

104TH CONGRESS
1ST SESSION

H. R. 2526

To create a Creative Revenues Commission, to facilitate the reform of the Federal tax system, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 24, 1995

Mr. OWENS introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To create a Creative Revenues Commission, to facilitate the reform of the Federal tax system, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Creative Revenues Act
5 of 1995”.

6 **SEC. 2. CONGRESSIONAL FINDINGS.**

7 The Congress finds that—

1 (1) in 1943, corporations carried almost 40 per-
2 cent of the Federal tax burden while individuals car-
3 ried 27 percent;

4 (2) in 1995, corporations carry only 11.2 per-
5 cent of the Federal tax burden while individuals
6 carry 43.7 percent;

7 (3) despite this imbalance, corporations are
8 generating large profits while they streamline and
9 downsize at the expense of at least 500,000 Amer-
10 ican jobs each year;

11 (4) many proposals have been offered to reform
12 the Federal tax system, including a national sales
13 tax, a flat tax, a value-added tax, and a tax system
14 exempting savings from taxation;

15 (5) these proposals have merit and deserve to
16 be examined;

17 (6) nonetheless, none of these proposals address
18 the fact that the Nation's tax burden has shifted
19 dramatically over the past 5 decades from the shoul-
20 ders of corporate America to the backs of American
21 workers;

22 (7) ways to correct this imbalance must be de-
23 veloped and implemented;

24 (8) for the first time in American history, me-
25 dian wages of full-time male workers have fallen for

1 more than 2 decades, therefore making it necessary
2 to reduce taxes on wages; and for the first time in
3 American history, a majority of workers have suf-
4 fered real wage reductions while the per capita do-
5 mestic product has advanced;

6 (9) technology advances have created impor-
7 tant, potential new revenue sources, such as selling
8 or leasing the radiofrequency spectrum, which must
9 be thoroughly explored; and

10 (10) laws related to the sale of publicly owned
11 assets, such as land for mining, grazing, or other
12 purposes, also must be thoroughly explored.

13 **SEC. 3. REVENUE REFORM.**

14 (a) IMPLEMENTATION BY SECRETARY OF REGU-
15 LATORY REFORMS.—The Secretary of the Treasury shall
16 implement all revenue raising measures which—

17 (1) are recommended by the Creative Revenues
18 Commission in the report transmitted to the Sec-
19 retary under section 5(c)(1), and

20 (2) may be implemented under the regulatory
21 authority of the Secretary.

22 The Secretary shall complete the implementation of all
23 such measures not later than September 30, 2002, except
24 that no such measure may be initiated before January 1,
25 1999. Implementation of any revenue raising measures

1 under this section shall include disseminating information
2 about such revenue raising measures to the public.

3 (b) IMPLEMENTATION OF NON-REGULATORY RE-
4 FORMS.—Legislation to implement the measures which
5 are recommended by the Commission in the report trans-
6 mitted under section 5(c)(1) and which may not be imple-
7 mented under the regulatory authority of the Secretary
8 shall be introduced and considered as provided in sections
9 9 and 10.

10 **SEC. 4. CONDITIONS FOR REGULATORY REFORM.**

11 (a) IN GENERAL.—The Secretary may not carry out
12 any revenue raising measure under this Act unless—

13 (1) not later than January 14, 1998, the Sec-
14 retary transmits to the Committee on Ways and
15 Means of the House of Representatives and the
16 Committee on Finance of the Senate a report con-
17 taining a statement that the Secretary has approved
18 and will implement all of the revenue raising meas-
19 ures which are recommended by the Commission in
20 the report transmitted under section 5(c)(1) and
21 which may be implemented under the regulatory au-
22 thority of the Secretary; and

23 (2) the Commission has recommended, in the
24 report transmitted under section 5(c)(1), the reve-
25 nue raising measure and has transmitted to the

1 Committee on Ways and Means of the House of
2 Representatives and the Committee on Finance of
3 the Senate a copy of such report and the statement
4 required by section 5(c)(2).

5 (b) JOINT RESOLUTION.—The Secretary may not im-
6 plement any revenue raising measure recommended by the
7 Commission in the report transmitted under section
8 5(c)(1) if, within the 45-day period beginning on March
9 1, 1998, a joint resolution is enacted, in accordance with
10 the provisions of sections 8 and 10, disapproving the rec-
11 ommendations of the Commission. The days on which ei-
12 ther House of Congress is not in session because of an
13 adjournment of more than 3 days to a day certain shall
14 be excluded in the computation of such 45-day period.

