small businesses, families, and farms.

Vote for the tax cuts. Vote for fair estate tax policy. Vote for this legislation, as amended.

Mr. CAMP. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. PAULSEN).

□ 2110

Mr. PAULSEN. I thank the gentleman for yielding.

Mr. Chairman, our number one priority in Congress should be enacting pro-growth policies that will put Americans back to work and get our economy back on track.

Sadly, in the past 2 years, this body has done very little to accommodate the record high unemployment that this country has faced. And this tax bill before us today will give us an opportunity to finally change that, because in just 2 weeks our country's small businesses will see a huge job-killing tax increase imposed upon them.

Now, we all know small businesses have been the backbone of our economy for a long period of years. They have served as our Nation's top and chief job creators, generating nearly 7 out of every 10 new jobs created. But according to the National Federation of Independent Business, small business optimism is still at a recessionary level, and only a net 4 percent of firms are even planning to create new jobs. Stopping these tax increases on January 1 will add jobs to the economy.

On the other hand, imposing these job-killing tax increases on our small businesses is only going to further delay an economic recovery that has been denied to the American people. So we must act now to prevent this from happening.

This bill also has a significant impact on our Nation's families. Voting against this bill will lead to a nearly $100 tax increase on every hardworking American family every single week. These are families that are already struggling to make ends meet in tough economic times, and increasing taxes on them is only going to make matters worse.

Mr. Chairman, this bill is not perfect. Would I like to see these tax rates made permanent? Yes. Would I like to see the spending provisions and portions paid for? Yes. But well over 80 percent of this bill is tax relief. It prevents income tax rates from increasing; it prevents the alternative tax from hitting more middle-income families; it preserves the child tax credit; and it prevents the marriage penalty from being put in place.

Unless we act, on January 1 we will see job-killing taxes. But tonight, and today, we will have an opportunity to support American families and the small businesses that employ them.

Ms. SCHWARTZ. I ask unanimous consent to control the time until the gentleman from Michigan returns.

The Acting CHAIR (Mr. DRIEHAUS). The gentlewoman from Pennsylvania is recognized.

Ms. SCHWARTZ. I yield 1½ minutes to Mr. HOLT from New Jersey.

Mr. HOLT. I rise in opposition.

I am most concerned that this bill will undermine the very idea of Social Security by taking money out of Social Security and promising to make it whole with general revenues.

When FDR and others created Social Security in 1935, it was a political master stroke. Social Security was created as an insurance program and has remained intact for 75 years because Americans have a real sense of ownership for the program. FDR said Social Security should not use general tax revenues.

This bill puts Social Security on the table with tax breaks for the top 2 percent, with estate tax, alternative minimum tax, accelerated depreciation, making it essentially another bargaining chip. If we allow Social Security to become another bargaining chip for dealing politicians, then it will not be long for this world.

In good economic times and bad, this sense of ownership that Americans will get their due from Social Security has allowed it to survive despite determined efforts by determined enemies.

We can find better ways to boost our economy that do not add billions of dollars of debt to pay for tax cuts for the privileged few and do not jeopardize Social Security.

It is with regret that I rise in opposition to this legislation. Less than two weeks ago, I joined a majority of this House in passing middle class tax relief that balanced the needs of working families with our Nation's need to get its fiscal house in order. Unfortunately the Senate failed to pass this bill.

The legislation we are considering today is deeply flawed. We should try to put money in the pockets of working families, and I do not fault President Obama and many of my colleagues who want to get something done on behalf of the millions of Americans who need help. But, this is the wrong way to do it.

Yet, at a time when income inequality in the United States has risen to its highest level in decades, the bill under consideration would shift the burden of funding the Federal government further onto middle-class and working-class families. The bill would give away tax breaks to the wealthiest two percent of households at a cost of more than $120 billion charged to the national debt.

I am most concerned, however, that the bill undermines the very idea of Social Security. Social Security has been a pillar of our society for generations. When Franklin Delano Roosevelt, Frances Perkins, and others created Social Security in 1935, it was a political masterstroke. Social Security was created as an insurance program and has remained intact for 75 years because Americans have a real sense of ownership for the program.

In good economic times and in bad, regardless of which political party is in power, this sense of ownership—that Americans will get out that which they put into the Social Security—has allowed it to survive despite the efforts of determined enemies.

A provision in the bill would reduce an employee's contribution to Social Security from 6.2 percent to 4.2 percent of salary. This could have a beneficial stimulative economic effect. The $112 billion cost to the Social Security trust fund of this payroll tax holiday is supposed to be replaced with money from the general treasury fund. But that is just the problem. In Social Security's history such a commingling of payroll taxes and money from the Treasury at this scale is unprecedented.

This is not just about the financial health of Social Security, rather it is about Social Security's rationale that has worked well for generations. This bill places Social Security on the table with tax breaks for business expenses and tax breaks for the top two percent of Americans—essentially making it just another bargaining chip. If we allow Social Security to become a bargaining chip for dealing politicians, then it will not be long for this world. As much as we need economic stimulus now, we will need Social security for decades to come. Rather than taking money from Social Security, I would support a tax credit—similar to President Obama's Making Work Pay tax credit—that would give working families a sizeable tax break with money from general revenues.

In a message to Congress on January 17, 1935, FDR insisted that Social Security should be self sustaining and that funds for the payment of insurance benefits should not come from the process of general taxation. FDR's message is as correct today as it was 75 years ago.

To be sure, the legislation before us today contains many good provisions that I would support on their own. The bill contains a one year extension of emergency unemployment benefits. According to the Labor Department, there are five job-seekers for every job opening in the U.S. Extending unemployment is the right thing to do morally and for the economy. The legislation would extend middle class tax relief for two years along with many family-friendly tax breaks such as the Child Tax Credit, Earned Income Tax Credit, Alternative Minimum Tax relief, and marriage penalty relief. The bill also would extend expanded transportation benefits for commuters and tax credits like the research and development tax credit to help businesses grow and create jobs.

Congress needs to provide unemployment insurance for Americans searching for work, extend tax relief for working families, and find solutions to our budget crisis. Yet these must not come at the expense of Social Security. It is too important to lose.

Mr. CAMP. I yield 3 minutes to the gentleman from New York (Mr. LEE).

Mr. LEE of New York. Mr. Chairman, I am amazed how my friends across the aisle now, all of a sudden, have found religion when it comes to fiscal issues.

But where were they when we had the $800 billion stimulus? Where were they with the $1.2 trillion health care bill that they all promoted? Where were they when the Speaker chose not to enact a budget resolution this year, the first time in 36 years? And now they're preaching fiscal responsibility when we are out promoting a bill that is not cutting taxes; it is helping to ensure that every American citizen who pays taxes won't be seeing an increase this year. It is truly, truly amazing.

Simply put, this bill before us today will allow taxpayers to keep more of what they earn and will allow small businesses, the engines of our economy, to invest in themselves and invest in jobs. This bill will provide much-needed certainty that businesses have been screaming for. They are looking to invest in themselves and truly what they want to do is hire more workers, but: tell us what the rules are going to be.

Currently, today, businesses are sitting on close to $2 trillion in cash and liquid assets awaiting to know what the rules are going to be. This bill is not perfect, but it will help set the stage for businesses to get some confidence and certainty in this economy and go out and start investing in U.S. workers. Congress is long overdue in providing this certainty to small businesses, and it is one of the best ways that we can start turning around this economy.

I ran a manufacturing business before coming to Congress. I know what it feels like to look at a production line and not know if you will be able to operate it the next month because Washington is dragging its feet.

By acting now, we can also ensure that small businesses and family farms aren't hit with a 55 percent death tax. We reaffirm our commitment to providing incentives for manufacturers to invest in research and development. And we help every American family by extending current tax rates, the child tax credit, and the marriage penalty relief.

Is this bill perfect? No. Few things are that come out of Washington. But the bottom line is that this bill will allow families to keep more of what they earn and help small businesses grow and invest in themselves.

This is a proven recipe for job creation. I urge my colleagues to support this bipartisan legislation so we can protect taxpayers and get on to the tough work of cutting spending next year.

Mr. LEVIN. I yield 1 minute to the gentleman from New York (Mr. TONKO).

Mr. TONKO. I thank the gentleman for yielding.

This bill is a bad deal for the middle class. If you work hard and play by the rules, you should be rewarded; however, today's bill ignores this. It lines the pockets of the mega-rich at the expense of everyone else.

Our top priority right now should be job creation. We tried the tax cuts proposed today for the last decade under the illusion that they would create jobs. And so I ask, Where are the jobs? Where are the jobs? This recession wasn't an act of nature; it was man-made. Shame on us if we do the same thing again and expect different results.

I will continue to fight to strengthen the middle class, and I will continue to fight to extend unemployment benefits for the millions who are out of work through no fault of their own. I have voted in favor of both in recent weeks. However, we should not support a giveaway to millionaires and billionaires at the expense of future generations.

Mr. Chairman, this bill needs more jobs and less debt.

Mr. CAMP. I yield 2 minutes to the gentleman from Louisiana (Mr. SCALISE).

Mr. SCALISE. I thank the gentleman from Michigan for yielding.

Mr. Chairman, there are a number of things that have been talked about here that I think need to be addressed. One that I want to address point blank is this concept, this myth, that somehow preventing a tax increase adds money to the deficit.

Only in Washington would some liberal politician think that allowing somebody to keep money in their pockets and not have a tax increase somehow adds to the deficit.

In fact, if you really want to see growth in this country, if you really want to see more money coming into the Federal Government, something that's always been proven is having lower tax rates coupled with controlled spending. And that's the problem, that we don't have those issues being addressed here today. Hopefully, we will address that, and, I know in the new Republican Congress, we will address that we should make these tax rates permanent, including a complete repeal of the death tax, and you'll see some real growth in this country.

But there is a moral imperative here, too. There's been this talk about class warfare on this House floor tonight, and a lot of people running around talking about certain people that should have a tax increase. And that is a moral imperative because who is the greedy one here. Is it the single mother who is struggling to make ends meet right now? Or is it the liberal Washington politician who is trying to saddle her with another 50 percent increase in her tax rate if this bill doesn't pass? Who is the greedy one? Is it the small business owner who is struggling in tough economic times but maybe wants to create another 20 jobs in their small business? Or is it the liberal Washington politician that is going to try to saddle them with thousands of dollars in new taxes that will make it impossible for them to create jobs? That's the moral imperative.

It's time for the liberal Washington politicians to get their hands out of the pockets of the taxpayers and hard-working Americans in this country so we can get some real job growth. I am glad the gentleman from Michigan, when he becomes the chairman of the Ways and Means Committee next year, wants to address the long-term problems. But in the short term, we need to prevent any American from having their taxes raised, and that's what this debate is all about.

□ 2120

Mr. LEVIN. Mr. Chairman, I yield 1½ minutes to the gentleman from Massachusetts (Mr. LYNCH).

Mr. LYNCH. Mr. Chairman, I thank the gentleman for yielding.

I associate myself with the remarks of the gentleman from Arizona who spoke earlier. There is another important number in this bill, and that number is $119 billion—$119 billion. You might ask why that number is important. That is the amount of money that this bill will rob from the Social Security trust fund if it is implemented, at a time when more and more of our seniors rely on Social Security as their sole source of income, at a time when more and more of our seniors are vulnerable and are on fixed income and can't go out and get a second job, at a time when more American workers are desperately needing Social Security benefits because their defined benefit pensions have gone away, any kind of pensions have gone away.

In spite of the remarks of the gentleman from Louisiana who just spoke, it is easy to forget that on most of these issues, Democrats and Republicans agreed. We agreed that 98 percent of Americans needed a tax break continued. We are fighting about that 2 percent. That is where the argument is. We are arguing about people who have $10 million in an estate. In a windfall to them, should they pay taxes?

It is interesting that in this bill, those people have been protected, but the folks who are on Social Security and the solvency of the Social Security trust fund is fair game. Vote ''no'' on this measure.

Mr. BRADY of Texas. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Texas (Mr. GOHMERT).

Mr. GOHMERT. Mr. Chairman, there's not much time when there's 3 hours and most of that is dedicated to pushing this bill. But the fact is, following up on Social Security tax, it's reduced by 2 percent, from 6.2 percent, for 2 years, which dramatically does affect the solvency of Social Security.

When I proposed the payroll tax holiday, I was going to pay for that—it's in the bill—pay for it with TARP. We were going to take that money from the Wall Street bailout and give it to the people that actually earned it. That would have worked. This isn't paid for.

We were elected into the majority to stop the deficit spending. We do need to extend the current tax rates so that we can give some stability to this economy. But two years, analysts say, is not going to push businessmen to run out and fix the economy.

This is a mistake. We can do much better for the economy. This is no time to sell out just to get some extensions. We can do better.

Mr. LEVIN. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Maryland (Ms. EDWARDS).

Ms. EDWARDS of Maryland. Mr. Chairman, in 2006, Warren Buffett wrote, ''There's class warfare, but it's my class, the rich, that's making war, and we're winning.'' Today, in this bill, Mr. Buffett's sentiment rings as startlingly true today as it did 4 years ago.

I rise in strong opposition to this bill that will benefit only the wealthiest Americans at the expense of putting billions of dollars in debt on the backs of our children and grandchildren.

Over the last 35 years, our tax policies have concentrated a third of this Nation's wealth in 1 percent of our population, leaving 80 percent of us with 16 percent of our Nation's wealth, the rest. The proposal on the floor today only exacerbates that trend.

Mr. Chairman, we have staked our reputation and the legacy of this 111th Congress on fighting for working families. I just don't understand how we can saddle those same families with unsustainable tax cuts for the wealthy, an estate tax that benefits 6,600 families, and a payroll tax that without question raids Social Security.

If this is war, then let's put away this white flag. I refuse to surrender to those who want to benefit the two-percenters at the expense of the rest of us. To do that would surrender the hopes, the dreams, the retirements, and the paychecks of families all across this country.

It is time to put away the white flag and fight for working families.

Mr. BRADY of Texas. Mr. Chairman, may I inquire as to the time remaining on both sides?

The Acting CHAIR. The gentleman from Texas controls 35 minutes; the gentleman from Michigan controls 52½ minutes.

Mr. BRADY of Texas. Mr. Chairman, I reserve the balance of my time.

Mr. LEVIN. Mr. Chairman, I now yield 2 minutes to a distinguished Member of the Ways and Means Committee, the gentlewoman from California (Ms. LINDA T. SÁNCHEZ).

Ms. LINDA T. SÁNCHEZ of California. Mr. Chairman, I rise today in strong opposition to this reckless legislation. There is no question that I strongly support some of the items in this bill. Unemployed Americans desperately need their benefits extended, and I proudly have voted to do so every time I have had the chance. This bill also contains tax cuts for hard-working American families, tax cuts I voted for 2 weeks ago on this very floor.

But this bill holds these good policies hostage to a giant handout to those who need help the least. It is political bullying at its very worst, an affront to working American families waged by Republicans whose irresponsible decisions got us into this mess in the first place.

This bill contains a radical change to the inheritance tax that will concentrate wealth and power in even fewer hands than it is now. In a country that prides itself on being a meritocracy, not an aristocracy, such a giveaway is irrational. It completely neuters our ability to invest in people and infrastructure.

This bill contains tax breaks for those who will make more than $250,000 a year, breaks that our country can ill-afford when teachers are being laid off and libraries are being closed, when those who have been unemployed for the longest are losing their safety net, and young men and women are still being asked to serve and die in Iraq and Afghanistan.

The payroll tax cut is another bad idea. Not only does it make Social Security less secure, many public servants, including California teachers, won't see any tax cut at all.

Overall, this bill adds nearly $1 trillion to the deficit, while doing very, very little to create jobs, spur economic growth, or invest in America's future.

Because I am committed to creating jobs, making retirement secure, and investing in this country, I cannot in good conscience support this bill. Compromise is one thing, surrender is another, and I will not surrender in my fight to ensure that America remains the land of opportunity for all.

Mr. BRADY of Texas. Mr. Chairman, I continue to reserve the balance of my time.

Mr. LEVIN. I now yield 1 minute to the gentleman from Pennsylvania (Mr. ALTMIRE).

Mr. ALTMIRE. Mr. Chairman, I rise in support of this bill because it strikes the right balance between support for the unemployed and those who continue to suffer in the economic downturn, the continuation of pro-American and pro-family economic policies, and providing the much needed certainty for American job creators to make the long-term strategic decisions necessary to help grow our economy.

Now is not the time to raise taxes for anyone in America. One of the key factors that has stalled our economic recovery is the uncertainty about the regulatory environment and tax rates that small businesses will face in the coming years. With passage of this legislation, we can provide the certainty these businesses have sought, enabling them to finally be able to make the long-term strategic and hiring decisions that they were reluctant to do before they knew what the playing field would look like.

I urge my colleagues to support this bipartisan legislation compromise that will help kick-start our economy.

Mr. BRADY of Texas. Mr. Chairman, I continue to reserve the balance of my time.

Mr. LEVIN. Mr. Chairman, I now yield 1 minute to the very distinguished gentleman from California (Mr. SHERMAN).

Mr. SHERMAN. Let me first correct the gentleman from Texas, Mr. GOHMERT, when he says that this bill would make the Social Security trust fund less solvent. Every penny that the Social Security trust fund doesn't receive from payroll taxes it gets from the general fund.

But let me especially correct him when he says, oh, the other way to pay for this is by canceling the TARP bill. We canceled the TARP bill six months, seven months ago. He voted against the bill, but that bill passed, was enacted, and returned $225 billion to the Treasury. Having done that once, we can't make money by just doing it again.

The Republican Senators held this country hostage, they held the middle class tax cuts hostage, they held the American economy hostage. President Obama agreed to pay the ransom. Now the question before this House is, do we block that ransom payment?

□ 2130

The problem is that if we do not make the ransom payment this month, President Obama will be willing to pay just a little bit more next month. So today we will do what we have to do.

Mr. BRADY of Texas. I continue to reserve the balance of my time.

Mr. LEVIN. I now yield 1 minute to the very distinguished gentleman from New Jersey (Mr. ANDREWS).

(Mr. ANDREWS asked and was given permission to revise and extend his remarks.)

Mr. ANDREWS. For many Americans, tonight their urgent priority is to find a job. It should be our urgent priority to create those jobs for those Americans. I support this imperfect bill because I believe it will help create those jobs. I think a tax cut of $1,000 a year for a family making $50,000 will help spur spending. I think that not raising taxes on people who sell real estate or teach school or drive a school bus is the right thing to do.

I think that some degree of tax certainty for business people and investors over the next 2 years will help to spur investment. And I know that every penny that people receive in an unemployment check will be spent as soon as possible—because people have to. And that helps spur the economy as well. And I also hope that the bipartisan agreement tonight to do the easy thing, which is reduce people's taxes, will be followed by a bipartisan agreement to do the hard thing—and that's reduce spending in a way that is sensible, equitable, fair, and necessary. This is not a perfect agreement, but it's a necessary one.

I urge a ''yes'' vote.

Mr. BRADY of Texas. Mr. Chairman, I yield 4 minutes to the gentleman from Virginia (Mr. CANTOR) who has been a leader on lowering taxes, fighting the expansion of government, and expanding liberty.

Mr. CANTOR. I thank the gentleman from Texas.

Mr. Chairman, as we contemplate the tax agreement before us, I urge my colleagues to put politics aside and focus on the facts. We are crawling out of the worst economic downturn in generations. Working families and businesses remain gripped by economic uncertainty, and to this day Washington has only made the problem worse. If we want to cut into the 9.8 percent unemployment rate, Mr. Chairman, we have to instill confidence in the economy and begin to foster an environment for job creation. Today, we take our first step toward achieving that goal.

This tax deal is not perfect. And nearly all of us, myself included, disagree with certain elements of this bill. But let us not forget what we're fighting for. The reality is, Mr. Chairman, that on January 1, one of two things is going to happen to all taxpayers and most small businesses: Their tax rates are either going to go up, or they'll stay the same. The choice is to act now or impose the onset of a $3.8 trillion tax increase that will crush the fragile recovery and cost tens of thousands of jobs nationally. This is an indisputable fact—and an unacceptable result.

Mr. Chairman, this tax increase would punish families and small businesses that cannot afford to pay it. Middle class families will see their taxes go up by $100 per week. Let me be clear. There's only one path out of this economic crisis—and it's economic growth. But by transferring vast sums of cash out of the private sector and into Washington, Congress would be taking a club to investment, entrepreneurship, and innovation—the very building blocks of what we need to foster economic growth and job creation. About 84 percent of this package, Mr. Chairman, is either tax relief or extension of current tax rates. So, while not perfect, this is the kind of action that most Americans voted for last November.

In addition to preserving all marginal tax rates, it would kill the Making Work Pay credit and replace it with a payroll tax credit for all workers. It would deal with the alternative minimum tax that would begin to hit individuals making well below $100,000, and would head off a punishing increase in the death tax.

Mr. Chairman, we could try to hold out and pass a different tax bill. But there's no reason to believe that the Senate will pass it or the President would sign it if this fight spills into next year. Meanwhile, Mr. Chairman, the uncertainty associated with a prolonged debate would cause grave economic harm and possibly send us back into a double-dip recession.

With that, Mr. Chairman, I urge my colleagues to pass this current legislation.

Mr. LEVIN. It is now my privilege to yield 2 minutes to the gentlewoman from California (Ms. LEE).

Ms. LEE of California. I want to thank the gentleman for yielding.

Mr. Chairman, we're voting on a tax package that gives away $139 billion in tax breaks to the wealthiest 2 percent of Americans over the next 2 years in exchange for $57 billion in unemployment compensation benefits for the next 13 months. The math just doesn't add up.

Many Members are opposed to this bill because it's bad economic policy. But it's also morally wrong. Last Friday, the Congressional Black Caucus, led by Congressman BOBBY SCOTT, a member of the Budget Committee, proposed a fair deal by eliminating the tax giveaway to the richest in our country and by extending the middle-income tax cuts, unemployment insurance, Temporary Assistance for Needy Families, Build America Bonds, affordable housing provisions, and the earned income and child care tax credit. Our proposal would also protect Social Security by offering a tax rebate instead of a payroll tax holiday to ensure that Social Security is not cut in the future, and it would create the same amount of jobs at half the cost.

We should let the Bush tax break for the rich expire. Period. Extending them for another 2 years digs us deeper into this deficit hole—and we know who will end up paying for it. It won't be the rich. It will be the poor, low-income communities, and communities of color, who lack well-paid lobbyists to look out for their interests here on Capitol Hill. I am reminded also of what Dr. Martin Luther King, Jr., called to our attention: ''A bad check such as the one being written today will come back marked 'insufficient funds.' ''

Instead of stuffing the stockings of the super rich, we need to stimulate direct job creation and economic recovery efforts. And we should not leave the chronically unemployed, those who have exhausted their 99 weeks of unemployment compensation, out of this deal. They should not be left out in the cold due to insufficient funds.

We should not allow the other side of the aisle to shove these tax breaks for the super rich down our throats in exchange for middle-income tax breaks.

As AFL–CIO President Richard Trumka said yesterday in opposition to this bill, ''Working families must not continue to bear the cost of unnecessary giveaways to the wealthiest,'' due to insufficient funds.

CONGRESSIONAL BLACK CAUCUS ALTERNATIVE TO THE PRESIDENT'S COMPROMISE

Members of the Congressional Black Caucus (CBC) are overwhelmingly opposed to the President's compromise with Republicans on extending all of the Bush-era tax cuts for two years. While we are an ideologically diverse Caucus, the CBC has reached a consensus that we cannot support extending the Bush-era tax cuts for the wealthiest Americans; we can support moving forward on the following:

A 13-month extension of Emergency Unemployment Insurance Benefits plus additional assistance for the chronically unemployed—those Americans who have been unable to find work for more than 99 weeks.

A payroll tax holiday or equivalent payment, such as a tax rebate check, with guarantees that Social Security will not be deprived of revenue.

Targeted tax relief through a 2-year extension of the Bush-era tax cuts for hardworking middle- and low-income families and extending the enhanced provisions included in the American Recovery and Reinvestment Act for the Earned Income Tax Credit, the Child Tax Credit, and the American Opportunity Tax Credit.

The CBC proposal will cost less than half of the President's proposed trillion dollar compromise.

Members of the Congressional Black Caucus are keenly aware of the day-to-day struggles of hardworking American families and the unemployed. In the long-run, we believe permanently extending the Bush-era tax cuts will add trillions of dollars to our national debt thus jeopardizing the fiscal solvency of the United States Government.

This nation has difficult decisions to make in the years ahead and the CBC believes that vital programs, such as public education funding, financial aid for students to go to college, child nutrition programs, Veterans benefits, Social Security and Medicare, will all be put at risk if we permanently extend all of the Bush-era tax cuts. We believe the benefits of these vital programs to all Americans, especially to middle- and low-income Americans, far outweigh any tax cut.

It will take strong political will to make the tough choices necessary to bring our fiscal house in order. One such choice the Caucus made was to consider and reject support for the proposed reduction in the estate tax, which has a two year price tag of $60 billion and only benefits the wealthiest 2% of American families. Rejecting that choice is particularly timely in light of the recent defeat of a $250 payment to struggling Social Security recipients who are going another year without a Cost-of-Living-Adjustment. As we move ahead on ways to accelerate our economic recovery and balance our budget, the CBC stands ready to assist the President in a meaningful and responsible way.

Mr. BRADY of Texas. I yield 2 minutes to the gentleman from Pennsylvania (Mr. DENT).

Mr. DENT. I do rise in support of this legislation. Obviously, it's not a perfect bill, but it is a good bill. And we have heard all the policy and political arguments against this bill. Let me just be very clear. It's really time to stop this $3.8 trillion tax increase that awaits the American people. It's time to take ''yes'' for an answer. It's really time to get on board. If this bill fails, taxes go up on American savings, investments, income, estates, small businesses. We know what is coming. We know what is awaiting the American people.

As it relates to the estate tax, just think about that one moment. After January 1, we know people will die. And if this law is not enacted, this bill is not enacted, we know what will happen. Lifetimes of hard work, sacrifice, and thrift will be punished, and this Federal Government will confiscate money from people at 55 percent who have less than $5 million in assets. It's terribly unfair to family farms and family businesses.

Let's be clear. If you're voting ''no,'' you're voting to raise taxes. Again, if you're voting ''no,'' you're voting to raise taxes by $3.8 trillion. If you're voting ''yes,'' you're voting to stop a $3.8 trillion tax increase. This is the vote that counts. The political games are over. No more posturing. The train is pulling out of the station. It's time to get on board. Vote ''yes.'' Stop the tax increase.

□ 2140

Mr. LEVIN. It is now my privilege to yield 1 minute to the gentlewoman from Wisconsin (Ms. MOORE).

Ms. MOORE of Wisconsin. Thank you, Mr. Chairman.

Tonight, by extending the Bush-era tax cuts, the greedy will prevail, and the needy will fail to receive desperately needed social services going forward. Even the so-called middle class Bush-era tax cuts will deliver six times the benefit to the wealthy than to ordinary hardworking families.

How many times do we have to hear Republicans boldly declare, We will starve the beast and deny the least social welfare?

Frankly, this $1 trillion tax cutting and Social Security gutting feeds right into the 75-year Republican sentiment to eliminate entitlements: $1 trillion debt and goodbye Social Security net. Lure them with short-term gain and usher in long-term pain.

Colleagues, beware. Tonight begins the undermining of Social Security and Medicare.

Mr. BRADY of Texas. I am proud to yield 2 minutes to the distinguished gentleman from New Jersey (Mr. LANCE).

Mr. LANCE. Thank you very much.

Mr. Chairman, I rise in support of the underlying bill that ensures that taxes will rise on no one in America on New Year's Day, 15 days from now. What a terrible New Year's present that would be to the American people.

This bill creates greater certainty in the business community so that businesses across America can create the jobs this country so desperately needs, especially given our current 9.8 unemployment rate. New jobs will lower our annual deficits. Almost 85 percent of this bill provides tax relief, including preventing the job-killing tax hikes; enacting the AMT patch—extremely important to the district I serve and to New Jersey as a whole; and reducing the Federal estate tax from the scheduled 55 percent rate on January 1 down to 35 percent—also extremely important to New Jersey where residential real estate is so expensive.

This bill has been endorsed by leading conservatives, including our new reform Governor in New Jersey, Chris Christie. It will give us time in the new Congress to enact fundamental reform, including deficit reduction, a permanent extension of existing tax rates, and the elimination of the Federal estate tax.

Mr. LEVIN. May I inquire as to how much time is remaining on each side?

The Acting CHAIR. The gentleman from Michigan controls 46½ minutes. The gentleman from Texas controls 28½ minutes.

Mr. LEVIN. It is now my real privilege to yield 1 minute to the distinguished gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT of Virginia. Thank you, Mr. Chairman.

I rise in opposition to the bill because its passage will make it impossible to ever balance the Federal budget.

This compromise will add about $900 billion to the national debt. That's more than TARP. That's more than the stimulus package. The 2-year cost of the bill is about the same as the 10-year cost of the health care reform bill. At least we paid for that.

We need to make tough, unpopular choices to balance the budget. Obviously, letting tax cuts expire would be unpopular. But when we ever decide to get serious about the deficit, we will find that the alternatives are even more unpopular because, after today's vote, the choices will necessarily include cuts in Social Security, Medicare, education, and other popular programs.

If we don't have the political will to end the disastrous Bush-era tax cuts now, we certainly won't have that political will during the middle of a Presidential election. The job creation in this bill is paltry—$400,000 a job. We can do better than that.

Accordingly, Mr. Chairman, I urge my colleagues to make the tough choice and defeat this bill.

Mr. BRADY of Texas. I reserve the balance of my time.

Mr. LEVIN. Mr. Chairman, it is now my privilege to yield 2 minutes to a very active member of our committee, the gentleman from California (Mr. BECERRA).

Mr. BECERRA. I thank the gentleman for yielding.

For more than 200 years, America has worked hard to earn a reputation around the world that, when the going gets tough, America gets going.

We could lead in tough times. We could withstand adversity. We were prepared to sacrifice. Then, as our country matured, we were prepared, not only to do all those tough things, but to do them the right way, and we were able to somehow figure out where the sweet spot was for prosperity in America—building the middle class: the GI Bill for our troops, Social Security and Medicare for our seniors, the best universities for our kids. As we invested in the middle class, our prosperity bloomed.

