



DEPARTMENT OF THE TREASURY

OFFICE OF PUBLIC AFFAIRS

For Immediate Release
November 6, 2003

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U.S. Treasury Secretary John W. Snow

Remarks to

Treasury Roundtable of Jobs, Growth, and the Abolition of the Death Tax

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Good morning. Thanks for joining us at the Treasury today for this roundtable on jobs, growth, and the abolition of the death tax.

We have seen some very positive developments in our economy in recent weeks, in large measure thanks to President Bush's leadership, his Jobs and Growth Plan, his attention to our national security, and other steps he's taken to ensure a bright future for our nation.

Last quarter produced outstanding growth, and manufacturing and investment activity is accelerating in a big way. At the same time, we've got a lot further to go. We need more job creation, and we won't be satisfied until every American who wants a job can find one.

Our focus on spurring job creation is a big reason for convening this roundtable on the death tax. The other reason is more an expression of our core values: the death tax is simply unfair and wrong. It's anti-savings, anti-family, and anti-small business. It needs to end. Let me put on my economist hat for a moment, and quote one of our esteemed guests today, Professor Russell Lamb from the University of North Carolina Economics Department. Professor Lamb said, "repeal of the death tax is an example of sound economics meeting simple fairness."

I couldn't say it better myself.

In fact, we've got 278 economists, including Nobel Laureates Milton Friedman and Vernon Smith, who have signed a public letter to the same effect -- a letter in Professor Friedman's equally pithy language.

Today we're going to work on developing a better understanding of the costs and consequences of the death tax. We're going to gather and distribute the latest economic studies on the impact

of the tax. We're going to hear from Nobel Laureate Vernon Smith directly. And we're going to lay the groundwork for renewing our efforts to permanently repeal the death tax.

I think the facts are pretty clear. The death tax falls on income that has already been taxed, sometimes twice before. It forces the destruction of thousands of small family businesses, and it discourages work, savings and asset-accumulation. It diverts resources into tax avoidance and enforcement that could be spent in economically productive activities. And in the end, some studies suggest it may cost the government as much as it collects.

Permanent repeal of the death tax is a key part of President Bush's six-point plan for economic growth, and your contributions to today's discussion will move us toward our common objectives of higher growth, job creation, and economic security for the citizens of the United States.

I'm looking forward to the discussion.