15 **SEC. 5. CREATIVE REVENUES COMMISSION.**

16 (a) ESTABLISHMENT.—There is established the Sec-
17 retary of the Treasury's Creative Revenues Commission.

18 (b) MEMBERSHIP.—The Commission shall consist of
19 11 members, appointed by the Secretary of Treasury, who
20 have broad experience in Government and in tax and reve-
21 nue issues. The Secretary shall designate 2 Chairpersons
22 from among the members of the Commission. The Sec-
23 retary shall appoint the members of the Commission not
24 later than 90 days after the date of the enactment of this
25 Act.

1 (c) DUTIES.—

2 (1) REPORT.—The Commission shall transmit
3 to the Secretary, not later than December 31, 1997,
4 a report containing a description of—

5 (A) all revenue raising measures which the
6 Commission considered;

7 (B) the revenue raising measures which
8 the Commission recommends;

9 (C) the rationale of the Commission for
10 such recommendations; and

11 (D) the manner in which such rec-
12 ommendations, in the aggregate, if imple-
13 mented, would balance the Federal tax burden
14 equally between corporations and individuals.

15 (2) TRANSMISSION TO COMMITTEES.—The
16 Commission shall, on the same date on which the
17 Commission transmits the report to the Secretary
18 under subparagraph (A), transmit to the Committee
19 on Ways and Means of the House of Representatives
20 and the Committee on Finance of the Senate—

21 (A) a copy of such report; and

22 (B) a statement certifying that the Com-
23 mission has identified the revenue raising meas-
24 ures to be implemented by reviewing—

1 (i) various forms of taxation that exist
2 in different countries;

3 (ii) other possible ways for the Fed-
4 eral Government to raise revenue; and

5 (iii) possible ways to balance the Fed-
6 eral tax burden equally between corpora-
7 tions and individuals.

8 (d) ADMINISTRATION.—

9 (1) Members of the Commission shall serve
10 without compensation for their work on the Commis-
11 sion, except that members who are not employees of
12 the United States (determined without regard to
13 service on the Commission) may be allowed travel
14 expenses, including per diem in lieu of subsistence,
15 as authorized under section 5703 of title 5, United
16 States Code, for persons serving intermittently in
17 the Government service, to the full extent funds are
18 available (subject to appropriations).

19 (2) The Secretary shall provide the Commission
20 with such administrative services, facilities, staff,
21 and other support services as may be necessary.
22 Subject to appropriations, any expenses of the Com-
23 mission shall be paid from such funds as may be
24 available to the Secretary.

1 (3) Not more than one-half of the professional
2 staff of the Commission shall be individuals who
3 have been employed by the Department of the
4 Treasury during calendar year 1997 in any capacity
5 other than as an employee of the Commission.

6 (4) The Commission shall be in place and oper-
7 ating as soon as possible, shortly after which time
8 the Commission shall brief the Secretary on the
9 Commission's plan of action.

10 (5) The report transmitted under subsection
11 (c)(1) shall include a recommendation for a revenue
12 raising measure only if such recommendation is ap-
13 proved by a vote of a majority of the members of the
14 Commission.

15 **SEC. 6. REPORTS.**

16 As part of each annual budget request for the De-
17 partment of the Treasury, the Secretary shall transmit to
18 the appropriate committees of the Congress—

19 (1) a schedule of the revenue raising measures
20 to be implemented under this Act in the fiscal year
21 for which the request is made;

22 (2) an estimate of the total expenditures re-
23 quired by each such revenue raising measure;

24 (3) an estimate of the Federal Government cost
25 savings to be achieved, or cost increases to be gen-

1 erated, by each such revenue raising measure and of
2 the time period in which such savings or increases
3 are to be achieved or generated; and

4 (4) an estimate of the amounts of the increases
5 or decreases, in the amounts of Federal tax paid by
6 individual and corporate taxpayers of various in-
7 comes, to be generated or achieved by each such rev-
8 enue raising measure and of the time period in
9 which such increases or decreases are to be gen-
10 erated or achieved.

11 **SEC. 7. FUNDING.**

12 (a) ACCOUNT.—There is hereby established in the
13 Treasury of the United States an account to be known
14 as the “Department of the Treasury Revenue Reform Ac-
15 count”, which shall be administered by the Secretary as
16 a single account.

17 (b) AMOUNTS DEPOSITED INTO ACCOUNT.—There
18 shall be deposited into the Account—

19 (1) funds authorized for and appropriated to
20 the Account with respect to fiscal year 1999 and fis-
21 cal years beginning thereafter; and

22 (2) any funds that the Secretary may, subject
23 to approval in an appropriation Act, transfer to the
24 Account from funds appropriated to the Department
25 of the Treasury for any purpose, except that such

1 funds may be transferred only after the date on
2 which the Secretary transmits written notice of, and
3 justification for, such transfer to the appropriate
4 committees of the Congress.