Fast-forward to the Bush recession and to the tough times we find ourselves in today. Americans are hanging tough, fighting to hold onto their jobs and their homes. But is everyone in America sharing in the sacrifice? This proposal gives millionaires $139,000 in tax breaks each year. On top of that, it gives the 6,600 wealthiest Americans a tax break equal to $23 billion.

Perhaps the most sinister provision in this proposal is the more than $100 billion that it diverts from the Social Security trust fund and then borrows money from places like China to replace those dollars.

Everyone in America is ready to sacrifice. Everyone in America should be ready to sacrifice. This bill doesn't ask all Americans to sacrifice. The day should come, as the days have come, when all of us are prepared to sacrifice. This is not the bill. This is not the time to change America's history. Let us all work together, to pull together, to let everyone in the world know that we are prepared to sacrifice. America's wealthy are ready to sacrifice as all Americans who are trying to hold onto their jobs and their homes are prepared to sacrifice.

Let's do this together. We have that reputation. We know how to do it. Adversity doesn't concern us. We will do it the right way. Let us pull together. We can do much better than this bill. It is our chance to prove it to America.

Mr. BRADY of Texas. I continue to reserve the balance of my time.

Mr. LEVIN. I now yield 2 minutes to another active, distinguished member of the Ways and Means Committee, the gentleman from North Carolina (Mr. ETHERIDGE).

(Mr. ETHERIDGE asked and was given permission to revise and extend his remarks.)

Mr. ETHERIDGE. I thank the gentleman for yielding.

Mr. Chairman, let me state that there is much in this bill that concerns me.

Specifically at a time when our budget deficits and national debt continue to hold back our economic growth, we should not be passing bonus tax breaks for the wealthiest few in this country and handing the bill to our children and our grandchildren. I also strongly prefer the House-passed language that provides estate tax relief in a responsible manner. Additionally, I worry that the payroll tax provisions, while good for working families in the short run, could undermine the finances of Social Security over the long run.

But, at a time when so many people face uncertainty in a fragile economy, doing nothing is not a very good option.

For far too long in this town, shortsighted partisanship has prevailed against the long-term best interests of our country. We need more bipartisanship in Washington, D.C., to tackle our Nation's most pressing problems.

I commend the President for getting us beyond the partisan stalemate and for laying the groundwork for economic progress for the American people.

There are many provisions in this bill that are going to help working families. I strongly support the middle class tax cuts, or at least to keep them going, in this bill. Child tax credits, marriage penalty relief, and education incentives will help middle class families make ends meet and invest for a brighter, more secure economic future.

Most urgently, Congress needs to pass the extension of unemployment benefits contained in this legislation. In my home State of North Carolina, thousands of workers have lost their jobs in the recession caused by the misguided policies of the previous administration. I have met with many, many of these people and have looked them in the eyes as they have told me their stories. These are good people who have worked hard and who have played by the rules. They are depending on these unemployment benefits to get them through these tough times until the economy picks back up and creates good jobs. We are here the week before Christmas, and the last thing we should do is cut off their lifeline.

I will vote to pass this bill, and I urge my colleagues to join me in doing so.

Mr. BRADY of Texas. I continue to reserve the balance of my time.

Mr. LEVIN. It is now my pleasure to yield 1½ minutes to the distinguished gentleman from Oregon (Mr. DEFAZIO).

Mr. DEFAZIO. I thank the gentleman.

What we are about to do here today is extraordinary, and the impact will be felt by our kids and grandkids for the next 30 years. With one vote, we are going to increase the already projected record deficit for this year of $1.3 trillion to $1.7 trillion.

□ 2150

Every penny of income forgone here tonight will be borrowed, much of it from China and some of it from our Social Security trust fund, for the first time in our history. For what? For continuing the failed economic policies of the last 9 years? We've got these tax cuts in place today. How many jobs are they creating? But you tell me we can't afford to invest, we can't rebuild our Nation's crumbling infrastructure, we don't have the money to do that. We know we can create real jobs there. We can increase the productivity of our Nation. We can compete better worldwide if we invest in our infrastructure and our education system and our people.

But no, we're going to have debt-financed, consumption-driven recovery as people buy goods made in China and, of course, the $112 billion taken out of Social Security. And the Republicans have made it painfully clear tonight that the temporary cut in Social Security income is not temporary. They've said it time and time and time again. There is no such thing as a temporary tax cut.

I hope the White House is listening. They're about to spring the trap, and next year, they will say, Mr. President, you're going to raise taxes on every working American by making Social Security whole. You can't do that. Oh, and by the way, we're tired of subsidizing that program with money we're borrowing.

That is a horrible, horrible step for this Congress to take.

Mr. BRADY of Texas. Yielding myself 30 seconds, I would point out, our Democrat friends have run the first and second highest deficits in American history the last 2 years. They have raised taxes this session $625 billion, and guess how much went to reduce the deficit? Not one dime. In fact, all that money was sent in twice. No one seriously believes Democrats will use tax increases to lower the debt, but to expand and grow this government.

I reserve the balance of my time.

Mr. LEVIN. It is now my pleasure to yield 1 minute to the gentleman from Florida (Mr. DEUTCH).

Mr. DEUTCH. Mr. Chairman, I rise with deep concerns over the temporary payroll tax cut included in the package before us tonight, not because we shouldn't provide relief to the middle class. We must, tonight. Cutting Social Security contributions could have lasting consequences, however, for our Nation's most successful domestic program.

In a year, in this very Chamber, many of our colleagues across the aisle will likely work to make this tax holiday permanent, just as they are tonight for the Bush tax cuts. Jeopardizing Social Security's independent revenue stream will open retirement benefits to budgetary attacks for the first time and pave the way for attempts to privatize Social Security.

We could give middle class Americans tax relief without threatening Social Security in this way. The unfortunate truth is we will not accomplish that here tonight, even as we do provide struggling working families and jobless Americans with a lifeline that they desperately need.

But we must commit ourselves tonight to the fight that lies ahead. We must be ready to protect Social Security and defend our seniors and working Americans from the attacks that are sure to come.

Mr. BRADY of Texas. I continue to reserve the balance of my time.

Mr. LEVIN. It is now my real pleasure to yield 1½ minutes to the distinguished gentleman from California (Mr. GARAMENDI).

(Mr. GARAMENDI asked and was given permission to revise and extend his remarks.)

Mr. GARAMENDI. Etched on the stones in the FDR Memorial are his words that are applicable tonight. He said: The test of our progress is not whether we add more to the abundance of those who have much; it is whether we provide enough for those who have little. President Roosevelt.

On December 2, the Democrats in this House honored those words. We passed a middle class tax cut, and we passed unemployment insurance, and we provided for those who have little. Tonight, because of the ransom that's been demanded by our Republican colleagues, we're left with a different option. We're left with the option of providing abundance to those who already have much, $130 billion, every dollar borrowed probably from China. Is that fiscally responsible? I think not.

And furthermore, President Roosevelt, we are, in this bill, about to destroy your greatest heritage, the Social Security system. The Republicans are opening the door to the destruction of the Social Security system and thereby carrying out their 74-year task.

It cannot happen. We provided an alternative and we must not let that happen. I urge a ''no'' vote.

Mr. CAMP. I continue to reserve the balance of my time.

Mr. LEVIN. It is my pleasure to yield 1 minute to the active Member from Mississippi (Mr. TAYLOR).

Mr. TAYLOR. Our country is going bankrupt. On May 9, 2001, Mr. CAMP, our Nation was $5.643 trillion in debt with a 4.3 unemployment rate. Guys like you came to the floor and said let's pass the Bush tax cuts. They did. I didn't vote for it. Eight years later when the President left office, our debt had increased by $4,983,609,000,000, and the unemployment rate had gone up to 7.7 percent.

The argument that somehow these tax cuts are going to magically put people to work is bunk. Since the Bush tax cuts, we are now $8,204,749,000,000 deeper in debt, and the unemployment rate is a shocking 9.8 percent. How much is enough? How much debt is enough? How many more bills are we going to stick on my kids and my grandkids so that you and others can get reelected?

It is time to draw the line, Mr. CAMP. I do believe in a balanced budget, and I would beg my colleagues, I would beg my colleagues, to defeat this measure.

ANNOUNCEMENT BY THE ACTING CHAIR

The Acting CHAIR (Mr. SCHIFF). Members should direct their remarks to the Chair.

Mr. CAMP. I continue to reserve the balance of my time.

Mr. BECERRA. I yield 1 minute to the gentlewoman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Chairman, I strongly oppose this so-called tax compromise because it represents a windfall for the wealthy, a windfall that will result in one thing and one thing only: insufficient funds for all other social programs.

By holding assistance for the unemployed hostage and giving tax breaks to the billionaires, tax breaks actually that create absolutely no jobs, we will create a big hole, a big hole in all of the support that we need for our children, for women, for veterans, for our education and health programs, and that only names a few, Mr. Chairman. Rather than tax breaks for the wealthy, we need policies that create jobs, jobs that will help our working families.

Mr. Chairman, I urge my colleagues to oppose this flawed tax package because it will yield only one thing, and that is insufficient funds for any of the social programs we need in our country.

Mr. CAMP. I continue to reserve the balance of my time.

Mr. BECERRA. I yield 1 minute to the gentlelady from Texas (Ms. JACKSON LEE).

(Ms. JACKSON LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON LEE of Texas. Mr. Chairman, I ask that we send this bill back to the drawing board, work with the President, so that we can really help the unemployed, the 99ers, and not just grow the deficit. Where are the good Samaritans?

We have voted over and over for tax cuts. I believe in them. The House voted for tax cuts 2 weeks ago, but this tax bill is a budget buster and just growing the deficit, the same deficit that we're going to be called upon to do something about.

I want America to thrive. So they cannot be giving tax cuts to billionaires who do not want them. We cannot cut into the Social Security, costing us $120 billion and impacting firefighters, teachers, and police who do not get a benefit from the payroll tax holiday. I want middle class tax cuts, but I want the Republicans to stop holding us hostage for hardworking Americans to get a dime from this country. They work hard.

I offered an amendment to ensure that the corporations that are getting the tax cuts really do save a job or hire the people who are unemployed. With billions being spent and trillions in the deficit, it is time now to work for middle class Americans.

Mr. Chair, I have deep reservations with portions of this bill, especially as it relates to the estate tax and tax cuts for the wealthiest 2% of Americans. Nevertheless, I do support portions of H.R. 4853, to extend vital tax cuts for America's middle and working class and extending unemployment insurance benefits that will otherwise expire at the end of this month. I have consistently supported and voted for middle class tax cuts, as I did two weeks ago when I voted for the Middle Class Tax Relief Act of 2010, and the extension of unemployment benefits.

I am deeply saddened that the fate of unemployed, low and middle income Americans has been held hostage by the insistence by Republicans that this legislation include a giveaway to the wealthiest 2% of Americans that is going to irresponsibly expand the already large deficit. I have spoken to and heard from many fine, patriotic, hardworking middle income Americans from Houston, from the great State of Texas, and all across the nation. Middle class American families and small businesses are deeply concerned about our troubled economy, the skyrocketing national deficit, high unemployment rates, job creation, and sorely needed extension of the tax relief and unemployment benefits set to expire at the end of this month. The American people are asking the President and Members of Congress to move swiftly and take decisive action to help restore our economy in a fiscally responsible manner. I am disappointed that Republicans have insisted on holding unemployment benefits and tax cuts for working and middle class families' hostage in order to benefit the wealthiest 2% of Americans.

I also have some serious concerns that the temporary payroll tax cut included in this legislation could jeopardize Social Security. Although this is a temporary tax cut, there will inevitably be debate in the future about extending it before its expiration, which could create substantial shortfalls in Social Security's long term viability. Future extensions of this payroll tax at the expense of Social Security could force hard-earned retirement benefits to compete with other government programs for funding rather than remaining self-sufficient. Tax cuts must be instituted without compromising Social Security.

I would like to thank President Obama for his determined leadership, support and commitment to protecting important tax relief issues for middle-income Americans and the nation's small businesses and farmers during these challenging economic times. I would also like to thank all the Members and their staff who worked diligently to bring this essential legislation to the House floor today in an attempt to do all that we can to protect the American people and move this nation toward fiscally responsible economic recovery.

I support those provisions of H.R. 4853 as amended by Senate Amendment 4753 that provide necessary tax relief to struggling middle income Americans. Under the Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act, Senate Amendment 4753, middle-class families and small businesses will see their taxes go down. This measure contains job-creating tax incentives, including incentives to create clean energy jobs, energy-efficient homes, and investments in renewable energy. It also ensures that millions of Americans still looking for work continue to have access to an emergency safety net to afford basic necessities, without extending the amount of time these benefits can be claimed for any given household.

The specific ways that this bill will benefit middle-class families and aid the economic recovery include the following:

It preserves the current income tax rate for middle-class families (2 years).

It reauthorizes the current emergency unemployment insurance program (13 months, or through the end of 2011).

It continues vital middle-class tax credits, including the American Opportunity Tax Credit to help families pay for college, the Child Tax Credit, and the Earned Income Tax Credit (two years).

It helps businesses by allowing them to deduct 100 percent of certain investments in 2011 and 50 percent in 2012.

It extends the state and local sales tax deduction, which is particularly important for states, like Texas, which have no state income tax (2 years).

It extends Alternative Minimum Tax relief through 2011 (2 years).

I have already voted for all of the above benefits.

Unlike those provisions of H.R. 4853 which benefit America's struggling middle class, I do not support the provisions of this legislation which condition that desperately needed relief upon the unconscionably high cost of providing an unnecessary, expensive giveaway to the wealthiest Americans by providing a two-year extension of Bush-era tax cuts for the wealthiest 2% of Americans while lowering their estate tax rate to 35% on estates valued at more than $5 million for individuals and more than $10 million for couples. These give-aways to the wealthiest Americans during these dire economic times needlessly add billions of dollars to our skyrocketing deficit yet create no value for our ailing economy since these tax cuts are not tied to job creation and preservation.

I offered an amendment that would require all large businesses and corporations who received a tax benefit under this legislation to report how their tax savings are being used to create or save jobs. Tax cuts for America's largest corporations must be tied to job creation or preservation, which is why I offered my amendment. Failing to tie tax cuts to job creation is irresponsible since it exacerbates our growing deficit without bolstering job creation.

I would like to add my support for the Amendment to H.R. 4853 introduced by my colleague, Mr. POMEROY of North Dakota. This amendment would strike Title III of the Senate amendment to H.R. 4583 and amend the bill to provide two years of estate tax relief at 2009 levels. In calendar years 2011 and 2012, the estate tax exemption amount would be $3.5 million ($7 million total for a married couple) and the maximum tax rate on estates would be 45%. Additionally, the amendment would provide estates from decedents in 2010 with the ability to elect to be treated under the 2009 levels or to be treated under current law for tax purposes. This election will allow estates to receive a step up in basis on inherited property rather than the 2010 carryover basis rules. The exemption level and rate are consistent with the estate tax proposal included in the President's FY2010 and FY2011 budgets.

While I am opposed to the portions of H.R. 4853 that amount to an expensive giveaway to the wealthiest 2% of Americans, I want to emphasize that I fully support President Obama's vision for change. I share his commitment to fighting for low and middle-income Americans who are the backbone of this country and our economy. However, this legislation, especially as it pertains to tax cuts for the top 2% of Americans and estate tax provisions that are regressive and inflate the deficit, does not comport with this vision. I have serious misgivings about extending tax cuts for the wealthiest Americans at the expense of our deficit, especially if these tax cuts are not targeted towards job creation.

I strongly support the tax and unemployment insurance relief that H.R. 4853 provides to middle-income families, small businesses and farmers. But, my friends, I must express my concern that this legislation does not provide extension of unemployment benefits for those unfortunate unemployed Americans who have run up against a brick wall. These so-called "99ers" have been sincerely looking for work for a very long time and have run out of resources to provide for their families and pay their mortgages, pay their bills and buy food. They simply want and need a job to pay for these obligations. H.R. 4853 proposes to give tax cuts to the wealthiest Americans, yet fails to provide for the so-called "99ers."

□ 2200

Mr. BECERRA. I yield 1 minute to the gentleman from Connecticut (Mr. MURPHY).

Mr. MURPHY of Connecticut. Mr. Chairman, my constituents are willing to support this Congress borrowing money, but only if all of that effort is targeted at creating jobs. This bill fails that test. We're going to borrow almost $900 billion under this bill in order to give $140,000 in tax cuts to somebody that makes $1 million. We're going to reduce the estate tax so that only 3,500 families in the entire country pay it next year.

Tax cuts for billionaires don't create jobs. Sure, there are important provisions in this bill that do help the most needy, like extending tax cuts to the middle class and unemployment benefits to those that are out of work. But these benefits are going to be greatly outweighed by the crushing debt that those same families will have to carry and the cuts to education and to health care and to Social Security that will inevitably be passed in order to finance those same tax cuts.

My constituents want a bill that is 100 percent focused on jobs. Unfortunately in this bill, 20 percent of the money goes to almost only 1 percent of Americans. It's not a deal to create jobs. It's not a deal that we can afford.

Mr. CAMP. I yield 2 minutes to the distinguished gentleman from Indiana (Mr. STUTZMAN).

Mr. STUTZMAN. Mr. Chairman, tonight we find ourselves faced with a very important decision with regard to what sort of taxes we face in the coming years. We are not simply voting on whether to ''keep tax cuts.'' We are voting on whether or not we ''raise taxes.'' To let our current tax law expire is to raise taxes on Americans.

Some say that the tax cuts will cost the government $700 billion. Well, I say that allowing the current tax cuts to expire will cost taxpayers $700 billion. Who needs that money the most, our government or the people? If this bill fails and taxes go up in the middle of a very fragile economy, we risk any potential job growth and recovery from this great recession. Refusing to take more of taxpayers' money is not spending we wish we could afford. Taking taxpayers' money is spending the taxpayer cannot afford.

Mr. Chairman, I contend that we cannot punish taxpayers with a massive tax increase to pay for the massive spending problem in Washington. Let's let Americans keep more of their money, and let's start cutting spending and be responsible with the money that they have entrusted us with.

Should we increase taxes to bring more money into the government so that we can pay for the spending that's happened over the last several years? I say no. The message we need to be sending to the citizens of our great Nation is this, that we get it. We are not going to live beyond our means and ask you to foot the bill. We are going to cut spending, eliminate waste, and reduce our national debt responsibly. Let Americans keep their money and see what happens to the economy. Let Americans keep their money and see what happens to the unemployment rate. Let Americans keep their money because it's the responsible thing to do.

Mr. BECERRA. I yield 1 minute to the gentleman from Oregon (Mr. WU).

Mr. WU. Mr. Chairman, I rise in strong opposition to the Obama tax bill.

I strongly support middle class tax cuts. I strongly support extending unemployment benefits to Oregon families who are still struggling to find jobs. However, this bill is not balanced. The bill extends tax cuts for millionaires and billionaires for 2 years. Yet unemployment insurance is extended for only 1 year. Why are we providing tax cuts to the very wealthy while literally leaving unemployed Americans out in the cold?

Further, this bill is fiscally irresponsible and, as a result, bad for jobs and bad for our economy. The bill costs over $800 billion over the next 10 years. The bond markets are already reacting to this, interest rates are going up, and this will squelch what anemic job growth we do have.

We should defeat this bill, restore fairness and balance between those who have the most and those who have the least, and cut the cost in length of this tax giveaway to millionaires so that interest rates rise less and job growth can continue. Please defeat this legislation.

Mr. CAMP. I continue to reserve the balance of my time.

Mr. YARMUTH. Mr. Chairman, I ask unanimous consent to control the time until the gentleman from Michigan returns.

The Acting CHAIR. The gentleman from Kentucky is recognized.

Mr. YARMUTH. I yield myself 2 minutes.

Mr. Chairman, when families around the country try to deal with their budgetary issues and there are limited resources available, what they do is, they say, Well, we may have to borrow money; but if we're borrowing money, we're going to borrow it for survival—meaning necessities—or we're going to borrow it to make an investment that will pay off over time.

There are many things in this package that represent those two standards. Unemployment benefits represent necessities. Those are things our citizens need to survive for them and their families, and there are business tax credits in these bills that represent investments that will create jobs and stimulate economic activity. All of those are good things.

On the other hand, there are expenditures in this bill that don't meet either of those standards. These are the expenditures that give over $100 billion to the wealthiest citizens in this country, the ones whose net worth has dramatically increased over the last decade, who now, 1 percent of this country, control a vast majority of the wealth of this country. They have done extremely well. To give them more money when we're borrowing it is not the kind of priority we need to set. It does not represent an investment in jobs or in stimulative activity, and it does not represent necessities. These are bonuses to people who don't need them.

There are lots of good things in this bill. Unfortunately, the price for getting them is much too high. This is like going to the hospital when you're very sick, and the doctor says, You know, I'm going to give you $250,000 of care that's going to be really effective for you. It's going to make you well. Unfortunately, you're going to have to eat $100,000 worth of candy which will do nothing for you. This is the price that we are being asked to pay by Republicans in the Senate for the many good things in this bill. Always, government is about choices. Governing is always about choices and priorities. This is the wrong set of priorities for this country.

Mr. CAMP. I yield 4 minutes to the distinguished gentleman from Texas (Mr. HENSARLING).

Mr. HENSARLING. I thank the gentleman for yielding.

And, Mr. Chairman, I had not originally thought I would come here to speak. I must admit, I have been watching the debate in my office and have some amount of envy for my colleagues who bring such passion and certainty of their vote as they come to the floor.

As I look at this legislation and listen to my colleagues, I must admit I consider it to be a very successful negotiation because I am not sure I have heard anybody who really likes the bill. Perhaps that's a hallmark of a successful negotiation. As I look at the legislation, it is the classic challenge of, Is the glass half full or is it half empty? I, for one, have decided it to be half full.

Mr. Chairman, clearly there are items in this legislation that I find not just empty but, frankly, atrocious. Yes, there is tax pork in this legislation. There is an unpaid-for extension of unemployment benefits. Mr. Chairman, at some point, I would hope the majority—soon to be minority in this institution—would realize that we have got to concentrate on the paychecks. Americans want paychecks, not unemployment checks. And if we're going to have them, they need to be paid for. And worst of all, what's happening to Social Security, with the payroll tax without putting any fundamental reform on the table. And what I would say to my friends on the other side of the aisle, It is you who brought that to the table.

Mr. Chairman, I made a pledge to my constituents. I told them I would fight any tax increases. I told them I would try to bring certainty to this economy because that is what businesses need. Trillions of dollars sitting on the sidelines, waiting to come into this economy; but yet the party who has been in control of Congress for 4 years, had the White House for 2 years waits until almost Christmas Eve, and we still don't know what tax rates are. There's no certainty.

□ 2210

The only thing I am certain of is that if we don't pass this legislation, there's about to be a $3.9 trillion tax increase on the American people, on school teachers, on farmers, on single mothers, on small businesses, on job creators, and, yes, even the vilified wealthy.

Mr. Chairman, we've heard the class warfare rhetoric for quite some time now; and look what it's got us, almost serial double digit unemployment and human suffering.

Mr. Chairman, I've held a lot of jobs in my life. I used to bus tables at the Holiday Inn in College Station, Texas. I used to work on a loading dock and load windows. I used to clean out chicken houses, which to some extent was sufficient training for the present occupation, but that's a subject for a different time.

But, you know what, Mr. Chairman? In all these jobs I've held, no poor person ever hired me. It was somebody who went out and risked capital and took a chance and built something. And yet the left and my colleagues on the other side of the aisle want to vilify this person, that somehow it's bad to go out and be successful and create jobs so that people can put roofs over their heads, put food on their table, send their kids to college. I don't get it.

Now, my friends on the other side of the aisle say well, this will add to the deficit. Well, why didn't I hear that argument during the $1.2 trillion failed stimulus? I didn't hear the great angst and anxiety from my friends on the other side of the aisle at that point when we passed an almost $400 billion omnibus spending bill. I really didn't hear it.

The Acting CHAIR. The time of the gentleman has expired.

Mr. CAMP. I yield the gentleman an additional 2 minutes.

Mr. HENSARLING. I didn't, Mr. Chairman, hear this angst and anxiety when my friends on the other side of the aisle not only brought us the first trillion dollar deficit in America's history, but backed it up with the second trillion dollar deficit in American history. I didn't hear all this concern. I only hear it now when we're talking about letting the American people keep what they earn.

We're not even talking about a tax cut here. We're talking about preventing a tax increase. So I don't quite understand all of a sudden this great angst and concern about the deficit.

And I might remind all of my colleagues, it is the deficit which is the symptom. It is spending which is the disease. We can clearly get rid of the deficit tonight. Let's increase taxes 60 percent, 60 percent on all Americans. Let's more than double taxes on our children and destroy the American Dream. Sure, we can balance the budget. That doesn't take care of the fiscal insanity.

And so to avoid a further job meltdown—and let me make it very clear, Mr. Chairman, this is not any great economic growth package that is put before us. I don't believe that this is going to be the cornucopia of jobs. What we're trying to do here is avoid further damage to a crippled economy that, again, has almost double-digit unemployment on a serial basis. I wish we had at least 10 years of certainty of these tax rates. I'm sorry it's only two.

I would say to my friends on this side of the aisle who say, well, we could have gotten a better deal: well, I don't know. I wasn't in the room. I didn't negotiate the deal. Maybe their crystal ball is clearer than my crystal ball.

Here's what I see in my crystal ball. I'm absolutely for certain in my crystal ball that come January, Barack Obama is still going to be President of the United States. In my crystal ball, HARRY REID is still going to be Senate majority leader.

The Acting CHAIR. The time of the gentleman has again expired.

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

Mr. HENSARLING. That's what I see in my crystal ball. So maybe the friends on my side of the aisle, maybe you're right. But you have a degree of certainty and clarity of the future I do not have. So, personally, I'm not willing to take the chance.

I'm going to cast the ''aye'' vote. I'm going to stop the job-killing tax increases. I'm going to add at least a modicum of certainty, 2 years of certainty to the Tax Code. And I'm going to fight to put this Nation back on the road to fiscal sanity because, in this legislation, I see the glass half full.

Mr. LEVIN. It is now my privilege to yield 1 minute to the very distinguished Member from California (Ms. ESHOO).

Ms. ESHOO. Mr. Chairman, I'm deeply disappointed in the recently negotiated tax deal by the White House. While one can find items that are politically and practically attractive, in its totality, it borrows just shy of $1 trillion to pay for, amongst other items, expiring tax breaks for the top 2 percent of our country. My fear is that the 2001–2003 Bush tax cuts will become permanent, and our fiscal future will dim as America struggles with the largest transfer of wealth and debt creation in its history. We should, instead, be investing in capital formation, technological innovation, job creation, and education. These are the real building blocks for a strong future for all Americans.

I'm also deeply, deeply concerned about borrowing from the general fund to cover Social Security payroll taxes. This is the first time in the history of Social Security that the firewall between the general fund and Social Security is being taken down. This is dangerous. It's a bad precedent and one I believe we will all regret.

Mr. CAMP. Mr. Chairman, I reserve the balance of my time.

Mr. LEVIN. It is now my privilege to yield 3 minutes to a member of our committee, the gentleman from Maryland (Mr. VAN HOLLEN), who has been working day and night on this issue.

Mr. VAN HOLLEN. Mr. Chairman, I am pleased to have worked with Congressman POMEROY and Chairman LEVIN and others on the amendment that we're going to be voting on later tonight.

While this House recently passed, and Democrats have been fighting, to ensure that tax rates do not go up on 98 percent of the American people, Senate Republicans made it clear that they will raise, that they will raise taxes on every American if they don't get a special bonus tax break for the very top 2 percent.

In order to break that stalemate, President Obama concluded he needed to cut a deal. What this amendment we will be voting on later tonight does is give the American people a better deal. Specifically, it asks all of us to consider this question: In an era of $1 trillion deficits, with our national debt approaching $14 trillion, barely 2 weeks after the bipartisan fiscal commission's ''Moment of Truth'' report, should we really be borrowing $23 billion from China to give the wealthiest 6,600 estates an average tax break of $1.7 million a year?

Think about it: $23 billion for the wealthiest 6,600 estates a year, at a time of fiscal challenge, in a Nation of over 300 million people, without any benefit for job creation or economic growth.

Mr. Chairman, much of the deal negotiated by the White House is defensible. But I would say to my colleagues, if we can't agree now that now is not the time to be giving the top three-tenths of 1 percent a multi-million dollar tax break, we're clearly not serious about bringing down the deficit.

There's another way, and that's in the amendment we will be voting on later today. We can adopt the amendment. It will provide a $3.5 million exemption and 45 percent maximum rate. That's identical, identical to the rates and exemptions that were in effect in 2009 and significantly better than the rates that will take place if we take no action on January 1 when the exemption would go to 1 million and the rate would go to 55 percent. In fact, if enacted, this amendment would represent the lowest estate tax in 77 years up through 2009.

Mr. Chairman, we have to level with the American people. We've got to start somewhere bringing down the deficits. And if we can't settle on the estate tax exemptions and rates that were in place in 2009, which, as I say, were the lowest, the lowest in 77 years, if we can't do that and, instead, we're going to say to the very wealthiest estates, heck, we're going to give you $23 billion over the next 2 years to benefit just 6,600 estates, how can we look the American people in the eye and say we're serious?

□ 2220

Mr. Chairman, I hope when this amendment comes up later today we can make this deal one that truly benefits all the interests of all the people in this great country.

Mr. CAMP. I continue to reserve the balance of my time.

Mr. LEVIN. I yield 1 minute to the gentleman from California (Mr. FARR).

Mr. FARR. I thank the gentleman for yielding.

Wake up and listen to the sirens, the sirens of the election that were about the deficit in America, and you want to add $1 trillion to that deficit. Wake up and listen to the sirens of the people who are needing of help.

I can't believe that you talk about this bill as fiscal sanity. It's fiscal insanity, putting us in another trillion dollars of debt, and with this concept of, if you give the rich more money, it will trickle down.

Well, those sirens that are responding to the children that are in need of health care, to the people who need to be rescued, aren't paid for by trickle-down economics. The rich never pay for that. There isn't an ambulance in the country that's paid for by the rich. There isn't a soldier that's paid for by the rich. There isn't a schoolteacher in a public school paid for by the rich. That doesn't happen.

