



## **DEPARTMENT OF THE TREASURY OFFICE OF PUBLIC AFFAIRS**

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### **The Honorable John W. Snow Prepared Remarks President's Advisory Panel on Tax Reform February 16, 2005**

Good morning; thank you all for being here. Thanks especially to the witnesses who are offering their expert insight and advice today, and to the Tax Reform Panel members who are giving so generously of their time and intellect to this historic undertaking. I am deeply appreciative of your efforts, and I believe the American people, and the American economy, will benefit greatly from your work.

I also want to commend Senators Mack and Breaux for their leadership on this Panel. These gentlemen are terrific patriots and dedicated public servants; I thank you both for taking the helm.

This country has a wonderfully dynamic, resilient and powerful economy. It is an economy that is ever-changing to keep up with developments in technology, international trade and world events. Unfortunately, our tax code has not kept up with the changing times.

While America remains known for its economic flexibility and dynamism, our tax code has grown larger, bulkier, more burdensome and lethargic with every passing year.

The tax code is dreadfully murky in its complexity, but its size is clear and easy to see. More than a million words long, the Internal Revenue Code and regulations has more than doubled in terms of page-length over the past twenty years and today's "short" income tax form takes more than 11 hours to prepare - about the same as the "long form" did a decade ago.

The code is so filled with loopholes, exceptions and lengthy explanations that individuals and businesses spend more than six billion hours every year on paperwork and other tax headaches.

Imagine what this great country could do if we could get a few billion hours back. And that's why we're here today. To talk about how we can take those billions of hours away from the tax code nightmare and give them back to the terrific productivity and creativity of the American people.

The President has asked that this bipartisan Panel work together to come up with some options. He has asked that you be guided by the goals of increased fairness, simplicity and ease of understanding, and economic growth and job creation. The President has also asserted that a new code should carry on the good traditions of recognizing the importance of homeownership and charity in our society.

I look forward to reviewing your proposals – which the President has asked to be revenue neutral – later on this year. Tax reform is a key priority for the President, and for the American people. I wish you well with this historic endeavor.

Thank you, and have a great meeting.