



Statement of Connie Mack
Chairman, President's Advisory Panel on Tax Reform
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Good morning and welcome to the ninth meeting of the President's Advisory Panel on Federal Tax Reform. We would like to thank Georgetown University Law Center for hosting what we are confident will be a particularly informative meeting about the road to successful tax reform.

At our two-day meeting last week, 27 witnesses presented ideas and specific proposals for reforming the tax code. These proposals included recommendations to replace the existing income tax system with new tax systems, as well as ideas to reform our current tax code. Between now and the end of July, when we will deliver our report to the Secretary of the Treasury, we will be evaluating reform proposals and formulating options to transform our cumbersome tax code into a system that is simpler, fairer and more conducive to economic growth.

Today's witnesses will help us understand important issues associated with many of the well-known tax reform proposals, as well as highlighting areas where we should focus our efforts. In connection with our evaluation of reform options, we also are making our third specific request for public comments. We are asking interested parties to comment on the various tax reform proposals that have been presented to the Panel. The presentations from last week's meetings, as well as other written submissions, are available on our web site, www.taxreformpanel.gov. We look forward to hearing the views of individuals, businesses, and associations about the potential benefits and problems with reform proposals that have been presented to the Panel.

Today we are joined by an eminent group of tax policy experts who will evaluate some of the tax reform proposals we heard at our meeting last week. We will also hear about issues associated with "return-free" filing by individuals.

First, we will hear from Martin Feldstein of Harvard University, who was Chairman of the Council of Economic Advisors during the Reagan Administration and currently is the President and CEO of the National Bureau of Economic Research. Professor Feldstein will share his insights on the economic goals and potential benefits of tax reform. He will also suggest a few ideas for reform.

Following Professor Feldstein, we hear from four former Assistant Secretaries of the Treasury for Tax Policy – Mark Weinberger, Jon Talisman, Leslie Samuels, and Pam Olson. We have asked each of them to focus their opening comments on a specific aspect of tax reform.

Mark Weinberger, who is currently the Americas Vice Chairman - Tax Services, at Ernst & Young LLP, and previously served as the Chief of Staff to the President's 1994 Bipartisan Commission on Entitlement and Tax Reform, will discuss the role of presidential commissions in forming policy and some practical concerns about getting reform enacted into law. Jon Talisman, who is currently with Capitol Tax Partners, will share his thoughts on issues including fairness, complexity, and the practical realities of any tax reform option. Leslie Samuels, who is currently with the law firm Cleary Gottlieb, will discuss issues related to financial institutions and any transition. Finally, Pam Olson, who is currently with the law firm Skadden Arps, will provide us with insight on the international dimensions of tax reform. We will then leave plenty of time for questions and answers, and each former Assistant Secretary will be able to weigh in on all of the issues confronted by our Panel. Each of these individuals has a wealth of experience and we are looking forward to their testimony.

Our last topic of discussion today is about what we will call “return-free” filing. We will hear from three witnesses — Eric Toder, Senior Fellow at the Urban Institute, Joseph Bankman of Stanford University, and Grover Norquist, the President of Americans for Tax Reform. These witnesses will discuss the issues, and describe their views about whether our country should pursue “return-free” filing.

As the Panel begins to make difficult decisions about the direction of tax reform, we recognize that the most challenging part of our work is ahead of us. But, we are not alone – we have heard presentations from about 90 witnesses and received thousands of letters, notes and emails from Americans about tax reform. We are grateful to those who have assisted this Panel in its mission to reform the tax code and look forward to additional helpful input as we enter the final stages of this important process.