Your putting our country into debt is what Admiral Mullen said is the biggest issue in national security. It's what the debt commission said we couldn't do. There's nothing in this bill that's fiscal sanity. It's insanity. We fixed this debt by closing these tax loopholes, and now you want to give them away. Shame on you.

ANNOUNCEMENT BY THE ACTING CHAIR

The Acting CHAIR. Members are reminded to direct their remarks to the Chair.

Mr. CAMP. I reserve the balance of my time.

Mr. LEVIN. I am privileged to yield 1 minute to the gentleman from Tennessee (Mr. COHEN).

Mr. COHEN. The definition of insanity is doing the same thing over again and expecting a different result.

To my friends on the Republican side, we did this 10 years ago with the Bush tax cuts, and it didn't work. It has been mentioned over and over again. It built up these deficits, including the wars in Iraq and Afghanistan that you supported so well, and has created this deficit that threatened our country to make us look like a future Ireland, a future Portugal, countries that are in great deficit, problems that we are putting our country and our future into. We don't need to be insane and try to do this over again. I feel like it's a return to Christmas Past.

And there's a book in the New Testament that says: From those who are given much, much is expected. But in this Congress, from those who have much, we are expecting little, we get little from it, and we are giving them the biggest tax breaks of all. And to the people who die and are the richest in our Nation, the Steinbrenners who died with $1.1 billion, we will be giving them this year a $450 million free ride and, with the differences in the taxes of 35 or 45 percent, $100 million. This is wrong, and that's why I'm opposed to the bill.

Mr. CAMP. I yield 5 minutes to a distinguished member of the Ways and Means Committee, the gentleman from Ohio (Mr. TIBERI).

Mr. TIBERI. Mr. Chairman, what an honor and privilege it is to be a Member of this House, and what an amazement it is to me to hear this debate that I have heard so much in the past. The road to prosperity is not through tax increases. The road to prosperity in America is not through class warfare.

My mother and father came to an America, a United States of America, for a better life, for an opportunity— not a guarantee, an opportunity, for their kids to be successful, for their kids to do well and pay taxes and do well for their kids.

When you're voting on a bill tonight that extends current tax rates, the current Tax Code that represents, Mr. Chairman, three-quarters of this bill, that represents three-quarters of the, quote, spending in this bill, and Members of this body say we have to borrow to allow people to keep the money that they earned, where have we come?

My father was a steelworker who loved John F. Kennedy, who proposed similar types of tax increases. My mother was a seamstress. Neither graduated from high school. They don't believe in class warfare.

Do they support all of this bill? Certainly not. Do I? Certainly not. But the question now, Mr. Chairman, is: Do we allow, on January 1, the largest tax increase in American history? That's the question.

I didn't negotiate this bill. If I were king, I would have certainly negotiated it differently. Only in Washington, D.C., can people keep what they have today and not pay more taxes does it cost the government money.

Think about the farmer who is sick, who is trying to plan his estate. And would I support permanency in the estate tax? Absolutely. And let's eliminate it. But if this bill doesn't pass, a

$1 million exemption occurs for that sick farmer trying to plan his estate. Will he have to sell his land, Mr. Chairman?

How about the single mom with two jobs trying to provide for her two kids? Her taxes will go up. How about the teacher and the police officer raising a family? The marriage penalty. How about the small business owner who pulled me aside on Wednesday and said: I can't even plan my business. I'd like to hire somebody. And you folks in Washington have known for how long that these tax rates were going to go up?

Last year, the majority party had 60 votes in the Senate, had a clear majority in the House. You could have passed something. And here we are, 15 days before Christmas, and the Grinch is about ready to steal it for so many Americans who will see their taxes go up, Mr. Chairman, if this bill isn't passed.

Now, there are a lot of things in this bill that I don't like. But the question today, Mr. Chairman, is: Do we let the perfect be the enemy of the good?

I could sit up here and pick apart pieces of this legislation. But when three-fourths of this is the current Tax Code, three-fourths of this allows for the current rates to continue so taxes don't go up on millions and millions of Americans, Mr. Chairman, it really comes down to this simple logic:

We cannot tax our way to prosperity. We cannot tax our way to fiscal responsibility. We must pass this bill and give 2 years for this Congress, this President, this Senate to come up with a better way, a more simple way to tax Americans; allow them to keep more of their money; provide for a way for capital to work in America's favor and allow America to be more competitive again, with a Tax Code that makes sense.

But the question today is: Do we allow taxes to go up, or do we allow Americans to have some certainty for the next 2 years?

Mr. LEVIN. I yield 1 minute to the gentleman from Texas (Mr. GENE GREEN).

Mr. GENE GREEN of Texas. Mr. Chairman, I thank the chair of the committee for allowing me to speak.

I support maintaining the estate tax at the exemption of $3.5 million. That's not what is in this legislation. And I believe in the value of hard work and rewarding those who are able to succeed, but I know some perceive the estate tax as undermining these values.

However, we know that Americans with multimillion-dollar estates are not the only hard workers in our Nation. We have millions of Social Security recipients who have worked their entire lives but have seen their benefits decline due to no cost of living adjustment for 2 straight years now.

What message do we send our Social Security recipients that we are giving 6,600 families a tax break on the average of $1.5 million each, but we can't find it appropriate to give our seniors on a fixed income a little bit more breathing room by sending them a $250 check to allow them to pay their bills and afford their medicine?

The government's calculation tells us that the cost of living has not increased over the last 2 years, but seniors in my district and most of our own districts have done their own calculations. The cost of electricity, gas, and health care have risen dramatically.

I hope to support a bill that will benefit most of my constituents, but this bill does not. Hopefully, we will see amendments that will make it better.

□ 2230

Mr. CAMP. I reserve the balance of my time.

Mr. LEVIN. Mr. Chairman, I yield 1 minute to the gentleman from Colorado (Mr. POLIS).

Mr. POLIS. Mr. Chairman, there are a lot of people that believe the Democrats stand for a lot of mainstream American values: keeping our air and water clean so we can breathe and drink freely, improving our public schools, our live-and-let-live policies. But somewhere in the back of a lot of Americans' minds, they are worried that the Democrats are going to raise taxes.

Well, I am proud to say tonight that thanks to the leadership of President Barack Obama, we are going to deliver one of the largest tax cuts in history.

Here is a $20 bill, Mr. Chairman. For every $20 that an American family earns, that earns $40,000 a year, $60,000 a year, they are going to get an extra dollar, an extra dollar for every 20 they earn this year. And, yes, there is money that is going to go to people earning $1 million. They might get 60 or 70 cents for every $20 they earn, and, yes, we would have rather used that money to reduce the deficit.

But let me tell you, Mr. Chairman, mainstream America, that extra dollar will help keep people in their homes. In addition to that extra dollar, Mr. Chairman, every American that gets a paycheck will get a 2 percent raise this year, thanks to the leadership of President Barack Obama. Two percent right off the payroll tax, every paycheck. I know a lot of companies have frozen their employees' salaries. Federal employees had their salaries frozen.

Well, thanks to the leadership of President Barack Obama, the citizens of our country can rest assured they will not get a tax increase.

Mr. CAMP. I continue to reserve the balance of my time.

Mr. LEVIN. Mr. Chairman, I yield 1 minute to the gentleman from Georgia (Mr. SCOTT), a member of the Financial Services Committee.

Mr. SCOTT of Georgia. Ladies and gentlemen of the Congress, the time is now for us to ask the one fundamental question before us: What is in the best interests of the American people at this time? By ''American people,'' I mean every American, from the top of the economic ladder to the bottom, but especially those at the bottom.

This is basically a 24-month stimulus bill, by getting money to those who need it most, who will put it in the marketplace the quickest, which will help us create jobs. Seventy percent of this entire $853 billion package will go to the low income and the middle income. There is no other way to put it.

And when you talk about rates, we dare not go home here today having raised taxes on the American people. We have got to cut the taxes, keep them down.

Ladies and gentlemen, you have to realize that at the lowest economic ladder, the lowest tax rate is 10 percent. If we don't move, those people at the bottom that we care about, especially us on the Democratic side, their taxes will go up 50 percent.

We've got to move this bill in the best interests of the American people.

Mr. CAMP. I continue to reserve the balance of my time.

Mr. LEVIN. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Wisconsin (Mr. KAGEN).

Mr. KAGEN. Mr. Chairman, tonight, well-meaning Members of Congress have been debating who will pay to clean up the mess left behind by President Bush's failed economic policies, policies that included two tax cuts to the richest Americans at the very same we were prosecuting two wars.

But we all know this: there is no free lunch. And yet the Senate is asking the House of Representatives to designate this bill as an emergency for purposes of pay-as-you-go, thereby failing to live within our means and driving our children deeper into debt.

The Senate also seeks to fix this emergency by immediately turning over $129 billion of money we don't have to the very wealthiest Americans, wrongly thinking that the Republican-inspired idea of trickle-down economics will work today when it failed miserably in the recent past.

Well, responsibility must begin somewhere. Let it begin here with me. The reality is there is no emergency that justifies handing out tax cuts to millionaires and billionaires at this time. Instead, we should bring our children home from wars overseas, and, after paying for these wars, then determine if we have any money left over for tax cuts to millionaires and billionaires.

America cannot afford tax cuts for the rich. We don't have the money. They do.

Mr. CAMP. I continue to reserve the balance of my time.

Mr. LEVIN. I now yield 2 minutes to the very distinguished gentleman from New York (Mr. WEINER).

Mr. WEINER. I thank the gentleman.

You know, it doesn't take a great deal of courage to come to the floor of the House and say I'm in favor of low taxes. Yes, I think we all want no taxes. We would all like to have no communal needs that we have. We would like to have no national defense.

We would like to have no concerns about clean water.

What we hear of the fight about in elections and, frankly, every single day on the floor is, Who do we stand for? Who are we defending?

On this side of the Chamber we believe that those people in the middle class and those struggling to make it, who each and every year for the past two decades have been getting pushed further and further down, need help.

On the other side of this Chamber are people who quite literally stood up all day today to say, I want to give tax cuts to people who make $1 million and $1 billion a year; and, wait for it, ladies and gentleman, we want to borrow the money from the Chinese to give it to them.

I want the wealthy to be as wealthy as they can be. I have no grudge against that. I want all of us to be that wealthy. But we should be a country that fights for those who really need the help. We should not be a country that says: You know what? If you're a billionaire, we want to give you a little bit more.

Who's going to pay the bill? Who is ultimately going to pay for this tax cut? It is going to be our children and our grandchildren. And to come to the floor and say, well, I want to help hardworking Americans, I have to tell you, when the top 1 percent in this country are making as much as the next 25 percent, I think I know who we want to help.

On this side, we want to help those middle class people and those struggling to make it, and my Republican friends all over this evening have been standing up for millionaires and billionaires. That is the fundamental choice that we have to make here.

I believe that this tax bill has fundamental flaws. If you believe that you should be borrowing from Social Security to pay for a payroll tax, you like this bill. But I know a lot of Americans don't believe that.

So I think what we should do, what we should do is make sure that we fix the estate portion of this, and then we should take a step back and say, you know what we should do? Let's stand up for the middle class. That is what the Democrats stand for.

Mr. CAMP. I yield 1½ minutes to the distinguished gentleman from New York (Mr. REED).

Mr. REED. Mr. Chairman, let me first note that this whole situation is an example of what is wrong with Washington. As a new Member, I think we have to stop continuously putting off difficult decisions until we are forced to make a decision in crisis mode as the clock clicks to zero hour. This vote has profound ramifications for every American, and now we are backed into a corner where the current tax rates expire on all taxpayers if we do nothing.

It didn't need to be this way. Shame on the politicians whose inaction over the decade forced us onto this precarious ledge. Shame on the leadership of the past 2 years who put us into this boxed corner.

Good policy cannot be handcuffed by this sort of last minute political guerilla warfare. The process which brought us to this point is inexcusable, so much so that the average middle class family in my district will pay more than $1,500 in increased taxes if we fail to act.

Our economic recovery in upstate New York continues to lag. Preventing the pending income and estate tax hikes that will hit every family and business in my district is paramount at this time. But once this bill is passed, we must begin in the next Congress to eradicate out-of-control spending. We cannot be put into this position again.

Mr. LEVIN. Mr. Chairman, it is now my privilege to yield 1 minute to the Speaker of the House, the gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. Mr. Chairman, I thank the gentleman for yielding, and I thank him for his leadership on fairness for growing the economy, for reducing the deficit and for creating jobs, because that is some of what is done in this bill.

I think I want to use my time to make some distinctions here. President Obama and the Democrats have supported initiatives to protect the middle class. We are fighting for the middle class. We are wanting to grow the economy and to create jobs and reduce the deficit, so we must subject whatever legislation that comes before us as to how it meets those tests.

This legislation on the Democratic side of the ledger does create jobs and the demand that creating jobs injects into the economy helps reduce the deficit. For example, unemployment insurance provisions that are in the legislation economists across the board tell us return more money to the economy than almost any initiative you can name. People spend that money quickly. These are people who are looking for work, people who have lost their jobs through no fault of their own. Their unemployment insurance is spent immediately, again injecting demand into the economy, creating jobs.

Low income tax credit, refundable.

□ 2240

Child tax credit; refundable. All of this placed in the hands of the working families in America, again, spent immediately, injecting demand, creating jobs. The college tuition tax credit, very important for America's working families and their children.

So here we are with a bill on one side of the ledger that benefits 155 million Americans. We have tax cuts for the middle class across the board. Everybody gets that tax cut. But in order for the middle class to get that tax cut, the Republicans insist that those who make the top 2 percent in our country get an extra tax cut, adding billions of dollars to the deficit and not creating any jobs. To add insult to injury, they have now added this estate tax provision—and, mind you, the Democratic side of the ledger benefits 155 million Americans. In order for the President to get those terms accepted, the Republicans insisted that $23 billion in benefits go to the 6,600 wealthiest families in America. 6,600 families holding up tax cuts for 155 million Americans. Is that fair? Does that meet any test of fairness that we have? Again, this $23 billion not creating jobs, this $23 billion increasing the deficit by 8 percent in the fiscal year.

Think of what we could do with that $23 billion. We could triple our research in cancer and diabetes. I think that means something to all Americans, including those 6,600 wealthiest families. We could give a $7,000 raise to every public school teacher in America. We could create, investing in new technology, 780,000 jobs—780,000 jobs. Instead, we're giving a bonanza to 6,600 of the wealthiest people in America who really don't need the help.

It's just amazing to hear our colleagues on the other side of the aisle talk about deficit reduction when everything on their side of the ledger increases the deficit and does not create jobs. Tax cuts to the wealthiest 2 percent; the most egregious of all, the estate tax provision that they have that benefits not 1 percent, not one-half of 1 percent, but one-quarter of 1 percent of the American people. We have to borrow that money from China and send the bill to our children and our grandchildren. And that is not good policy. It does not have a favorable impact on the deficit. It does not create jobs. It does not grow our economy. It does not stimulate growth in our country.

And so I hope that our colleagues will vote favorably for the Pomeroy amendment to bring some fairness and clarity to the estate tax issue. On that, 99.7 percent of all Americans are exempted. 99.7 percent of all Americans are exempted from paying estate tax under Pomeroy. But we had to get that upper 3 percent in this legislation in order to benefit 155 million Americans. These figures have to be engraved in our being—155 million. You can't have that unless 6,600. I've said it over and over.

And then, on top of all of that, on the Democratic side of the ledger we have the green initiative, 1603, that the Senate put in the bill. This is just a very positive provision for renewable energy—wind, solar, et cetera. But the Republicans said, That's the limit. We won't accept any more. And so all of the initiatives for innovation that have been passed the past few years that should have been extended, we said ''no'' to innovation, we said ''no'' to the future, we said ''no'' to keeping America number one for encouraging our competitiveness.

So if we're talking about growth, we have to talk about investments in the future. If we're talking about being number one, we have to have an innovation agenda to do it. The Republicans said ''no'' to that. They only said ''yes'' to tax cuts to the wealthiest.

As Mr. WEINER said, we recognize success. We admire success. We all want to be part of it. God bless them for having the wealth that they have, whether it is inherited or earned. We recognize success and what wealth does to create jobs, et cetera. But we also want to reward work. We want to reward work. So in order to reward work in this legislation, we had to have a big payoff to the top one-quarter percent of America's wealthiest families.

So for my colleagues, as they review this, this is very difficult. Nobody wants taxes to go up for the great middle class. In fact, everybody gets a tax cut in this. We just don't see why we have to give an extra tax cut to the wealthiest and then an extra, extra estate tax benefit to the top one-quarter percent.

As Members have to make up their mind about this, I hope that they will vote for the Pomeroy amendment to this legislation. They'll have to make their own decisions as to whether it is necessary to be held hostage, to pay a king's ransom, in order to help the middle class. We absolutely cannot allow taxes to go up come January 1.

The previous speaker said we have to look to how we were forced to this precarious ledge. Yes, let us look to how we were forced to this precarious ledge. This situation, the recession that we were in—the deep recession that we were in—President Obama was a job creator from day one with the Recovery Act and pulled us back from that recession. The financial crisis that they created, President Obama pulled us back from that. And, oh, by the way, remember the financial crisis? Remember the banks that all that money went to and they didn't extend credit? Now those same people are giving out over $100 billion in Christmas bonuses. And these Republicans in this House of Representatives are saying, We don't want you to be taxed to the proper extent on that $100 billion. More money given in bonuses on Wall Street. Think of it. Over $100 billion dollars. And we want to give them a free ride in terms of paying their fair share.

So if it comes to creating jobs, growing the economy, reducing the deficit, investing in growth and competitiveness and innovation to keep America number one, I applaud President Obama for his side of the ledger. I'm sorry that the price that has to be paid for it is so high. At a time when everybody is preaching the gospel of deficit reduction, the Republicans come in with an increase in the deficit to the tune of over $100 billion dollars for people in our country who need it the least and, again, where it does not create jobs.

So Members will have to make up their minds as to how we go forward on the bill. But I hope that all of them in their consideration of it will vote for the Pomeroy amendment, which addresses the most egregious—with stiff competition, mind you, in this bill—the most egregious provision when it comes to fairness, reducing the deficit, and not creating jobs.

I, again, commend the chairman of the Ways and Means Committee and all of our colleagues who have had to explain through all of the misrepresentations that have been made about what this legislation is about. And, again, I salute President Obama for getting in the bill what is in there. I'm sorry at the price that has to be paid by our children and grandchildren to the Chinese government to pay for the increase in the deficit that the Republicans insisted upon.

Mr. CAMP. I yield myself such time as I may consume.

The majority party has had large bipartisan majorities in the Senate and the House and controlled the White House for the last 2 years. And as we know, in the House, the majority can pretty much do what they want, as was demonstrated with the trillion-dollar stimulus bill, as was demonstrated with ObamaCare.

□ 2250

There is some explaining to do.

Why wasn't this issue dealt with before the election? Why didn't the majority bring a bill to the floor before the election?

Now, as Americans face these tax increases, here we are just a few short days before the end of the year, and now, because there is a bipartisan compromise, which incidentally passed the Senate 81–19, I think there is a recognition that this is just no time to be playing games with our economy. The failure to block these tax increases would be a direct hit to families and small businesses and employers, and it would further delay our economic recovery.

For those reasons, I support this bill.

I reserve the balance of my time.

Mr. LEVIN. It is now my privilege to yield 1 minute to the distinguished gentleman from Iowa (Mr. BRALEY).

Mr. BRALEY of Iowa. Mr. Chairman, today, the House will vote on a bill that will explode the deficit by $858 billion. While this package includes several programs I have proudly supported, I cannot support the underlying bill.

As recently as last week, I voted to give every American a tax cut by making the middle class tax cuts permanent for the millions of American families, consumers, and small business owners who drive our economy. I have consistently voted to extend unemployment insurance to assist the families struggling in this difficult time.

Those were some of the good things included in this deal. Unfortunately, the merits of these good things do not outweigh the bad things in this deal. I cannot justify mortgaging our children's futures to provide a Christmas bonanza to the privileged few. I refuse to support increasing the deficit by at least $81 billion to provide a tax break to the wealthiest people in this country. I refuse to support a bill that would balloon the deficit by $23 billion to provide an average tax break of more than $1.5 million to only 6,600 families a year.

That is why I am voting ''no,'' and I urge you to do the same.

Americans spoke clearly on November 2. Congress must get serious about reducing the deficit and become better stewards of their tax dollars. After endless talk throughout this session about fiscal responsibility, the looming threat of a growing deficit and forcing America's next generation into crushing debt to China—a so-called tax deal has been produced. Today, this House will vote on a bill that will explode the deficit by $858 billion dollars.

While this package includes several programs I have proudly supported, I cannot support the underlying bill. As recently as last week, I voted to give every American a tax cut by making the middle-class tax cuts permanent for the millions of American families, consumers and small business owners who drive our economy. I have consistently voted to extend unemployment insurance to assist the families struggling in this difficult recession. I have voted to extend the Earned Income Tax Credit and Child Tax Credit to assist our Nation's low-income families who have a difficult enough time making ends meet as it is. I have consistently voted for ethanol and biodiesel tax credits that sustain the growth of our Nation's renewable energy industry and support the jobs of thousands of my constituents in Iowa.

Those were some of the good things included in this deal. Unfortunately, the merits of these good things do not outweigh the bad things in this deal. I cannot justify mortgaging our children's futures to provide a Christmas bonanza to the privileged few. I refuse to support increasing the deficit by at least $81 billion to provide a tax break to the wealthiest persons in this country. I refuse to support a bill that would balloon the deficit by $23 billion to provide an average tax break of more than $1.5 million to only 6,600 families a year. And I unequivocally refuse to threaten the long-term viability of social security with a shell game to pay for diminished social security contributions.

I'm voting "no" on this bad deal because we cannot keep kicking the can down the road when it comes to difficult decisions about the deficit, especially with a package that threatens the financial stability of our Nation. I urge my colleagues to join me in voting "no."

Mr. CAMP. I reserve the balance of my time.

Mr. LEVIN. Mr. Chairman, I now yield 1 minute to the gentlewoman from Illinois (Ms. SCHAKOWSKY).

Ms. SCHAKOWSKY. The Speaker was talking about how the Republicans held hostage 150 million Americans in favor of 6,600 families who will get this inflated break on their estate taxes. Who are those families?

The Koch Family: the primary funders of the tea party movement and other conservative causes, having a vast fortune estimated to be as much as $35 billion. Under the Republican, versus the Pomeroy amendment, that family would realize over $2 billion extra.

The Walton Family: Wal-Mart; seven descendants; a combined worth of $87 billion—more than some whole countries. His family will pay $7 billion less in taxes under the Republican proposal versus the Pomeroy.

The Gallo Family.

The Dorrance Family: the Campbell Soup giant with a combined wealth of $6.5 billion and a savings of $522 million.

The Mars Candy Company Family: $30 billion in wealth. Their estate taxes will go down $2.5 billion.

Are these the people this Congress is supposed to represent? Let's vote for Pomeroy.

Mr. CAMP. I continue to reserve the balance of my time.

Mr. LEVIN. It is now a real pleasure to yield 1 minute to the very distinguished gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Chairman, two pieces of legislation tell us a lot about the values of our Republican colleagues.

This bill will take $114 billion in revenues out of Social Security, helping them make the case ultimately, in a kind of self-fulfilling prophecy, that we can't pay everything we want.

Earlier this session, they voted overwhelmingly and killed a proposal to give each Social Security recipient $250—not $250,000 or $250 million, numbers with which they are more familiar—but $250. These are people who are going to be facing an increase in Medicare because we learned only in October that there would not be a cost-of-living increase.

We couldn't afford the $14 billion to give $250 to older people who are having trouble paying their heating bills, but they can afford $114 billion that will go to everybody, including to people who make $100,000 a year, who will get eight times $250. The values of the Republican Party are revealed by this.

By the way, we are in this situation because of dishonesty. When George Bush and the Republicans passed the tax cuts in 2001, they didn't want to admit the full account of how much it cost.

The Acting CHAIR. The time of the gentleman has expired.

Mr. LEVIN. I yield the gentleman 1 additional minute.

Mr. FRANK of Massachusetts. Not simply are they showing their values, but they said, Oh, you're going to give $250 to Warren Buffett on Social Security.

They want to give $250,000 to Warren Buffett, which, to his credit, he doesn't want.

In fact, the reason we are in this bind is, in 2001 and 2003, George Bush and the Republican majorities wanted to pass very large tax cuts despite their professed concern about the deficit—and we now see from this bill that their slogan is ''deficit-schmeficit''—but they didn't want to admit how much it would cost, so the CBO couldn't give us the full value of the cost. They made very bad tax policy.

They did it. I voted against it.

They made major changes in the Tax Code to end after 10 years, and they did that Humpty Dumpty roller coaster with the estate tax. That wackiness was their effort to hide the true amount of the hole they were burning in the deficit, so they have only themselves to blame.

But let me return.

They couldn't afford $14 billion to give $250 payments to Social Security recipients—and overwhelmingly, they killed it when we tried to pass it—but they can take $114 billion out of Social Security.

Mr. CAMP. I continue to reserve the balance of my time.

Mr. LEVIN. It is now my real pleasure to yield 2½ minutes to a Member who has been very active on this issue, the gentleman from Vermont (Mr. WELCH).

Mr. WELCH. Mr. Chairman, with all the back and forth, what we really have before us are two problems facing America.

One is too few jobs: 9.8 percent of Americans who want work are out of work—15 million people. Millions more are so discouraged that they are the underemployed. We have got to find a way to put them back to work.

The second problem we have is too much debt. Without going into the history of how we went from a record surplus to a record deficit, we went from the Clinton tax rates to the Bush tax rates. We went from a surplus of 20 million jobs created to 8 million jobs lost. We have a debt now that is approaching $14 trillion, and with the passage of this bill, we will be approaching $15 trillion.

The question for us to the American people is:

If we are going to borrow a dollar for any reason, will there be a job bang for that dollar borrowed?

That dollar borrowed is coming from China. What this legislation will do is literally ask the American middle class to borrow $200 billion to pay for tax cuts for the wealthiest families. This is not an objection to people being wealthy, as has been said. They can be generous, and they can create jobs. It is about whether that dollar borrowed will produce a job for an out-of-work American—and it won't.

There are other alternatives to what is before us. We should not be borrowing money that won't be productive. What we should do is a very simple alternative that hasn't even been considered:

We can extend the middle class tax cuts, as President Obama wants to, but we can stop it at $250,000. We can invest the savings in deficit reduction and half in infrastructure development. We can, as Mr. FRANK said, provide a $250 one-time payment to the folks on Social Security, who haven't had a COLA increase in 2 years. We can have a piece of legislation that will borrow less, reduce the deficit, and create more jobs.

Our responsibility, fundamentally, is to the American middle class. One of the reasons they so fear this debt is because they know, at the end of the day, they will have to repay it—their sons, their daughters. The bondholders will be okay, but the middle class will pay.

□ 2300

Mr. CAMP. Mr. Chairman, I yield myself such time as I may consume.

We've heard a lot of debate on floor this evening, but let's look at what the employers and economists are saying about this legislation and this agreement.

The National Federation of Independent Business, the largest organization in the country representing small businesses: Senate passage of the tax compromise is a good step, the first step, to encourage the certainty that the small business community needs and has repeatedly asked for. Knowing their tax liability will remain low and including a workable estate tax compromise that will not threaten the family business are key components to a small business' ability to move forward, grow their business, and create jobs. Changes to this compromise would jeopardize the needed relief and certainty small businesses need. We encourage the House to take up this measure quickly and pass this bipartisan bill in its current form.

The Business Round Table says: Restoration of these provisions lifts an uncertainty for businesses that will improve their ability to employ more workers and grow the economy.

The U.S. Chamber of Commerce: Enacting this bipartisan framework forged by the President and Congress is one of the best steps Washington can take to eliminate the uncertainty that is preventing our employers from hiring, investing, and growing their businesses.

And what does economist Mark Zandi say, frequently cited by the Speaker as an important voice in economic matters: The fiscal policy compromise reached this week by the Obama administration and congressional Republicans would be good for the economy next year.

It is too risky to play games with the economy. We need to stop this massive tax increase in its tracks. Support this legislation in its current form. Oppose the Pomeroy amendment.

I yield back the balance of my time.

Mr. LEVIN. It is now my pleasure to yield the balance of my time to our distinguished majority leader, Mr. HOYER of Maryland.

Mr. HOYER. I thank the gentleman for yielding.

We have just come through a wrenching election. Wrenching, in large part, because of the pain being experienced by our constituents, some more than others. A pain that they're experiencing in part because they are unemployed or underemployed or working two or three jobs to support themselves and their families. We all heard that pain. We all heard that concern. At the same time as we heard the concern about the pain of economic uncertainty, we heard the concern and the fear about deficits and debt.

And so, my colleagues, we are confronted with two twin challenges: growing our economy and creating jobs, and confronting this gargantuan deficit that puts at risk our economy and the future of our children. The American public would hope that we would come together and pass that on which we can agree, that on which we can compromise.

This House, in fact, passed two pieces of legislation weeks ago and months ago. Months ago, we passed legislation which would give certainty, and my Republican colleagues talk about certainty and I agree with them. We need to give certainty to families, certainty to businesses, and, yes, certainty to those who are worried about estates. They ought to expect that of us, and we passed 12 months ago a continuation of then-existing law, $3.5 million per spouse or $7 million per couple exemption and a 45 percent rate.

But that languished in the United States Senate. It languished because, frankly, there was not a majority or at least not 40 votes to extend certainty. That was unfortunate, in my view, because I think that was an appropriate rate, and I will vote for it on this floor, embodied in the Pomeroy amendment.

And then we passed just a few days ago legislation which would say to all Americans, you will not receive any tax increase on the first $250,000 of your income if you're a married couple or $200,000 if you're an individual. All individuals, no matter how rich, no matter how poor, all individuals would have their tax capped, and very frankly, there were only a few Members on this floor on either side of the aisle who disagreed with that proposition.

But as too often happens because we don't get everything we want, we won't take something we want. That's not good for the American people, and it's not good for our country. And very frankly, only three or four Members on the Republican side of the aisle chose to vote for that legislation, notwithstanding the fact it carried out part of what they thought was appropriate, and we agreed. But it was not enough.

The President of the United States has a responsibility to all Americans, and like every President he can't get everything he wants. To that extent, he's like us. We don't get everything we want, and this bill does not represent everything I want. Those of you who have heard me debate time after time know how concerned I am about this debt and deficit, and you have seen me vote on this floor sometimes in the small minority against steps that I thought would exacerbate the budget deficit without a proper return.

