President, but of Ambassador Holbrooke who have worked with the Security Council to bring it to the vote today on this important resolution.

It will look at AIDS as a long-term and domestic policy. It will set up a tracking system around the world. It will focus on training and education around the world, but also on the peacekeepers, testing voluntarily the peacekeepers, and making them aware of the crisis and the harm that it can be to their own health and to many others.

I might add that this body has also acted to combat the AIDS crisis. The Department of Defense legislation contained $10 million to really work, in a joint effort, with military organizations around the world to educate and combat AIDS. Just last week, in the Foreign Operations bill, there was a vote of $244 million for USAID to combat AIDS.

I also applaud the hard work of the gentlewoman from California (Ms. LEE) on her ''Marshal Plan'' against AIDS, which was reported out of the Committee on Banking and Financial Services with strong bipartisan support with $100 million authorization for 1 year and $500 million over 5 years. That legislation is currently before the Senate. We hope it will likewise receive strong bipartisan support.

I wanted to join my colleagues in really applauding the first-ever action by the Security Council in recognizing AIDS as a health problem, a security problem in our new world of interdependence and globalization, in a very positive step that they took today in passing out this resolution which I will place in the RECORD as follows:

DRAFT SECURITY COUNCIL RESOLUTION ON HIV/AIDS

The Security Council,

Recalling its meeting of 10 January 2000 chaired by the Vice President of the United States, at which it was briefed the President of the World Bank, the Administrator of the United Nations Development Program, and the Executive Director of the Joint United Nations Programme on the connection between the spread of HIV/AIDS and peace and security in Africa,

Deeply concerned by the extent of the HIV/AIDS pandemic worldwide and by the severity of the crisis in Africa in particular,

Bearing in mind that it has the primary responsibility under the Charter of the United Nations for international peace and security,

Recalling in this context, the Statement of its President on the role of the Security Council in the prevention of armed conflicts (S/PRST/1999/34),

Reaffirming the importance of a coordinated international response to the economic, health, social, cultural and humanitarian problems which are often the root causes of armed conflict,

Recognizing that the adverse effects of the spread of HIV/AIDS on all sectors of society, including individuals, families, workers, political leadership, and the military, have weakened the capacity of affected countries to maintain domestic and regional peace and security,

Further Recognizing that the spread and impact of the HIV/AIDS pandemic is greatly exacerbated by poverty and lack of development,

Further Recognizing that the HIV/AIDS pandemic not only poses a threat to stability and security, but is also exacerbated by conditions of violence and instability,

Recognizing that HIV/AIDS poses a truly global risk to all continents and peoples both civilian and military,

Expressing Concern at the damaging impact of HIV/AIDS on international peacekeeping operations.

Welcoming the March report of the UN Special Committee on Peacekeeping which affirmed the need to incorporate HIV/AIDS prevention training in aspects of the UNDPKO training for peacekeepers,

Welcoming the Report of the Secretary-General for the Millennium Assembly of the United Nations, and in particular, those sections where he notes that the spread of HIV/AIDS is a truly global crisis, that unless action is taken HIV/AIDS will be even more damaging in the future, and his call for coordinated and intensified international action to reduce the rate of new HIV infections by 25% by the year 2010,

Commending the efforts by UNAIDS to coordinate and intensify the work of the world's states and the UN organizations against the HIV/AIDS pandemic,

Commending the efforts of the United Nations Department of Peacekeeping Operations to address this issue, including providing HIV/AIDS prevention awareness information to peacekeepers through its train-the-trainers courses and materials:

1. Requests the Secretary-General ensure the provision of mission-specific training of all peacekeepers on issues related to the prevention of the spread of HIV/AIDS, and ensure the further development of pre-deployment and on-going training of all peacekeepers on issues related to the prevention of the spread of HIV/AIDS,

2. Urges all states to acknowledge the problem of HIV/AIDS directly, including in uniformed national military forces, and develop, in consultation with the international community and UNAIDS, effective civilians and military personnel on the prevention of the spread of HIV/AIDS,

3. Urges all member states to institute voluntary and confidential counseling and testing for HIV/AIDS for civilians and members of uniformed national military forces, especially for troops to be deployed to international peacekeeping missions, because of the proven effects of testing to reduce high-risk behaviors,

4. Further urges countries to increase international cooperation among national military organizations to assist with the creation and execution of HIV/AIDS prevention, testing and treatment policies within the militaries,

5. Requests the Secretary General ensure that UNAIDS cooperate with member states, including those states that contribute peacekeeping troops, to establish voluntary consultations and a database to track these countries' HIV/AIDS prevention education, testing, deployment, counseling and treatment policies,

6. Calls upon the leadership of all UN organizations to address the HIV/AIDS pandemic in the context of their organization's respective mandates and to adjust their organization's activities accordingly to ensure they are assisting wherever possible in the global efforts against the HIV/AIDS pandemic

Decides to remain seized of the matter and to continue to seek information and guidance on this issue from all appropriate sources.

☐ 2015

CONGRATULATIONS TO REVEREND VASHTI M. McKENZIE OF BALTIMORE

The SPEAKER pro tempore (Mr. PITTS). Under a previous order of the House, the gentleman from Maryland (Mr. CUMMINGS) is recognized for 5 minutes.

Mr. CUMMINGS. Mr. Speaker, tonight I rise to salute and pay tribute to a friend, Bishop Vashti McKenzie, who was just elevated to be a bishop in the African Methodist Episcopal Church in Cincinnati just a few days ago. She is the first woman to achieve this high goal, and she is certainly very deserving.

