

February 18, 1981

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TO THE CONGRESS OF THE UNITED STATES:

It is with pleasure that I take the opportunity this evening to make my first major address to the Congress. The address briefly describes the comprehensive package that I am proposing in order to achieve a full and vigorous recovery for our economy. The key elements of that package are four in number:

- A budget reform plan to cut the rate of growth in Federal spending;
- A series of proposals to reduce personal income tax rates by 10 percent a year over three years and to create jobs by accelerating depreciation for business investment in plant and equipment;
- A far-reaching program of regulatory relief;
- And, in cooperation with the Federal Reserve Board, a new commitment to a monetary policy that will restore a stable currency and healthy financial markets.

Taken together, I believe these proposals will put the Nation on a fundamentally different course -- a course leading to less inflation, more growth, and a brighter future for all of our citizens.

To aid the Congress in acting promptly on these proposals, I am today forwarding the attached documents which describe the program in greater detail than I can in my address to you. Specifically, you will find the following documents in this package:

- (1) An economic report -- issued as a White House paper -- that outlines all four of the elements in my program and sets forth the background to those elements.

Delivered to Clerk of House: 2/18/81 (4:15p)

Delivered to Senate: 2/18/81 (8:27p)

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(2) A lengthy report on my initial budget cut proposals that has been prepared by the Office of Management and Budget. It should be noted that this report will be followed by a complete budget submission to the Congress, addressing fiscal years 81 and 82. That report will be sent to you on March 10th.

(3) A report on my proposals for tax reduction issued by the Department of the Treasury.

It is my hope that this combination of transmittals will allow the Congress to proceed in accordance with timetables established in the Congressional Budget Act and will permit rapid consideration of this entire program.

My Cabinet and other members of my Administration have worked intensively and cooperatively with me in developing this program for economic recovery. All of us are now eager to work with the Congress as partners in an undertaking that is vital to the future of the Nation.

Ronald Reagan

THE WHITE HOUSE,

February 18, 1981.