This bill, the President of the United States believes, and I believe, will have a positive effect on the economy, and I think we need that. And unlike some of my colleagues, whose views I share but I have reached a different conclusion, I will vote for this bill because I don't want to see middle-income working people in America get a tax increase because I think that will be a depressant on an economy that needs to be lifted up.

But I am also concerned about the deficit, and I know we're going to borrow every nickel in this bill. I'm for PAYGO. My children, if you ask them, would say they're for PAYGO because they don't want to pay our bills. They're going to have their own bills. Unfortunately, the President and we were confronted with alternatives: Do we extend unemployment insurance when unemployment is at a 9.6 to 9.8 percent rate, or do we let them languish with no certainty? Not certainty about planning whether or not their $7 million estate can be excluded from taxes, but worrying about whether they can put food on the table tomorrow. But unemployment insurance has languished because we haven't had a deal on upper-income taxes or estate taxes being increased from $7 million to $10 million for a couple.

My friends on both sides of the aisle, we need to come together. We need to come together in dealing with this debt. We need to come together in dealing with tax reform. We need to come together in growing jobs. That ought to be the agenda of this next Congress and every Congress thereafter until we accomplish those objectives and the American people have the certainty and confidence that we want them to have.

□ 2310

Now, ladies and gentlemen on the Republican side, very frankly, I have not seen your economic philosophy work. Jack Kemp and I served on the Appropriations Committee, but I don't think supply side is working. Supply side, in my opinion, has the proposition that, if you do less, you get more. Nothing that I have done in life instructs me that, if I do less, I get more. And because of that, because of the concept, if you simply cut taxes on those who are the wealthiest in our society, somehow, magically, the deficit will be eliminated.

Not one year did that happen.

It happened, frankly, when we said the upper 1 percent was going to pay just a little more in 1993, and all of you opposed it—all of you, to a person. And you said it would destroy the economy. Your leader at that point in time—I'm not sure it was the majority leader at that time—Dick Armey said that this would tank the economy.

He was 180 degrees wrong.

In fact, we experienced the best economy we have seen in this country in my lifetime, with 22 million new jobs in 8 years—216,000 jobs per month in the private sector. But unfortunately, under the economic program that we adopted in 2001, we saw the worst economy, the worst job production since Herbert Hoover.

Now, I'm going to vote for this bill because I think it does help the economy, but we are paying too great a price for it because, very frankly, I don't need a tax cut. That's not to say I don't want a tax cut. But it will not affect my life, and it will not affect the economy. It will exacerbate the debt. That's not good for my children or for our country.

So I would urge all of us, as we vote on this piece of legislation—whatever decision we make—to understand the message that we all received about growing the economy. That is why the President has made this deal that a lot of us don't like, because we think that it was unnecessary to adversely affect the deficit with $700 billion.

And because we have limited it to 2 years—it's less than that in terms of just the upper income—we did not have to pay that price. But we needed to pay the price. We needed to borrow the money to get this economy moving, to get the middle income people having dollars in their pockets so they can grow the economy. And that's worth the price because we will not solve the deficit problem if we don't get our economy growing. We cannot depress at the same time we try to grow, but we grow in the short term, and we solve the deficit in a little longer term.

So I'm going to vote for the Pomeroy amendment. And then in the final analysis, I will vote for this bill. I believe that folks need certainty, as has been said.

I urge my colleagues, as we vote on this legislation, to commit ourselves on both sides of this aisle to do what America wants us to do—to come together as we did. In 1993, we didn't. Some people lost their jobs because they voted with courage and conviction and correctness.

Ladies and gentlemen, there probably is nobody on this floor who likes this bill; and therefore, the judgment is: Is it better than doing nothing? Some of the business groups believe that it will help. I hope they are right. Not only do I hope they are right, I hope if we pass this bill that they respond and create the jobs that we know they have the resources to do.

This is a jobs bill, in my view, which is why I will vote for it. It could be a better jobs bill if we invested the money that we are giving to the wealthiest in America in job growth. It is a bill that will help those who have been unemployed week after week after week and whose angst has grown and grown and grown.

Ladies and gentlemen, each of us will do our duty as we see it, but let us when we do so pledge that we will do better in the months and years to come.

Ms. HIRONO. Mr. Chair, I rise in reluctant opposition to H.R. 4853, the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act.

Two weeks ago, I voted for a better bill, the Middle Class Tax Relief Act, which passed the House but was not taken up by the Senate. That bill would have extended tax cuts for middle class taxpayers, including about

323,000 lower- and middle-income families in my congressional district who make less than $200,000 (under $250,000 for joint filers).

The bill that is on the floor today extends tax cuts on all income levels, including the wealthiest Americans, costing $407.6 billion. Under this bill, the millionaires and billionaires can sleep soundly, secure in the knowledge that their tax cuts will continue for at least another two years, while the unemployed get relief for only 13 months. Economists predict that many millions will continue to be unemployed beyond the 13 months.

This deal is weighted so heavily toward the richest few that the unemployed only receive 7 percent of the total package. We must fight for a better deal.

But my biggest concern has to do with a threat to the solvency of Social Security contained in the legislation. The so-called ''payroll tax holiday'' in H.R. 4853 raids the Social Security Trust Fund. Anyone who cares about Social Security should be scared by this. This provision reduces the Social Security payroll tax and self-employment tax by two percentage points in 2011. Payroll taxes provide dedicated funding for the Social Security Trust Fund, which is completely separate from the General Fund. Under this bill, these Social Security funds will be repaid by $112 billion from the General Fund. But this ''one-time'' infusion from the General Fund puts us on a slippery slope. While this payroll tax holiday expires in one year, there is a serious question as to whether expiration will occur. We can expect a bill to extend this payroll tax holiday because any other outcome would be characterized as a tax increase. A permanent decrease in the Social Security payroll tax will put the Social Security Trust Fund in jeopardy. Republicans will be one step closer to their stated goal of privatizing and dismantling Social Security's safety net. If we want to put more money in the hands of families, we could look at cutting a check for families from the General Fund, but weakening the funding source for Social Security is too risky.

In Hawaii, Social Security benefits serve as a lifeline for 220,000 seniors, disabled people, and dependents. Thousands of my constituents have urged me to preserve Social Security, and I have consistently acted to do so. Earlier this year, I spoke on the House floor in support of preserving this bedrock promise to our nation's seniors and fighting Republicans' plans to privatize or reduce benefits. I also signed a letter to the Fiscal Commission urging that any plans to reduce the deficit make no cuts to Social Security or change the retirement age.

This bill truly is a raw deal for American seniors. One of my constituents in Hilo calls the proposal a ''bomb of a cut to Social Security taxes.'' A majority of Americans oppose cutting Social Security payroll funding and are willing to pay more so that they can be assured that they will get benefits when they retire or become disabled. I don't make pledges lightly, but I pledge that I will vote to return dedicated Social Security payroll tax funding should it be brought up for a vote next year.

Further, this legislation gives an estate tax giveaway to only 6,600 families in our entire country, giving them each an average additional tax cut of more than $1.5 million. According to the Tax Policy Center, the new tax would affect the smallest number of estates in any year since 1934. This tax giveaway to the richest families in the country will cost us more than $68 billion, adding to our deficit without creating jobs or strengthening our economy.

The Levin/Pomeroy Amendment makes the bill a bit fairer by taxing estates at the 2009 rate of 45 percent and covering estates over $3.5 million, not the $5 million in the Senate bill. This amendment would save $23 billion. Extending estate tax relief for two years at the 2009 rate provides Americans with some certainty for estate planning in a way that is much more reasonable and fair than that proposed by the Senate bill.

The key components of this bill that I strongly support include the extension of tax cuts for the middle class and the extension of unemployment insurance for Americans who lost their jobs because of this difficult economy. In addition to my recent vote on extending tax cuts for the middle class, I voted to extend unemployment benefits seven times this year alone.

We've had numerous opportunities to extend the tax cuts for the middle class and extend unemployment benefits. The majority of Republicans voted against these proposals time and again.

On balance, I cannot in good conscience vote for this bill in its present form. The $858 billion price tag and true cost of the bill—tax cuts for the wealthiest Americans and the impact of the ''payroll tax holiday'' on Social Security—far outweigh the benefits. This bill is blackmail, holding the unemployed and middle class hostage to give a special deal to the millionaires and billionaires. We must fight for a better deal.

I urge my colleagues to oppose this legislation unless we are able to vote on a bill that genuinely helps the working families that we are here to represent.

Ms. CORRINE BROWN of Florida. Mr. Chair, I rise today in opposition to the irresponsible and immoral tax cuts for the wealthiest Americans included in this bill.

On this very night, senior citizens, disabled people, and poor families in public housing in Sanford, Florida are going without heat during one of the coldest spells in Florida's history. Yet, Congress is about to give billions to billionaires. There is a disconnect between tax cuts for the wealthy and the pain of everyday Americans that is shocking beyond belief.

If we cannot take care of our poorest citizens, why are we giving handouts to the richest? The elections told us that Americans are tired of giveaways to Wall Street and CEOs. But here we go again.

Why are we holding the middle class hostage to extending tax cuts for the top 2% of incomes? We can give away $700 Billion in income tax cuts, but we can't fix the heat in Sanford public housing.

On Christmas Eve, why are we giving a 25 Billion Dollar gift to forty thousand families, but giving nothing to millions of people who have been unemployed for more than 99 weeks?

The Bible teaches in Proverbs 21:13, ''if a man shuts his ears to the cry of the poor, he too will cry out and not be answered.''

I have never shut my ears to the cries of Americans who need help, but I will not vote for a bill that ties the fate of many to the wealth of a few.

Mr. VAN HOLLEN. Mr. Chair, after much deliberation, I rise in opposition to today's legislation.

To me, this has never been about the wisdom or necessity of compromise. Like most of my colleagues, I understand the need for compromise, and I fully appreciate the predicament the President found himself in.

While Democrats have been fighting to ensure tax rates do not go up on 98% of Americans, Senate Republicans have made it abundantly clear they are willing to raise taxes on every American this January unless they get a bonus tax break for the wealthiest in our society—and provide a tax-cut bonanza to a handful of super-rich estates.

In order to break the stalemate, the President concluded he needed a deal—a deal that had to balance two of our Nation's very real but competing imperatives: the need to accelerate economic growth, and the need to reduce our national debt.

Some elements of today's legislation strike the right balance. In particular, the middle class tax cuts, unemployment benefits and Recovery Act credits for working families are both economically justifiable and likely to achieve their intended effect.

Unfortunately, other provisions significantly miss the mark. According to the Congressional Budget Office, the $89 billion spent extending tax breaks for upper income earners is unlikely to create jobs. Moreover, I have significant concerns about the structure and long term consequences of the payroll tax holiday.

But the tipping point in this package is the estate tax. In an era of $1 trillion deficits, with our national debt approaching $14 trillion, barely two weeks after the publication of the bipartisan Fiscal Commission's ''Moment of Truth'' report, does anybody really think we should be borrowing $23 billion from China to give the wealthiest 6600 estates an average tax break of $1.7 million a year?

Think about it. $23 Billion. For the wealthiest 6600 estates a year. In a nation of over 300 million people. Without any benefit whatsoever for job creation or economic growth.

I would say to my colleagues on both sides of the aisle that if we can't look this moment squarely in the eye and conclude that now is not the time to be giving the top three tenths of one percent of Americans a multi-million tax break, we are clearly not serious about tackling the monumental fiscal challenges we face.

And I would remind my colleagues that these fiscal challenges are not theoretical. Earlier this week, Moody's warned that today's legislation increased the likelihood of a downgrade to the United States' Triple-A rating over the next two years. Bond prices have fallen sharply and yields now sit at six month highs. If we're not careful, the bond market could easily take away what today's legislation aims to provide.

Many of my Republican colleagues supporting today's legislation profess a commitment to fiscal discipline and balanced budgets, but turn a blind eye to deficit spending so long as it arises from tax cuts. This is not coincidence. The rationale for the inconsistency has been succinctly explained by conservative activist Grover Norquist, who once proclaimed: ''I don't want to abolish government. I simply want to reduce it to the size where I can drag it into the bathroom and drown it in the bathtub.''

After starving government, these same Republicans will undoubtedly be back in the 112th Congress demanding debilitating and draconian cuts in priority investments like education, clean energy and biomedical research. This playbook is as predictable as it is misguided.

Mr. Chair, we simply cannot afford to borrow billions of dollars to perpetuate wasteful and unwarranted tax breaks for our wealthiest citizens at a time of unprecedented and unsustainable national debt—tax breaks that do little for job creation and even less for the economy. I accept the need for a deal. But for our children and our grandchildren, I firmly believe there is a better deal to be had.

Ms. KILPATRICK of Michigan. Mr. Chair, I have been involved in politics for more than three decades. I am proud of my record of public service to the people of the great State of Michigan and to our Nation. Some of the proudest votes I have ever cast in my career have been in support of the economic stimulus package, health care reform, saving our manufacturing base by saving the auto industry, and preventing our banking system from dragging our economy into a full-blown depression. It is my point that we have not done enough to advertise the good things we have done for Americans.

The economic stimulus package provided 95 percent of all Americans with a tax cut, saved or created close to three million jobs, and allowed States and cities to use bonds to fill their budget deficits. Thanks to the revolution in health care by our health care law, the largest deficit reduction law in the history of the United States, all Americans will have access to health care for the first time in history. While this law becomes fully phased in by 2014, some of its mandates are working for Americans now, such as the fact that citizens cannot be denied health care coverage due to pre-existing conditions, filling in the Medicare Part D ''doughnut hole,'' and that insurance companies cannot deny your health insurance once you are ill. The bold Democratic program to save the auto industry, like the Troubled Asset Relief Program (TARP) not only cost taxpayers less than anticipated, taxpayers can potentially reap a profit from these programs. We have been efficient and effective with the peoples' purse.

We are now voting on a tax ''deal'' that President Barack Obama agreed to with Republicans to extend the 2001 and 2003 tax cuts started by former President George W. Bush. These tax cuts, which were not offset by responsible spending cuts and gave the majority of the tax cuts to the richest one percent of all Americans, were fiscally irresponsible when they were first proposed. They were so controversial and so fiscally unstable, the Republicans refused to make them permanent. It took then Vice President Dick Cheney to come to the Senate to break the 50–50 tie that stopped the bill from final passage.

I would like to take this opportunity to remind all Americans that we have had not one, not two, but if this bill passes, four major tax cuts at a time in which we are involved in not one, but two, wars. This is the first time in American history that we have had a war and we did not have a tax increase to help pay for that war.

I cannot, and will not, support this fiscally irresponsible bill. This bill is a horrible deal for Americans. Not only does it extend the Bush tax cuts, and the Republicans are willing to hold the extension of unemployment benefits to three million American families to get it done, as the late night infomercials like to say, ''wait, there's more.''

This bill hammers Social Security. Through this legislation's cut in the payroll tax, the tax that funds Social Security, the long-term stability and safety net for our senior citizens is in jeopardy. For every person who puts money into the Social Security program, two people take money out of it. If you think that this one-third cut to the payroll tax is going to come back in two years, don't count on it. The more that this fund is delayed, the more the Social Security program—a governmental program that has worked for more than seven decades, and which is the sole difference between life in a home or life on the street for over half of our senior citizens—is gutted.

This bill insufficiently helps the unemployed. Michigan has one of the Nation's highest rates of unemployment, and Michiganders desperately need unemployment insurance. But guess what? While this bill extends unemployment for those three million people who currently get it, it does nothing, not one thing at all, for the millions of unemployed workers who have exhausted their benefits under tier four. If you have been out of work more than 99 weeks—and plenty of Americans have been out of work that long through no fault of their own—this bill does not provide what I have been pushing for the last year. That is a new tier five level of unemployment benefits so that workers who have exhausted their federal and state benefits are able to feed their families and keep a roof over their head. If we are going to extend unemployment, let's extend it for all Americans.

This bill is a tax increase for most Americans. While this bill is a sure-shot tax cut for those people making or inheriting millions of dollars, for nearly 50 million hard working Americans, this bill is actually a tax increase. Workers who make less than $20,000 per year will see a tax increase. And by the way, if you are a federal worker, a worker who will see a pay freeze over the next two years, if your job has not been totally eliminated, you will see a tax increase. Finally, if you work for your state or city government, you will see your taxes increase because of this bill.

This bill is a woefully inefficient way to create jobs. The Congressional Budget Office and other non-partisan, objective organizations have widely stated that tax cuts is, by far, the most inefficient way to create jobs. At a total cost of over $900 billion, this bill is expected to lower unemployment by less than one percent. The most efficient way to create jobs in an economy in which businesses cannot create them? A federal direct-hire program. I offered such a program as an amendment to the Emergency Supplemental Appropriations bill, a program modeled after the successful Comprehensive Employment and Training Act (CETA) that would have immediately put more than one million people back to work. It was rejected earlier this year.

I proudly voted for the extension of tax breaks for Americans who make $250,000 or less. I also proudly voted to extend unemployment benefits for three million American families, and continued to fight for the addition of a tier five level of unemployment benefits. These two fiscally sound policies would help reduce our deficit and stabilize American families during the holiday season and beyond. Unfortunately, this was apparently not good enough for the Republicans, who overwhelmingly did not support the preservation of almost three million jobs in the economic stimulus package, the saving of American manufacturing through the auto loan program, or the more than $100 billion reduction in our deficit that will be the health care law once it is fully in effect.

I cannot, and will not, support this fiscally irresponsible bill. It is my hope and desire that the wisdom of the Congress prevails and we reject this legislation and start over with a bill that caps the top level of earnings at $250,000 and adds a tier five level for all of those individuals who are unemployed and have exhausted their state and federal benefits. Our children and grandchildren, who have to pay for these programs, are watching what we do.

Mr. WOLF. Mr. Chair, I support extending the 2001 and 2003 income tax cuts for all taxpayers, reducing or even eliminating the estate tax, and limiting the impact of the alternative minimum tax. If those were the only issues before us today, I would vote for that package to reduce the tax burden on Americans.

But this package is a bridge too far and I will vote no. With this package we are saying ''charge it.'' We aren't even making an attempt to pay for it. We are voting to add over $857 billion to our Nation's already massive, nearly $14 trillion debt. This is less than two weeks after the president's debt commission issued its a report called ''A Moment of Truth,'' which outlined the looming financial crisis that threatens the future of our country.

We're accumulating a trillion dollar deficit every year. This year, we are paying $202 billion a year in interest on our debt. That's nearly $4 billion a week.

By 2021, we will pay nearly $1 trillion a year solely to service the debt. One trillion.

That's nearly $19 billion a week or $2.7 billion a day. Two point seven billion dollars a day just to pay the interest. That is utterly unsustainable.

And money that goes to paying off the interest, let alone the principle, on the debt is money that will not be invested in road construction, or cancer research, or homeland security, or math and science education.

Over four years ago I came to the House floor to propose an independent bipartisan commission to address unsustainable federal spending. It would put everything on the table—entitlements, all other spending and tax policy. The SAFE Commission—short for Securing America's Future Economy—would operate in an authentic and transparent way, holding a series of public meetings across the country to hear from the American people. The commission would send its recommendations for a way forward to a sustainable economy to Congress, which would be required to vote up or down.

Senator GEORGE VOINOVICH, who is retiring this year and who has been a champion of fiscal integrity throughout his career in public service, was my partner in the Senate as sponsor of the SAFE bill. Congressman JIM COOPER and I also teamed in the 110th and this Congress to push the SAFE bill, garnering 118 cosponsors. Joining the effort in the Senate with Senator VOINOVICH were Senators LIEBERMAN, CONRAD and GREGG.

Senators CONRAD and GREGG introduced a similar bill calling for a deficit commission that became the blueprint for the President's National Commission on Fiscal Responsibility and Reform and on which both senators served. On December 3, a bipartisan majority of 11 of the 18 commission members voted to recommend a bold plan to Congress that would address our Nation's fiscal imbalance by cutting $4 trillion from the federal budget over the next decade. I commend Senators COBURN, CONRAD, CRAPO, DURBIN, GREGG, and Representative SPRATT for voting to advance the proposal. They recognize the seriousness of our fiscal situation and that the Congress needs to develop a plan for action.

The leaders of the bipartisan fiscal commission, Erskine Bowles and former Senator Alan Simpson, wrote to the president and leaders of Congress:

"Our growing national debt poses a dire threat to this Nation's future. Ever since the economic downturn, Americans have had to make tough choices about how to make ends meet. Now it's time for leaders in Washington to do the same."

Yet today, we see that once again, Washington is punting. Less than 80 hours after the commission's 11 to 7 bipartisan vote, "this compromise" was unveiled at a cost of nearly $1 trillion in borrowed money. The commission's chairmen told us that "the era of debt denial is over." Yet the legislation before us today clearly demonstrates that that is simply not the case.

To quote Senator COBURN's floor statement of December 8:

"What we need to do, Democrats and Republicans and our Independent colleagues, is recognize the depth and magnitude of our problem right now. There needs to be a great big time out. Who cares who is in charge if there is no country to run that can be salvaged? It doesn't matter.

"Economists worldwide and some of the brightest people at Harvard and MIT, the University of Texas, Pennsylvania, they don't sleep at night right now. They know we are on the razor-thin edge of falling over a cliff.

"The fact is, both parties have laid a trap for future generations by our inaction, our laziness, our arrogance, and a crass desire for power. We are waterboarding the next generation with debt. We are drowning them in obligations because we don't have the courage to come together and address or even debate a real solution. . . . The problem is so big and so urgent and so necessary that we ought to have [a] debate. We ought to make sure the American people know the significance of the problems facing us."

I couldn't agree more.

On Monday, Moody's Investment Service warned that this legislation jeopardizes America's coveted AAA credit rating, and could lead to a negative outlook in as little as two years. For the record, I am inserting its report.

If our credit rating is downgraded, the cost to borrow money will rise.

Everything, from a home loan to a car loan to tuition for college to a credit card bill to interest payments on the debt, will increase. We will be paying more to sustain, not to improve, our existing quality of life.

We need look no farther than Europe to see the destructive impact that results after a nation's financial crisis. There have been riots in Belgium, Spain, France, Ireland, England, Italy, and Latvia. Just Monday, Moody's threatened to further downgrade Spain's credit ratings. Will there be rioting in the streets here like we are now seeing abroad?

This House, and the Senate before us, is continuing on its profligate ways of adding billions of dollars to the nation's credit card, which has been issued by the banks of China and Saudi Arabia, among others.

More than 46 percent of the U.S. debt held by the public is in foreign hands. Saudi Arabia was home to the 9/11 terrorists. Saudi Arabia's Wahhabi brand of Islam is taught in some of the most radical mosques and madrassas around the world, including along the Pakistan/Afghanistan border. Saudi Arabia represses women and persecutes Christians and Jews.

Their textbooks are filled with hateful messages about minority faiths. Just last month a BBC expose' reveled that Saudi textbooks used for weekend education programs to teach about 5,000 Muslim children in Britain, contained claims that "some Jews were transformed into pigs and apes . . ." Further, the books, which again are Saudi national curriculum, contain "text and pictures showing the correct way to chop off the hands and feet of thieves." Is this a country we want to be beholden to?

Or what about communist China, our largest banker, which routinely violates the basic human rights and religious freedom of its own people where Catholic bishops, Protestant ministers and Tibetan monks are jailed for practicing their faith? I've seen how they plundered Tibet with my own eyes. China was once again in the spotlight recently when famed dissident Liu Xiaobo was awarded the Nobel Peace prize. China's response? Place Liu's wife under house arrest, stop other dissidents from attending the award ceremony in Oslo and place them under tight surveillance, and indefinitely postpone trade talks with Norway.

The U.S. intelligence community notes that China's attempts to penetrate U.S. agencies are the most aggressive of all foreign intelligence organizations. According to the FBI, Chinese intelligence services "pose a significant threat both to the national security and to the compromise of U.S. critical national assets." Weapons that entities of the People's Republic of China supplied to Iran were "found to have been transferred to terrorist organizations in Iraq and Afghanistan." China is a significant arms supplier and source of economic strength to the genocidal regime in Sudan. Do we really want China to be our banker?

In a February 2010 piece, Wall Street Journal columnist Gerald Seib wrote, "the Federal budget deficit has long since graduated from nuisance to headache to pressing national concern. Now, however, it has become so large and persistent that it is time to start thinking of it as something else entirely: A national security threat."

These foreign countries, with vastly different aims than our own, could end up negatively influencing U.S. foreign policy by threatening to dump our currency in the world market. Such actions would not be a historical anomaly.

Recall 1956 in the Suez Canal crisis, which some believed signaled the end of Britain and France as world powers. Egypt announced that it was going to nationalize the canal, which outraged the British and French, who then devised a plan to use military force to keep control. The U.S. wanted to avert conflict at any cost. And President Eisenhower threatened to sell the U.S. reserves of the British pound, which would essentially result in the collapse of the British currency. The British changed course, demonstrating the power, the impact, that economic manipulation can have on foreign policy.

Is it conceivable to imagine the Saudis threatening to dump our currency if we don't withdraw from the region? Is it conceivable to imagine China threatening to dump our currency if we don't stop pressing nuclear-armed North Korea?

Simply put, we are presently borrowing hundreds of billions of dollars from countries which pursue aims that are at odds with our national interest and values, both directly and indirectly.

The chairman of the Joint Chiefs of Staff has pointed to our nation's debt as a national security risk. It is expected that, as early as 2014, our nation will spend more on interest payments than was spent on the 2010 defense budget. In case you missed that, we will pay more to borrow money than we will pay to defend our freedom.

This is a package full of numerous perks to sweeten the deal. As the Wall Street Journal editorial, "The Hawkeye Handouts," noted on December 13, Republicans "should worry that the tax bill is turning into a special interest spectacle. The bill revives a $1 a gallon biodiesel tax credit at a cost of nearly $2 billion, and there's $202 million for 'incentives for alternative fuel,' $331 million for a 50% tax credit for maintaining railroad tracks, and so on. These credits are a form of special interest spending via the tax code, which is precisely the business as usual behavior that Republicans told tea party voters they wouldn't engage in."

Dan Eggen of the Washington Post reported yesterday that ". . . the ethanol provision . . . has cost taxpayers more than $21 billion since 2006. The Government Accountability Office recently concluded that the credit has had little impact in encouraging ethanol use or production, especially since the government already mandates rising levels of ethanol in gasoline and protects the corn ethanol industry through tariffs."

From farmers producing ethanol to Puerto Ricans making rum to film producers in Hollywood, there's something for everyone. Even worse, the payroll tax holiday raids, for the first time in our history, the Social Security trust fund, which is already going broke. No one comes away empty handed.

This is, as Charles Krauthammer wrote in the Washington Post on December 10, nothing more than a stimulus by another name—an unfunded stimulus that costs considerably more than the President's stimulus of 2009 that so many on my side of the aisle opposed.

Maya MacGuineas, president of the Committee for a Responsible Federal Budget, hit the nail on the head in an October 2009 National Journal article when she said, "It's like fiscal jenga, where people are piling on more and more debt, and finally, something's going to be the cause of it collapsing, but no one believes their thing is going to be the tipping point."

This package could be the "thing" that takes us closer to the tipping point.

Candidly, I have never been more concerned about our country's future. We see a nation whose young people are lagging behind their peers globally. We see a Senate debating a $1.1 trillion omnibus spending measure containing over 6,000 earmarks representing over $8 billion worth of spending. We see a Congress and a president embracing a tax package that risks our nation's highly valued AAA bond rating. All the while we see young men and women in uniform, in distant places like Afghanistan and Iraq, modeling the sort of sacrifice that few Americans even expect from their elected leaders any more.

Only through shared sacrifice can we hope to walk back from the precipice. But instead of asking for sacrifice, the measure before us today provides something for everyone. Maybe not as much as everyone wanted, but what was truly sacrificed? The word compromise implies that both sides in the negotiation give up something. No one gave up anything. Legislation of this magnitude must be balanced by reforms.

But instead of reforms we see recklessness. This legislation walks us further down the path to greater and greater deficits and debt that can only lead to a place none of us wants to go—a bankrupt America. I cannot in good conscience leave that type of country to my children and grandchildren.

At his 1796 farewell address, George Washington admonished his fellow countrymen: "We should avoid ungenerously throwing upon posterity the burden of which we ourselves ought to bear."

Enough is enough. I vote "no."

[From Moody's Weekly Credit Outlook, Dec. 13, 2010]

US TAX PACKAGE IS NEGATIVE FOR US CREDIT, BUT POSITIVE FOR ECONOMIC GROWTH

If the tax and unemployment-benefit package agreed to on 6 December by President Obama and congressional Republican leaders becomes law, it will boost economic growth in the next two years, but adversely affect the federal government budget deficit and debt level. From a credit perspective, the negative effects on government finance are likely to outweigh the positive effects of higher economic growth. Unless there are offsetting measures, the package will be credit negative for the US and increase the likelihood of a negative outlook on the US government's Aaa rating during the next two years

One motivation for the two-year extension of the current personal income tax rates (put in place in 2001 and 2003 and referred to as the ''Bush tax cuts'') is to prevent a setback to economic and employment growth that would result from higher taxes beginning on 1 January, the expiration date of the earlier tax cuts. Keeping the existing tax rates would not provide an impetus to growth, but raising them would have a negative effect. However, the package also includes, among other things, an extension of unemployment benefits for the long-term unemployed through 2011 and a two-percentage-point cut in the Social Security payroll tax. The latter two measures will give a boost to economic and employment growth in the coming two years, with some forecasters significantly raising their GDP growth numbers in 2011 and 2012.

Higher economic growth should have a positive effect on government revenues and reduce payments related to unemployment. However, the magnitude of this positive effect will be considerably less than the foregone revenue and increased benefit expenditure, resulting in substantially higher budget deficits than would have otherwise been the case. The Congressional Budget Office's most recent estimate of the deficit for fiscal year 2011 was $1.1 trillion, or 7% of GDP, assuming no expiration of the tax cuts, and $665 billion (4.2%) in fiscal year 2012. These deficits would raise the ratio of government debt to GDP to 68.5% by the end of fiscal year 2012, compared with 61.6% two years earlier.