Bishop Vashti McKenzie, whose church is within one block of my house in the 7th Congressional District of Maryland, for many, many years has labored in the vineyards of lifting up people, pastoring the Payne Memorial A.M.E. Church and being a wonderful, wonderful pastor, a wonderful wife, and one who has constantly been about the business of empowering not only her church members but her community.

Bishop McKenzie is a member of the Delta Sigma Theta sorority, and she has been a very active member and she has constantly done things within the 7th Congressional District to address the question of how to empower people. She recently spent a tremendous amount of time working with the banks in Baltimore trying to make sure that they were not redlining. She spent a tremendous amount of effort pulling together banks and making sure that their lending practices were consistent throughout the entire Baltimore metropolitan area.

But more important than that, even when she was not even considering running for the position of bishop, she constantly worked in the vineyards. I have often said that when one is unknown, unseen, unappreciated and unapplauded, it is what they do in those moments that really count. So I take a moment not only to salute Bishop Vashti McKenzie, but I also take a moment to salute the African Methodist Episcopal Church. There are so many churches that do not even want women to be pastors, and here is a church that not only have many pastors throughout these United States but has decided to elevate one of its daughters to be a bishop.

It is with great honor that I recognize and thank Bishop Vashti McKenzie for all of her work; and, Mr. Speaker, it is my pleasure to congratulate her for her accomplishments.

TAXES AND THEIR IMPACT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Colorado (Mr. McINNIS) is recognized for 60 minutes as the designee of the majority leader.

Mr. McINNIS. Mr. Speaker, I have just come back from the district, and I spent my entire weekend traveling throughout the district. Interestingly, the subject that came up time and time again were the death taxes. So this evening I am going to talk a little about taxes. I think it is a good forum for us to discuss really four basic taxes, and so I am going to address those with my colleagues here this evening.

The first, of course, is the death tax. I will go into some detail about what that exactly encompasses and why it is so punitive on the citizens of this country; why it is an unjust tax; why there is no justification for the death tax in our tax system; what it does to open space and to the preservation of open space in districts such as mine, the Third Congressional District of the State of Colorado.

Then I will move on and talk about the capital gains tax reduction that the Republicans put into place and what capital gains means as far as creation of capital and why it is critical for the economic well-being of our country.

From there, I will move on to talk a little about the marriage penalty. To the best of my knowledge, only in the United States of America, only in the United States of America do we tax couples because they are married. This, by the way, is the leading country in the world which advocates family. We advocate marriage. We want people to get together and tie that bond, the very basic entity of the family foundation which has made this country great. But Uncle Sam comes along, not to be left out of the game, and puts a tax on it. We will talk a little about that.

Finally, I also want to talk about our homes. Every homeowner, every one of our constituents, colleagues, who are homeowners out there in this fine country of ours, we need to talk about what happens when they sell that home for a profit; what used to happen and what now happens as a result of the Republican leadership. And, frankly, that was a bipartisan vote, but it is a Republican bill; and we will discuss what it did to those homeowners and how it helps homeowners in this country.

It has some bearing for every one of my colleagues in this Chamber because the majority of our constituents own homes. And in these good economic times, a lot of our constituents have the opportunity to sell their homes; or if they sell their home, they will sell it for a profit.

But first of all let us begin with the tax that I think is without justification, a tax which was initiated as a vendetta, as a way to get even with the wealthy families, the families who met success in America: the Fords, the Carnegies, the Vanderbilts, the Rockefellers.

Back then the feeling was, how dare those people make that much money; we have to figure out a way, without working for it, to take the wealth from them and transfer it to us, the Government, in Washington, D.C. What better approach than to put a tax on them on the day they die. The day that person dies, Uncle Sam will be at the door, right behind the mortician, except that Uncle Sam gets to collect before the mortician, by the way, on the death tax.

So we will talk a little about what this death tax means; how it impacts things in the environment, like open space in Colorado; how it devastates families who were brought up and who lived the American Dream; how everyone's dream, those my age, is to leave something for the generation behind them, and how that dream has been dashed; what the impact is for the generation ahead of me that wanted to leave something for this generation to get kind of a head start, how it has been demolished in many cases; and what the impact is of death tax transferring, spinning money right out of the community to be transferred, without work, without value, simply transferred from our local community to the bureaucracy in Washington, D.C. under the death tax.

One of the best articles I have read is out of a newspaper which I read on a regular basis, the Wall Street Journal. Excellent editorials, by the way, colleagues. I would urge all my colleagues to read those. It was interesting to me that the TV talk host, Oprah Winfrey, is quoted as saying, ''I think it is irritating that once I die 55 percent of my money goes to the government of the United States.''

Why is that irritating? Because that individual may have already paid nearly 50 percent. What Oprah is referring to is that the money being taxed upon that person's death, if that estate qualifies, is property upon which that individual may have already paid taxes on. It is not money that was put away in some little chuckhole somewhere and not had taxes paid on it. It is money, in many cases, that has been taxed not only once, but twice and sometimes three times.

Let me go on with her quote: ''When you leave a house or money to people, then they're taxed at 55 percent. So you've got to leave them enough so once they're taxed they still have some money.''

When we talk about taxes in a country, we have to look around the world. It is, after all, America that is the symbol of free enterprise. It is the dream in America that a person can start out and if they can figure out a better mousetrap, a better way of doing things, a product that will benefit the people, give value to the people, then that person is rewarded the fruits of their labor. That is the American concept.

Look at other countries. Look at some of the countries that have the reputations for high taxes in this world. Look at Switzerland. Not only Switzerland, but look at Germany, or look at Belgium. Even their death taxes are lower than the United States. Only one country that I can find in research, as cited by the Wall Street Journal article, Japan, has a higher rate than the United States.

