Mr. MCCAIN. Mr. President, I rise to oppose the Conference Report on the Reconciliation bill. I do so after having expressed hope that the progress we made in the Senate bill to scale back the benefits going to the top rate taxpayers to make room for more tax relief to lower income Americans would prevail in the final tax bill.

During the debate on the Senate version of the tax reconciliation bill, I had urged my colleagues that substantial tax relief to middle income Americans should be our top priority. While I regret that my amendment to cut the top rate by one percent to 38.6 percent so millions more middle class Americans would fall into the 15 percent tax bracket failed on a tie vote, Senator GRASSLEY did move in that direction in the Senate bill by insisting that the top rate should be cut to only 36 percent. As a result, I reluctantly voted for the bill but pledged to vote against the Conference Report should further reductions in the top tax rate be made at the expense of the majority of Americans who are in much greater need of tax relief.

Unfortunately, the Conference Report did just that by jettisoning the commendable work both Senators GRASSLEY and BAUCUS did in crafting a Senate reconciliation bill that provided more tax relief to middle income Americans. This Conference Report lowers the top rate cut to 35 percent, at the cost of delaying, for several years, much needed tax relief for married couples unfairly penalized by our tax code.

I regret having to vote against this Conference Report. We had an opportunity to provide much more tax relief to millions of hard-working Americans. I supported a $1.35 trillion tax cut despite my concern that a tax cut of that size would restrict our ability to fund necessary increases in defense spending. But I cannot in good conscience support a tax cut in which so many of the benefits go to the most fortunate among us, at the expense of middle class Americans who most need tax relief.