The net cost of the proposed package of tax-cut extensions, payroll-tax reductions, unemployment benefits, and some other measures may be $700–$900 billion, raising the debt ratio to 72%–73%, depending on the effects on nominal economic growth. The government's ratio of debt to revenue, instead of declining rather steeply over the two years from about 420% at the end of fiscal year 2010, would decline considerably less to somewhere just under 400%. This is a very high ratio compared with both history and other highly rated sovereigns.

Thus, while higher growth and lower unemployment are clearly good for the economy, the package is negative for US government debt metrics. In addition, there is a risk that the two-year extension may be renewed at the end of 2012, given that that period coincides with a presidential election. A permanent extension of the tax cuts alone (without other measures) could result in a considerable increase in deficits and debt levels unless other measures to reduce deficits are adopted. The exhibit below illustrates that the fiscal balance in the coming decade would be considerably higher under such a scenario, all other things being equal, and this would result in a worsening of the government's debt position. A package of options put forth by the fiscal commission at the beginning of this month provides a menu of such measures that would reverse these trends, but their adoption remains uncertain.

Mr. PAUL. Mr. Chair, I recently voted again in favor of H.R. 4853, the Middle Class Tax Relief Act, legislation which ensures the continuation of the Bush-era tax cuts, fixes the AMT patch, and significantly reduces the burden of the estate tax in 2011. If no action had been taken by this Congress, all Americans would have had to pay higher income, dividend, estate, and capital gains taxes beginning on January 1, 2011. I will always vote to lower taxes at all levels, and I will never vote for tax increases.

Many opponents of this bill labor under the mistaken impression that it contains huge amounts of pork, earmarks, and other spending. What they are referring to is hundreds of billions of dollars worth of tax credits. Tax credits are not spending, they are not earmarks, they are not pork: they merely allow people to keep more of their own money. While the Administration's desire in extending these particular credits may be to placate certain constituencies or to spur consumption or investment into certain sectors of the economy, the morally correct position is to allow people to keep their hard-earned money. That money belongs to the people and businesses who earned it, not to the government. If one wants to make it more equitable, then the amount of tax credits should be increased to include everyone.

Characterizing the tax cuts as fiscally irresponsible, as other opponents of the bill have done, is equally misguided. Those who wish to see this deal defeated because it "adds nearly $900 billion to the National Debt" are punishing taxpayers for the profligacy of the government. The National Debt is nearly $14 trillion because of excessive spending, not because of tax cuts. Every dollar added to the National Debt is due to the government's inability to rein in spending, not because American taxpayers are paying too little of their salaries to the Federal Government. This is why I vote against all appropriations bills. Allowing taxes to rise and provide more money to the federal government would only serve to further feed the beast that is devouring this country.

This bill also reduces the burden of the estate tax, which according to law is set to return in 2011. This unconscionable tax is an insidious form of double taxation and comes into effect in 2011 with a 55 percent tax rate. Americans should not be penalized for accumulating savings during their lifetimes. The estate tax especially harms small and family-owned businesses, which often must be sold to pay the tax bill. H.R. 4853 reduces this death tax rate from 55 percent to 35 percent, and raises the exemption from $1 million to $5 million. While I would prefer to see this tax eliminated completely, this significant tax cut will help thousands of families.

Many people have urged that this tax bill be rejected and that Republicans come back in January to vote on a clean bill. Waiting until the next Congress would also mean that taxpayers would have much more of their salary withheld until any tax cuts could be made. While it is certainly possible to wait until January, we still have a Democratic Senate, and a Democratic president who would likely veto a clean tax bill. I too would prefer to see a completely clean bill, but that is not what we have been given. A vote against the bill before us today would be a vote to raise taxes on all Americans.

Much of the debate about this bill only serves to distract people from discussing substantive change and lead to argument about picayune minutiae. I believe we should abolish the income tax and eliminate the IRS altogether. Congress funded the government using excise taxes for more than 120 years without an income tax, and the Federal Government not surprisingly adhered much more closely to the constitutionally-defined limits of its powers during that time. Real tax reform can only happen when we insist on reducing the size of the Federal Government and reducing the pork in its bloated budget.

Mr. FRELINGHUYSEN. Mr. Chair, I rise in support of the Tax Relief Act of 2010 and urge its passage.

My Colleagues, the goal of this legislation is to prevent the imposition of the largest tax increase in the history of the world and to continue many valuable tax provisions that promote economic growth.

These goals are my goals. There Is never a good time to raise taxes, but I cannot think of a worse time to increase the tax burden on America's hard-working families and job-creating small businesses than in the middle of a weak recovery.

Like all Members, I have strongly supported extending the Bush tax rates, enacted in 2001 and 2003.

Like some of my Colleagues, I have supported extending these lower tax rates for everyone and making that extension permanent. That's why I introduced H.R. 4270 which would lock in these lower tax rates indefinitely.

The important legislation before us today includes many beneficial provisions. For example, the agreement:

Prevents tax increases on every American who pays income taxes.

Eliminates job-killing tax increases on small businesses.

Provides relief from the estate tax for family owned businesses.

Preserves the $1,000 per child tax credit and marriage penalty relief.

Blocks higher taxes on capital gains and dividends.

Protects at least 21 million households, including 1.6 million in New Jersey, from being hit by the Alternative Minimum Tax (AMT) in 2010.

Provides a one-year payroll tax cut that is worth $1,400 for the average New Jersey household.

I must acknowledge that I am not pleased that this bill prevents a tax hike on higher income Americans and small businessmen and women, which would have taken effect on New Year's Day 2011, for only two years.

Our economy does not run on temporary, stop-gap half-measures. In order to invest and grow their companies for the future—creating private sector jobs and opportunities in the process—businesses of all sizes need predictability in the tax code. They need certainty in order to plan their operations and workforce expansion. In order to spur job creation, all the tax rates should be extended as far as the eye can see!

The non-partisan Congressional Budget Office estimates that fully extending the 2001 and 2003 tax rates would add between 600,000 and 1.4 million private sector jobs in 2011 and between 900,000 and 2.7 million jobs in 2012. In addition, lower tax rates on capital gains and dividends will boost capital investment and spur economic growth.

I also have strong reservations about some of the spending included in this bill and some of the so-called tax extensions.

For example, the package extends the federal Unemployment insurance (UI) Program for another 13 months and maintains the current cap of 99 weeks of total benefits.

I understand that people need a helping hand and strongly support aiding unemployed Americans. However, the President has insisted that the cost of extending benefits be added to the country's $14 trillion debt. We can do better than this. The fact is that we CAN help the long-term unemployed AND pay for it.

Likewise, we should object to certain so-called ''tax extenders'' such as the renewed subsidies for the production and use of corn ethanol. For yet another year, $6 billion will be extracted from U.S. taxpayers to prop up the struggling ethanol industry while diverting valuable corn supplies from other worthwhile uses.

Despite these and other reasons, I will support this bipartisan agreement. I recognize that a ''no'' vote on this bill represents a ''no'' vote on the U.S. economy.

It would be nothing short of a disaster to allow the largest tax increase in U.S. history to crush American families and small business in two short weeks.

Mr. Chair, the larger debate surrounding extension of the lower Bush tax rates underscores the need for Congress to act decisively in the New Year to support private sector job creation, reduce government spending, lower our dangerous public debt and enact permanent tax reform.

Mr. YARMUTH. Mr. Chair, when most people borrow money—and go into debt—it's either for survival or for an investment that will pay off in the future.

Borrowing $114 billion from China to give massive tax breaks to the wealthiest Americans meets neither of those goals.

Over the last ten years, while economic growth has stalled and middle class wages have stagnated, the wealthy have been doing just fine. In fact, two-thirds of all the income gains made in this country over the last ten years have gone to the wealthiest one percent. And the top one percent now owns more financial wealth than the bottom 90 percent.

They clearly don't need any more help to get ahead.

This $114 billion tax giveaway to the rich is not an investment in our economy.

Just look at what happened in the decade that followed the passage of these cuts in 2001.

Even if you exclude the beginning of the recession, we saw the slowest economic growth since World War 2: fewer jobs created, fewer businesses started, fewer dollars injected into our economy.

So where did all that money go? Into the bank accounts of the wealthiest few. When their taxes were cut, they banked three times as much money than before. More money was stashed away rather than—as some would have you believe—put into business expansion or job creation.

That's why the Congressional Budget Office ranked an extension of these tax breaks LAST among the options we have to help grow the economy and create jobs.

There are things in this proposal that are about survival, like an extension of unemployment insurance to help the families hit hardest by this recession. There are investments, like the tax credits that will help small businesses expand.

But unfortunately—and ultimately—the long-term costs of this bill are far more damaging to our nation than these short-term gains.

Borrowing money to give tax cuts to the rich—tax cuts that are more than most families make in a year—is unconscionable.

Economics shows this is a dead-end. History proves it would be disastrous. And basic morality dictates that our priorities should focus on making our economy work for EVERYONE—not just the wealthy few.

I urge my colleagues to join me in standing against this proposal and its unacceptable price and yield back the remainder of my time.

Mr. BISHOP of Georgia. Mr. Chair, our economy is still very weak: over 75 percent of American workers are living paycheck-to-paycheck. The unemployment rate stands at 9.8 percent, and over eight million Americans are subsisting on unemployment insurance benefits while they search for work. In Georgia alone, the unemployment rate is over 10 percent. 67,000 additional Georgians filed for unemployment insurance last month. Despite these sobering numbers, our nation is on a dangerous path toward the largest tax increase in over a decade if we do not approve this vital legislation before us today.

We must not let this happen. We must change course. Our nation's workers, retirees, businesses, and job-seekers simply cannot afford the crushing burden of new taxes in today's economy. Raising taxes in this economic environment would stifle investment, slow down job creation, and put severe financial strain on businesses and individuals.

This bipartisan legislation confronts this reality. It temporarily continues the Bush Tax Cuts for the benefit of all Americans. It provides a desperately needed extension of unemployment insurance benefits. It reduces the crushing burden of the estate tax on our nation's family farms and businesses. And it puts money back into the paychecks of America's workers.

I urge my colleagues to take action and vote to send this legislation to the President's desk. Now is the time to act. We owe it to our constituents and to our nation not to let their taxes go up on New Year's Day.

Mr. WAXMAN. Mr. Chair, I will vote for this tax package that is before us tonight.

While there is absolutely no reason to justify or defend the extension of the Bush tax cuts for wealthy Americans, and the unconscionable tax treatment of wealthy estates—both of which were insisted upon by the Republicans—those egregious giveaways to those who need or deserve it least are, in fact, more than balanced by generous support for tens of millions of households across the country.

I will vote for the Pomeroy amendment to restore the estate tax to sensible levels. There is no justification for massive estate tax relief for the Nation's 6,600 wealthiest families, at a cost of $25 billion to America's taxpayers.

Despite continuing the Bush tax cuts for those earning over $250,000 per year, and despite the estate tax provisions, this initiative, forged by President Obama, does a lot of good.

We are extending unemployment insurance for 13 more months. It is desperately needed by those who simply cannot find jobs after being out of work for months.

We are providing continued income tax rate relief for two years for the middle class.

The payroll tax holiday is an enormously progressive reform at a time when it is most needed to boost take home pay.

The extension of the child tax credit and the tuition tax credit in particular will greatly assist income security for American families. The green energy tax provisions will help create jobs and promote clean energy technology.

The bottom line is: This economy needs more jobs. We need to get unemployment down and growth up. Working Americans need more cash in their pockets. The economy needs a major jolt to go forward.

This package delivers on these urgent needs.

While I take no pride in any vote to give unearned financial rewards to the very wealthiest among us, I cannot in good conscience be party to legislative deadlock that means only one thing: millions of people cut off from unemployment insurance before Christmas, and a big tax hit on the middle class and working Americans as the new year begins. If we do not act, they will suffer grievously. That must not be permitted to happen.

I must point out that the fact that the tax cuts last only two years and will not be permanently extended is a major plus for me. When our economy recovers, our high priority to reduce the deficit will require us to both cut spending and raise revenues. I am pleased the President has pledged that he will not further extend or make permanent the upper income tax cuts.

I support the President's proposals, and urge my colleagues to join in supporting this legislation.

Mr. VISCLOSKY. Mr. Chair, I rise in strong opposition to H.R 4853, legislation based on the agreement between the White House and Congressional Republican leaders that calls for borrowing nearly $1 trillion over the next two years.

Further, I am appalled that the unemployed are being held hostage in order to ram the flawed measure through Congress. And I have yet to find the equity in extending tax cuts for 24 months, but the solvency of the unemployment fund for 13 months.

I oppose borrowing nearly 1 trillion over the next two years when we have a debt today of $13.8 trillion.

I oppose borrowing nearly $1 trillion over the next two years when our projected deficit for Fiscal Year 2011 is $1.1 trillion.

I oppose borrowing nearly $1 trillion over the next two years when we will pay $438 billion in interest on the national debt this year alone. I can't imagine what this figure will look like when interest rates inevitably head higher.

I oppose borrowing nearly $1 trillion over the next two years for an agreement that fundamentally weakens Social Security through a payroll tax "holiday." The holiday means we will be paying less money than anticipated into Social Security, thus reducing its solvency. In fairness, we're told that the government will "find" the money to make up the loss. Where?

But what's the big deal if this is only temporary? If the debate around the expiration of the Bush tax cuts has taught us anything, it is that, fair or not, a so-called "temporary" tax cut can be quickly re-characterized as an impending tax hike.

If Members of Congress and the President do not have the intestinal fortitude to make thoughtful, tough, permanent decisions today, do you think they will with Presidential and Congressional elections looming next December? I believe the decisions made this week will become permanent, fundamentally weakening our country.

I oppose borrowing nearly $1 trillion over the next two years because we have a desperate need for investment in our nation's roads, bridges, ports, railroads, and water services. Just three months ago, the infrastructure in the state of Indiana received a grade of D+ from the Indiana section of the American Society of Civil Engineers in a report that identified a need for billions of dollars in safety and service upgrades. Next year, because of this agreement, we'll be told we just don't have any money left to invest.

Not all the provisions in this agreement are bad. There are many good ones, including making a decision about estate taxes. But they are not all of equal merit. better approach would have been to examine each tax provision and approve those that encouraged savings and investment the most, then pay for them, and make them permanent.

But no, let's hold the unemployed hostage. Let's borrow nearly $1 trillion over the next 2 years. Let's reduce the solvency of Social Security. Let's further disinvest in our nation's intellectual and economic infrastructure.

Robin Hood stole from the rich for others. We're stealing from our children for ourselves. My first grade teacher, Sister Marlene, would be ashamed.

I urge my colleagues to oppose this measure.

Mr. CONYERS. Mr. Chair, I regret that I must rise in opposition to the Middle Class Tax Relief Act of 2010. Today's legislation is fiscally irresponsible and recklessly extends Bush era tax cuts for the rich, the millionaires and billionaires, and establishes an extremely low estate tax rate. However, I am supportive of efforts to extend unemployment benefits.

To add insult to injury, this bill includes not one, but two bailouts for the ultra wealthy. In addition to extending income tax cuts for the rich, this bill reduces the estate tax from 55 percent to 35 percent next year. This second bailout will give a gigantic tax giveaway to a few thousand of the richest families in the country and add hundreds of billions to the national debt.

I was also dismayed an increase to the debt ceiling was not included in today's proposal. Congress will have to vote to increase the debt ceiling next year. Many in this body would like to hold the debt ceiling vote hostage and demand massive spending cuts and or make the Bush tax cuts permanent in exchange for their votes. We need to show the American people that tax cuts for the wealthy are not free and that they add huge amounts to the national debt.

Just a few weeks ago, this chamber voted separately to extend both middle class tax cuts and unemployment benefits to those who lost their jobs through no fault of their own. While I agree that we need to protect the most vulnerable, the unemployed and working families who need every cent during this time of economic malaise, it is irresponsible to continue Bush era tax rates for wealthy Americans, which are neither justified nor needed, for the next two years. Furthermore, there is no empirical evidence that tax cuts for rich have helped the economy in any tangible way. The Act will steal hundreds of billions of dollars of needed revenue for America's fiscal future.

This compromise bill also includes a two percent employee-side payroll tax cut that I fear will weaken the Social Security trust fund. Today's proposal would deny over $120 billion each year to the Social Security fund and make it easier for conservatives to weaken Social Security's revenue streams in the future. I support giving working Americans extra cash in their pay check, but it should not be taken away from the Social Security trust fund.

Last week, I stated that this tax compromise was a fight for the heart and soul of the Democratic Party. Democrats have always stood for the workers, the disenfranchised, and those who are denied the opportunity to compete for the blessings of the American Dream because of their race, creed, religion, or class. I fear that passage of this bill tonight will tarnish this proud legacy of our party and cause the 98 percent of Americans without estates or astronomical personal wealth to question which party will fight for them. If this bill passes, each and every member of this body should look themselves in the mirror and consider what we have lost in the name of compromise. I encourage my colleagues to reject this flawed bill."

Mr. DINGELL. Mr. Chair, H.R. 4853 was negotiated in the dead of night, and I am outraged by the take-it-or-leave tactics employed to ram this legislation through the House, no less in a lame-duck session. This is not how good legislation is produced, and I am convinced we will feel the repercussions of this for years.

In considering H.R. 4853, the Middle Class Tax Relief Act of 2010, members of the House of Representatives confront the tragic choice of extending unemployment benefits and current middle-class tax rates at the price of enormous tax give-aways to millionaires and fat cats on Wall Street. At a time when American corporations are making record earnings and giving million-dollar holiday bonuses, we are extending tax cuts for the wealthiest two percent of Americans for two years but extending unemployment insurance for only 13 months. This greatly frustrates me, and I believe we must do more to help working families. Equally distressing is the fact that this lop-sided agreement hides another, more insidious provision that could promise to do future violence to the federal program upon which millions of senior citizens in this country rely for their very existence, namely Social Security.

I am somewhat comforted, however, that H.R. 4853 clearly mandates the shortfall in revenue to the Social Security Trust Fund caused by the bill's one-year payroll tax holiday be made whole with a transfer from the Treasury's General Fund. This measure is designed ostensibly to provide Americans with more take-home pay to spend or save as they see fit, but it earns only my hesitant backing for fear that Republicans will attempt to make this provision permanent when it expires next year. Such a move can only be seen as the first step leading to what my colleagues on the other side of the aisle want most: privatizing Social Security.

While I maintain my strong reservations about portions of this tax package that benefit only the wealthiest two percent of all Americans, my colleagues and I cannot in good conscience return to our districts without having secured an extension of unemployment benefits and existing tax rates for middle-class families so aggrieved by the current recession. The good people of the 15th District need the stability of assured unemployment benefits to help get them through this holiday season, giving them time until they find stable employment.

Now is one of the times when it is ultimately better for our government leaders to come together on common ground where it can be found, instead of letting the perfect be the enemy of the good enough. In this case, the government is taking real action to stimulate the economy and help those desperately in need. Democrats are making the choice to protect millions of Americans struggling to keep food on the table and keep the heat on while searching hard for a job. According to the Center for American Progress, the tax deal would save or create 2.2 million jobs through 2012. In Michigan, the importance of the unemployment extension cannot be overstated. In November 2011, almost 300,000 Michiganders will lose their unemployment benefits without federal action. These are real numbers, and this is real money that will have a positive impact on our economy at a time when it is desperately needed.

Absent a better choice, I will vote in favor of H.R. 4853. I do so as Dean of this House and the proud son of a man who helped pass the Social Security Act but demand my colleagues' sacred vow that this bill's payroll tax holiday never again be extended. To do so would be an indefensible assault on the economic and social progress achieved by generations of working-class Americans. I assure you, Madam Speaker and my colleagues on the other side of the aisle, I will do everything in power to make sure Social Security is protected from rascality and available for not only current recipients, but also their children and grandchildren.

Mr. BRALEY of Iowa. Mr. Chair, Americans spoke clearly on November second. Congress must get serious about reducing the deficit and become better stewards of their tax dollars. After endless talk throughout this session about fiscal responsibility, the looming threat of a growing deficit and forcing America's next generation into crushing debt to China—a so-called tax deal has been produced. Today this House will vote on a bill that will explode the deficit by $858 billion dollars.

While this package includes several programs I have proudly supported, I cannot support the underlying bill. As recently as last week I voted to give every American a tax cut by making the middle class tax cuts permanent for the millions of American families, consumers and small business owners who drive our economy. I have consistently voted to extend unemployment insurance to assist the families struggling in this difficult recession. I have voted to extend the Earned Income Tax Credit and Child Tax Credit to assist our nation's low-income families who have a difficult enough time making ends meet as it is. I have consistently voted in for ethanol and biodiesel tax credits that sustain the growth of our nation's renewable energy industry and support the jobs of thousands of my constituents in Iowa.

Those were some of the good things included in this deal. Unfortunately, the merits of these good things do not outweigh the bad things in this deal. I cannot justify mortgaging our children's futures to provide a Christmas bonanza to the privileged few. I refuse to support increasing the deficit by at least $81 billion to provide a tax break to the wealthiest persons in this country. I refuse to support a bill that would balloon the deficit by $23 billion to provide an average tax break of more than $1.5 million to only 6,600 families a year. And I unequivocally refuse to threaten the long-term viability of social security with a shell game to pay for diminished social security contributions.

I'm voting "no" on this bad deal because we cannot keep kicking the can down the road when it comes to difficult decisions about the deficit, especially with a package that threatens the financial stability of our nation. I urge my colleagues to join me in voting "no."

Ms. ZOE LOFGREN of California. Mr. Chair, I rise today to express my concerns regarding the Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010.

The American economy is slowly recovering from the worst recession we've seen since the Great Depression. While there has been some improvement, the economy is still fragile, and we need to ensure that our tax policy for the near future supports job growth if we are to continue on this path of recovery.

Unfortunately, the tax package that the Senate has sent us today does not support the creation of new jobs.

The United States is quickly being surpassed by other countries in infrastructure and clean energy investments. Rather than supporting tax policies to reverse this trend, the Senate's tax package focuses on tax cuts for the wealthiest in our population and old energy sources that do not present great possibilities for our future.

While the American Recovery and Reinvestment Act (ARRA) made important strides in closing that gap, this legislation is a step backwards. The Senate's tax package includes a one year extension of the Treasury Grant Program enacted in section 1603 of ARRA that allows renewable energy companies to receive a cash grant in lieu of either the production or investment tax credit. The Program was designed to allow renewable energy projects to continue while investor demands for tax credits lagged in a sluggish economy. Unfortunately, a one year extension is insufficient to ensure a steady stream of investment in renewable energy projects and may stall the momentum we've built in creating a strong, green economy.

Further, the tax package fails to include the Advanced Energy Manufacturing Tax Credit from ARRA, a program that was immensely useful. The tax credit was created to expand domestic clean energy manufacturing. America needs to rebuild its manufacturing base to compete in the global marketplace. The Manufacturing Tax Credit is crucial to laying a foundation for the United States to be a leader in the clean energy manufacturing industry.

The failure to extend these critical programs will have negative economic impact across the country and in my district in San Jose. As a Member from Silicon Valley, I represent many renewable energy and energy efficiency companies that are currently utilizing these credits to create jobs and stimulate the economy. By not including robust renewable energy programs as part of our tax policy, we are failing to invest in our economic future, and for that reason, I am unable to vote for the Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010.

Mr. JORDAN of Ohio. Mr. Chair, despite the clear message sent by the American people in November, the Obama Administration and the Pelosi Congress continue to borrow and spend like there is no tomorrow.

In another attempt to bring some fiscal responsibility back to this Congress, I submitted an amendment yesterday in the House Rules Committee that would seek $149 billion in cuts to offset the $95 billion in new spending in H.R. 4853, the so-called Middle Class Tax Relief Act of 2010.

While I am glad to see this bill temporarily stop the Democrats from raising the income tax rates of every American, I am disappointed that it includes a massive increase in the estate tax that will hurt the families, farmers and small business owners in my district and across America.

I am further disappointed that the new spending in this bill will add to the deficit, further burdening our children and grandchildren with debt that must be repaid. We cannot continue to grow our debt and by loading well-intentioned bills with billions of extra dollars in borrowing and spending.

My amendment would do what the American people are demanding we do: stop the out-of-control federal spending! By returning non-defense appropriations spending to FY 2008 levels, we will realize an immediate savings of $80 billion. By repealing the remaining stimulus funds, we save another $69 billion.

Tacking more spending on to bills is a hallmark of Washington politics. It has landed us in record-high debt. We must break away from this trap with a commitment to passing clean bills and eliminating excess waste.

Add at the end of the bill the following:

TITLE ___—APPROPRIATIONS AT LOWER PREVIOUS FISCAL YEAR LEVELS

That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of Government for fiscal year 2011, and for other purposes, namely:

SEC. ___. (a) The amounts provided in the appropriations Acts for fiscal year 2008 referred to in section 101 of division A of Public Law 110–329 and under the authority and conditions provided in such Acts for projects or activities (including the costs of direct loans and loan guarantees) that are not otherwise provided for, that were conducted in fiscal years 2008 and 2010, and for which appropriations, funds, or other authority were made available in such Acts.

(b) If the amount provided for a project or activity by subsection (a) would be higher than the amount provided in appropriation Acts for fiscal year 2010, such project or activity shall be funded at the lower such amount.

SEC. ___. There is hereby enacted into law the provisions of the following:

(1) The Department of Defense Appropriations Act, 2011, as reported in the 111th Congress by the Subcommittee on Defense of the Committee on Appropriations of the House of Representatives.

(2) The Department of Homeland Security Appropriations Act, 2011, as reported in the 111th Congress by the Subcommittee on Homeland Security of the Committee on Appropriations of the House of Representatives.

(3) The Military Construction and Veterans Affairs and Related Agencies Appropriations Act, 2011, as passed in the 111th Congress by the House of Representatives.

SEC. ___. Appropriations made by section ___ shall be available to the extent and in the manner that would be provided by the pertinent appropriations Act.

SEC. ___. Unless otherwise provided for in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this joint resolution shall be available through September 30, 2011.

SEC. ___. For entitlements and other mandatory payments whose budget authority was provided in appropriations Acts for fiscal year 2010, and for activities under the Food and Nutrition Act of 2008, activities shall be continued at the rate to maintain program levels under current law, under the authority and conditions provided in the applicable appropriations Act for fiscal year 2010, to be continued through the date specified in section 104.

SEC. ___. Funds appropriated by this joint resolution may be obligated and expended notwithstanding section 10 of Public Law 91–672 (22 U.S.C. 2412), section 15 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2680), section 313 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (22 U.S.C. 6212), and section 504(a)(1) of the National Security Act of 1947 (50 U.S.C. 414(a)(1)).

SEC. ___. None of the funds made available in this joint resolution may be used to carry out any program under, promulgate any regulation pursuant to, or defend against any lawsuit challenging any provision of, Public Law 111–148 or Public Law 111–152 or any amendment made by either such Public Law.

SEC. ___. None of the funds made available in this joint resolution may be used for a congressional earmark as defined in clause 9(e) of rule XXI of the Rules of the House of Representatives.

Further, add at the end of the bill the following:

TITLE ___—ARRA RESCISSION AND REPEALS

SEC. ___. ARRA RESCISSION AND REPEALS.

(a) RESCISSION.—Of the discretionary appropriations made available in division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111–5), all unobligated balances are rescinded.

(b) REPEALS.—Subtitles B and C of title II and titles III through VII of division B of the American Recovery and Reinvestment Act of 2009 (Public Law 111–5) are repealed.

Mr. STARK. Mr. Chair, I rise today to oppose H.R. 4853, the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010.

Santa Claus is arriving early for a handful of wealthy individuals and industries this year. Wall Street should be throwing a parade today. They can certainly afford one after the President failed to uphold one of his signature campaign promises of letting tax breaks for the rich expire as planned.

We hear a lot of hand wringing about the deficit, but this ''compromise'' extends all of the Bush tax cuts for the next 2 years, adding hundreds of billions to the deficit so that millionaires won't have to pay their fair share of taxes. It also includes billions of deficit financed tax favors to special interests. No one who votes for this package has any credibility left when talking about the deficit.

This bill is skewed toward the very wealthy. According to the Tax Policy Center, the biggest share of the tax cuts will go to the richest families, many with incomes of several million dollars. Households in the top 1 percent of income will see an average tax break that is higher than the annual income of nearly 80 percent of American families. The distribution of the tax savings is disproportionate and just unfair. The wealthiest 20 percent of taxpayers are going to get 60 percent of the tax savings from this extension.

The handouts to the ultra-rich will follow them to the grave. Thousands of millionaires will now be able to die with the confidence that their assets will not be impacted by the estate tax. Without Congressional action, the 44,000 wealthiest families would have paid the estate tax in 2011. Now that the administration has agreed to the most generous estate tax plan in recent history—a $5 million exemption and 35 percent rate—only the wealthiest 3,600 estates are expected to pay the estate tax in 2011. The theme here is clear: the rich will continue to hold more and more wealth and power in this country while the middle class is warned that it will have to accept cuts to Social Security and Medicare in order to balance the budget.

Every business interest imaginable will get their piece of the pie. The corn ethanol industry, which is already guaranteed a robust market by the federal government, will continue to be showered with subsidies to the tune of $6 billion a year. You would be mistaken if you think this handout helps farmers. It is actually paid to the oil companies that blend the ethanol—BP claimed over $500 million from the credit in 2008 alone. And the list goes on. Owners of NASCAR speedways will be able to accelerate their tax write-offs faster than other businesses, rum makers will get an extension of tariff rebates and Hollywood studios will get tax breaks when they produce movies and television shows.

There are good things for working families in this agreement, but they pale in comparison to the gifts to the upper class. Extended Unemployment Insurance benefits will be continued for 13 months and spare millions of Americans from losing their income, allowing them to keep food on their tables and a roof over their heads. Extending improvements made to the Earned Income Tax Credit and the Child Tax Credit made by the Recovery Act also makes sense and will help many families.

A payroll tax holiday will put money into the pockets of people who need it most, but I worry what this will mean for the future of Social Security. The provision also unfairly leaves out thousands of federal workers and teachers in my state of California. It is sad that we have to hand out several hundred billion dollars worth of benefits for millionaires just to find the votes to help working families make ends meet.

Two weeks ago I voted for the Middle Class Tax Relief Act of 2010 that would have extended tax cuts for middle class Americans. I also voted to extend Unemployment Benefits for working people. Those are the bills we should be sending to the President. But the legislation before us today is a colossus, burying those benefits for Americans struggling to keep a roof over their heads underneath billions in blatant handouts to the wealthiest taxpayers. I urge my colleagues to defeat this legislation.

