corporation incorporated under the laws of any of the States of the United States as well as one incorporated in the Bahamas, Panama, Switzerland, Lichtenstein, etc. The suggested technical amendment would have no adverse effect on the U.S. Treasury, but would permit foreigners wishing to invest in U.S. stock and securities to do so through a U.S. corporation as well as a foreign entity, and, if they chose a U.S. entity, it would give the United States a greater degree of supervision over the activities of such investors and gain revenue for the various States in which such corporations are incorporated. Finally, and most important, it would subject such domestic corporations to the regular U.S. income tax, thereby gaining revenue for the Treasury.

I trust you and your committee will favorably consider the foregoing technical amendment.

If you or your committee have any questions concerning the foregoing, please feel free to contact the undersigned.

Yours very truly,

BURTON JOEL AHRENS.

NATIONAL FOREIGN TRADE COUNCIL, INC.,
New York, N.Y., February 4, 1966.

Re Foreign Investors Tax Act of 1965 (H.R. 11297).

Hon. WILBUR D. MILLS,
Chairman, Committee on Ways and Means,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: You will recall my letter to you of January 14, 1966, and the accompanying memorandum concerning H.R. 11297.

In order to insure that there is no misunderstanding, I want to take this opportunity to point out that our comments beginning on page 4 pertaining to interest paid to nonresident aliens and foreign corporations on U.S. bank deposits apply also to savings and loan associations and amounts deposited with insurance companies. I have particular reference to the last paragraph on page 5 and the first paragraph on page 6.

Sincerely yours,

ROBERT J. KELLIHER,
Chairman, Tax Committee.

NATIONAL FOREIGN TRADE COUNCIL, INC.,
New York, N.Y., January 14, 1966.

Re Foreign Investors Tax Act of 1965 (H.R. 11297).

Hon. WILBUR D. MILLS,
Chairman, Committee on Ways and Means,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: When the Foreign Investors Tax Act of 1965, H.R. 11297, was introduced, it was indicated that comments received would be reviewed by the Ways and Means Committee before the bill is reported to the House in the next session of Congress.