

Set 1: welfar, budget, capit, veto, educ, gain, child, centuri

Set 2: invest, econom, economi, growth, grow, creat, unemploy, trickl

Set 3: busi, small, rate, percent, credit, tax, high, lawyer

Set 4: abort, life, woman, aid, research, law, allow, ban

BOB DOLE Well another thing we can do. We talk about growth. Weve got a great economic package which I hope we will discuss later. Across- the- board tax cut. Child credits. \$500 per child under 18. Reduce the capital gains rate. Create more jobs and opportunities for people on and off welfare. We have other provisions. Less litigation. The trial lawyers, big supporters of the president. The trial lawyers, of course they like lawsuits, so every time they have a bill that they want vetoed, the president vetoes it for them. Weve got to understand in America that weve got to have growth, create more jobs and more opportunities in the private sector. The president takes credit for all these people off welfare. The governors did that. Federal government doesnt do that. And the government doesnt create jobs. Theyre created in the private sector.

MODERATOR This section, question? Yes maam. On the back row. This is for the president.

AUDIENCE Mr. President. My name is Pamela Johnson and Im a landlord. My question is, does your party have any future plans to reduce the capital gains tax, especially for retired Americans?

BILL CLINTON First of all, we have a big plan to reduce the capital gains tax when people sell their homes. Part of my tax package which is paid for in my balanced budget plan would exempt up to half a million dollars in gains from people when they sell their homes, which I think is the biggest capital gains benefit we could give to most ordinary Americans. We also have capital gains now for people that invest in new small businesses and hold the investment for five years. It was part of our other economic plan. And these are things I think that will go a long way toward helping America build a stronger economy and a better tax system. I think the most important thing to emphasize, though, is that we also have to help people in other ways to build a strong economy and we cant have any tax cut thats not paid for. One of the big differences between Senator Dole and myself is that I told you how Im going to pay for every penny of the tax cuts I recommend and weve worked hard to bring this deficit down and thats helped people in the real estate business because the interest rates are lower. Weve got home ownership at a 15- year high. Weve got this country going in the right direction. So we can have a tax cut but my priority would be to help the families who need it with child rearing and education and buying a first- time home and helping for health care costs. So from your business, helping in buying a first- time home, exempting the capital gains on the sale of the home would be the most important things that you asked about. Thank you, Pamela.

MODERATOR Senator Dole.

BOB DOLE Pam, what the president didnt tell you is all his tax cuts expire the year 2000, but these increases go on forever. Thats the liberal approach. You know, give you a little tax cut, give you a couple of years, then make the tax increases go on forever. So the net

tax increase in his plans somewhere between 60 and 80 billion dollars. We have in the Dole-Kemp economic plan, unless unless your homes worth over 500, 000 dollars. And if it is, I appreciate it congratulate you. But in any event, no tax. Its a good idea, they saw it, they picked it up and put it in theirs, but its only temporary. Ours are permanent, ours is a good plan. Create jobs and opportunities. Capital gains rate, cut it in half, cut it 28 percent to 14 percent. There are 7 trillion dollars in assets locked up in America. If we cut the capital gains rate, Im told everyday, I had a letter from a former constituent in Kansas saying I want to sell property in California, put it in my business in Kansas, I cant, because the capital gains rates too high. We need to get the economy going. Thatll help social security. Thatll create more jobs. Thatll help people who want to get off welfare. Its the American way.

BILL CLINTON Before Senator Dole left the Senate, he and Mr. Gingrich also were recommending that we pass these tax cuts only insofar as we could pay for them. We all assume that the tax cuts will be permanent. But we have to prove we can pay for them. After he left the senate, we abandoned that. Thats why most experts say that this tax scheme will blow a huge hole in the deficit, raise interest rates and weaken the economy and that will take away all the benefits of the tax cut with a weaker economy. Thats why we have to balance the budget, and I will tell you how Im going to pay for anything I promise you, line by line. You should expect that from both of us.

MODERATOR All right. The next question is for Senator Dole. Yes, maam. Right there.