

## Office of the White House Press Secretary

THE WHITE HOUSE

## STATEMENT BY THE PRESIDENT

In signing into law a brief extension of tax withholding rates, I call the Nation's attention once again to the continuing inability of the Congress to meet the real needs of the American taxpayer.

For many months, the Congress has been struggling with the issue of tax reduction and tax reform. Most Americans agree that both are necessary.

In January I expressed my own view that one of the most important advances this Congress could make would be to restrain the growth of Federal spending and return the savings to the taxpayers in the form of a \$10 billion permanent and additional reduction in income taxes.

During the year I have also recommended to the Congress in the strongest possible terms the need for reform of estate and gift taxes, so that family farms and small businesses would not be wiped out upon death in the family.

As I have said many times, we must relieve the burdens on all taxpayers and make our tax system more equitable.

Unfortunately, the Congress has become ensnarled in the rewriting of detailed provisions of the tax code and has failed to recognize the broad interests of the country:

- It has failed to grant additional tax relief;
- It has failed to put adequate restraints on spending;
- It has failed to protect family farms and small businesses from the burdens of heavy taxation.

The bill that I am signing is only a bandaid -- a 15-day respite so that the Congress can hopefully complete action on a more comprehensive tax package. I urge that the Congress use this time wisely -- that it consider the needs not just of the special interests, but of all the American people. I pledge that I shall do everything I can to assist in this effort.

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