

This is not exclusively, as the Treasury would have us believe, a doctor's and lawyer's bill. In a sense, Mr. Speaker, this can be considered a plumber's bill, and a painter's bill—a bill to help the an electrician's and a carpenter's bill, small shopkeeper and the small independent farmer—to help these people who are self-employed set aside something for their old age and retirement. This is good bill and it deserves the unanimous support of the House of Representatives.

THE SPEAKER. The time of the gentleman has expired.

(Mr. DON H. CLAUSEN (at the request of Mr. KEOGH) was granted permission to extend his remarks at this point in the RECORD.)

MR. DON H. CLAUSEN. Mr. Speaker, we have before the House today H.R. 10, a bill to amend the Internal Revenue Code of 1954 to permit pension and profit-sharing plans to provide contributions or benefits on a nondiscriminatory basis for certain self-employed individuals. While this bill is on the consent calendar, indicating no substantial opposition to passage, I want to raise my voice, nevertheless, to extol the virtues of this proposal.

H.R. 10 is an attempt to do what the Congress tried to do in 1962, and I hope this time we will fully succeed. As the Members will recall, Mr. Speaker, the Congress passed the Self-Employed Individuals Tax Retirement Act of 1962 for the purpose of encouraging employers to set up retirement programs for themselves in much the same way as they and others could already do for their employees under provisions of the law. However, although these employees could defer profit taxes on the entire amount they set aside in retirement plans for their employees, they were restricted to deferring the tax on only half of the amount they set aside for their own retirement. The results, as indicated in Government reports, showed that less than 1 percent of self-employed individuals availed themselves of this new provision and, as a result, we can only conclude that the intent of the Congress was not successful.

The amendments before us today would permit these self-employed individuals to defer the tax on all of the funds they set aside for their own retirement up to \$2,500 per year, or 10 percent of their earned income, whichever is smaller. In addition, it permits self-employers whose income is derived from both services and capital to have the same deferment privilege providing they are contributing significant personal services in earning their income.

It is my hope, Mr. Speaker, that these amendments will encourage self-employed persons to take advantage of the congressional intent to motivate self-

employers in providing for their own retirement. The philosophy behind the 1962 act was very good, in my opinion, but it did not succeed in motivating self-employers to provide for their own futures. This philosophy is most gratifying, Mr. Speaker, in that it does not take the hard line in requiring small businessmen and other self-employers to shoulder an extra load imposed by the Government, via taxes, in order to provide for their own retirement. Instead, it permits them to defer the tax on the amount they pay in for their own retirement just as the tax is deferred on the amount they pay in for their employees. It has long been my own philosophy that the tax system of the United States can be used [P. 11678]

as a most effective and constructive tool to encourage taxpayers to meet their own responsibilities, rather than a destructive tool to weigh them down and discourage responsibility. The latter course can only hasten the day when the Government may have to be responsible for those things which a little encouragement now may solve.

Mr. Speaker, this is a fine example of putting the tax structure to work for us and encouraging individuals to meet their own responsibilities, and I wholeheartedly congratulate the Committee on Ways and Means and the gentleman from New York [Mr. KEOGH] for their fine work on this bill.

MR. KEOGH. Mr. Speaker, we have no further request for time.

MR. BYRNES of Wisconsin. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. CURTIS].

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

MR. CURTIS. Mr. Speaker, this bill comes before the House under very unusual circumstances.

First, I want to apologize to the House for the fact that the hearings in executive session which were taken down are not available to the House. I think it is wrong not to have this material available to the House. Incidentally, I feel these hearings should never have been in executive session. This has to do with some basic procedures.

I am very concerned over the kind of procedures that we have been following and increasingly so here in the House of Representatives. I happen to favor this legislation and I am very strongly in favor of it. But I think it is about time that those of us who favor something recognize that if there is going to be honest deliberation and debate that those who disagree with us should be given an opportunity to have their disagreement considered.

If the hearings were available, the membership would read some very strange remarks. For after the commit-