Now, as my colleagues know, the administration, the President and the Vice President, as a team, are prepared to veto the elimination of the death tax. The U.S. House, by a bipartisan vote, meaning Democrats and Republicans, supported the Republican bill to eliminate the death tax. The Senators, both Democrats and Republicans, adopted the Senate bill, the Republican Senate bill, to eliminate the death tax. Yet this bipartisan effort will be vetoed in the next few days by the President and Vice President team.

A lot of us hoped, however, that they would just leave it alone. When we started this year, we were surprised when we got the President and Vice President's budget, which not only of course does not call for elimination of the death tax, it increases the death tax, and increases it by $9.5 billion. Today we are sending them a bill that will finally allow equity in regards to this, to eliminate it; but the President and the Vice President see fit to veto it.

Now, some of my colleagues or their constituents out there may say, well, that does not impact me, the death tax is only for the wealthy. Interesting statistic I saw the other day. The American Association of General Contractors pointed out that a contractor, somebody who wants to go out and dig some dirt, who purchases the three basic tools necessary to move dirt, a bulldozer, a dump truck and a front-end loader, that contractor in America that buys a front-end loader, a bulldozer and a dump truck, their estate is now in the status that it will be faced with the death tax upon their death.

Look, colleagues, this does not just apply to the wealthiest of Americans, this applies to a lot of Americans; and it applies to Americans who do not necessarily have high cash flow. This contractor who has a bulldozer, a dump truck, and a backhoe may have no cash flow, or their business is just breaking even, and upon the death of this contractor, the Federal Government comes in and they will crush that business because the only way that estate can pay that estate tax is to sell the bulldozer or sell the dump truck or sell the front-end loader. Now, how, as a contractor, when the business needs those three basic pieces of equipment, how can the business be operated with just two of the three? It cannot.

The same thing applies to ranchers and farmers, in particular, in rural America. My State, for example: Colorado, the district I represent, the Third Congressional District of Colorado, geographically larger than the State of Florida, essentially all the mountains of Colorado. Do my colleagues understand what is happening to our ranching community out there because of this death tax?

I wish the President's policy wonks and the Vice President's policy wonks would come out to Colorado and see what they are doing to open space. They are forcing it to go into 35-acre ranchettes because the family, who is part of a ranching operation, does not have heavy cash flow. In some cases, not even positive cash flow. When the head of the family passes away and the estate is activated for the death tax, what choice do they have? It is like the contractor who has to sell one of the three or maybe two of the three pieces of equipment.

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It demolishes it. The contractor's business is gone. And that is what is happening to ranches in Colorado. Yet our President and Vice President decided that it was appropriate not only to have a death tax imposed upon all of us but to increase the death tax this year in their budget by $9.5 billion.

Let us go on with this article. I think it is very interesting. ''Then there are casualties,'' speaking about the death tax, again from the Wall Street Journal, July 29, 1999, ''then there are casualties in small business, particularly family businesses. Hardest hit are owners of asset-rich enterprises and areas like farming or timber that, while growing, may not throw off much cash. In theory, again, the law provides a break for these families. However, the reality is that prohibitive estate taxes force the heirs to dismantle their legacy to pay the taxes on it.''

That is what is happening to Colorado ranches. That is what is happening to ranches all around this country. Let me tell you, the very wealthiest people in this country are the ones that can afford the legions of attorneys and accountants to figure out how to preserve that, but the middle class in America who does not have the money to acquire the attorneys and the CPAs for the protection of that estate are suffering.

Why should they suffer? It is one thing, we all have a tax burden. The citizens of this country acknowledge and know that we have to pay our fair share in taxes and the people who acquire these estates under the umbrella of the American dream they know they have to pay taxes and they pay them as they acquire their property. But then at the end, for the United States Government to step in through the door of death and say now that you have died it has become a taxable event, we all know what are taxable events. If you buy something at the store, you pay, it is a taxable event. If you buy a car, it is taxed, it is a taxable event. You get a license plate, it is a taxable event.

But the U.S. Government and the President and Vice President think that the policy should be that when you die, it is an event so remarkable that it should be taxed, so remarkable that it should be taxed, regardless of the impacts of what that tax does.

I have heard and I have read some editorials lately, not many, most of the editorials I read support doing away with the death tax, but I read a couple that say, hey, what are you talking about? All you are doing is hitting the rich people. How wrong those people are.

Interestingly, one of those articles I saw in the Wall Street Journal, and it was not an editorial but it was a guest comment; and I thought to myself, I wonder if the author of that article had ever been outside of the boundaries of the Potomac River to the farmlands and to the ranchlands and to the small businesses in America and asked those people what is it going to be like when mom or dad dies and you have got to pay estate taxes? What kind of impact does it have on your community?

Let us talk about that for a minute. What happens to the community? Some people as they write in these editorials think that the only impact is upon the family with whom the death occurred. My gosh, they need to open their eyes, my colleagues, because it goes much further than just the family that has the death.

I will give my colleagues an example. In my district, I had a friend of mine who lived the American dream, who went out with soil in his hand and worked it and worked hard; and he was rewarded through life. He figured out a better mousetrap. He figured out how to build a better road. He knew how to work harder. He knew how to count his pennies. And, as a result, he got the fruits of his labor.

Do you know what he did with the fruits of his labor, the money that he made? He made some money. Do you know what he did with it? He invested it in the community. He underwrote 75 percent of the local Episcopal church budget, 75 percent of it, every year. You could go to my buddy Joe and he would write the check. The United Way, the Cancer Society, the Lung Society, M.S., high school yearbook, you name it, Joe helped provide in that community. And it was money that Joe made but he kept in the community and it circulated.

