

these businesses to expand sooner, to hire new people faster, and to build a stronger foundation for the recovery.

We also know that middle-income families need additional relief. So today I'm asking Congress to speed up three other tax reductions promised in 2001, tax reductions that will help our middle-income families. Instead of slowly reducing the marriage penalty until 2009, we should do it now, to help 35 million married couples. Instead of waiting until 2008 to move more taxpayers from the 15-percent bracket to the lowest bracket of 10 percent, we should make that change now and help 2 million working Americans. And instead of gradually raising the child tax credit from \$600 to \$1,000 per child by the year of 2010, for the benefit of 26 million families, we should raise it now.

These tax reductions will bring real and immediate benefits to middle-income Americans. Ninety-two million Americans will keep an average of \$1,083 more of their own money. A family of four with two earners and \$39,000 in income will receive more than \$1,100 in tax relief, real money to help pay the bills and push the economy forward. And the sooner Congress acts, the sooner the help will come.

Taken together, these income-tax cuts will put an additional \$70 billion to work in the private economy over the next 18 months. And there's no better way to help our economy grow than to leave more money in the hands of the men and women who earned it.

Our second challenge is to encourage greater investment by individuals and small businesses, the kind of investing that builds personal wealth and helps company expand and creates new jobs.

We are increasingly a nation of owners, who invest for retirement and the other financial challenges of life. One-half of American households own stock, either directly or through pension funds. And we have an obligation to make sure, now more

than ever, that American investors are treated fairly.

We can begin by treating investors fairly and equally in our tax laws. As it is now, many investments are taxed not once but twice. First, the IRS taxes a company on its profit. Then it taxes the investors who receive the profits as dividends. The result of this double taxation is that for all the profit a company earns, shareholders who receive dividends keep as little as 40 cents on the dollar.

Double taxation is bad for our economy. Double taxation is wrong. Double taxation falls especially hard on retired people. About half of all dividend income goes to America's seniors, and they often rely on those checks for a steady source of income in their retirement.

It's fair to tax a company's profits. It's not fair to double-tax by taxing the shareholder on the same profits. So today, for the good of our senior citizens and to support capital formation across the land, I'm asking the United States Congress to abolish the double taxation of dividends.

The benefits of this tax relief will be felt throughout the economy. Abolishing double taxation of dividends will leave nearly 35 million Americans with more of their own money to spend and invest, which will promote savings and return as much as \$20 billion this year to the private economy.

By ending this investment penalty, we will strengthen investor confidence. See, by ending double taxation of dividends, we will increase the return on investing, which will draw more money into the markets to provide capital to build factories, to buy equipment, hire more people.

We must also encourage the investments that help turn small businesses into larger ones. Small businesses create the majority of new jobs in America, and they account for half the output of the economy. Currently, tax law permits small firms to write off as expenses up to \$25,000 worth of equipment, like computers or machinery that they need. I'm asking the Congress