

our national commitments to Social Security and debt reduction. These are the details. But it is the results that will matter most.

If we pass this tax relief plan in a timely manner, three important things will happen: First, we will return \$1,600 to the typical American family with two children. Working families earning between \$35,000 and \$75,000 will keep anywhere from \$600 to \$3,000 more each year. With this tax relief, families can save or pay off debt or pay for higher energy bills. This \$1,600 is good for a family. Multiplied by millions of families, it is good for our Nation's economy. It means greater demand for your goods and your services at a time when demand may be slowing. I'm committed to accelerating economic growth. Lower interest rates will certainly help, but they need to be reinforced with tax relief as well.

There is talk in Congress of bringing this relief even quicker by making it retroactive to the beginning of this year. I strongly support that idea. We need tax relief now. In fact, we need tax relief yesterday. And I will work with Congress to provide it.

Our economy faces this challenge: Investors and consumers have too little money, and the U.S. Treasury is holding too much. The Federal Government is simply pulling too much money out of the private economy, and this is a drag on our growth.

Over the past 6 years, the Federal share of our GDP has risen from 18 percent to 21 percent, about as much as our Government took during World War II. President John Kennedy faced a similar situation in the 1960s. He warned then against storing up dollars in Washington by taking away more than the Government needed to pay its necessary expenses. "High tax rates," he said, and I quote, "are no longer necessary. They are, in fact, harmful. These high tax rates do not leave enough money in private hands to keep this country's economy growing and healthy."

Forty years later our Treasury is full, and our people are overcharged. Returning some of their money is right, and it is urgent.

The second effect of my plan is to substantially reduce the tax barriers that bar too many Americans from the middle class. Our new 10 percent rate, along with the child credit, will cut Federal marginal tax rates by 40 percent on many struggling taxpayers.

I've talked about this problem for over a year, and I'll talk about it until we fix it. Under current law, say, a waitress who's working hard to get ahead—and she may have two children—earning \$25,000 a year, faces a higher marginal tax rate than a successful lawyer earning 10 times as much. That is not right, and that is not fair. The Government would take from her nearly one-half of every extra dollar she earns. Her hardest hours are taxed at the highest rates.

Today, tax codes are sending—our Tax Code sends this message to this woman: Stay where you are; you'll never get ahead. But that is not the message of America, as far as I'm concerned. And it must not be the message of our Tax Code. Our tax system must reward the dreams of a better life.

My plan dramatically reduces the marginal rate on many low-income earners, rewarding overtime or a hard-won raise, encouraging Americans on their path to the middle class. Six million families, one out of every five families with children, will no longer pay Federal income taxes at all under our plan.

This country has prospered mightily over the last 20 years. But a lot of folks feel as if they've been looking at somebody else's party, that they've been looking from the outside. It's time to open the door and welcome everyone in.

And finally, this tax relief plan will be good not just for the short-term needs of our country and for our economy but for the long-term health of our Nation. Every