

G. V. Sonny Montgomery Weekly Radio Show

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Audio begins at 00:18

Interviewer: This is Congressman Sonny Montgomery's weekly radio report from Washington. Congress is facing a deadline in the next couple of weeks on another tough issue with legislation to raise the nation's debt limit. What's your take on this?

Montgomery: I know this, I know we we we've got to extend the debt limit. I don't like to add to the trillion of dollars that we we now owe and its interest we have to pay on on on the debt that doesn't help anybody but we've got the full facing credit of the United States of America behind this Debt Ceiling Bill that if we're gone pay pay what we owe, we're going to have to raise the debt ceiling and we just owe a lot of people money and and you just can't can't go back 'em and it it would affect not only here in this country but also overseas but here in this country we're told if you if we don't raise the debt ceiling and we don't pay some of these bills, interest rates will go up in this country and that's the last thing we need is for interest rates to go up. I think the Republicans will come up with something, Speaker Gingrich, he's worked with President Clinton and will send something to President Clinton that he can sign on on the debt ceiling. I don't want to vote for it, but you've got you've got to pay your bills and therefore you've got to extend the debt ceiling of this country. It's a serious problem, what's happening is that the leadership of the Republican party on the House side are talking about adding some other things that I like welfare reform, Medicare reform, Medicaid reform, things that would be good but I'm not sure the President will except it. He'll veto the debt ceiling and it'll come right back to the Congress and will be violating our obligations so I hope they can work with the President of the United States and not overload this Debt Ceiling Bill which we'll vote on in the in the next two weeks. We cannot really hurt the credit of this country.

Interviewer: Consideration is being given to a smaller tax cut bill this year. Two of the items that could make it in this package are a cut in the Capital Gains Tax Rate and a rise in the exemption level on state taxes. You've spoken out in support of both, what are their chances?

Montgomery: I think we have a have a chance somewhere down the line the Chairman of the Ways and Means Committee on the House side, Mr. Archer of Texas, is talking about those those two areas and one more area but I'm very strong on a on a capital gains tax reduction and on the estate tax exemption. I believe the capital gains tax reduction will bring in more money than it will cost. They're talking about now reducing the capital gains from 28% to 20%. I was hoping it would be like 19% now that would be if we do pass that this year that would be affected back to this January as I understand it. The estate tax not clear on that but right now you have a estate exemption that of someone that leaves an estate would is now 600,000 dollars, you don't pay on that first 600,000 but we hope we can raise that to 750,000 or even larger amount. That makes a lot of sense too. So, we do need some tax reduction in the area I just talked about and it'll bring in more money than than we lose out of the treasury.

Interviewer: The Speaker of the House is again talking about the possibility of passing a Balance Budget Deal within the next month or so. Are you as optimistic?

Montgomery: No, I'm not. The speaker is is is optimist and I guess that's good up here but they they just seem to be that that the White House and the leadership of both the Senate and the House cannot get together with the President. He's got the veto power; they can't override his his his his veto. We we certainly do need a balanced budget. Mr. Gingrich has said we might can be able to get a balanced budget within the next 2 weeks. I certainly hope he's right and that we'll get this government back on track again, but we've been working on this well over a year now and we still haven't come up with a balanced budget. We need it, I support it but I'm not that optimistic that we'll get it this year.

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

Audio ends at 05:02