Joe also gave people jobs. He hired people to work in his construction company. He hired people to help him on his land. And those people then took their money home to their families in that community. That money was important to that community.

And what happened when Joe died? Guess who comes in from Washington, D.C., as if they reserved a private jet just to fly into this small community in Colorado to go and smile over the deceased because it is a taxable event. They came into that community and they hit his estate, when you combine it with capital gains at a rate in excess of 80 percent, 80 cents on every dollar, and by the way, every dollar that had already been taxed at the time it was accumulated, any interest or investment or return since then was taxed, 80 percent on every dollar.

Do you know what happened to the 57 percent of the local Episcopal church budget that was underwritten? Gone overnight. Do you know what happened to your major contributions, to your charities and the community, the United Way, the Cancer Society, Lung Society? Gone overnight. Do you know what happened to jobs in that community that were there as a result of the investments that he made in that community? Gone overnight.

And yet our President and our Vice President are willing to stand down there and veto the elimination of this unjustified death tax. It is not fair.

I have a wonderful little niece. She is 2 years old. She has a way of crossing her arms and looking you in the eye and she says, ''it's not fair.'' That is exactly what is happening here.

How can you justify in any regard other than the fact that you want to be vindictive against people who have been successful in our society, how can you justify a taxable event upon their death? How can you look at the surviving members of their family or how can we look at the young people, look at the 20-some-year-olds in this country who are out there working 60 and 70 hours a week, who have the energy that we all my age remember well, the opportunity to be something, the opportunity to make it your own way, you want it your way, make it your way, the American free enterprise system, only to know that your goal, and it was a goal I have had ever since my wife and I had our first child, it was a mutual goal, and that is we dedicated ourselves a certain portion of the hard-earned money that we made, and we are not wealthy, but the hard-earned money we made we dedicated a portion of that because we wanted the next generation to maybe have a home or maybe our son and daughter who wants to be a contractor and go out and buy those three basic pieces of equipment, a backhoe, a dump truck and a bulldozer.

Whoever dreamed when we were young and those were the days, whoever dreamed when those were the days that it would be the United States Government that, upon your death, would call it a taxable event and come in and take away the dreams that you and your spouse have had for a long time, take away the prosperity that a community enjoys?

Where does that money go? It spends right out of your community, right out of your family, right out of your estate. It spends East where and it comes to Washington, D.C., to be redistributed by the Government.

Is it fair? Of course it is not fair.

Let me go on. I am particularly addressing right now ethnic minority groups. It is worth noting that a good share of those people who are vulnerable are owned by two groups whom high tax leftists claim to protect, women and minorities.

A survey of black-owned businesses by Kenneshaw State College in Georgia found six in ten firms by women and minorities, six in ten firms reported that the estate tax makes the survival of their business after the current generation significantly more difficult or impossible. Close to a third of those people said their heirs would have to sell their businesses just to pay the taxes.

Let me read a few letters that I have gotten in my office that are right on point when we talk about the impact that happens by this Government upon its own people. Colleagues, it is happening to our constituents simply because they die and simply because they have lived the American dream and they have had success.

Now, look, if you want to be vindictive, if you are against people being successful, then I guess you are satisfied with this death tax. And apparently that is perhaps the policy of the White House, because they are going to veto a bipartisan bill, Democrat and Republican. Although it is a Republican bill, the Democrats voted for it, some of them; and in the Senate Republican bill, some Democrats voted for it. The President still chooses to veto it.

This gentleman is named Mr. Roberts. ''My family has ranched in northern Colorado for 125 years. My sons are the sixth generation to work this land. We want to continue, but the Internal Revenue Service is forcing almost all ranchers and many farmers out of business. The problem is the death tax. The demand for our land is very high, and 35-acre ranchettes are selling in this area for as high as $4,500 per acre. We have many thousands of acres. We want to keep it as open space, but the United States Government is making it impossible because we will have to pay 55 percent of the valuation of that acreage upon my parents' death.

''Ranchers are barrel scrapping by these days, anyway. But since we want to save the ranch, we are in trouble. The family has been able to scrape up the death taxes as each generation dies up to now. This time I think we're done for. Our only other option is to give the ranch to a nonprofit organization. And they all want it.

''My dad is 90. We don't have much time left. We are one of only two or three ranchers left around this area. Most ranches have been subdivided. One of the last to go was a family that had been there as long as ours. When the old folks died, the kids borrowed money to pay the taxes. Soon they had to start selling cattle to pay the interest. When they ran out of cattle, their ranch was foreclosed on and is now being developed. The family now lives in a trailer near town, and the father works as a highway flagman.

''If you want to stop sprawl, you better ask the U.S. Government to get off the backs of family farms and ranches.''

The next letter, Ron Edwards:

''Dear Representative McInnis,

I'm writing to bring to your attention an issue of utmost importance to me and my family, employees, and the businesses: elimination of the death tax. I urge you to support and pass the death tax repeal legislation this year. Family-owned businesses need relief from those death taxes now. We are celebrating 66 years in business.''

Now, that is the American dream. That is the American dream, Mr. Speaker, 66 years in business. Six generations in this letter, six generations on the same ranch. Do my colleagues want to be a part of the team that ruins those six generations? Do they want to be a part of the team that comes in here after 66 years of business? Let me continue.

''My grandfather, Vic Edwards, started with a fruit and vegetable farm in 1933 at our location in Colorado. The business grew into a grocery store and then a lawn and garden center. My father, Vic Edwards, is 80 years old, and he is in poor health. No business can remain competitive in a tax regime that imposes rates as high as 55 percent upon the death of the owner. Our tax law should encourage rather than discourage the perpetuation of these businesses.''