Mr. PRICE of North Carolina. Mr. Chair, I rise in qualified support of this tax cut agreement. I do so only after carefully weighing its positive elements against its severe flaws and with a realistic sense of the dire consequences should the measure fail.

This conclusion says as much about the gamesmanship of our colleagues on the other side of the aisle—and, I'm afraid, about what we can expect in the next Congress—as it does about the contents of the legislation. No program or priority has been too sacred for House and Senate Republicans to hold hostage in their fervor to extend President Bush's tax cuts for the wealthiest Americans, regardless of how many hard-working families have had to suffer in the process. Programs that have always enjoyed strong bipartisan support—such as unemployment insurance and small business tax credits—have suddenly become ''Democratic'' priorities, fair game to be stonewalled by Republicans until they could squeeze every last concession out of this deal.

The disconnect between what they say and what they do should be painfully obvious to the American people. How does their support for tax cuts for millionaires and billionaires square with their stated priorities of balancing the budget and growing the economy? Spending $130 billion over the next 2 years alone on tax cuts for the richest 2 percent of Americans—without paying for a cent of it—is certainly a strange way to demonstrate their fiscal discipline. And it's also the least effective step we can take to spur the economy. If economic recovery were really the goal, they would have extended unemployment insurance the first chance they had, because nothing plows money back into the economy more effectively.

If this is where the Republican Party's true priorities lie, then I have never been prouder to be a Democrat. I have never been prouder to stand up for hard-working Americans who have lost their jobs and cannot find a new one by assuring them that their unemployment insurance will not expire. I have never been prouder to stand up for middle-class families who have seen their savings depleted and cannot afford to have their taxes raised during an economic downturn. To stand up for small businesses by giving them the certainty and support they need to grow and prosper. And to stand up for future generations by allowing expensive tax cuts that benefit only the wealthiest while doing nothing to stimulate the economy to expire on schedule, so that we can finally get back on track toward a balanced budget.

Two weeks ago, this House approved, with my strong support, a bill that would have done all of these things. This earlier version of the legislation before us today would have given all American families a permanent tax cut on the first $250,000 of their income, including capital gains and dividends; it would have extended AMT relief, the enhanced EITC, and the enhanced child tax credit; and it would have maintained critical expensing provisions to encourage small businesses to invest. Simply put, this bill would have provided tax relief to those who need it most, and with the maximum economic impact. Yet our Republican colleagues dismissed it as a ''symbolic'' vote.

Since then, the measure has been amended substantially to reflect the negotiations that have occurred between the White House and Congressional leaders. The result is a much more expansive package that has many positive elements but also major negative ones. It is also an expensive package, adding over $850 billion to the deficit over the next decade. This cost is only justifiable to the extent that the legislation is both effective as an economic stimulus and equitable in its benefits, and each of its provisions should be subjected to these criteria.

On the positive side, the measure will extend unemployment insurance through the end of next year. This is both a moral obligation and a sound economic decision: there is perhaps no greater return on our investment in the short run than to ensure that Americans who have lost their jobs and cannot find another one can continue to make ends meet. At the same time, they put almost all of this money back into the economy, maintaining aggregate demand for goods and services—in stark contrast to tax cuts for the wealthy.

The agreement maintains the historically low tax rates that lower- and middle-income Americans have enjoyed for the past decade for 2 more years. While doing so will not be cheap, we cannot afford to raise taxes on working families during the current downturn, and the stimulative impact of these extensions will be significant. It also extends several tax credits targeted directly at lower- and middle-income Americans, including the refundable child tax credit, the enhanced Earned Income Tax Credit, and important credits or deductions for child care, education, and other essential services. The fact that the child tax credit is refundable for low-income people whose income tax liability is limited will provide a particularly important boost to them and to our economic recovery.

In addition, the package offers critical relief to small businesses, including an extension of the bonus depreciation provision included in the Recovery Act, a 2-year extension of the Research and Development tax credit so critical to the Research Triangle, and several important renewable energy incentives. These and other provisions will provide business owners with the stability and support they need to expand their operations, hire new workers, and continue the economic recovery.

Finally, the legislation includes a payroll tax holiday that will result in a lower tax burden for all American workers next year. Some respected advocates, in North Carolina and elsewhere, have argued that this provision could in fact hurt lower-income workers, compared to the Making Work Pay tax credit that expires this year. Some have also claimed that this provision would threaten Social Security by temporarily reducing payments to the Social Security trust fund.

To be clear, if I had my choice I would prefer to be voting for an extension of Making Work Pay instead of a payroll tax holiday—but that is not the choice we face today. The choice is between a payroll tax holiday and nothing, and the simple fact is that if we do nothing, then lower-income workers will be much worse off than they are now: their income taxes will be higher; they will lose the many other benefits this bill provides, such as enhanced EITC; and they won't receive any form of payroll tax relief. Moreover, because the benefits of a payroll tax holiday will be more broadly shared, the stimulative impact of a payroll tax holiday will be more broadly felt. And as for its impact on Social Security, both the President and the AARP have assured us that the diversion of funds will be both temporary and repaid in full. There are reasons to be concerned about threats to Social Security's future, but this should not be one of them.

Now, these positive elements must be weighed carefully against the major concessions that were made to Republicans during the negotiations that produced this bill. I am referring, of course, to the extension of the Bush tax cuts on income over $250,000, which will add over $100 billion to the deficit over the next 2 years while doing almost nothing to stimulate the economy. This is not simply my personal opinion or the view of the Democratic Party: it is a fact confirmed by the Congressional Budget Office and any number of respected economists, and well understood by the American people. As I have already stated, the fact that the Republican leadership held this entire package hostage so that millionaires could get an average tax break of $100,000 per year tells us exactly where their true priorities lie: Tax cuts for the wealthy are clearly the "holy grail" of their economic policy, to which all other policy outcomes are subjugated.

I am equally disappointed by the inclusion of an estate tax proposal that is little more than a gratuitous giveaway to some 6,600 wealthy families. We hear a lot of dire warnings about the impact of the estate tax on small farmers and business owners, but even to the extent that they would be affected, the compromise estate tax proposal passed by the House last December was more than sufficient to protect them. Now, we are considering a proposal that costs $23 billion more than the 2009 proposal and will have no economic impact at all aside from letting a few thousand millionaires and billionaires keep even more of their inherited wealth—an average windfall of $3.5 million per family.

As the details of these provisions have become known, I have actively engaged in discussions here and at home, doing everything within my power to oppose the inclusion of giveaways to the wealthiest Americans in the package. I have joined my colleagues in sending two separate letters to the House leadership opposing the inclusion of upper-income tax cuts and a third letter arguing against the gratuitous estate tax provision, and last week I voted for the House's middle class tax cut package which omitted these giveaways. I have also signed several letters arguing for a more sensible package of energy incentives in the legislation, including a reduction of the ethanol credit that was added by the Senate at the last minute. I was a strong supporter of the 2009 estate tax compromise offered by Representative EARL POMEROY, which unfortunately failed to pass the Senate, and I will be voting for it again tonight.

While I am deeply disappointed that these efforts have not been more successful, we are now called upon to evaluate this package as it is, not as we would like it to be. The bottom line is that the positive impact of this package for working- and middle-class Americans and our economic recovery outweighs its negative impact on the deficit and its unjust giveaways to the wealthy.

We must also consider the consequences of failing to enact this legislation today. Deferring action on these expiring tax provisions until next year would not only create chaos for American taxpayers; it would also likely result in a package that is nowhere near as generous or as equitable, given the extreme views of the incoming Republican majority on many of its provisions. Republicans leaders openly state that their chief concern in the 112th Congress is not economic recovery, not putting Americans back to work, but ensuring President Obama is a one-term President. While their stated goals may be grossly misguided and narrow, mine will not be. Scuttling this package would mean foregoing what will likely be our last opportunity to provide any stimulus to the economy, given that the Republicans have made clear their opposition to additional aid to states, infrastructure investments, and other countercyclical programs. The need to maintain demand and stimulate growth has not fully abated—this economy is not yet out of the woods. The question is not whether the package before us is the most effective one conceivable—it is not—but whether we will do anything to keep the recovery going before the next Congress shuts the door entirely.

Under these circumstances, I support this legislation despite its flaws. I cannot in good conscience cast a "no" vote that, were it to prevail, would expose working Americans to tax increases and end the EITC and child credit provisions that have benefitted so many people. I cannot in good conscience cast a vote that would rip away the safety net for those not yet able to find work, and in the process hobble an economic recovery. We risk all of these if this bill fails. Our good conscience also causes us to question this bill's violations of tax fairness and fiscal prudence; I have worked and will continue to work to change these things. But tonight we must vote while we have the chance to do so, and on the only vehicle available to us, to protect the vast majority of our constituents and to bring this economy back to health.

The Acting CHAIR. All time for general debate has expired.

Pursuant to the rule, the Senate amendment shall be considered for amendment under the 5-minute rule.

The Clerk will designate the Senate amendment.

The text of the amendment is as follows:

Senate amendment:

In lieu of the matter proposed to be inserted, insert the following:

SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the "Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

TITLE I—TEMPORARY EXTENSION OF TAX RELIEF

SEC. 101. TEMPORARY EXTENSION OF 2001 TAX RELIEF.

(a) TEMPORARY EXTENSION.—

(1) IN GENERAL.—Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking ''December 31, 2010'' both places it appears and inserting ''December 31, 2012''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect as if included in the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001.

(b) SEPARATE SUNSET FOR EXPANSION OF ADOPTION BENEFITS UNDER THE PATIENT PROTECTION AND AFFORDABLE CARE ACT.—

(1) IN GENERAL.—Subsection (c) of section 10909 of the Patient Protection and Affordable Care Act is amended to read as follows:

''(c) SUNSET PROVISION.—Each provision of law amended by this section is amended to read as such provision would read if this section had never been enacted. The amendments made by the preceding sentence shall apply to taxable years beginning after December 31, 2011.''.

(2) CONFORMING AMENDMENT.—Subsection (d) of section 10909 of such Act is amended by striking ''The amendments'' and inserting ''Except as provided in subsection (c), the amendments''.

SEC. 102. TEMPORARY EXTENSION OF 2003 TAX RELIEF.

(a) IN GENERAL.—Section 303 of the Jobs and Growth Tax Relief Reconciliation Act of 2003 is amended by striking ''December 31, 2010'' and inserting ''December 31, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the enactment of the Jobs and Growth Tax Relief Reconciliation Act of 2003.

SEC. 103. TEMPORARY EXTENSION OF 2009 TAX RELIEF.

(a) AMERICAN OPPORTUNITY TAX CREDIT.—

(1) IN GENERAL.—Section 25A(i) is amended by striking ''or 2010'' and inserting '', 2010, 2011, or 2012''.

(2) TREATMENT OF POSSESSIONS.—Section 1004(c)(1) of the American Recovery and Reinvestment Tax Act of 2009 is amended by striking ''and 2010'' each place it appears and inserting '', 2010, 2011, and 2012''.

(b) CHILD TAX CREDIT.—Section 24(d)(4) is amended—

(1) by striking ''2009 AND 2010'' in the heading and inserting ''2009, 2010, 2011, AND 2012'', and

(2) by striking ''or 2010'' and inserting '', 2010, 2011, or 2012''.

(c) EARNED INCOME TAX CREDIT.—Section 32(b)(3) is amended—

(1) by striking ''2009 AND 2010'' in the heading and inserting ''2009, 2010, 2011, AND 2012'', and

(2) by striking ''or 2010'' and inserting '', 2010, 2011, or 2012''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2010.

TITLE II—TEMPORARY EXTENSION OF INDIVIDUAL AMT RELIEF

SEC. 201. TEMPORARY EXTENSION OF INCREASED ALTERNATIVE MINIMUM TAX EXEMPTION AMOUNT.

(a) IN GENERAL.—Paragraph (1) of section 55(d) is amended—

(1) by striking ''$70,950'' and all that follows through ''2009'' in subparagraph (A) and inserting ''$72,450 in the case of taxable years beginning in 2010 and $74,450 in the case of taxable years beginning in 2011'', and

(2) by striking ''$46,700'' and all that follows through ''2009'' in subparagraph (B) and inserting ''$47,450 in the case of taxable years beginning in 2010 and $48,450 in the case of taxable years beginning in 2011''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

(c) REPEAL OF EGTRRA SUNSET.—Title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 (relating to sunset of provisions of such Act) shall not apply to title VII of such Act (relating to alternative minimum tax).

SEC. 202. TEMPORARY EXTENSION OF ALTERNATIVE MINIMUM TAX RELIEF FOR NONREFUNDABLE PERSONAL CREDITS.

(a) IN GENERAL.—Paragraph (2) of section 26(a) is amended—

(1) by striking ''or 2009'' and inserting ''2009, 2010, or 2011'', and

(2) by striking ''2009'' in the heading thereof and inserting ''2011''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

TITLE III—TEMPORARY ESTATE TAX RELIEF

SEC. 301. REINSTATEMENT OF ESTATE TAX; REPEAL OF CARRYOVER BASIS.

(a) IN GENERAL.—Each provision of law amended by subtitle A or E of title V of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended to read as such provision would read if such subtitle had never been enacted.

(b) CONFORMING AMENDMENT.—On and after January 1, 2011, paragraph (1) of section 2505(a) of the Internal Revenue Code of 1986 is amended to read as such paragraph would read if section 521(b)(2) of the Economic Growth and Tax Relief Reconciliation Act of 2001 had never been enacted.

(c) SPECIAL ELECTION WITH RESPECT TO ESTATES OF DECEDENTS DYING IN 2010.—Notwithstanding subsection (a), in the case of an estate of a decedent dying after December 31, 2009, and before January 1, 2011, the executor (within the meaning of section 2203 of the Internal Revenue Code of 1986) may elect to apply such Code as though the amendments made by subsection (a) do not apply with respect to chapter 11 of such Code and with respect to property acquired or passing from such decedent (within the meaning of section 1014(b) of such Code). Such election shall be made at such time and in such manner as the Secretary of the Treasury or the Secretary's delegate shall provide. Such an election once made shall be revocable only with the consent of the Secretary of the Treasury or the Secretary's delegate. For purposes of section 2652(a)(1) of such Code, the determination of whether any property is subject to the tax imposed by such chapter 11 shall be made without regard to any election made under this subsection.

(d) EXTENSION OF TIME FOR PERFORMING CERTAIN ACTS.—

(1) ESTATE TAX.—In the case of the estate of a decedent dying after December 31, 2009, and before the date of the enactment of this Act, the due date for—

(A) filing any return under section 6018 of the Internal Revenue Code of 1986 (including any election required to be made on such a return) as such section is in effect after the date of the enactment of this Act without regard to any election under subsection (c),

(B) making any payment of tax under chapter 11 of such Code, and

(C) making any disclaimer described in section 2518(b) of such Code of an interest in property passing by reason of the death of such decedent, shall not be earlier than the date which is 9 months after the date of the enactment of this Act.

(2) GENERATION-SKIPPING TAX.—In the case of any generation-skipping transfer made after December 31, 2009, and before the date of the enactment of this Act, the due date for filing any return under section 2662 of the Internal Revenue Code of 1986 (including any election required to be made on such a return) shall not be earlier than the date which is 9 months after the date of the enactment of this Act.

(e) EFFECTIVE DATE.—Except as otherwise provided in this section, the amendments made by this section shall apply to estates of decedents dying, and transfers made, after December 31, 2009.

SEC. 302. MODIFICATIONS TO ESTATE, GIFT, AND GENERATION-SKIPPING TRANSFER TAXES.

(a) MODIFICATIONS TO ESTATE TAX.—

(1) $5,000,000 APPLICABLE EXCLUSION AMOUNT.—Subsection (c) of section 2010 is amended to read as follows:

''(c) APPLICABLE CREDIT AMOUNT.—

''(1) IN GENERAL.—For purposes of this section, the applicable credit amount is the amount of the tentative tax which would be determined under section 2001(c) if the amount with respect to which such tentative tax is to be computed were equal to the applicable exclusion amount.

''(2) APPLICABLE EXCLUSION AMOUNT.—

''(A) IN GENERAL.—For purposes of this subsection, the applicable exclusion amount is $5,000,000.

''(B) INFLATION ADJUSTMENT.—In the case of any decedent dying in a calendar year after 2011, the dollar amount in subparagraph (A) shall be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2010' for 'calendar year 1992' in subparagraph (B) thereof.

If any amount as adjusted under the preceding sentence is not a multiple of $10,000, such amount shall be rounded to the nearest multiple of $10,000.''.

(2) MAXIMUM ESTATE TAX RATE EQUAL TO 35 PERCENT.—Subsection (c) of section 2001 is amended—

(A) by striking ''Over $500,000'' and all that follows in the table contained in paragraph (1) and inserting the following:

''Over $500,000.	*$155,800, plus 35 percent of the excess of such amount over $500,000.'',*

(B) by striking ''(1) IN GENERAL.—'', and

(C) by striking paragraph (2).

(b) MODIFICATIONS TO GIFT TAX.—

(1) RESTORATION OF UNIFIED CREDIT AGAINST GIFT TAX.—

(A) IN GENERAL.—Paragraph (1) of section 2505(a), after the application of section 301(b), is amended by striking ''(determined as if the applicable exclusion amount were $1,000,000)''.

(B) EFFECTIVE DATE.—The amendment made by this paragraph shall apply to gifts made after December 31, 2010.

(2) MODIFICATION OF GIFT TAX RATE.—On and after January 1, 2011, subsection (a) of section 2502 is amended to read as such subsection would read if section 511(d) of the Economic Growth and Tax Relief Reconciliation Act of 2001 had never been enacted.

(c) MODIFICATION OF GENERATION-SKIPPING TRANSFER TAX.—In the case of any generation-skipping transfer made after December 31, 2009, and before January 1, 2011, the applicable rate determined under section 2641(a) of the Internal Revenue Code of 1986 shall be zero.

(d) MODIFICATIONS OF ESTATE AND GIFT TAXES TO REFLECT DIFFERENCES IN CREDIT RESULTING FROM DIFFERENT TAX RATES.—

(1) ESTATE TAX.—

(A) IN GENERAL.—Section 2001(b)(2) is amended by striking ''if the provisions of subsection (c) (as in effect at the decedent's death)'' and inserting ''if the modifications described in subsection (g)''.

(B) MODIFICATIONS.—Section 2001 is amended by adding at the end the following new subsection:

''(g) MODIFICATIONS TO GIFT TAX PAYABLE TO REFLECT DIFFERENT TAX RATES.—For purposes of applying subsection (b)(2) with respect to 1 or more gifts, the rates of tax under subsection (c) in effect at the decedent's death shall, in lieu of the rates of tax in effect at the time of such gifts, be used both to compute—

''(1) the tax imposed by chapter 12 with respect to such gifts, and

''(2) the credit allowed against such tax under section 2505, including in computing—

''(A) the applicable credit amount under section 2505(a)(1), and

''(B) the sum of the amounts allowed as a credit for all preceding periods under section 2505(a)(2).''.

(2) GIFT TAX.—Section 2505(a) is amended by adding at the end the following new flush sentence:

''For purposes of applying paragraph (2) for any calendar year, the rates of tax in effect under section 2502(a)(2) for such calendar year shall, in lieu of the rates of tax in effect for preceding calendar periods, be used in determining the amounts allowable as a credit under this section for all preceding calendar periods.''.

(e) CONFORMING AMENDMENT.—Section 2511 is amended by striking subsection (c).

(f) EFFECTIVE DATE.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to estates of decedents dying, generation-skipping transfers, and gifts made, after December 31, 2009.

SEC. 303. APPLICABLE EXCLUSION AMOUNT INCREASED BY UNUSED EXCLUSION AMOUNT OF DECEASED SPOUSE.

(a) IN GENERAL.—Section 2010(c), as amended by section 302(a), is amended by striking paragraph (2) and inserting the following new paragraphs:

''(2) APPLICABLE EXCLUSION AMOUNT.—For purposes of this subsection, the applicable exclusion amount is the sum of—

''(A) the basic exclusion amount, and

''(B) in the case of a surviving spouse, the deceased spousal unused exclusion amount.

''(3) BASIC EXCLUSION AMOUNT.—

''(A) IN GENERAL.—For purposes of this subsection, the basic exclusion amount is $5,000,000.

''(B) INFLATION ADJUSTMENT.—In the case of any decedent dying in a calendar year after 2011, the dollar amount in subparagraph (A) shall be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2010' for 'calendar year 1992' in subparagraph (B) thereof.

If any amount as adjusted under the preceding sentence is not a multiple of $10,000, such amount shall be rounded to the nearest multiple of $10,000.

''(4) DECEASED SPOUSAL UNUSED EXCLUSION AMOUNT.—For purposes of this subsection, with respect to a surviving spouse of a deceased spouse dying after December 31, 2010, the term 'deceased spousal unused exclusion amount' means the lesser of—

''(A) the basic exclusion amount, or

''(B) the excess of—

''(i) the basic exclusion amount of the last such deceased spouse of such surviving spouse, over

''(ii) the amount with respect to which the tentative tax is determined under section 2001(b)(1) on the estate of such deceased spouse.

''(5) SPECIAL RULES.—

''(A) ELECTION REQUIRED.—A deceased spousal unused exclusion amount may not be taken into account by a surviving spouse under paragraph (2) unless the executor of the estate of the deceased spouse files an estate tax return on which such amount is computed and makes an election on such return that such amount may be so taken into account. Such election, once made, shall be irrevocable. No election may be made under this subparagraph if such return is filed after the time prescribed by law (including extensions) for filing such return.

''(B) EXAMINATION OF PRIOR RETURNS AFTER EXPIRATION OF PERIOD OF LIMITATIONS WITH RESPECT TO DECEASED SPOUSAL UNUSED EXCLUSION AMOUNT.—Notwithstanding any period of limitation in section 6501, after the time has expired under section 6501 within which a tax may be assessed under chapter 11 or 12 with respect to a deceased spousal unused exclusion amount, the Secretary may examine a return of the deceased spouse to make determinations with respect to such amount for purposes of carrying out this subsection.

''(6) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out this subsection.''.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 2505(a), as amended by section 302(b)(1), is amended to read as follows:

''(1) the applicable credit amount in effect under section 2010(c) which would apply if the donor died as of the end of the calendar year, reduced by''.

(2) Section 2631(c) is amended by striking ''the applicable exclusion amount'' and inserting ''the basic exclusion amount''.

(3) Section 6018(a)(1) is amended by striking ''applicable exclusion amount'' and inserting ''basic exclusion amount''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to estates of decedents dying and gifts made after December 31, 2010.

(2) CONFORMING AMENDMENT RELATING TO GENERATION-SKIPPING TRANSFERS.—The amendment made by subsection (b)(2) shall apply to generation-skipping transfers after December 31, 2010.

SEC. 304. APPLICATION OF EGTRRA SUNSET TO THIS TITLE.

Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall apply to the amendments made by this title.

TITLE IV—TEMPORARY EXTENSION OF INVESTMENT INCENTIVES

SEC. 401. EXTENSION OF BONUS DEPRECIATION; TEMPORARY 100 PERCENT EXPENSING FOR CERTAIN BUSINESS ASSETS.

(a) IN GENERAL.—Paragraph (2) of section 168(k) is amended—

(1) by striking ''January 1, 2012'' in subparagraph (A)(iv) and inserting ''January 1, 2014'', and

(2) by striking ''January 1, 2011'' each place it appears and inserting ''January 1, 2013''.

(b) TEMPORARY 100 PERCENT EXPENSING.—Subsection (k) of section 168 is amended by adding at the end the following new paragraph:

''(5) SPECIAL RULE FOR PROPERTY ACQUIRED DURING CERTAIN PRE-2012 PERIODS.—In the case of qualified property acquired by the taxpayer (under rules similar to the rules of clauses (ii)

and (iii) of paragraph (2)(A)) after September 8, 2010, and before January 1, 2012, and which is placed in service by the taxpayer before January 1, 2012 (January 1, 2013, in the case of property described in subparagraph (2)(B) or (2)(C)), paragraph (1)(A) shall be applied by substituting '100 percent' for '50 percent'.''.

(c) EXTENSION OF ELECTION TO ACCELERATE THE AMT CREDIT IN LIEU OF BONUS DEPRECIATION.—

(1) EXTENSION.—Clause (iii) of section 168(k)(4)(D) is amended by striking ''or production'' and all that follows and inserting ''or production—

''(I) after March 31, 2008, and before January 1, 2010, and

''(II) after December 31, 2010, and before January 1, 2013,

shall be taken into account under subparagraph (B)(ii) thereof,''.

(2) RULES FOR ROUND 2 EXTENSION PROPERTY.—Paragraph (4) of section 168(k) is amended by adding at the end the following new subparagraph:

''(I) SPECIAL RULES FOR ROUND 2 EXTENSION PROPERTY.—

''(i) IN GENERAL.—In the case of round 2 extension property, this paragraph shall be applied without regard to—

''(I) the limitation described in subparagraph (B)(i) thereof, and

''(II) the business credit increase amount under subparagraph (E)(iii) thereof.

''(ii) TAXPAYERS PREVIOUSLY ELECTING ACCELERATION.—In the case of a taxpayer who made the election under subparagraph (A) for its first taxable year ending after March 31, 2008, or a taxpayer who made the election under subparagraph (H)(ii) for its first taxable year ending after December 31, 2008—

''(I) the taxpayer may elect not to have this paragraph apply to round 2 extension property, but

''(II) if the taxpayer does not make the election under subclause (I), in applying this paragraph to the taxpayer the bonus depreciation amount, maximum amount, and maximum increase amount shall be computed and applied to eligible qualified property which is round 2 extension property.

The amounts described in subclause (II) shall be computed separately from any amounts computed with respect to eligible qualified property which is not round 2 extension property.

''(iii) TAXPAYERS NOT PREVIOUSLY ELECTING ACCELERATION.—In the case of a taxpayer who neither made the election under subparagraph (A) for its first taxable year ending after March 31, 2008, nor made the election under subparagraph (H)(ii) for its first taxable year ending after December 31, 2008—

''(I) the taxpayer may elect to have this paragraph apply to its first taxable year ending after December 31, 2010, and each subsequent taxable year, and

''(II) if the taxpayer makes the election under subclause (I), this paragraph shall only apply to eligible qualified property which is round 2 extension property.

''(iv) ROUND 2 EXTENSION PROPERTY.—For purposes of this subparagraph, the term 'round 2 extension property' means property which is eligible qualified property solely by reason of the extension of the application of the special allowance under paragraph (1) pursuant to the amendments made by section 401(a) of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (and the application of such extension to this paragraph pursuant to the amendment made by section 401(c)(1) of such Act).''.

(d) CONFORMING AMENDMENTS.—

(1) The heading for subsection (k) of section 168 is amended by striking ''JANUARY 1, 2011'' and inserting ''JANUARY 1, 2013''.

(2) The heading for clause (ii) of section 168(k)(2)(B) is amended by striking ''PRE-JANUARY 1, 2011'' and inserting ''PRE-JANUARY 1, 2013''.

(3) Subparagraph (D) of section 168(k)(4) is amended—

(A) by striking clauses (iv) and (v),

(B) by inserting ''and'' at the end of clause (ii), and

(C) by striking the comma at the end of clause (iii) and inserting a period.

(4) Paragraph (5) of section 168(l) is amended—

(A) by inserting ''and'' at the end of subparagraph (A),

(B) by striking subparagraph (B), and

(C) by redesignating subparagraph (C) as subparagraph (B).

(5) Subparagraph (C) of section 168(n)(2) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2013''.

(6) Subparagraph (D) of section 1400L(b)(2) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2013''.

(7) Subparagraph (B) of section 1400N(d)(3) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2013''.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to property placed in service after December 31, 2010, in taxable years ending after such date.

(2) TEMPORARY 100 PERCENT EXPENSING.—The amendment made by subsection (b) shall apply to property placed in service after September 8, 2010, in taxable years ending after such date.

SEC. 402. TEMPORARY EXTENSION OF INCREASED SMALL BUSINESS EXPENSING.

(a) DOLLAR LIMITATION.—Section 179(b)(1) is amended by striking ''and'' at the end of subparagraph (B) and by striking subparagraph (C) and inserting the following new subparagraphs:

''(C) $125,000 in the case of taxable years beginning in 2012, and

''(D) $25,000 in the case of taxable years beginning after 2012.''.

(b) REDUCTION IN LIMITATION.—Section 179(b)(2) is amended by striking ''and'' at the end of subparagraph (B) and by striking subparagraph (C) and inserting the following new subparagraphs:

''(C) $500,000 in the case of taxable years beginning in 2012, and

''(D) $200,000 in the case of taxable years beginning after 2012.''.

(c) INFLATION ADJUSTMENT.—Subsection (b) of section 179 is amended by adding at the end the following new paragraph:

''(6) INFLATION ADJUSTMENT.—

''(A) IN GENERAL.—In the case of any taxable year beginning in calendar year 2012, the $125,000 and $500,000 amounts in paragraphs (1)(C) and (2)(C) shall each be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, by substituting 'calendar year 2006' for 'calendar year 1992' in subparagraph (B) thereof.

''(B) ROUNDING.—

''(i) DOLLAR LIMITATION.—If the amount in paragraph (1) as increased under subparagraph (A) is not a multiple of $1,000, such amount shall be rounded to the nearest multiple of $1,000.

''(ii) PHASEOUT AMOUNT.—If the amount in paragraph (2) as increased under subparagraph (A) is not a multiple of $10,000, such amount shall be rounded to the nearest multiple of $10,000.''.

(d) COMPUTER SOFTWARE.—Section 179(d)(1)(A)(ii) is amended by striking ''2012'' and inserting ''2013''.

(e) CONFORMING AMENDMENT.—Section 179(c)(2) is amended by striking ''2012'' and inserting ''2013''.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2011.

TITLE V—TEMPORARY EXTENSION OF UNEMPLOYMENT INSURANCE AND RELATED MATTERS

SEC. 501. TEMPORARY EXTENSION OF UNEMPLOYMENT INSURANCE PROVISIONS.

(a) IN GENERAL.—(1) Section 4007 of the Supplemental Appropriations Act, 2008 (Public Law 110–252; 26 U.S.C. 3304 note) is amended—

(A) by striking ''November 30, 2010'' each place it appears and inserting ''January 3, 2012'';

(B) in the heading for subsection (b)(2), by striking ''NOVEMBER 30, 2010'' and inserting ''JANUARY 3, 2012''; and

(C) in subsection (b)(3), by striking ''April 30, 2011'' and inserting ''June 9, 2012''.

