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## TROOP TAX RELIEF

FIRST OF ALL I WOULD LIKE TO THANK THE DISTINGUISHED CHAIRMAN OF THE FINANCE COMMITTEE AND THE DISTINGUISHED MAJORITY LEADER FOR BRINGING THIS LEGISLATION TO THE SENATE FLOOR SO PROMPTLY. NOW THAT DESERT SHIELD HAS BECOME DESERT STORM, IT IS EVEN MORE IMPORTANT THAT WE AMEND SECTION 7508 OF THE TAX CODE SO THAT OUR GOVERNMENT DOES NOT PROFIT FROM THE INABILITY OF THESE MEN AND WOMEN TO FILE TIMELY TAX RETURNS.

PRESIDENT BUSH'S DESIGNATION OF THE PERSIAN GULF THEATER AS A "COMBAT ZONE" AUTOMATICALLY EXTENDS THE TAX FILING DEADLINE AND SUSPENDS THE ACCRUAL OF ANY TAX INTEREST AND PENALTIES FOR DESERT STORM PERSONNEL UNTIL SIX MONTHS AFTER THE END OF THEIR COMBAT SERVICE. HOWEVER, MEN AND WOMEN WHO SERVED IN DESERT SHIELD BEFORE IT BECAME DESERT STORM MAY NOT QUALIFY FOR THIS RELIEF.

MOREOVER, IF THE SERVICEMAN OR WOMAN IS OWED A REFUND, AS IS THE CASE FOR AS MANY AS 70% OF OUR DESERT STORM TROOPS, SECTION 7508 DOES NOT PROVIDE FOR ANY INTEREST UNTIL A RETURN IS ACTUALLY FILED. THUS, IF A RETURN IS DELAYED BECAUSE OF THE RIGORS OF DESERT STORM COMBAT, THE GOVERNMENT HAS THE USE OF THE SOLDIER'S MONEY INTEREST FREE. CLEARLY, THIS IS NOT APPROPRIATE.

THE LEGISLATION WHICH I INTRODUCED LAST WEEK AND WHICH IS BEFORE US TODAY PROVIDES FOR INTEREST ON REFUNDS PAID TO DESERT SHIELD OR DESERT STORM PERSONNEL AND THEIR SPOUSES AS OF APRIL 15TH IF THEIR RETURNS ARE FILED WITHIN A 180 DAY GRACE PERIOD AFTER THEIR TOUR OF DUTY ENDS.

FINALLY, THIS RELIEF IS EXTENDED TO SOLDIERS HOSPITALIZED WITHIN THE UNITED STATES AS A RESULT OF THEIR SERVICE IN THE PERSIAN GULF, WITH A MAXIMUM GRACE PERIOD OF FIVE YEARS.

THIS LEGISLATION IS PLAIN COMMON SENSE. OUR MEN AND WOMEN IN THE SAUDI DESERT HAVE MORE IMPORTANT THINGS TO WORRY ABOUT THAN COMPILING RECORDS, MEETING PAPERWORK DEADLINES OR BEING PENALIZED BY THE COUNTRY THEY ARE SERVING.

THIS LEGISLATION WILL SEND AN IMPORTANT SIGNAL OF SUPPORT TO OUR SOLDIERS AND THEIR FAMILIES. I AM PLEASED THAT IT WILL BE ENACTED QUICKLY.

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