- Effective next January 1, the threshold for estate taxes for small family farms and businesses being passed to heirs will rise to $2.6 million for couples.

- Also starting January 1, new tax relief for families with children in college will be available. This program will allow parents a tax credit equal to one-half of college expenses up to a maximum of $1,500 for each of the first two years of college and $2,500 for the third and fourth years.

- Individual retirement accounts have also been expanded, making more families eligible and permitting tax-deferred IRA withdrawals for specified college expenses.

Altogether, the 1997 tax bill will provide more than $100 billion in tax relief for families over the next five years. Millions of families will be able to keep more of their hard-earned money to spend for *their* family priorities. Family Research Council has fought long and hard for this kind of relief and I don't have to remind you how difficult the battle has been. This tax victory for families would not have been possible however, without the efforts of a number of committed, pro-family members of Congress. Our hats are off to them!

Almost every politician now claims to support tax relief -- but the truth of the matter is somewhat different. In 1986, when I served as chairman of President Reagan's task force on the family, we recommended a major tax cut for families. The idea was virtually ignored in Congress and widely dismissed by Wall Street economists. Five years later, the Democrat-controlled Congress debated a bill that would have set up a massive federal day care system. From the beginning, FRC championed an alternative to this huge new bureaucracy -- pro-family tax cuts. We said then what we say now: It is the responsibility of *parents*, not government, to raise children. Government must stop taxing away the financial resources of families, forcing moms and dads to spend more time in the workplace just to make ends meet.

You may remember the result. Our tax-cut alternative to federal day care, sponsored by Rep. Clyde Holloway of Louisiana, got only 140 votes in the House of Representatives, far short of the necessary majority. Make no mistake: tax cuts for families still have many powerful opponents. One *Washington Post* columnist dismissed this year's tax package as a concession to the "religious right." Another columnist, Bonnie Erbe, attacked the child credit, saying our "collective best interest" and the demand for population control should convince Congress to cap the credit at two children per family.

President Clinton's efforts, with the acquiescence of Republican leaders on Capitol Hill, made the final version of the legislation much less beneficial to families than it could have been. He even threatened to veto the entire bill if it included a breakthrough amendment providing educational choice offered by Sen. Paul Coverdell of Georgia. I've enclosed for you an op-ed of mine that appeared in the Washington Post; it summarizes what this amendment would have done to aid parents of elementary and high school students -- people the President's plan totally ignored. Unfortunately, too many GOP leaders in Congress buckled under the pressure of Clinton's public relations skills.

Despite the obstacles that FRC has faced, we will never give up the fight to assure that families get to keep more of the money they earn, to spend for the purposes *they believe* are important. In my view, the best follow-up to the 1997 tax cuts would be more tax cuts in 1998 -- and additional tax cuts every year until we achieve a system of family financial freedom. Cutting taxes will also restrain the growth of government bureaucracy.

With your help, FRC will continue to fight for *real* parental choice in education by striving to increase and improve tax benefits for families. For example, I believe Congress should increase the per-child tax credit to $500 in 1998. Why wait until 1999? Second, Congress should also make 17-year-olds eligible for the tax credit. Right now, children of this age who are not in college -- and that's most of them -- enjoy no new benefits. This is senseless, and it must be corrected. Third, Congress should index the $500 tax credit so that it will keep up with inflation. We're looking into other ideas as well, but the bottom line is this: The reduction of this year's tax bill must be the beginning, not the end, of a renewed drive to provide tax relief for families.

There's a message of encouragement here for the pro-family cause. *We must never give up!* Even with all the imperfections in our system of government, we still enjoy incredible, God-given freedoms as Americans. When we persistently work for change and, as the cliché says, "refuse to lose," real progress can be made.

Let me mention another area in which there's real progress to report.

This summer, FRC's efforts were bolstered by the help of an outstanding group of young Americans, the first participants in our new Witherspoon Fellowship program. The groundwork for this program was laid last year when Alan R. Crippen II joined our staff as Senior Fellow and Director of Academic Programs. He quickly went to work designing and building a semester-long course of study and work for young men and women of college age.

The first graduating class from this program is pictured at right. Participants came to us from colleges across the nation -- from Texas A&M and Duke, Concordia College and Taylor University, Franciscan University at Steubenville and Toccoa Falls College in Georgia, the University of Tennessee, the University of North Carolina at Chapel Hill, and others. The students completed a course of study designed to strengthen their leadership skills and deepen their Christian world view. They also worked side-by-side with our staff, conducting research, drafting articles, learning about the media and legislation, and enhancing their business and communications skills. Their enthusiasm was contagious, and their contributions to our successes this summer were many. My staff and I certainly wish them well as they return to their college campuses this fall.

"My semester of work and study at FRC opened a whole new world for me." Christina Darnell, Senior, University of Tennessee (president, University of Tennessee Right to Life)

A word about the Fellowship itself. It takes its name from the Reverend John Witherspoon, a signer of the Declaration of Independence and the president of the College of New Jersey (now Princeton University) from 1768 to 1792. Witherspoon has been called "the man who shaped the men who shaped America." Six of his students, including President James Madison,