Let me repeat that. Our tax laws, Mr. Speaker, should encourage the continuity of these businesses, not discourage the continuity. This guy works in his family grocery store and that is what he is telling us, Mr. Speaker. He is saying we should encourage the continuity of these businesses, encourage them to go on, not destroy it.

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If you support that death tax, you are going to destroy a lot of these family businesses. Leonard Harris, first-generation owner of a food center in Chicago, Illinois. His store is one of less than 20 African-American-owned supermarket companies in the United States. Mr. Harris has said, my focus has been putting my earnings back into grow the business. For this reason, cash resources to pay the Federal death taxes based on the valuation, the way valuation is made, would force my family to sell the store in order to pay the IRS within 9 months of my death. Our yearly earnings would not cover the payment of this tax. I should know. I started my career as a certified public accountant. So here is an African American, first generation in business, taking the cash flow, the profits out of that business, putting it back into the business to create more business, to create capital, to create jobs, to create an economic solid block in a community. Now he is saying, ''Look, it isn't going to go beyond one generation if this government continues to put the death tax on us.''

Rich Newman, Sr. Our company was founded in 1917 by Rich Newman's father and uncle and currently operates 33 grocery stores in Illinois, Missouri, Kansas and Iowa and provides jobs for 3,000 people. 3,000 people. When Rich's father passed away suddenly in 1969, the family was faced with a death tax of several hundred thousand dollars which by law was due within several months. The Newman family had to use all of the resources from the sale of the company's wholesale operations to pay the death tax bill. These proceeds could have been put to a better use by being reinvested in retail stores and new jobs. The sale of the wholesale side of the business provided the funds to pay the estate taxes. Now Mr. Newman, to preserve what is left of the business, has estimated over the years he has spent in excess of $600,000 just on accountants and CPAs to help him figure out how to pass that business on to the next generation without the death tax.

Brookhart Building Centers in Grand Junction and Montrose, Colorado. Those are two thriving communities in my district out in Colorado. Last September the Brookhart Building Centers had to be sold in order to avoid paying the death tax. The owner said that it was the hardest decision the family had made in 52 years of business. And it was a decision that was not brought on by their failure because maybe they did not work hard enough. The decision to sell was not brought on because they did not have a good product to sell. It was not brought on because they could not service the community. It was not brought on by dissatisfaction of consumers. It was brought on by the Federal bureaucracy in Washington, D.C. which decided that they are going to tax this family upon the death and they are going to break that business apart. Watt said the current death taxes forced his father to make the sale prior to his father's death in order to protect our family. Can you believe that? We have a constituent, colleagues, talking about in order to protect our family from the government, in order to protect our family from a death tax, from a taxable event which was put in in the early 1900s just as a vindictive tool to get at the Rockefellers and the Carnegies, in order to protect our family and our employees. Remember what I said about the community impact? To protect our employees, too, and our community from a forced liquidation upon the death of the father and the wife, Betty, the best thing now would be to sell the company. And it was sold.

Let me conclude with one other article and then we will move on to some other taxes. But listen to this. I do not like reading from scripts. But this is an important one. I hope you have the patience to listen to this. I think it is very moving. I think it shows you exactly how punishing, how punitive the death tax is and how unfair and how unjustified they are and how the President and the Vice President of this country with their policy can not only veto the bill, bipartisan bill to get rid of it, the President and the Vice President have actually proposed raising the death tax by 9.5 billion in their budget they proposed. This came out of the Aspen Times.

There are lots of tales to be told about the conversion of former ranches into luxury homes or golf courses throughout the valley. Sometimes it was a simple financial decision, a choice to take advantage of soaring development values in the face of plummeting cattle prices, but for other families the passing of a parent meant the passing of a way of life. Listen to that sentence, colleagues. But for other families, the simple death of a parent meant the death of a way of life. The death of a parent meant the death of a way of life for the whole family. We have been around a long time, said Dwight. The family roots are dug deep along Capital Creek Road in Old Snow Mass and for nearly a century, heritage and hard work were enough to sustain those who lived on our 13-acre stretch of land. But it all changed. Until Dwight's father's death, each generation, each generation in that 100 years, presided over a working cattle ranch which was both the lifeblood and the livelihood of the clan, the Monron clan. His later years were lean times for Dwight's father but the fate of this ranch was not at risk until the government came around to collect its due on the death of Dwight. The tax bill came to $750,000. And what it took to pay the bill was this. We had to sell half the ranch, the ability of the Monron cattle to migrate in the winter months in 10 years, until we were able to pay our final last installment. What those taxes took was also something very vital, the ability of the next generation to support their family by working the land that had been theirs for such a long, long time.

So the government came in and not only took the money but they took away the future ability of this family to continue ranching operations. It is just like the contractor. If you come in and you have the three pieces of equipment, the bulldozer, the dump truck and the backhoe and you take one of those pieces of equipment away, you can no longer function as a construction operation. What those taxes have done to our family is exactly that. Now one of our heirs works full time as a mechanic, the son, works full time as a mechanic for the school district and then works on the ranch when he gets home at night. He doesn't mind the long hours he has to put in. What does get under his skin is the memory of how IRS agents overseeing his father's taxes either didn't recognize the devastation that was about to occur or didn't care. It was just pay us or we'll seize everything. If anything's left over, you can keep it, or if you can't make ends meet on what's left, you can hit the streets. He has no intention of selling the remaining 640 acres but he wonders if his daughters will be willing to go through what he has gone through just to keep the ranch intact. With only half of the land to graze and falling beef prices, the ranch itself is only making enough to cover its operating costs and annual property taxes. It is the day job at the school district that pays the doctor bills, the car insurance, the grocery bills and everything else. There has always been hope that things will change before his daughters have to make decisions. But he wonders if people really think about the permanent changes that take place when the ranch is sold. It's not just a loss to the family, it is a loss to the community. It is a loss to the people who work on that ranch. There are some movements in the right direction but are they moving quickly enough? Because once our land is sold to developers, it is gone forever. It will never again have the integrity of a ranch.

