

I am writing to stress the importance of tax reform for small businesses. As a small business owner, I have been saddle[d] with tax burdens since I began my business over 8 years ago. Tax reform for small business and families need[s] to be done immediately [so] we can have some economic hope once again.

Small businesses just like this one are calling out for relief. So are families. So are middle-class workers all across our country. Instead of better opportunities, our Tax Code gives them a complicated web of schedules, deductions, and regulations, a byzantine system that is easy for the wealthy and well-connected to exploit and impossible for almost anyone else to understand. It is time for a system that actually helps the middle class succeed and actually encourages small businesses to grow, invest, and hire.

We want to help families plan for their future. We want to get the economy going again and growing again. Most of all, we want to take more money out of Washington's pockets and put more money in the pockets of the middle class. To accomplish these goals, both the House and the Senate are continuing to move forward to deliver tax reform. Yesterday, the House Ways and Means Committee completed its first day of discussing the House legislative proposal unveiled last week. That bill, the Tax Cuts and Jobs Act, builds upon the unified tax reform framework and reflects goals shared by President Trump, Republicans in the House, and our conference here in the Senate—priorities shared by Americans of both parties all across our country.

Later this morning, a group of Senators, administration officials, and tax reform advocates will highlight the benefits of relief for families, small businesses, and the American economy. They will share their constituents' calls for tax reform.

As they do, the Senate Finance Committee will continue its work on this important issue as well. Chairman HATCH will continue to lead the committee through an open process, giving members the opportunity to provide their input, offer amendments, and work together to take another big step forward.

I am grateful for the work of both Chairman BRADY and Chairman HATCH to get us to this point. We still have a lot of work to do, but we are committed to passing tax reform to help our Nation's economy reach its full potential.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senate will be in a period of morning business for debate only until 11 a.m., with Senators permitted to speak therein.

Mr. MCCONNELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant legislative clerk proceeded to call the roll.

Mr. SCHUMER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. The Democratic leader is recognized.

REPUBLICAN TAX PLAN

Mr. SCHUMER. Mr. President, later this week, the House will begin marking up the Republican tax plan in record speed, with no hearings, no real discussion. Unfortunately, Senate Republicans are mimicking the House in trying to rush through their bill as well. It is said, the Senate Republicans will unveil a plan of their own, although I don't expect there to be that much difference between the two.

What has united the Republican tax reform efforts so far in this Congress has been a stubborn desire to reduce taxes paid by big corporations and the superrich. That is the core. The middle class ends up with the leftovers. Shockingly, millions in the middle class will actually see a tax increase, not just a handful but a large number. This morning's New York Times did an analysis. According to them, one-third of all middle-class families would pay more in taxes next year under the House bill, and by 2026, nearly half of all middle-class families would pay more in taxes—almost half.

Here is the newspaper article. This is the New York Times. They defined the middle class as households between \$50,000 and \$160,000—the backbone of America. Here is their headline. I don't know if you can see it. "Republican Plan Would Raise Taxes on Millions of Middle-Class Families." Here is the headline again printed a little larger so everyone here in America can see it. "Republican Plan Would Raise Taxes on Millions of Middle-Class Families."

That is the case. They did their analysis. By the way, you say: Well, that is mainly in the coastal States. No. Even if it is not one-third, it is probably about 20 percent in the poorest of States. Large numbers of middle-class taxpayers in every State in this Union—coastal, noncoastal, New York, California but also Wyoming, Utah, and Nebraska—would pay a significant tax increase.

Looking at the House bill, you can see why. Republicans either reduce or eliminate several middle-class tax deductions. The elimination of the personal deduction, for example, which lets families deduct roughly \$4,150 for each person in the household, would be costly to families of three or more. If you have a lot of kids, this bill is bad for you. Taxwise—if tax policy influences behavior—they are trying to dis-

courage bigger families. What does that say? Ending the personal exemption makes the Republican tax plan an anti-large family bill.