5 (c) USE OF ACCOUNT FUNDS.—The Secretary may
6 use the funds in the Account only for the purposes of im-
7 plementing revenue raising measures under this Act.

8 (d) ANNUAL REPORTS.—Not later than 60 days after
9 the end of each fiscal year in which the Secretary carries
10 out activities under this Act, the Secretary shall transmit
11 a report to the appropriate committees of Congress of the
12 amount and nature of the deposits into, and the expendi-
13 tures from, the Account during such fiscal year and of
14 the amount and nature of other expenditures made by the
15 Secretary pursuant to implementation of revenue raising
16 measures under this Act during such fiscal year.

17 (e) TRANSFER OF UNOBLIGATED FUNDS.—Unobli-
18 gated funds which remain in the Account after September
19 30, 2002, shall be held in the Account until transferred
20 by law after the appropriate committees of the Congress
21 receive the report transmitted under subsection (f).

22 (f) FINAL REPORT.—Not later than November 30,
23 2002, the Secretary shall transmit to the appropriate com-
24 mittees of the Congress a report containing an accounting
25 of—

1 (1) all of the funds deposited into and expended
2 from the Account or otherwise expended by the Sec-
3 retary under this Act; and

4 (2) any amount remaining in the Account.

5 **SEC. 8. CONGRESSIONAL CONSIDERATION OF REGU-**
6 **LATORY REFORMS RECOMMENDED IN COM-**
7 **MISSION REPORT.**

8 (a) TERMS OF RESOLUTION.—For purposes of sec-
9 tion 4(b), the term “joint resolution” means only a joint
10 resolution which is introduced before March 15, 1998,
11 and—

12 (1) which does not have a preamble;

13 (2) the matter after the resolving clause of
14 which is as follows: “That Congress disapproves the
15 recommendations of the Creative Revenues Commis-
16 sion established by the Secretary of the Treasury as
17 submitted to the Secretary of the Treasury on
18 _____”, the blank space being appropriately
19 filled in; and

20 (3) the title of which is as follows: “Joint reso-
21 lution disapproving the recommendations of the Cre-
22 ative Revenues Commission.”.

23 (b) REFERRAL.—A resolution described in subsection
24 (a) and introduced in the House of Representatives shall
25 be referred to the Committee on Ways and Means of the

1 House. A resolution described in subsection (a) and intro-
2 duced in the Senate shall be referred to the Committee
3 on Finance of the Senate.

4 **SEC. 9. CONGRESSIONAL CONSIDERATION OF NON-REGU-**
5 **LATORY REFORMS RECOMMENDED IN COM-**
6 **MISSION REPORT.**

7 (a) INTRODUCTION.—Not later than March 14, 1998,
8 the Speaker of the House of Representatives and the
9 President pro tempore of the Senate shall introduce, in
10 their respective houses, legislation to implement the meas-
11 ures which are recommended in the report transmitted
12 under section 5(c)(1) and which may not be implemented
13 by regulatory action.

14 (b) REFERRAL.—Legislation described in subsection
15 (a) and introduced in the House of Representatives shall
16 be referred to the Committee on Ways and Means of the
17 House. Legislation described in subsection (a) and intro-
18 duced in the Senate shall be referred to the Committee
19 on Finance of the Senate.

20 **SEC. 10. PROCEDURE FOR CONSIDERATION.**

21 (a) DISCHARGE.—If the committee to which reform
22 legislation is referred has not reported such reform legisla-
23 tion (or identical legislation) before March 15, 1998, such
24 committee shall be, as of March 15, 1998, discharged from
25 further consideration of such reform legislation, and such

1 reform legislation shall be placed on the appropriate cal-
2 endar of the House involved.

