

THE WHITE HOUSE  
WASHINGTON

January 20, 1982

Dear Mr. Chairman:

As you are aware, the Department of the Treasury announced on January 8 that the Internal Revenue Service would no longer deny tax-exempt status to private, non-profit educational organizations that engage in racially discriminatory practices but otherwise qualify for such status under the present Internal Revenue Code. That decision reflects my belief that agencies such as the IRS should not be permitted, even with the best of intentions and to further goals that I strongly endorse, to govern by administrative fiat by exercising powers that the Constitution assigns to the Congress.

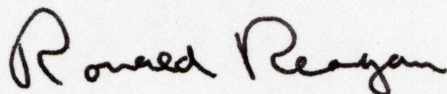
I have submitted to the Congress legislation which will give the Secretary of the Treasury and the IRS express authority to deny tax-exempt status to private, non-profit educational organizations with racially discriminatory policies. The legislation recognizes and is sensitive to the legitimate specific needs of private religious schools.

At the time I submitted this legislation, I also indicated my unalterable objection to racial discrimination in any form. Such practices are repugnant to all that our Nation and its citizens hold dear, and I believe this repugnance should be plainly reflected in our laws.

- 2 -

I am confident that you and the other members of the Finance Committee will give this issue the prompt attention it deserves, and I pledge my fullest cooperation in working with you to enact such legislation as rapidly as possible.

Sincerely,

A handwritten signature in cursive script that reads "Ronald Reagan". The ink is dark and the signature is centered on the page.

The Honorable Robert Dole  
Chairman  
Committee on Finance  
United States Senate  
Washington, D. C. 20510