(2) Section 2005 of the Assistance for Unemployed Workers and Struggling Families Act, as contained in Public Law 111–5 (26 U.S.C. 3304 note; 123 Stat. 444), is amended—

(A) by striking ''December 1, 2010'' each place it appears and inserting ''January 4, 2012''; and

(B) in subsection (c), by striking ''May 1, 2011'' and inserting ''June 11, 2012''.

(3) Section 5 of the Unemployment Compensation Extension Act of 2008 (Public Law 110–449; 26 U.S.C. 3304 note) is amended by striking ''April 30, 2011'' and inserting ''June 10, 2012''.

(b) FUNDING.—Section 4004(e)(1) of the Supplemental Appropriations Act, 2008 (Public Law 110–252; 26 U.S.C. 3304 note) is amended—

(1) in subparagraph (E), by striking ''and'' at the end; and

(2) by inserting after subparagraph (F) the following:

''(G) the amendments made by section 501(a)(1) of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010; and''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of the Unemployment Compensation Extension Act of 2010 (Public Law 111–205).

SEC. 502. TEMPORARY MODIFICATION OF INDICATORS UNDER THE EXTENDED BENEFIT PROGRAM.

(a) INDICATOR.—Section 203(d) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note) is amended, in the flush matter following paragraph (2), by inserting after the first sentence the following sentence: ''Effective with respect to compensation for weeks of unemployment beginning after the date of enactment of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (or, if later, the date established pursuant to State law), and ending on or before December 31, 2011, the State may by law provide that the determination of whether there has been a state 'on' or 'off' indicator beginning or ending any extended benefit period shall be made under this subsection as if the word 'two' were 'three' in subparagraph (1)(A).''.

(b) ALTERNATIVE TRIGGER.—Section 203(f) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note) is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1) the following new paragraph:

''(2) Effective with respect to compensation for weeks of unemployment beginning after the date of enactment of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (or, if later, the date established pursuant to State law), and ending on or before December 31, 2011, the State may by law provide that the determination of whether there has been a state 'on' or 'off' indicator beginning or ending any extended benefit period shall be made under this subsection as if the word 'either' were 'any', the word ''both'' were 'all', and the figure '2' were '3' in clause (1)(A)(ii).''.

SEC. 503. TECHNICAL AMENDMENT RELATING TO COLLECTION OF UNEMPLOYMENT COMPENSATION DEBTS.

(a) IN GENERAL.—Section 6402(f)(3)(C), as amended by section 801 of the Claims Resolution

Act of 2010, is amended by striking ''is not a covered unemployment compensation debt'' and inserting ''is a covered unemployment compensation debt''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in section 801 of the Claims Resolution Act of 2010.

SEC. 504. TECHNICAL CORRECTION RELATING TO REPEAL OF CONTINUED DUMPING AND SUBSIDY OFFSET.

(a) IN GENERAL.—Section 822(2)(A) of the Claims Resolution Act of 2010 is amended by striking ''or'' and inserting ''and''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the provisions of the Claims Resolution Act of 2010.

SEC. 505. ADDITIONAL EXTENDED UNEMPLOYMENT BENEFITS UNDER THE RAILROAD UNEMPLOYMENT INSURANCE ACT.

(a) EXTENSION.—Section 2(c)(2)(D)(iii) of the Railroad Unemployment Insurance Act, as added by section 2006 of the American Recovery and Reinvestment Act of 2009 (Public Law 111–5) and as amended by section 9 of the Worker, Homeownership, and Business Assistance Act of 2009 (Public Law 111–92), is amended—

(1) by striking ''June 30, 2010'' and inserting ''June 30, 2011''; and

(2) by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(b) CLARIFICATION ON AUTHORITY TO USE FUNDS.—Funds appropriated under either the first or second sentence of clause (iv) of section 2(c)(2)(D) of the Railroad Unemployment Insurance Act shall be available to cover the cost of additional extended unemployment benefits provided under such section 2(c)(2)(D) by reason of the amendments made by subsection (a) as well as to cover the cost of such benefits provided under such section 2(c)(2)(D), as in effect on the day before the date of the enactment of this Act.

TITLE VI—TEMPORARY EMPLOYEE PAYROLL TAX CUT

SEC. 601. TEMPORARY EMPLOYEE PAYROLL TAX CUT.

(a) IN GENERAL.—Notwithstanding any other provision of law—

(1) with respect to any taxable year which begins in the payroll tax holiday period, the rate of tax under section 1401(a) of the Internal Revenue Code of 1986 shall be 10.40 percent, and

(2) with respect to remuneration received during the payroll tax holiday period, the rate of tax under 3101(a) of such Code shall be 4.2 percent (including for purposes of determining the applicable percentage under sections 3201(a) and 3211(a)(1) of such Code).

(b) COORDINATION WITH DEDUCTIONS FOR EMPLOYMENT TAXES.—

(1) DEDUCTION IN COMPUTING NET EARNINGS FROM SELF-EMPLOYMENT.—For purposes of applying section 1402(a)(12) of the Internal Revenue Code of 1986, the rate of tax imposed by subsection 1401(a) of such Code shall be determined without regard to the reduction in such rate under this section.

(2) INDIVIDUAL DEDUCTION.—In the case of the taxes imposed by section 1401 of such Code for any taxable year which begins in the payroll tax holiday period, the deduction under section 164(f) with respect to such taxes shall be equal to the sum of—

(A) 59.6 percent of the portion of such taxes attributable to the tax imposed by section 1401(a) (determined after the application of this section), plus

(B) one-half of the portion of such taxes attributable to the tax imposed by section 1401(b).

(c) PAYROLL TAX HOLIDAY PERIOD.—The term ''payroll tax holiday period'' means calendar year 2011.

(d) EMPLOYER NOTIFICATION.—The Secretary of the Treasury shall notify employers of the payroll tax holiday period in any manner the Secretary deems appropriate.

(e) TRANSFERS OF FUNDS.—

(1) TRANSFERS TO FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND.—There are hereby appropriated to the Federal Old-Age and Survivors Trust Fund and the Federal Disability Insurance Trust Fund established under section 201 of the Social Security Act (42 U.S.C. 401) amounts equal to the reduction in revenues to the Treasury by reason of the application of subsection (a). Amounts appropriated by the preceding sentence shall be transferred from the general fund at such times and in such manner as to replicate to the extent possible the transfers which would have occurred to such Trust Fund had such amendments not been enacted.

(2) TRANSFERS TO SOCIAL SECURITY EQUIVALENT BENEFIT ACCOUNT.—There are hereby appropriated to the Social Security Equivalent Benefit Account established under section 15A(a) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n–1(a)) amounts equal to the reduction in revenues to the Treasury by reason of the application of subsection (a)(2). Amounts appropriated by the preceding sentence shall be transferred from the general fund at such times and in such manner as to replicate to the extent possible the transfers which would have occurred to such Account had such amendments not been enacted.

(3) COORDINATION WITH OTHER FEDERAL LAWS.—For purposes of applying any provision of Federal law other than the provisions of the Internal Revenue Code of 1986, the rate of tax in effect under section 3101(a) of such Code shall be determined without regard to the reduction in such rate under this section.

TITLE VII—TEMPORARY EXTENSION OF CERTAIN EXPIRING PROVISIONS

Subtitle A—Energy

SEC. 701. INCENTIVES FOR BIODIESEL AND RENEWABLE DIESEL.

(a) CREDITS FOR BIODIESEL AND RENEWABLE DIESEL USED AS FUEL.—Subsection (g) of section 40A is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EXCISE TAX CREDITS AND OUTLAY PAYMENTS FOR BIODIESEL AND RENEWABLE DIESEL FUEL MIXTURES.—

(1) Paragraph (6) of section 6426(c) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(2) Subparagraph (B) of section 6427(e)(6) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(c) SPECIAL RULE FOR 2010.—Notwithstanding any other provision of law, in the case of any biodiesel mixture credit properly determined under section 6426(c) of the Internal Revenue Code of 1986 for periods during 2010, such credit shall be allowed, and any refund or payment attributable to such credit (including any payment under section 6427(e) of such Code) shall be made, only in such manner as the Secretary of the Treasury (or the Secretary's delegate) shall provide. Such Secretary shall issue guidance within 30 days after the date of the enactment of this Act providing for a one-time submission of claims covering periods during 2010. Such guidance shall provide for a 180-day period for the submission of such claims (in such manner as prescribed by such Secretary) to begin not later than 30 days after such guidance is issued. Such claims shall be paid by such Secretary not later than 60 days after receipt. If such Secretary has not paid pursuant to a claim filed under this subsection within 60 days after the date of the filing of such claim, the claim shall be paid with interest from such date determined by using the overpayment rate and method under section 6621 of such Code.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel sold or used after December 31, 2009.

SEC. 702. CREDIT FOR REFINED COAL FACILITIES.

(a) IN GENERAL.—Subparagraph (B) of section 45(d)(8) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to facilities placed in service after December 31, 2009.

SEC. 703. NEW ENERGY EFFICIENT HOME CREDIT.

(a) IN GENERAL.—Subsection (g) of section 45L is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to homes acquired after December 31, 2009.

SEC. 704. EXCISE TAX CREDITS AND OUTLAY PAYMENTS FOR ALTERNATIVE FUEL AND ALTERNATIVE FUEL MIXTURES.

(a) IN GENERAL.—Sections 6426(d)(5), 6426(e)(3), and 6427(e)(6)(C) are each amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EXCLUSION OF BLACK LIQUOR FROM CREDIT ELIGIBILITY.—The last sentence of section 6426(d)(2) is amended by striking ''or biodiesel'' and inserting ''biodiesel, or any fuel (including lignin, wood residues, or spent pulping liquors) derived from the production of paper or pulp''.

(c) SPECIAL RULE FOR 2010.—Notwithstanding any other provision of law, in the case of any alternative fuel credit or any alternative fuel mixture credit properly determined under subsection (d) or (e) of section 6426 of the Internal Revenue Code of 1986 for periods during 2010, such credit shall be allowed, and any refund or payment attributable to such credit (including any payment under section 6427(e) of such Code) shall be made, only in such manner as the Secretary of the Treasury (or the Secretary's delegate) shall provide. Such Secretary shall issue guidance within 30 days after the date of the enactment of this Act providing for a one-time submission of claims covering periods during 2010. Such guidance shall provide for a 180-day period for the submission of such claims (in such manner as prescribed by such Secretary) to begin not later than 30 days after such guidance is issued. Such claims shall be paid by such Secretary not later than 60 days after receipt. If such Secretary has not paid pursuant to a claim filed under this subsection within 60 days after the date of the filing of such claim, the claim shall be paid with interest from such date determined by using the overpayment rate and method under section 6621 of such Code.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel sold or used after December 31, 2009.

SEC. 705. SPECIAL RULE FOR SALES OR DISPOSITIONS TO IMPLEMENT FERC OR STATE ELECTRIC RESTRUCTURING POLICY FOR QUALIFIED ELECTRIC UTILITIES.

(a) IN GENERAL.—Paragraph (3) of section 451(i) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to dispositions after December 31, 2009.

SEC. 706. SUSPENSION OF LIMITATION ON PERCENTAGE DEPLETION FOR OIL AND GAS FROM MARGINAL WELLS.

(a) IN GENERAL.—Clause (ii) of section 613A(c)(6)(H) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 707. EXTENSION OF GRANTS FOR SPECIFIED ENERGY PROPERTY IN LIEU OF TAX CREDITS.

(a) IN GENERAL.—Subsection (a) of section 1603 of division B of the American Recovery and Reinvestment Act of 2009 is amended—

(1) in paragraph (1), by striking ''2009 or 2010'' and inserting ''2009, 2010, or 2011'', and

(2) in paragraph (2)—

(A) by striking ''after 2010'' and inserting ''after 2011'', and

(B) by striking ''2009 or 2010'' and inserting ''2009, 2010, or 2011''.

(b) CONFORMING AMENDMENT.—Subsection (j) of section 1603 of division B of such Act is

amended by striking ''2011'' and inserting ''2012''.

SEC. 708. EXTENSION OF PROVISIONS RELATED TO ALCOHOL USED AS FUEL.

(a) EXTENSION OF INCOME TAX CREDIT FOR ALCOHOL USED AS FUEL.—

(1) IN GENERAL.—Paragraph (1) of section 40(e) is amended—

(A) by striking ''December 31, 2010'' in subparagraph (A) and inserting ''December 31, 2011'', and

(B) by striking ''January 1, 2011'' in subparagraph (B) and inserting ''January 1, 2012''.

(2) REDUCED AMOUNT FOR ETHANOL BLENDERS.—Subsection (h) of section 40 is amended by striking ''2010'' both places it appears and inserting ''2011''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to periods after December 31, 2010.

(b) EXTENSION OF EXCISE TAX CREDIT FOR ALCOHOL USED AS FUEL.—

(1) IN GENERAL.—Paragraph (6) of section 6426(b) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to periods after December 31, 2010.

(c) EXTENSION OF PAYMENT FOR ALCOHOL FUEL MIXTURE.—

(1) IN GENERAL.—Subparagraph (A) of section 6427(e)(6) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to sales and uses after December 31, 2010.

(d) EXTENSION OF ADDITIONAL DUTIES ON ETHANOL.—

(1) IN GENERAL.—Headings 9901.00.50 and 9901.00.52 of the Harmonized Tariff Schedule of the United States are each amended in the effective period column by striking ''1/1/2011'' and inserting ''1/1/2012''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on January 1, 2011.

SEC. 709. ENERGY EFFICIENT APPLIANCE CREDIT.

(a) DISHWASHERS.—Paragraph (1) of section 45M(b) is amended by striking ''and'' at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting a comma, and by adding at the end the following new subparagraphs:

''(C) $25 in the case of a dishwasher which is manufactured in calendar year 2011 and which uses no more than 307 kilowatt hours per year and 5.0 gallons per cycle (5.5 gallons per cycle for dishwashers designed for greater than 12 place settings),

''(D) $50 in the case of a dishwasher which is manufactured in calendar year 2011 and which uses no more than 295 kilowatt hours per year and 4.25 gallons per cycle (4.75 gallons per cycle for dishwashers designed for greater than 12 place settings), and

''(E) $75 in the case of a dishwasher which is manufactured in calendar year 2011 and which uses no more than 280 kilowatt hours per year and 4 gallons per cycle (4.5 gallons per cycle for dishwashers designed for greater than 12 place settings).''.

(b) CLOTHES WASHERS.—Paragraph (2) of section 45M(b) is amended by striking ''and'' at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting a comma, and by adding at the end the following new subparagraphs:

''(E) $175 in the case of a top-loading clothes washer manufactured in calendar year 2011 which meets or exceeds a 2.2 modified energy factor and does not exceed a 4.5 water consumption factor, and

''(F) $225 in the case of a clothes washer manufactured in calendar year 2011—

''(i) which is a top-loading clothes washer and which meets or exceeds a 2.4 modified energy factor and does not exceed a 4.2 water consumption factor, or

''(ii) which is a front-loading clothes washer and which meets or exceeds a 2.8 modified energy factor and does not exceed a 3.5 water consumption factor.''.

(c) REFRIGERATORS.—Paragraph (3) of section 45M(b) is amended by striking ''and'' at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting a comma, and by adding at the end the following new subparagraphs:

''(E) $150 in the case of a refrigerator manufactured in calendar year 2011 which consumes at least 30 percent less energy than the 2001 energy conservation standards, and

''(F) $200 in the case of a refrigerator manufactured in calendar year 2011 which consumes at least 35 percent less energy than the 2001 energy conservation standards.''.

(d) REBASING OF LIMITATIONS.—

(1) IN GENERAL.—Paragraph (1) of section 45M(e) is amended—

(A) by striking ''$75,000,000'' and inserting ''$25,000,000'', and

(B) by striking ''December 31, 2007'' and inserting ''December 31, 2010''.

(2) EXCEPTION FOR CERTAIN REFRIGERATORS AND CLOTHES WASHERS.—Paragraph (2) of section 45M(e) is amended—

(A) by striking ''subsection (b)(3)(D)'' and inserting ''subsection (b)(3)(F)'', and

(B) by striking ''subsection (b)(2)(D)'' and inserting ''subsection (b)(2)(F)''.

(3) GROSS RECEIPTS LIMITATION.—Paragraph (3) of section 45M(e) is amended by striking ''2 percent'' and inserting ''4 percent''.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by subsections (a), (b), and (c) shall apply to appliances produced after December 31, 2010.

(2) LIMITATIONS.—The amendments made by subsection (d) shall apply to taxable years beginning after December 31, 2010.

SEC. 710. CREDIT FOR NONBUSINESS ENERGY PROPERTY.

(a) EXTENSION.—Section 25C(g)(2) is amended by striking ''2010'' and inserting ''2011''.

(b) RETURN TO PRE-ARRA LIMITATIONS AND STANDARDS.—

(1) IN GENERAL.—Subsections (a) and (b) of section 25C are amended to read as follows:

''(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

''(1) 10 percent of the amount paid or incurred by the taxpayer for qualified energy efficiency improvements installed during such taxable year, and

''(2) the amount of the residential energy property expenditures paid or incurred by the taxpayer during such taxable year.

''(b) LIMITATIONS.—

''(1) LIFETIME LIMITATION.—The credit allowed under this section with respect to any taxpayer for any taxable year shall not exceed the excess (if any) of $500 over the aggregate credits allowed under this section with respect to such taxpayer for all prior taxable years ending after December 31, 2005.

''(2) WINDOWS.—In the case of amounts paid or incurred for components described in subsection (c)(2)(B) by any taxpayer for any taxable year, the credit allowed under this section with respect to such amounts for such year shall not exceed the excess (if any) of $200 over the aggregate credits allowed under this section with respect to such amounts for all prior taxable years ending after December 31, 2005.

''(3) LIMITATION ON RESIDENTIAL ENERGY PROPERTY EXPENDITURES.—The amount of the credit allowed under this section by reason of subsection (a)(2) shall not exceed—

''(A) $50 for any advanced main air circulating fan,

''(B) $150 for any qualified natural gas, propane, or oil furnace or hot water boiler, and

''(C) $300 for any item of energy-efficient building property.''.

(2) MODIFICATION OF STANDARDS.—

(A) IN GENERAL.—Paragraph (1) of section 25C(c) is amended by striking ''2000'' and all that follows through ''this section'' and inserting ''2009 International Energy Conservation Code, as such Code (including supplements) is in effect on the date of the enactment of the American Recovery and Reinvestment Tax Act of 2009''.

(B) WOOD STOVES.—Subparagraph (E) of section 25C(d)(3) is amended by striking '', as measured using a lower heating value''.

(C) OIL FURNACES AND HOT WATER BOILERS.—

(i) IN GENERAL.—Paragraph (4) of section 25C(d) is amended to read as follows:

''(4) QUALIFIED NATURAL GAS, PROPANE, OR OIL FURNACE OR HOT WATER BOILER.—The term 'qualified natural gas, propane, or oil furnace or hot water boiler' means a natural gas, propane, or oil furnace or hot water boiler which achieves an annual fuel utilization efficiency rate of not less than 95.''.

(ii) CONFORMING AMENDMENT.—Clause (ii) of section 25C(d)(2)(A) is amended to read as follows:

''(ii) a qualified natural gas, propane, or oil furnace or hot water boiler, or''.

(D) EXTERIOR WINDOWS, DOORS, AND SKYLIGHTS.—

(i) IN GENERAL.—Subsection (c) of section 25C is amended by striking paragraph (4).

(ii) APPLICATION OF ENERGY STAR STANDARDS.—Paragraph (1) of section 25C(c) is amended by inserting ''an exterior window, a skylight, an exterior door,'' after ''in the case of'' in the matter preceding subparagraph (A).

(E) INSULATION.—Subparagraph (A) of section 25C(c)(2) is amended by striking ''and meets the prescriptive criteria for such material or system established by the 2009 International Energy Conservation Code, as such Code (including supplements) is in effect on the date of the enactment of the American Recovery and Reinvestment Tax Act of 2009''.

(3) SUBSIDIZED ENERGY FINANCING.—Subsection (e) of section 25C is amended by adding at the end the following new paragraph:

''(3) PROPERTY FINANCED BY SUBSIDIZED ENERGY FINANCING.—For purposes of determining the amount of expenditures made by any individual with respect to any property, there shall not be taken into account expenditures which are made from subsidized energy financing (as defined in section 48(a)(4)(C)).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2010.

SEC. 711. ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY.

(a) EXTENSION OF CREDIT.—Paragraph (2) of section 30C(g) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2010.

Subtitle B—Individual Tax Relief

SEC. 721. DEDUCTION FOR CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) IN GENERAL.—Subparagraph (D) of section 62(a)(2) is amended by striking ''or 2009'' and inserting ''2009, 2010, or 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 722. DEDUCTION OF STATE AND LOCAL SALES TAXES.

(a) IN GENERAL.—Subparagraph (I) of section 164(b)(5) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 723. CONTRIBUTIONS OF CAPITAL GAIN REAL PROPERTY MADE FOR CONSERVATION PURPOSES.

(a) IN GENERAL.—Clause (vi) of section 170(b)(1)(E) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) CONTRIBUTIONS BY CERTAIN CORPORATE FARMERS AND RANCHERS.—Clause (iii) of section 170(b)(2)(B) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made in taxable years beginning after December 31, 2009.

SEC. 724. ABOVE-THE-LINE DEDUCTION FOR QUALIFIED TUITION AND RELATED EXPENSES.

(a) IN GENERAL.—Subsection (e) of section 222 is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 725. TAX-FREE DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLANS FOR CHARITABLE PURPOSES.

(a) IN GENERAL.—Subparagraph (F) of section 408(d)(8) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE; SPECIAL RULE.—

(1) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions made in taxable years beginning after December 31, 2009.

(2) SPECIAL RULE.—For purposes of subsections (a)(6), (b)(3), and (d)(8) of section 408 of the Internal Revenue Code of 1986, at the election of the taxpayer (at such time and in such manner as prescribed by the Secretary of the Treasury) any qualified charitable distribution made after December 31, 2010, and before February 1, 2011, shall be deemed to have been made on December 31, 2010.

SEC. 726. LOOK-THRU OF CERTAIN REGULATED INVESTMENT COMPANY STOCK IN DETERMINING GROSS ESTATE OF NONRESIDENTS.

(a) IN GENERAL.—Paragraph (3) of section 2105(d) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to estates of decedents dying after December 31, 2009.

SEC. 727. PARITY FOR EXCLUSION FROM INCOME FOR EMPLOYER-PROVIDED MASS TRANSIT AND PARKING BENEFITS.

(a) IN GENERAL.—Paragraph (2) of section 132(f) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to months after December 31, 2010.

SEC. 728. REFUNDS DISREGARDED IN THE ADMINISTRATION OF FEDERAL PROGRAMS AND FEDERALLY ASSISTED PROGRAMS.

(a) IN GENERAL.—Subchapter A of chapter 65 is amended by adding at the end the following new section:

''SEC. 6409. REFUNDS DISREGARDED IN THE ADMINISTRATION OF FEDERAL PROGRAMS AND FEDERALLY ASSISTED PROGRAMS.

''(a) IN GENERAL.—Notwithstanding any other provision of law, any refund (or advance payment with respect to a refundable credit) made to any individual under this title shall not be taken into account as income, and shall not be taken into account as resources for a period of 12 months from receipt, for purposes of determining the eligibility of such individual (or any other individual) for benefits or assistance (or the amount or extent of benefits or assistance) under any Federal program or under any State or local program financed in whole or in part with Federal funds.

''(b) TERMINATION.—Subsection (a) shall not apply to any amount received after December 31, 2012.''.

(b) CLERICAL AMENDMENT.—The table of sections for such subchapter is amended by adding at the end the following new item:

''Sec. 6409. Refunds disregarded in the administration of Federal programs and federally assisted programs.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts received after December 31, 2009.

Subtitle C—Business Tax Relief

SEC. 731. RESEARCH CREDIT.

(a) IN GENERAL.—Subparagraph (B) of section 41(h)(1) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) CONFORMING AMENDMENT.—Subparagraph (D) of section 45C(b)(1) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after December 31, 2009.

SEC. 732. INDIAN EMPLOYMENT TAX CREDIT.

(a) IN GENERAL.—Subsection (f) of section 45A is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 733. NEW MARKETS TAX CREDIT.

(a) IN GENERAL.—Paragraph (1) of section 45D(f) is amended—

(1) by striking ''and'' at the end of subparagraph (E),

(2) by striking the period at the end of subparagraph (F), and

(3) by adding at the end the following new subparagraph:

''(G) $3,500,000,000 for 2010 and 2011.''.

(b) CONFORMING AMENDMENT.—Paragraph (3) of section 45D(f) is amended by striking ''2014'' and inserting ''2016''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years beginning after 2009.

SEC. 734. RAILROAD TRACK MAINTENANCE CREDIT.

(a) IN GENERAL.—Subsection (f) of section 45G is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to expenditures paid or incurred in taxable years beginning after December 31, 2009.

SEC. 735. MINE RESCUE TEAM TRAINING CREDIT.

(a) IN GENERAL.—Subsection (e) of section 45N is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 736. EMPLOYER WAGE CREDIT FOR EMPLOYEES WHO ARE ACTIVE DUTY MEMBERS OF THE UNIFORMED SERVICES.

(a) IN GENERAL.—Subsection (f) of section 45P is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments made after December 31, 2009.

SEC. 737. 15-YEAR STRAIGHT-LINE COST RECOVERY FOR QUALIFIED LEASEHOLD IMPROVEMENTS, QUALIFIED RESTAURANT BUILDINGS AND IMPROVEMENTS, AND QUALIFIED RETAIL IMPROVEMENTS.

(a) IN GENERAL.—Clauses (iv), (v), and (ix) of section 168(e)(3)(E) are each amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) CONFORMING AMENDMENTS.—

(1) Clause (i) of section 168(e)(7)(A) is amended by striking ''if such building is placed in service after December 31, 2008, and before January 1, 2010,''.

(2) Paragraph (8) of section 168(e) is amended by striking subparagraph (E).

(3) Section 179(f)(2) is amended—

(A) by striking ''(without regard to the dates specified in subparagraph (A)(i) thereof)'' in subparagraph (B), and

(B) by striking ''(without regard to subparagraph (E) thereof)'' in subparagraph (C).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2009.

SEC. 738. 7-YEAR RECOVERY PERIOD FOR MOTORSPORTS ENTERTAINMENT COMPLEXES.

(a) IN GENERAL.—Subparagraph (D) of section 168(i)(15) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2009.

SEC. 739. ACCELERATED DEPRECIATION FOR BUSINESS PROPERTY ON AN INDIAN RESERVATION.

(a) IN GENERAL.—Paragraph (8) of section 168(j) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2009.

SEC. 740. ENHANCED CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD INVENTORY.

(a) IN GENERAL.—Clause (iv) of section 170(e)(3)(C) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made after December 31, 2009.

SEC. 741. ENHANCED CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF BOOK INVENTORIES TO PUBLIC SCHOOLS.

(a) IN GENERAL.—Clause (iv) of section 170(e)(3)(D) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made after December 31, 2009.

SEC. 742. ENHANCED CHARITABLE DEDUCTION FOR CORPORATE CONTRIBUTIONS OF COMPUTER INVENTORY FOR EDUCATIONAL PURPOSES.

(a) IN GENERAL.—Subparagraph (G) of section 170(e)(6) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made in taxable years beginning after December 31, 2009.

SEC. 743. ELECTION TO EXPENSE MINE SAFETY EQUIPMENT.

(a) IN GENERAL.—Subsection (g) of section 179E is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2009.

SEC. 744. SPECIAL EXPENSING RULES FOR CERTAIN FILM AND TELEVISION PRODUCTIONS.

(a) IN GENERAL.—Subsection (f) of section 181 is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to productions commencing after December 31, 2009.

SEC. 745. EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS.

(a) IN GENERAL.—Subsection (h) of section 198 is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to expenditures paid or incurred after December 31, 2009.

SEC. 746. DEDUCTION ALLOWABLE WITH RESPECT TO INCOME ATTRIBUTABLE TO DOMESTIC PRODUCTION ACTIVITIES IN PUERTO RICO.

(a) IN GENERAL.—Subparagraph (C) of section 199(d)(8) is amended—

(1) by striking ''first 4 taxable years'' and inserting ''first 6 taxable years''; and

(2) by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 747. MODIFICATION OF TAX TREATMENT OF CERTAIN PAYMENTS TO CONTROLLING EXEMPT ORGANIZATIONS.

(a) IN GENERAL.—Clause (iv) of section 512(b)(13)(E) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments received or accrued after December 31, 2009.

SEC. 748. TREATMENT OF CERTAIN DIVIDENDS OF REGULATED INVESTMENT COMPANIES.

(a) IN GENERAL.—Paragraphs (1)(C) and (2)(C) of section 871(k) are each amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 749. RIC QUALIFIED INVESTMENT ENTITY TREATMENT UNDER FIRPTA.

(a) IN GENERAL.—Clause (ii) of section 897(h)(4)(A) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall take effect on January 1, 2010. Notwithstanding the preceding sentence, such amendment shall not apply with respect to the withholding requirement under section 1445 of the Internal Revenue Code of 1986 for any payment made before the date of the enactment of this Act.

(2) AMOUNTS WITHHELD ON OR BEFORE DATE OF ENACTMENT.—In the case of a regulated investment company—

(A) which makes a distribution after December 31, 2009, and before the date of the enactment of this Act; and

(B) which would (but for the second sentence of paragraph (1)) have been required to withhold with respect to such distribution under section 1445 of such Code,

such investment company shall not be liable to any person to whom such distribution was made for any amount so withheld and paid over to the Secretary of the Treasury.

SEC. 750. EXCEPTIONS FOR ACTIVE FINANCING INCOME.

(a) IN GENERAL.—Sections 953(e)(10) and 954(h)(9) are each amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) CONFORMING AMENDMENT.—Section 953(e)(10) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2009, and to taxable years of United States shareholders with or within which any such taxable year of such foreign corporation ends.

SEC. 751. LOOK-THRU TREATMENT OF PAYMENTS BETWEEN RELATED CONTROLLED FOREIGN CORPORATIONS UNDER FOREIGN PERSONAL HOLDING COMPANY RULES.

