

PRESS RELEASE

FROM THE OFFICE OF CONGRESSMAN BOB DOLE (R-KANSAS)

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Congress has given much of its attention to tax revision legislation and the Administration farm bill in the past two months, Congressman Bob Dole (R-Kansas) reports from Washington this week.

"Last week the House passed and sent to the Senate a revenue measure which," Dole said, "contained two especially controversial sections. These are the provisions to give business firms tax credits of nearly \$1.5 billion annually while, for the first time, the government would withhold at the source 20 per cent of the interest earned on bonds and savings accounts.

"The key vote on the tax bill was on the motion to recommit the bill to the House Ways and Means Committee with instructions to remove these two provisions. The motion was defeated on a roll call vote," Dole said, "with all five Republican members of the Kansas House delegation voting for recommitment. In my opinion," Dole stated, "these sections provide both an unjustifiable windfall or subsidy for big business and an unduly harsh imposition of withholding taxes upon millions who have income from interest and dividends. The Democrat House member voted against recommitment.

"It seems grossly unfair to me that the man who buys a government savings bond will now be taxed at the source on the interest it earns, while the rich man who invests his money in tax-exempt bonds will pay nothing," Dole added. "As I saw it, the withholding provisions will prove to be nothing but a 'nuisance' which will require additional thousands of federal employees to administer.

On the Farm Front

"The House Agriculture Committee continues its consideration of the Freeman farm program. The feed grains subcommittee has reported out a bill which would impose compulsory controls over all production of grain sorghums and other feed grains. The wheat subcommittee, of which I am a member, reported out a wheat bill which removes some of the more objectionable features of the Administration plan but still requires considerable clarification," Dole continued.

"Improvements have been made in the wheat bill including removal of the harsh penalty provisions against farmers, as well as a switch from a multiple price plan to a two-price program," Dole said.

"The wheat bill even now still gives the grower no real choice as he must accept the entire program or receive no price support at all. It gives the farmer no assurance of improved income or price support for wheat would drop from the present \$2 a bushel to \$1.40 on wheat sold for feed. Diverted acreage payments could be set anywhere between zero and 50 per cent of the estimated yield value, and the bill discriminates against Great Plains wheat growers and favors the '15 acre' producers in the matter of acreage reduction.

"I feel the program should permit wheat producers a free interchange of wheat and feed grains and permit the producer who raises less wheat than his certificate would permit him to market to carry forward the unused certificate to the next crop year and finally the bill should provide that no farmer be required to idle more than one-half his cropland," Dole concluded.

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