3 (b) CONSIDERATION.—

4 (1) On or after the third day after the date on
5 which the committee to which such reform legisla-
6 tion is referred has reported, or has been discharged
7 (under subsection (a)) from further consideration of,
8 such reform legislation, it is in order (even though
9 a previous motion to the same effect has been dis-
10 agreed to) for any Member of the respective House
11 to move to proceed to the consideration of such re-
12 form legislation (but only on the day after the cal-
13 endar day on which such Member announces to the
14 House concerned the Member's intention to do so).
15 All points of order against such reform legislation
16 (and against consideration of such reform legisla-
17 tion) are waived. The motion is highly privileged in
18 the House of Representatives and is privileged in the
19 Senate and is not debatable. The motion is not sub-
20 ject to amendment, or to a motion to postpone, or
21 to a motion to proceed to the consideration of other
22 business. A motion to reconsider the vote by which
23 the motion is agreed to or disagreed to shall not be
24 in order. If a motion to proceed to the consideration
25 of such reform legislation is agreed to, the respective

1 House shall immediately proceed to consideration of
2 such reform legislation without intervening motion,
3 order, or other business, and such reform legislation
4 shall remain the unfinished business of the respec-
5 tive House until disposed of.

6 (2) Debate on such reform legislation, and on
7 all debatable motions and appeals in connection
8 therewith, shall be limited to not more than 10
9 hours, which shall be divided equally between those
10 favoring and those opposing such reform legislation.
11 An amendment to such reform legislation is not in
12 order. A motion further to limit debate is in order
13 and not debatable. A motion to postpone, or a mo-
14 tion to proceed to the consideration of other busi-
15 ness, or a motion to recommit such reform legisla-
16 tion is not in order. A motion to reconsider the vote
17 by which such reform legislation is agreed to or dis-
18 agreed to is not in order.

19 (3) Immediately following the conclusion of the
20 debate on such reform legislation, and a single
21 quorum call at the conclusion of the debate if re-
22 quested in accordance with the rules of the appro-
23 priate House, the vote on final passage of such re-
24 form legislation shall occur.

1 (4) Appeals from the decisions of the Chair re-
2 relating to the application of the rules of the Senate
3 or the House of Representatives, as the case may be,
4 to the procedure relating to such reform legislation
5 shall be decided without debate.

6 (c) CONSIDERATION BY OTHER HOUSE.—

7 (1) If, before the passage by one House of re-
8 form legislation, that House receives from the other
9 House such a reform legislation, then the following
10 procedures shall apply:

11 (A) Such reform legislation of the other
12 House shall not be referred to a committee and
13 may not be considered in the House receiving it
14 except in the case of final passage as provided
15 in subparagraph (B)(ii).

16 (B) With respect to such reform legislation
17 of the House receiving the reform legislation—

18 (i) the procedure in that House shall
19 be the same as if such reform legislation
20 had not been received from the other
21 House; but

22 (ii) the vote on final passage shall be
23 on such reform legislation of the other
24 House.

1 (2) Upon disposition of the reform legislation
2 received from the other House, it shall no longer be
3 in order to consider such reform legislation that
4 originated in the receiving House.

5 (d) RULES OF THE SENATE AND HOUSE.—This sec-
6 tion, and sections 8 and 9, are enacted by the Congress—

7 (1) as an exercise of the rulemaking power of
8 the Senate and House of Representatives, respec-
9 tively, and as such are deemed a part of the rules
10 of each House, respectively, but are applicable only
11 with respect to the procedure to be followed in that
12 House in the case of a reform legislation, and super-
13 sede other rules only to the extent inconsistent with
14 such rules; and

15 (2) with full recognition of the constitutional
16 right of either House to change the rules (so far as
17 relating to the procedure of that House) at any time
18 in the same manner, and to the same extent, as in
19 the case of any other rule of that House.

20 **SEC. 11. DEFINITIONS.**

21 For purposes of this Act:

22 (1) ACCOUNT.—The term “Account” means the
23 Department of the Treasury Revenue Reform Ac-
24 count established by section 7(a).

1 (2) APPROPRIATE COMMITTEES OF CON-
2 GRESS.—The term “appropriate committees of Con-
3 gress” means the Committee on Ways and Means of
4 the House, the Committee on Finance of the Senate,
5 and the Committees on Appropriations of the House
6 and Senate.

7 (3) CREATIVE REVENUES COMMISSION; COMMIS-
8 SION.—The terms “Creative Revenues Commission”
9 and “Commission” mean the Secretary of the Treas-
10 ury’s Creative Revenues Commission established by
11 section 5.

12 (4) REFORM LEGISLATION.—The term “reform
13 legislation” means a resolution described in section
14 8(a) or legislation described in section 9(a).

15 (5) REVENUE RAISING MEASURE.—The term
16 “revenue raising measure” means a proposal to
17 amend the Internal Revenue Code of 1986, a pro-
18 posal to implement a regulatory change to enforce-
19 ment or interpretation of such Code, or any other
20 proposal to raise revenue for the Federal Govern-
21 ment.

22 (6) SECRETARY.—The term “Secretary” means
23 the Secretary of the Treasury.

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