

so that they would be encouraged to freely buy in the U.S. securities markets.

In addition to the financial question, the need for reporting and giving information discourages many potential foreign investors.

Real Estate Trade Mission to Europe, J. D. Sawyer, chairman

Urges complete elimination of estate tax on intangible property of nonresident alien decedents.

Fulton C. Underhay of Herrick, Smith, Donald & Ketchum, attorneys

Suggests modifications in expatriation provisions dealing with the estate tax.

Urges complete elimination of an estate tax on intangible personal property owned by nonresident aliens.

PART TWO. SUMMARY OF OTHER COMMENTS ON THE BILL

Henry S. Conston, New York attorney

Equalize the gift tax treatment of nonresident aliens engaged in trade or business here and those not so engaged. Make the tax base for the gift tax the same as that for the estate tax. (See recommendations of Henry S. Conston in Part One, IV, above.)

Abolish the code section 6851(d) certification of compliance requirement for nonresident aliens seeking to depart the United States. The requirement is not strictly enforced and constitutes an annoyance for and discrimination against foreigners.

Association of the Bar of the City of New York, Committee on Taxation

A resident alien should have the right to protest a Presidential determination that a foreign country does not satisfy the "similar credit" requirement for allowance of the foreign tax credit.

Domestic fiduciaries should be permitted to administer estates and trusts for the exclusive benefit of foreign beneficiaries and remaindermen without being subject to capital gains tax on the sale of portfolio securities.

Consideration also should be given to abolishing the present requirement that a visiting alien, before departing from the United States, must secure a tax clearance and sailing permit. Present procedures in this regard are harassing and annoying to visiting aliens and do not produce a significant amount of revenue.

The gift tax penalties for expatriation should not be eliminated as to those who acquired dual nationality at birth and subsequently voluntarily chose other than U.S. nationality. Section 350 of the Immigration and Nationality Act.

The expatriation proposals in sections 3, 8, and 9 of the bill are too harsh. They introduce many complexities not warranted by the problem of U.S. expatriates.

G. Keith Funston (a member of the task force), representing the New York Stock Exchange

Eliminate or ease taxes and other restrictions imposed on foreign pension trusts and similar institutional investors.