That is what your estate, those death taxes are doing. Some of you out there, colleagues, who are supporters of the death tax and claim to be guardians of the environment, well, you are not doing it in rural America because in rural America you are costing us, you are forcing us to develop those communities. By now you should have drawn the conclusion, I hope, that the death tax is fundamentally flawed. There is no basis for it. There is no justification for it. The only reason really it came about were two reasons: One, vindictively to settle a score with the wealthy people. It was jealousy in my opinion that drove it. And, two, the government as usual looks for an easy way to take money without earning it and transfer it to somebody else who did not work for it. Remember that every time you give a dollar to somebody that is not working, you are taking it from somebody who is. Every debit has a credit, every credit has a debit. That is exactly what we are doing with this death tax. We ought to, every one of us to the person in these chambers, ought to stand up to the President and the Vice President of this country and say, sign the bill to eliminate the death tax, Mr. President and Mr. Vice President. Quit standing by and letting our small businesses, our family ranches and our family farms be destroyed. Quit standing by, Mr. President and Mr. Vice President, with this policy and letting our communities, our minority communities who are now finally getting the opportunity, the fair opportunities that should have been given to them a long time ago only to find out now that the very government which espouses its push for affirmative action and equality and so on and on forth is the very one who steps in on the day of death and says, come here, we want the money, we want the money to transfer.

Let us move on to another tax I want to visit with you about. This one you will feel good about. It is a big break if you own a home. There are a lot of young people out here today. Our country now has homeowners that I think probably are the youngest age in the history of our country, or certainly in recent years. I mean people in their 20's, early 20's are able to buy a home, and economically it is probably the largest investment most of those families will make during their lifetime. Let me show you what happened in the past if you sold that home for a profit. We will just take a couple of examples here. Let us say as an individual you have bought a home for $100,000 and over time you sold the home, let us say 10 years later you sold the home for $350,000. So your profit, and this applies to every homeowner in the country, your profit if you own a home was $250,000 and you were taxed on $250,000, although you could defer the tax by rolling it over into a home of greater or higher value or if you were over, I think, 62, you got a once-in-a-lifetime exemption I think of $125,000. We felt that this was punitive. Let me say to you, I am not up here to get in a partisan battle. But the Democrats, frankly, you could have gotten rid of that death tax a long time ago, and you could have done something when you held control for 40 something years on these home taxes. But I am proud to say you joined us, you joined the Republicans in doing away with this tax. In my opinion, this tax break on the profit of your home when you sold it is probably the biggest tax break that you have seen in our tax structure, I would guess in the last 15 years.

How so? We changed the law completely. It is the Republicans' position that, sure we need to have taxes, we do not disagree with taxes. But we believe we are under a fiduciary duty to take the taxes that are necessary to give you the functions that you demand. But beyond that, we think you should have the tax back. The money in your pocket works a lot more effectively than the money back here. Take, for example, if you won the lottery and you won $2 million, do you think for one minute, any one of my colleagues out here, that you would take that $2 million and send it to the government in Washington, D.C. to invest? Of course you would not. Or even to distribute. Of course you would not. If you wanted to give it to the poor people, would you send your money to Washington to be distributed to the poor people? Of course not. Because of the inefficiencies. This is one of the inefficiencies we saw in the government. So what we did is we put in a tax bill. Let us take the same example. The individual, again, buys the house for $100,000, again sells the home for $350,000, realizing a profit of $250,000. Under our bill, which became law, it is the law today, this is not a hope, it is not a dream we are hoping for, it is here. The Republican tax break passed. Your taxes today, zero. The amount you were taxed on before, $250,000. What we have said today, and everyone out there who owns a home, listen up, colleagues. Any of you that own a home now under our tax law as a result of that Republican bill, and I am proud of it, I am proud as a Republican to say we did this, now as a result of that, you get to take the first $250,000 of net profit, not gross profit, of net profit from the sale of your home per person. So, remember, most homes are owned by individuals.

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In those cases, it is $500,000, the $250,000 per person doubled, $500,000, we get to take the first $500,000 of our net profit. I said net income, I meant net profit, I stand corrected, of your net profit; and we get to put it into your pocket taxfree. That is great.

Mr. Speaker, that is a tremendous tax benefit that many, many people in this country do not realize; but, colleagues, every time we go back to our districts, we should tell homeowners, which are most of the people that we represent, we should tell them what an opportunity now exists out there for them. They are not going to be penalized when they sell their home at a profit up to $500,000.

The benefit of what we did in this bill is it is renewable every 2 years. If we have a colleague outside of maybe Vail or Aspen, Colorado, where we have really escalating profits, or the Hamptons, most people are not going to make that kind of money every 2 years, there is maybe an exception here and there; but the reality of it is, this is a blue collar working family, middle income, lower income tax break of significant portions. I am very proud of that.

Mr. Speaker, keep that in mind, any of my colleagues, any of our constituents that we hear, they are saying we are selling our home or we are getting ready to move or we may have some constituents that say to us, we are getting ready to buy a new house; and in a lot of those cases, they are also selling their old house.