(a) IN GENERAL.—Subparagraph (C) of section 954(c)(6) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2009, and to taxable years of United States shareholders with or within which any such taxable year of such foreign corporation ends.

SEC. 752. BASIS ADJUSTMENT TO STOCK OF S CORPS MAKING CHARITABLE CONTRIBUTIONS OF PROPERTY.

(a) IN GENERAL.—Paragraph (2) of section 1367(a) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made in taxable years beginning after December 31, 2009.

SEC. 753. EMPOWERMENT ZONE TAX INCENTIVES.

(a) IN GENERAL.—Section 1391 is amended—

(1) by striking ''December 31, 2009'' in subsection (d)(1)(A)(i) and inserting ''December 31, 2011''; and

(2) by striking the last sentence of subsection (h)(2).

(b) INCREASED EXCLUSION OF GAIN ON STOCK OF EMPOWERMENT ZONE BUSINESSES.—Subparagraph (C) of section 1202(a)(2) is amended—

(1) by striking ''December 31, 2014'' and inserting ''December 31, 2016''; and

(2) by striking ''2014'' in the heading and inserting ''2016''.

(c) TREATMENT OF CERTAIN TERMINATION DATES SPECIFIED IN NOMINATIONS.—In the case of a designation of an empowerment zone the nomination for which included a termination date which is contemporaneous with the date specified in subparagraph (A)(i) of section 1391(d)(1) of the Internal Revenue Code of 1986 (as in effect before the enactment of this Act), subparagraph (B) of such section shall not apply with respect to such designation if, after the date of the enactment of this section, the entity which made such nomination amends the nomination to provide for a new termination date in such manner as the Secretary of the Treasury (or the Secretary's designee) may provide.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after December 31, 2009.

SEC. 754. TAX INCENTIVES FOR INVESTMENT IN THE DISTRICT OF COLUMBIA.

(a) IN GENERAL.—Subsection (f) of section 1400 is amended by striking ''December 31, 2009'' each place it appears and inserting ''December 31, 2011''.

(b) TAX-EXEMPT DC EMPOWERMENT ZONE BONDS.—Subsection (b) of section 1400A is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(c) ZERO-PERCENT CAPITAL GAINS RATE.—

(1) ACQUISITION DATE.—Paragraphs (2)(A)(i), (3)(A), (4)(A)(i), and (4)(B)(i)(I) of section 1400B(b) are each amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(2) LIMITATION ON PERIOD OF GAINS.—

(A) IN GENERAL.—Paragraph (2) of section 1400B(e) is amended—

(i) by striking ''December 31, 2014'' and inserting ''December 31, 2016''; and

(ii) by striking ''2014'' in the heading and inserting ''2016''.

(B) PARTNERSHIPS AND S-CORPS.—Paragraph (2) of section 1400B(g) is amended by striking ''December 31, 2014'' and inserting ''December 31, 2016''.

(d) FIRST-TIME HOMEBUYER CREDIT.—Subsection (i) of section 1400C is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to periods after December 31, 2009.

(2) TAX-EXEMPT DC EMPOWERMENT ZONE BONDS.—The amendment made by subsection (b) shall apply to bonds issued after December 31, 2009.

(3) ACQUISITION DATES FOR ZERO-PERCENT CAPITAL GAINS RATE.—The amendments made by subsection (c) shall apply to property acquired or substantially improved after December 31, 2009.

(4) HOMEBUYER CREDIT.—The amendment made by subsection (d) shall apply to homes purchased after December 31, 2009.

SEC. 755. TEMPORARY INCREASE IN LIMIT ON COVER OVER OF RUM EXCISE TAXES TO PUERTO RICO AND THE VIRGIN ISLANDS.

(a) IN GENERAL.—Paragraph (1) of section 7652(f) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distilled spirits brought into the United States after December 31, 2009.

SEC. 756. AMERICAN SAMOA ECONOMIC DEVELOPMENT CREDIT.

(a) IN GENERAL.—Subsection (d) of section 119 of division A of the Tax Relief and Health Care Act of 2006 is amended—

(1) by striking ''first 4 taxable years'' and inserting ''first 6 taxable years'', and

(2) by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 757. WORK OPPORTUNITY CREDIT.

(a) IN GENERAL.—Subparagraph (B) of section 51(c)(4) is amended by striking ''August 31, 2011'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to individuals who begin work for the employer after the date of the enactment of this Act.

SEC. 758. QUALIFIED ZONE ACADEMY BONDS.

(a) IN GENERAL.—Section 54E(c)(1) is amended—

(1) by striking ''2008 and'' and inserting ''2008,'', and

(2) by inserting ''and $400,000,000 for 2011'' after ''2010,''.

(b) REPEAL OF REFUNDABLE CREDIT FOR QZABS.—Paragraph (3) of section 6431(f) is amended by inserting ''determined without regard to any allocation relating to the national zone academy bond limitation for 2011 or any carryforward of such allocation'' after ''54E)'' in subparagraph (A)(iii).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after December 31, 2010.

SEC. 759. MORTGAGE INSURANCE PREMIUMS.

(a) IN GENERAL.—Clause (iv) of section 163(h)(3)(E) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts paid or accrued after December 31, 2010.

SEC. 760. TEMPORARY EXCLUSION OF 100 PERCENT OF GAIN ON CERTAIN SMALL BUSINESS STOCK.

(a) IN GENERAL.—Paragraph (4) of section 1202(a) is amended—

(1) by striking ''January 1, 2011'' and inserting ''January 1, 2012'', and

(2) by inserting ''AND 2011'' after ''2010'' in the heading thereof.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to stock acquired after December 31, 2010.

Subtitle D—Temporary Disaster Relief Provisions

PART

Subpart A—New York Liberty Zone

SEC. 761. TAX-EXEMPT BOND FINANCING.

(a) IN GENERAL.—Subparagraph (D) of section 1400L(d)(2) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to bonds issued after December 31, 2009.

Subpart B—GO Zone

SEC. 762. INCREASE IN REHABILITATION CREDIT.

(a) IN GENERAL.—Subsection (h) of section 1400N is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts paid or incurred after December 31, 2009.

SEC. 763. LOW-INCOME HOUSING CREDIT RULES FOR BUILDINGS IN GO ZONES.

Section 1400N(c)(5) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

SEC. 764. TAX-EXEMPT BOND FINANCING.

(a) IN GENERAL.—Paragraphs (2)(D) and (7)(C) of section 1400N(a) are each amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(b) CONFORMING AMENDMENTS.—Sections 702(d)(1) and 704(a) of the Heartland Disaster Tax Relief Act of 2008 are each amended by striking ''January 1, 2011'' each place it appears and inserting ''January 1, 2012''.

SEC. 765. BONUS DEPRECIATION DEDUCTION APPLICABLE TO THE GO ZONE.

(a) IN GENERAL.—Paragraph (6) of section 1400N(d) is amended—

(1) by striking ''December 31, 2010'' both places it appears in subparagraph (B) and inserting ''December 31, 2011'', and

(2) by striking ''January 1, 2010'' in the heading and the text of subparagraph (D) and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2009.

TITLE VIII—BUDGETARY PROVISIONS

SEC. 801. DETERMINATION OF BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled ''Budgetary Effects of PAYGO Legislation'' for this Act, jointly submitted for printing in the Congressional Record by the Chairmen of the House and Senate Budget Committees, provided that such statement has been submitted prior to the vote on passage in the House acting first on this conference report or amendment between the Houses.

SEC. 802. EMERGENCY DESIGNATIONS.

(a) STATUTORY PAYGO.—This Act is designated as an emergency requirement pursuant to section 4(g) of the Statutory Pay-As-You-Go Act of 2010 (Public Law 111–139; 2 U.S.C. 933(g)) except to the extent that the budgetary effects of this Act are determined to be subject to the current policy adjustments under sections 4(c) and 7 of the Statutory Pay-As-You-Go Act.

(b) SENATE.—In the Senate, this Act is designated as an emergency requirement pursuant to section 403(a) of S. Con. Res. 13 (111th Congress), the concurrent resolution on the budget for fiscal year 2010.

(c) HOUSE OF REPRESENTATIVES.—In the House of Representatives, every provision of this Act is expressly designated as an emergency for purposes of pay-as-you-go principles except to the extent that any such provision is subject to the current policy adjustments under section 4(c) of the Statutory Pay-As-You-Go Act of 2010.

The Acting CHAIR. No amendment is in order except the amendment printed in the report accompanying House Resolution 1766, which may be offered only by Representative LEVIN of Michigan or his designee and shall not be debatable.

AMENDMENT OFFERED BY MR. LEVIN

Mr. LEVIN. I have an amendment at the desk.

The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment printed in House Report 111–682 offered by Mr. LEVIN:

Strike title III and insert the following:

TITLE III—TEMPORARY ESTATE TAX RELIEF

SEC. 301. REINSTATEMENT OF ESTATE TAX; REPEAL OF CARRYOVER BASIS.

(a) IN GENERAL.—Each provision of law amended by subtitle A or E of title V of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended to read as such provision would read if such subtitle had never been enacted.

(b) CONFORMING AMENDMENT.—On and after January 1, 2011, paragraph (1) of section 2505(a) of the Internal Revenue Code of 1986 is amended to read as such paragraph would read if section 521(b)(2) of the Economic Growth and Tax Relief Reconciliation Act of 2001 had never been enacted.

(c) SPECIAL ELECTION WITH RESPECT TO ESTATES OF DECEDENTS DYING IN 2010.—Notwithstanding subsection (a), in the case of an estate of a decedent dying after December 31, 2009, and before January 1, 2011, the executor (within the meaning of section 2203 of the Internal Revenue Code of 1986) may elect to apply such Code as though the amendments made by subsection (a) do not apply with respect to chapter 11 of such Code and with respect to property acquired or passing from such decedent (within the meaning of section 1014(b) of such Code). Such election shall be made at such time and in such manner as the Secretary of the Treasury or the Secretary's delegate shall provide. Such an election once made shall be revocable only with the consent of the Secretary of the Treasury or the Secretary's delegate. For purposes of section 2652(a)(1) of such Code, the determination of whether any property is subject to the tax imposed by such chapter 11 shall be made without regard to any election made under this subsection.

(d) EXTENSION OF TIME FOR PERFORMING CERTAIN ACTS.—

(1) ESTATE TAX.—In the case of the estate of a decedent dying after December 31, 2009, and before the date of the enactment of this Act, the due date for—

(A) filing any return under section 6018 of the Internal Revenue Code of 1986 (including any election required to be made on such a return) as such section is in effect after the date of the enactment of this Act without regard to any election under subsection (c),

(B) making any payment of tax under chapter 11 of such Code, and

(C) making any disclaimer described in section 2518(b) of such Code of an interest in property passing by reason of the death of such decedent,

shall not be earlier than the date which is 9 months after the date of the enactment of this Act.

(2) GENERATION-SKIPPING TAX.—In the case of any generation-skipping transfer made after December 31, 2009, and before the date of the enactment of this Act, the due date for filing any return under section 2662 of the Internal Revenue Code of 1986 (including any election required to be made on such a return) shall not be earlier than the date which is 9 months after the date of the enactment of this Act.

(e) EFFECTIVE DATE.—Except as otherwise provided in this section, the amendments made by this section shall apply to estates of decedents dying, and transfers made, after December 31, 2009.

SEC. 302. MODIFICATIONS TO ESTATE, GIFT, AND GENERATION-SKIPPING TRANSFER TAXES.

(a) MODIFICATIONS TO ESTATE TAX.—

(1) $3,500,000 APPLICABLE EXCLUSION AMOUNT.—Subsection (c) of section 2010 is amended to read as follows:

''(c) APPLICABLE CREDIT AMOUNT.—

''(1) IN GENERAL.—For purposes of this section, the applicable credit amount is the amount of the tentative tax which would be determined under section 2001(c) if the amount with respect to which such tentative tax is to be computed were equal to the applicable exclusion amount.

''(2) APPLICABLE EXCLUSION AMOUNT.—

''(A) IN GENERAL.—For purposes of this subsection, the applicable exclusion amount is $3,500,000.

''(B) INFLATION ADJUSTMENT.—In the case of any decedent dying in a calendar year after 2011, the dollar amount in subparagraph (A) shall be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2010' for 'calendar year 1992' in subparagraph (B) thereof.

If any amount as adjusted under the preceding sentence is not a multiple of $10,000, such amount shall be rounded to the nearest multiple of $10,000.''.

(2) MAXIMUM ESTATE TAX RATE EQUAL TO 45 PERCENT.—Subsection (c) of section 2001 is amended—

(A) by striking ''Over $1,500,000'' and all that follows in the table contained in paragraph (1) and inserting the following:

''Over $1,500,000	$555,800 plus 45 percent of the excess of such amount over $1,500,000.'',

(B) by striking ''(1) IN GENERAL.—'', and

(C) by striking paragraph (2).

(b) MODIFICATIONS OF GIFT TAX RATE.—

(1) IN GENERAL.—On and after January 1, 2011, subsection (a) of section 2502 is amended to read as such subsection would read if section 511(d) of the Economic Growth and Tax Relief Reconciliation Act of 2001 had never been enacted.

(2) APPLICABLE EXCLUSION AMOUNT FOR GIFT TAX.—

(A) INFLATION ADJUSTMENT.—Section 2505 is amended by adding at the end the following new subsection:

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

''(1) such dollar amount, multiplied by

''(2) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2010' for 'calendar year 1992' in subparagraph (B) thereof.

If any amount as adjusted under the preceding sentence is not a multiple of $10,000, such amount shall be rounded to the nearest multiple of $10,000.''.

(B) EFFECTIVE DATE.—The amendment made by this paragraph shall apply to calendar years beginning after 2011.

(c) MODIFICATION OF GENERATION-SKIPPING TRANSFER TAX.—In the case of any generation-skipping transfer made after December 31, 2009, and before January 1, 2011, the applicable rate determined under section 2641(a) of the Internal Revenue Code of 1986 shall be zero.

(d) MODIFICATIONS OF ESTATE AND GIFT TAXES TO REFLECT DIFFERENCES IN CREDIT RESULTING FROM DIFFERENT TAX RATES.—

(1) ESTATE TAX.—

(A) IN GENERAL.—Section 2001(b)(2) is amended by striking ''if the provisions of subsection (c) (as in effect at the decedent's death)'' and inserting ''if the modifications described in subsection (g)''.

(B) MODIFICATIONS.—Section 2001 is amended by adding at the end the following new subsection:

''(g) MODIFICATIONS TO GIFT TAX PAYABLE TO REFLECT DIFFERENT TAX RATES.—For purposes of applying subsection (b)(2) with respect to 1 or more gifts, the rates of tax under subsection (c) in effect at the decedent's death shall, in lieu of the rates of tax in effect at the time of such gifts, be used both to compute—

''(1) the tax imposed by chapter 12 with respect to such gifts, and

''(2) the credit allowed against such tax under section 2505, including in computing—

''(A) the applicable credit amount under section 2505(a)(1), and

''(B) the sum of the amounts allowed as a credit for all preceding periods under section 2505(a)(2).''.

(2) GIFT TAX.—Section 2505(a) is amended by adding at the end the following new flush sentence:

''For purposes of applying paragraph (2) for any calendar year, the rates of tax in effect under section 2502(a)(2) for such calendar year shall, in lieu of the rates of tax in effect for preceding calendar periods, be used in determining the amounts allowable as a credit under this section for all preceding calendar periods.''.

(e) CONFORMING AMENDMENT.—Section 2511 is amended by striking subsection (c).

(f) EFFECTIVE DATE.—Except as otherwise provided in this section, the amendments made by this section shall apply to estates of decedents dying, generation-skipping transfers, and gifts made, after December 31, 2009.

SEC. 303. APPLICATION OF EGTRRA SUNSET TO THIS TITLE.

Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall apply to the amendments made by this title.

The Acting CHAIR. The amendment is not debatable.

The question is on the amendment offered by the gentleman from Michigan.

The question was taken; and the Acting Chair announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LEVIN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 194, noes 233, answered ''present'' 1, not voting 11, as follows:

[Roll No. 646]

AYES—194

Ackerman
Andrews
Arcuri
Baca
Baird
Baldwin
Berman
Bishop (NY)
Blumenauer
Boccieri
Bordallo
Boyd
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Capuano
Carnahan
Carson (IN)
Castor (FL)
Childers
Christensen
Chu
Clarke
Cleaver
Clyburn
Cohen
Conyers
Cooper
Courtney
Crowley
Cummings
Dahlkemper
Davis (CA)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutch
Dicks
Dingell
Doggett
Donnelly (IN)
Doyle
Driehaus
Edwards (MD)
Ellison
Engel
Eshoo
Etheridge
Faleomavaega
Farr
Fattah
Filner
Foster
Frank (MA)
Fudge
Garamendi
Gonzalez
Grayson
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Harman
Hastings (FL)
Heinrich
Higgins
Hill
Himes
Hinchey
Hirono
Hodes
Holt
Honda
Hoyer
Inslee
Israel
Jackson (IL)
Jackson Lee (TX)
Johnson (GA)
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick (MI)
Kilroy
Kind
Klein (FL)
Kucinich
Langevin
Larsen (WA)
Larson (CT)
Lee (CA)
Levin
Lewis (GA)
Loebsack
Lofgren, Zoe
Lowey
Luján
Lynch
Maffei
Maloney
Markey (CO)
Markey (MA)
Marshall
Matsui
McCollum
McDermott
McGovern
McNerney
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (NC)
Miller, George
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Nadler (NY)
Napolitano
Neal (MA)
Norton
Oberstar
Obey
Olver
Pallone
Pascrell
Payne
Perlmutter
Perriello
Peters
Pingree (ME)
Polis (CO)
Pomeroy
Price (NC)
Quigley
Rangel
Richardson
Rodriguez
Rothman (NJ)
Roybal-Allard
Rush
Sablan
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schauer
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Sires
Slaughter
Smith (WA)
Speier
Spratt
Stark
Stupak
Sutton
Tanner
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Titus
Tonko
Towns
Tsongas
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch
Woolsey
Wu
Yarmuth

NOES—233

Aderholt
Adler (NJ)
Akin
Alexander
Altmire
Austria
Bachmann
Bachus
Barrett (SC)
Barrow
Bartlett
Barton (TX)
Bean
Becerra
Berkley
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono Mack
Boozman
Boren
Boswell
Boucher
Boustany
Brady (TX)
Bright
Broun (GA)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp
Campbell
Cantor
Cao
Capito
Cardoza
Carney
Carter
Cassidy
Castle
Chaffetz
Chandler
Clay
Coble
Coffman (CO)
Cole
Conaway
Connolly (VA)
Costa
Costello
Crenshaw
Critz
Cuellar
Culberson
Davis (AL)
Davis (KY)
Davis (TN)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Djou
Dreier
Duncan
Edwards (TX)
Ehlers
Ellsworth
Emerson
Fallin
Flake
Fleming
Forbes
Fortenberry
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Giffords
Gingrey (GA)
Gohmert
Goodlatte
Gordon (TN)
Graves (GA)
Graves (MO)
Griffith
Guthrie
Hall (TX)
Halvorson
Hare
Harper
Hastings (WA)
Heller
Hensarling
Herger
Herseth Sandlin
Hinojosa
Hoekstra
Holden
Hunter
Inglis
Issa
Jenkins
Johnson (IL)
Johnson, Sam
Jones
Jordan (OH)
Kagen
King (IA)
King (NY)
Kingston
Kirkpatrick (AZ)
Kissell
Kline (MN)
Kosmas
Kratovil
Lamborn
Lance
Latham
LaTourette
Latta
Lee (NY)
Lewis (CA)
Linder
LoBiondo
Lucas
Luetkemeyer
Lummis
Lungren, Daniel E.
Mack
Manzullo
Matheson
McCarthy (CA)
McCaul
McClintock
McCotter
McHenry
McIntyre
McKeon
McMahon
McMorris Rodgers
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Minnick
Mitchell
Mollohan
Moran (KS)
Murphy, Tim
Myrick
Neugebauer
Nunes
Nye
Olson
Ortiz
Owens
Pastor (AZ)
Paul
Paulsen
Pence
Peterson
Petri
Pitts
Platts
Poe (TX)
Posey
Price (GA)
Putnam
Radanovich
Rahall
Reed
Rehberg
Reichert
Reyes
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rooney
Ros-Lehtinen
Roskam
Ross
Royce
Ruppersberger
Ryan (WI)
Salazar
Scalise
Schmidt
Schock
Schrader
Sensenbrenner
Sessions
Shadegg
Shimkus
Shuler
Shuster
Simpson
Skelton
Smith (NE)
Smith (NJ)
Smith (TX)
Snyder
Space
Stearns
Stutzman
Sullivan
Teague
Terry
Thompson (PA)
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden
Walz
Westmoreland
Whitfield
Wilson (OH)
Wilson (SC)
Wittman
Wolf
Young (AK)

ANSWERED ''PRESENT''—1

Lipinski

NOT VOTING—11

Berry
Brown (SC)
Gerlach
Granger
Johnson, E. B.
Marchant
McCarthy (NY)
Pierluisi
Ryan (OH)
Wamp
Young (FL)

□ 2341

Messrs. BRIGHT and HARE changed their vote from ''aye'' to ''no.''

Ms. BORDALLO, Mrs. NAPOLITANO and Mr. SMITH of Washington changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. ORTIZ. Mr. Chair, on rollcall Nos. 644, 645, and 646, I was inadvertently detained. Had I been present, I would have voted ''yes.''

The Acting CHAIR. There being no further amendment in order, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. ALTMIRE) having assumed the chair, Mr. SCHIFF, Acting Chair of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the Senate amendment to the House amendment to the Senate amendment to the bill (H.R. 4853) to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes, and, pursuant to House Resolution 1766, reported the Senate amendment back to the House.

The SPEAKER pro tempore. Pursuant to section 4 of House Resolution 1766, pending is a motion that the House concur in the Senate amendment to the House amendment to the Senate amendment.

The question is on the motion.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LEVIN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, this 15-minute vote on the motion to concur in the Senate amendment will be followed by a 5-minute vote on the motion to suspend the rules on House Resolution 20, if ordered.

The vote was taken by electronic device, and there were—ayes 277, noes 148, not voting 8, as follows:

[Roll No. 647]

AYES—277

Aderholt
Adler (NJ)
Akin
Alexander
Altmire
Andrews
Arcuri
Austria
Baca
Bachus
Barrett (SC)
Barrow
Bartlett
Bean
Berkley
Berman
Biggert
Bilbray
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blunt
Boccieri
Boehner
Bonner
Bono Mack
Boozman
Boren
Boswell

Boucher
Boustany
Brady (PA)
Brady (TX)
Bright
Brown-Waite, Ginny
Buchanan
Burton (IN)
Buyer
Calvert
Camp
Cantor
Cao
Capito
Capps
Cardoza
Carnahan
Carney
Carson (IN)
Carter
Cassidy
Castle
Castor (FL)
Chandler
Childers
Clay
Coble
Coffman (CO)
Cole
Conaway
Connolly (VA)
Costa
Courtney
Crenshaw
Critz
Crowley
Cuellar
Culberson
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis (TN)
Delahunt
Dent
Deutch
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Djou
Donnelly (IN)
Doyle
Dreier
Driehaus
Duncan
Edwards (TX)
Ehlers
Ellsworth
Emerson
Etheridge
Fallin
Fattah
Foster
Frelinghuysen
Gallegly
Gerlach
Giffords
Gonzalez
Goodlatte
Gordon (TN)
Graves (MO)
Green, Al
Griffith
Guthrie
Gutierrez
Hall (NY)
Hall (TX)
Halvorson
Hare
Harman
Harper
Hastings (WA)
Heller
Hensarling
Herger
Herseth Sandlin
Higgins
Hill
Himes
Hinojosa
Hodes
Holden
Hoyer
Hunter
Inglis
Israel
Issa
Jenkins
Johnson (GA)
Johnson (IL)
Johnson, Sam
Jones
Kennedy
Kildee
King (NY)
Kirkpatrick (AZ)
Kissell
Klein (FL)
Kline (MN)
Kosmas
Kratovil
Kucinich
Lance
Langevin
Larsen (WA)
Latham
LaTourette
Latta
Lee (NY)
Levin
Lewis (CA)
Lipinski
LoBiondo
Loebsack
Lowey
Lucas
Luetkemeyer
Lummis
Lungren, Daniel E.
Maffei
Maloney
Manzullo
Markey (CO)
Marshall
Matheson
McCarthy (CA)
McCaul
McClintock
McHenry
McIntyre
McKeon
McMahon
McMorris Rodgers
McNerney
Meek (FL)
Meeks (NY)
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Minnick
Mitchell
Mollohan
Moore (KS)
Murphy (NY)
Murphy, Patrick
Murphy, Tim
Myrick
Neugebauer
Nunes
Nye
Oberstar
Olson
Owens
Pallone
Pascrell
Pastor (AZ)
Paul
Paulsen
Perriello
Peters
Peterson
Petri
Pitts
Platts
Polis (CO)
Posey
Price (GA)
Price (NC)
Putnam
Quigley
Radanovich
Rahall
Reed
Reichert
Richardson
Roe (TN)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rooney
Ros-Lehtinen
Roskam
Ross
Rothman (NJ)
Royce
Ruppersberger
Ryan (OH)
Ryan (WI)
Salazar
Sarbanes
Scalise
Schakowsky
Schauer
Schiff
Schock
Schwartz
Scott (GA)
Sensenbrenner
Sessions
Sestak
Sherman
Shimkus
Shuler
Shuster
Sires
Skelton
Smith (NE)
Smith (NJ)
Smith (TX)
Snyder
Space
Spratt
Stearns
Stutzman
Sutton
Teague
Terry
Thompson (PA)
Thornberry
Tiahrt
Tiberi
Titus
Tsongas
Turner
Upton
Walden
Walz
Wasserman Schultz
Watt
Waxman
Westmoreland
Whitfield
Wilson (OH)
Wittman
Young (AK)

NOES—148

Ackerman
Bachmann
Baird
Baldwin
Barton (TX)
Becerra
Bilirakis
Blumenauer
Boyd
Braley (IA)
Broun (GA)
Brown, Corrine
Burgess
Butterfield
Campbell
Capuano
Chaffetz
Chu
Clarke
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costello
Cummings
Dahlkemper
DeFazio
DeGette
DeLauro
Doggett
Edwards (MD)
Ellison
Engel
Eshoo
Farr
Filner
Flake
Fleming
Forbes
Fortenberry
Foxx
Frank (MA)
Franks (AZ)
Fudge
Garamendi
Garrett (NJ)
Gingrey (GA)
Gohmert
Graves (GA)
Grayson
Green, Gene
Grijalva
Hastings (FL)
Heinrich
Hinchey
Hirono
Hoekstra
Holt
Honda
Inslee
Jackson (IL)
Jackson Lee (TX)
Jordan (OH)
Kagen
Kanjorski
Kaptur
Kilpatrick (MI)
Kilroy
Kind
King (IA)
Kingston
Lamborn
Larson (CT)
Lee (CA)
Lewis (GA)
Linder
Lofgren, Zoe
Luján
Lynch
Mack
Markey (MA)
Matsui
McCollum
McCotter
McDermott
McGovern
Melancon
Michaud
Miller (NC)
Miller, George
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Nadler (NY)
Napolitano
Neal (MA)
Obey
Olver
Ortiz
Payne
Pence
Perlmutter
Pingree (ME)
Poe (TX)
Pomeroy
Rangel
Rehberg
Reyes
Rodriguez
Rogers (AL)
Roybal-Allard
Rush
Sánchez, Linda T.
Sanchez, Loretta
Schmidt
Schrader
Scott (VA)
Serrano
Shadegg
Shea-Porter
Simpson
Slaughter
Smith (WA)
Speier
Stark
Stupak
Sullivan
Tanner
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Tonko
Towns
Van Hollen
Velázquez
Visclosky
Waters
Watson
Weiner
Welch
Wilson (SC)
Wolf
Woolsey
Wu
Yarmuth

NOT VOTING—8

Berry
Brown (SC)
Granger
Johnson, E. B.
Marchant
McCarthy (NY)
Wamp
Young (FL)

□ 0000

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CALLING ON STATE DEPARTMENT TO LIST VIETNAM AS A RELIGIOUS FREEDOM VIOLATOR

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and agreeing to the resolution (H. Res. 20) calling on the State Department to list the Socialist Republic of Vietnam as a ''Country of Particular Concern'' with respect to religious freedom, as amended.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. BERMAN) that the House suspend the rules and agree to the resolution, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. POLIS. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks and insert any extraneous material into the RECORD on H.R. 4853.

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

There was no objection.

REPORT ON RESOLUTION WAIVING REQUIREMENT OF CLAUSE 6(a) OF RULE XIII WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS AND PROVIDING FOR CONSIDERATION OF MOTIONS TO SUSPEND THE RULES

Mr. POLIS, from the Committee on Rules, submitted a privileged report (Rept. No. 111–685) on the resolution (H. Res. 1771) waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules and providing for consideration of motions to suspend the rules, which was referred to the House Calendar and ordered to be printed.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. PLATTS (at the request of Mr. BOEHNER) for until 3 p.m. today on account of attending the funeral for Dallastown Mayor Beverly Scott.

SENATE ENROLLED BILLS SIGNED

The Speaker announced her signature to enrolled bills of the Senate of the following titles:

S. 1405. An act to redesignate the Longfellow National Historic Site, Massachusetts, as the ''Longfellow House-Washington's Headquarters National Historic Site''.

S. 1774. An act for the relief of Hotaru Nakama Ferschke.

S. 4010. An act for the relief of Shigeru Yamada.

ADJOURNMENT

Mr. POLIS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 5 minutes a.m.), the House adjourned until today, Friday, December 17, 2010, at 9 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XIV, executive communications were taken from the Speaker's table and referred as follows:

10956. A letter from the Director, National Institute of Food and Agriculture, Department of Agriculture, transmitting the Department's final rule — Establishment of New Agency; Revision of Delegations of Authority (RIN#: A-0521-AA63) received December 8, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

10957. A letter from the Chairman, Council of Economic Advisers, transmitting fifth report regarding the American Recovery and Reinvestment Act through the third quarter of 2010; to the Committee on Appropriations.

10958. A letter from the Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting the Department's final rule — Defense Federal Acquisition Regulation Supplement; Restriction on Ball and Roller Bearings (DFARS