In many cases, the new benefits provided to the middle class are insufficient to fill the gap created by the loss of popular deductions, and, worse, many of the benefits are temporary, expiring after several years. So while some in the middle class may get an initial tax break, down the line, the break disappears, and taxes start to go up.

As pointed out by David Kamin, a professor of tax law at NYU—and they have a great tax department, proudly from New York—Republicans have reduced the value of middle-class tax breaks significantly over time.

To meet their desires not to increase the deficit by too much—although \$1.5 trillion is a heck of a lot—instead of reducing the tax breaks on the biggest corporations or the very wealthiest, they reduced them on the middle class. So in 5 years' time, the \$300/person family credit is gone. The child tax credits—unlike the personal exemptions they replaced—lose value over time because they are not indexed. They only increase with inflation. The Republicans use the same gimmicks to make the value of middle-class deductions, like the standard deduction, lose value over time.

So while some middle-class families may see a tax decrease in the very short run, a considerable number see a hidden tax increase a few years later. They have front-loaded the benefits to disguise a tax hike in the outyears.

Look at this chart. Now, our Republican colleagues picked the perfect family to benefit from their tax break. This middle-class family, when they proposed it, is a family making \$59,000 a year. Well, the Institute for Taxation and Economic Policy looked at the Republican plan and found over one in five taxpayers, those earning between \$56,000 and \$150,000—the heart of the middle class—would see an average increase of \$1,350 by 2027. Here it is. This is not a family who has medical expenses or kids in college—they lose those deductions—or a large mortgage or from a State with high personal income and sales taxes. This is the plain-vanilla, hand-picked family chosen by the Republicans to highlight the benefits of their plan.

It is true. In the first year, they get a break around \$1,100, but over the years, they get an increase. By 2027, even this hand-picked Republican family gets a tax increase. The bottom line is, the Republican tax plan is like a ticking timebomb for many hard-working, middle-class families. Working middle-class families see a tax increase because the Republican plan reduces their benefits over time.

Meanwhile, tax giveaways for the wealthiest Americans and huge corporations get better over time. The estate tax exemption goes up from \$11

million to \$22 million for a couple, and then it is permanently repealed by 2023. The corporate rate cut and pass-through cut also stays permanent—a boon to wealthy shareholders. Middle-class tax deductions and credits expire. Deductions for corporations and the wealthiest are permanent or even get better.

As Mark Mazer, the director of the Independent Tax Policy Center, said, “You could create a plan that just cuts taxes for middle-class people. That’s not what this is.” Yet that is how Republicans are selling it.

A few days ago on Hugh Hewitt’s show, my friend the majority leader said that “at the end of the day, nobody in the middle class is going to get a tax increase” under the Republican bill. Again, that was MITCH MCCONNELL: “Nobody in the middle class is going to get a tax increase.” Well, if Leader MCCONNELL was referring to the House bill, that is just a bold-faced lie, and he ought to retract it, but to give the Senator the benefit of the doubt, maybe he is referring to the Senate tax bill still under consideration. Let’s see.

In the Republican bill, will nobody in the middle class get a tax increase? We will wait and see. If past is prologue, I doubt it because the House said no middle-class person would get an increase, then their bill walloped the middle class. One-third get an increase immediately, and then half get an increase over the next 10 years.

I would remind my Senate Republican colleagues that their House Republicans sold their bill as a middle-class bill—a middle-class tax cut—and then put together a plan that raises taxes on millions of middle-class families, one-third of all families making between \$65,000 and \$150,000.

If the Senate bill follows the same path, promising universal, middle-class tax cuts but delivers smoke and mirrors and hidden tax increases, it will get clobbered in the court of public opinion, as it would deserve.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant legislative clerk proceeded to call the roll.

Mr. MURPHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. (Mr. STRANGE). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

The PRESIDING OFFICER. Under the previous order, the Senate will pro-

ceed to executive session to consider the following nomination, which the clerk will report.

The legislative clerk read the nomination of John H. Gibson II, of Texas, to be Deputy Chief Management Officer of the Department of Defense.