We ought to take just a moment and explain to our constituents what a great tax benefit they have ahead of them. In fact, they do not have to roll it over. It goes straight to their pocket. By the way, unless our constituent takes that money and digs a hole and puts it in the ground, that is the only exception, unless that happens, the money then will regurgitate in the community; they will take their money; they will put it in the bank. The bank will loan it out or they will take their money and build a bigger and better house, so we will have contractors and workers going. That money circulates.

The beauty of this tax break, the big beauty of this tax break is it keeps the money in your community; that is one of my issues with the death taxes. The death tax, taxing death as an event takes the money from your local community and moves it east to Washington, D.C. This took money from your local community and moved it from your community east to Washington, D.C.

This law that we have passed and if the President and Vice President will sign the repeal of the death tax, it will keep money in your community. It will be money that will be used for our local charities, not for the national ones. It will be money that will keep local people employed. It is money in your community. It spends in your community. It is worth it.

MARRIAGE PENALTY

Let me talk for a moment about something else, the marriage penalty. Can we believe it? I mean, can we really believe it that in the United States a country that prides itself upon encouragement of family, that talks about the great foundation, accurately talks about the great foundation of our country is family, and yet this government always is looking for a taxable event, always trying to figure out how to put another tax on us. They figured out well, we take them on death. Guess what else, there is another ceremony.

Mr. Speaker, I think they look at ceremonies. There is a ceremony called a wedding. Let us go ahead and put a tax on a marriage. That certainly is a good way to espouse family relations; that certainly is a good way to encourage people to be married and living as a family unit. Our government actually penalizes people for being married. They tax them for being married.

We have had a long time to change that. It has not changed. Again, I stand proud as a Republican. One of our priorities was to eliminate not just the death tax, not just give a break on the sale of your home, which is now a law, but also to go out to those people that are being taxed as a result of being married and say this is a mistake in policy.

We are not above ourselves to admit that Washington sometime back made a mistake. Washington should have never taxed the marriages. Washington should not have a death tax. The House tax was excessive. Let us get rid of the marriage tax. I was surprised that we would have opposition to that.

I was also surprised that we had no votes on the repeal for the death tax. Frankly, I was shocked that the President not only did not oppose eliminating the death tax, but also proposed a $9 billion increase. We actually had people on this floor back to the marriage tax who opposed it who said we ought to be penalized.

Mr. Speaker, remember, here we are, we are penalized at death, and now when we get married on that great day. We have a bill working its way through. We have a bill which will take the eraser to the death tax, that will be in front of the President in the next 3 or 4 days. He has promised to veto it, unfortunately. I hope we all remember the President's and the Vice President's policy is to support the death tax.

We also have another bill making its way down to the White House, and that is to eliminate the marriage penalty. We want to get rid of the marriage penalty. Now, the President also has promised to veto on that; although, in the last few weeks the President and Vice President said let us make a deal, kind of like the movie show, ''Let Us Make a Deal,'' we go ahead and support a brand new massive spending program for prescription care in this country. It is a massive obligation of taxpayer dollars, billions and billions and billions of dollars, and we will be fair and eliminate the marriage tax penalty. No deal; no bargain.

The marriage penalty is a tax that is not justified. It should not be there. The same way with the death tax; no deal. It is not right. It is not fair. It is not justified. Stand up, Washington, D.C., and have enough gumption to say these things are not good tax policy. It does not work out in theory, and it does not work out in reality.

I would urge the President and the Vice President to change their policy. I would urge the Vice President and the President to repeal, to get rid of the death tax, join Republicans, by the way, Democrats, join Republicans and Democrats in the House of Representatives and then in the United States Senate to get rid of the death tax. Join Republicans on the Republican bill, Democrats in both the House and Senate to get rid of the marriage penalty.

I say to the President and the Vice President that the President down there has an opportunity to change it; do not play let us make a deal. On its face, standing alone the marriage penalty is fundamentally flawed, and obviously the death tax is unfair.

CAPITAL GAINS TAXATION

Let me, with my remaining time, speak about another issue, and that is called capital gains taxation. Now, capital gains taxation really used to be a description that we applied to the wealthy people who had lots of investments. Those were the ones that made the so-called capital gains.

Guess what has happened? The small, little things happened in the last few years with the economic boom; a lot of people in America are now facing capital gains. There are mutual funds. There are retirement funds, the sale of their land or the sale of investments. Investments in this country are not restricted to the upper class or to the wealthy. And more than ever in the history of our country, the middle class and even the lower-income class are now making investments, monetary investments.

Mr. Speaker, we felt that in order to encourage this, that is what creates capital, not taxation, taxation does not create capital. Taxation is simply a transfer from your pocket to the Government's pocket. What creates capital is us out there plowing a field or making a product or delivering a service, but we felt the encouragement out there was being disassembled by a punitive tax called the capital gains tax. That tax was at 28 percent.

Mr. Speaker, 28 cents on every dollar, 28 cents out of every dollar that we made on the sale of an investment went east to Washington, D.C.; that is right where it went. We felt that tax was too punitive. We felt the tax should be eliminated.

If we eliminate the tax, what happens to the 28 cents? The 28 cents, it does not go to Washington, D.C. No, it stays in your community. It stays at home where it is going to be invested, where it is going to create jobs.

We had to have negotiations on this. The President would not agree with us, the President and the Vice President. They would not go with our bill of no capital gains, and we had to have their signature or enough votes to override the veto which we did not have. So we made a compromise. We at least have gotten this far. We dropped the 28 cents to 20 cents.

Mr. Speaker, that does not sound like a lot, but wait until we sell our investment and the tax, the IRS comes knocking on your door, all of a sudden 8 cents on the dollar savings, it adds up. It makes a difference.

