

**G. V. Sonny Montgomery Weekly Radio Show**

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*Audio begins at 00:15*

Interviewer: This is Congressman Sonny Montgomery's weekly radio report from Washington. You supported most of the items in the Contract with American just completed in the first 100 days of the 104<sup>th</sup> Congress. There's some question about what will happen to items such as welfare reform and the tax cut bill when they get to the Senate. What do you think will happen?

Montgomery: Let me explain the process you know some people in Mississippi thought when the welfare passed or the tax bill then maybe that was it. But it's a long it's a long step before either one of those bills or tax bill or the welfare bill will become laws. Okay those bills have gone over to the Senate now. The Senate will act on it in their slow way and eventually if they pass take those examples those two bills. If they pass those those bills, then we we go to conference between the Senate and the House on on welfare and on the tax bill and then we have to work out the conference and then if we work it out get the agreement then it goes to the President. And I'm not sure the President's already said that he's gone veto the welfare bill if it hurts children, if it takes food away from school children and then on tax bill he's made some comments and he's right on that the 200,000 dollars of tax exemption for children under 14 years of age. That ought to be dropped about 95,000 that saves a lot of money coming out of the treasury. That probably will be changed but what I'm saying is the bill will go to conference, will go to Senate and goes to the President. So, it's quite a while before you'll see any of these bills we just passed. On on the welfare bill everyone agrees that something should be done when you encourage the people to stay on welfare rolls then you outta change the rules or the laws. And I think more authority will be given to the states to run their run their welfare programs, but it's not gone be any cuts in funding or funding will still be there. It just encourages people to get off the welfare rolls and we'll just wait and see but I think we will pass some type of Welfare Reform Bill this year. As far as the Tax Reduction Bill there's some areas that I wasn't particularly happy with but overall, I liked what what it did for Mississippi. I like on Capital Gains Tax Reduction. That's not a rich man's capital gains. It's not a rich mans, it will help the rich person but it sure will help a lot of lower income, middle class people who've got 50-100 acres of land especially timber they'd like to see. They'll sell it if you can bring down the capital gains where they can make some profit off of it. That's in the bill, it reduces capital gains from 29 1/2% to 19% that will certainly help in in Mississippi. There's called estate exemption where when the person dies has an estate that 600,000 dollars of that estate will be exempted from income taxes. We have in this bill raising that to 750,000 dollars. That affects the lower income people. Most people now have counted their homes and little properties they own, and it amounts up. So that will be a plus and then under the tax bill if you on your Social Security your tax at 85% if you have other income your Social Security checks taxed at 85% under this bill that will be dropped back to 50% that's what it should be anyway. But as a whole the bills that we've sent over there are not bad at all and I do hope that the Senate will act on 'em but I stress again just because they'll pass the House they

will not end up in that form but they will be amended and then they have to work out with the President to get him to sign this legislation.

Interview: Thank you Congressman. This has been Congressman Sonny Montgomery's weekly radio report from Washington.

*Audio ends at 04:40*