The PRESIDING OFFICER. Under the previous order, there will now be 60 minutes of debate, equally divided in the usual form.

The Senator from Connecticut.

GUN VIOLENCE

Mr. MURPHY. Mr. President, we are grieving yet again today another horrific mass shooting in a church in Texas—over 25 dead, others still clinging to life. We were barely past our stage of grief as more than 50 people were shot dead and 500 were injured at a country music concert in Las Vegas. Of course, every single night in this country, parents and brothers and sisters go to bed having lost their loved ones, and 90 people die every day from guns in this country.

I just think it is worth stating that this happens nowhere else other than in the United States. This is not inevitable. This is not something that we should accept. We are not impotent or helpless to try to change the scope of tragedy that is crippling for families that have to go through this.

I want everyone to take a quick look at this pretty simple chart. The United States has more guns and more gun deaths than any other developed country. It is not close, we are not even in the neighborhood of any of our other G-20 competitor nations. While the President told us the other day that this is a mental illness problem, one cannot explain this outlier status through a story of mental illness because none of these other countries have any lower rate of mental illness. There are just as many people who are mentally ill in these countries as there are in our country.

We cannot explain it by the attention we pay to mental illness. We spend more money on treating mental illness than these countries do. This isn’t a mental illness problem. We have to do better in treating people who have psychological disorders in this country, but the reason that we are an outlier nation when it comes to the number of gun deaths and the epic scale of our mass tragedies is explained by something else.

Here is a quick story. This graphic shows the States that have background check requirements on all gun sales in the private sector, and here are the States that have no background check laws beyond those that are required in Federal law. It is a fundamentally different story when it comes to gun-related homicides. In the States that have background check laws, the average rate of homicide is substantially lower—substantially lower—than in States that haven’t background check laws. That is because in this country, with the loosest, most lax gun laws in the industrialized world, private citi-

zens are able to get their hands on weapons that are designed not for hunting and not for shooting for sport but to kill. These tactical assault-style weapons are being used over and over in these mass tragedies, and more people end up in harm’s way.

Smarter gun laws—just making sure that the right people have guns, not the wrong people—lead to less gun deaths. It is time for us to admit that this is a uniquely American problem and that it deserves our attention rather than our silence, which has been our response every single session that I have been a Member of Congress.

This poster shows but a few of the faces that have been lost to gun violence in this country. My small town of Sandy Hook is a broken community. It is a beautiful, wonderful community, but it is a broken community. The ripples of grief that come with losing that number of children—beautiful children—all at one time never really gets repaired. That small community in Texas, Sutherland Springs, will suffer that same fate. It will be a community that will not ever truly repair itself, having lost so many beautiful people at one moment. You can’t rewind the clock.

It is increasingly impossible for me to continue to go back to Newtown, CT, and tell the people of that community that even after mass murder after mass murder in this country, at a scale that occurs in no other Nation, our response as a body is to do nothing. It is a level of callousness that is frankly unexplainable to the victims of this violence, and this macabre club of families that have had to deal with the consequences of gun violence is getting bigger and bigger and bigger.

Why? Because the number of people who die by guns is not going down. It is not leveling off. It is exploding. Every year, more people—not less people—are killed by guns in this country, and it seems to be the only problem in which there is zero interest in this body to solve. When a terrorist plows into civilians with a truck in New York City, Republicans in this body are talking about policy change within hours, but after somebody walks into a school or a church or a shopping mall, we are told that there has to be a restraining order on policy debate for days. It is ridiculous, and it is offensive to the families who have gone through this.

So, let’s just for a moment set aside the issues that I will admit are unlikely to come up for a vote in this body between now and the end of this session. I think it is unbelievable that universal background checks, supported by 90 percent of Americans, can’t get a vote here. I don’t think there is another issue like that in the American public, where 90 percent of Americans agree on something and Congress can’t even conceive of getting it done.

The only place where background checks is controversial is in the Congress. Every single gun owner I talk to