Now, our goal is not to be satisfied with the 20-cent capital gains, because capital gains, the taxation itself simply is not a creation of wealth, it is a transfer of wealth. Again, it moves the money from our community to Washington, D.C.

Our idea, and we will not stop until we get to this point, our idea is eliminate the capital gains taxation, so when we make money on our investment we send zero dollars to D.C.; we keep all of the money, all of it, 100 percent of it in our community to invest in new projects.

I will give my colleagues an idea. There is a farming family in New Castle, Colorado, a good, good, family. I was out visiting them not long ago, actually, about 3 or 4 years ago. I remember to this day what the father said. He said, You see those fields, Scott. He said they are not being worked, they are being wasted. He said, by all rights, there should be a young couple, a couple that has just gotten married, 23, 24 years old, a kid or two, and they want to work the land. There should be a young couple working on that land up there.

He said, But because of the capital gains taxation and the government, because of the taxing policy of the government, I cannot afford to sell it. So as a result, that land sits empty, and that young couple will never have the opportunity that my wife and I had many years ago when the ranching generation or farming generation ahead of us allowed us to go up and work the field, allowed us to have our turn with our hand in the soil. It makes a difference.

Let me wrap up this evening with the time that I have remaining telling my colleagues why I talked about taxes. I am so focused on what is good at the local level, at the community level. Our Federal Government is important, and we have to finance the Federal Government to operate. But we have seen over the years a vast expansion of what the Federal Government is expected to do in our lives.

We have seen a dramatic dilution of individual responsibility; and more than that, we have seen a focus shifting government from the local level to the Federal level and a lot of that follows tax dollars. I think that the best government is the government at the communitywide level, at the State level.

Obviously, we need to have that Federal Government; but our real focus of power in this country should be at the local level, not the Federal level. In order to do that, we need to come up with policy that encourages money to stay in the community, that encourages money that stays in the community to create capital, not take the capital from the community in a transfer transaction and send it to Washington, D.C. for redistribution, because the dollar that goes out of our community, one, is a transfer, it is not a creation. The dollar that goes out of our community will never come back to our community as a dollar; some of it is necessary.

We need a national defense. We need a national commerce system. We need a national highway system. We need a commitment to education. We need a commitment to certain health care with closely defined parameters; but we also need to recognize that taxes, if they are unfair, are punitive or if they are in the excess, then we ought to have enough courage to stand up to the American people.

By the way, it is not an act of courage. It is a fiduciary responsibility of all of us in these Chambers to stand up and say, hey, we collected too many tax dollars. We are overcharging our constituents.

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It is a fiduciary duty of us to stand up and say, is it right, colleagues, for us to tax people because they are married? It is a fiduciary responsibility on our part to stand up and say, is it really a taxable event because somebody dies and they leave property that has been taxed and taxed already? Is that a taxable event?

It is a fiduciary responsibility of ours to stand up and say, gosh, does the 28 percent capital gains rate really make sense? Does it really encourage American free enterprise? Does it encourage those young people, those couples just starting out, individuals starting out in their early twenties, does it really encourage them to be prosperous?

Remember, when our people in this country are prosperous, our country as a whole is prosperous. If our local communities are prosperous, then our States are prosperous. When our States are prosperous, the Federal government is. It makes sense to keep those dollars in the community.

In conclusion, Mr. Speaker, I urge all Members tomorrow to pick up a phone and call the President and the Vice President and say to them, Mr. President and Mr. Vice President, they need to listen to the American people. Let us get rid of this death tax. Death should not be a taxable event. Hang up the phone, pick it back up and call them back, Mr. President and Mr. Vice President, it is not fair to tax people in this country for being married. Regardless of the ramifications to the dollars coming in, it is fundamentally not fair to tax on death and it is fundamentally not fair to tax on marriage. It is a big difference. We have an obligation to be fair to the people we represent.

I hope all Members take me up on that challenge and make every attempt they can to persuade the President and the Vice President to change their policies and not veto our bipartisan effort to eliminate the marriage penalty, and to not veto our bipartisan effort to get rid of the death tax.

THE NEED OF SENIOR CITIZENS TO HAVE A MEDICARE PRESCRIPTION DRUG BENEFIT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, I would like to call the attention of the House this evening, as I have many times, to the need for senior citizens to have a Medicare prescription drug benefit.

I do not really think it is necessary tonight to go into the reasons why this is necessary. We all know that the price of prescription drugs continues to rise, that seniors as a particular group have tremendous out-of-pocket expenses, and that many of them do not have access not only not under Medicare but in general to any kind of prescription drug insurance.

Many times seniors have to make choices between whether they are going to pay their bills, the rent, buy food, as opposed to having access and being able to buy prescription drugs that are really important for them to survive, for them to be able to live a decent life and to not have to worry about whether they are going to be here the next day. The President, President Clinton, has made it quite clear that this is a major priority if not the number one priority for him.

I listened to the previous speaker, the gentleman from Colorado, talk about the marriage penalty, the estate tax repeal. I would remind my colleagues and the American people that the Republicans are in the majority. It is very difficult for us as Democrats to get a proposal up and considered unless the Republicans who are in the majority allow that, allow us to bring it to the floor.

The President and myself and most of the Democrats have not been happy with the marriage penalty repeal and the estate tax repeal that the Republican leadership has proposed, not because we do not want to see changes with regard to tax on married couples, not because we do not want to see changes in the estate tax, because we have proposed changes, but the President has said and the Democratic leadership has said that the bills that the Republicans have proposed essentially spend too much and spend too much on a small percentage of the people impacted by the estate tax who are very wealthy, whereas the Democratic proposal protects the small business