

The CHAIRMAN. Some of them might be capable of being air space mechanics or something like that, areas of employment where there is a shortage.

Mr. HENDERSON. That is right.

Senator ANDERSON. Well, you, for example, are worried about the word "attributable."

Mr. HENDERSON. Yes, sir.

Senator ANDERSON. Is "attributable" in the code of taxes anywhere else?

Mr. HENDERSON. It may be, Senator. I cannot remember.

Senator ANDERSON. Has it caused any crisis?

Mr. HENDERSON. Well, every time you have a word that is vague dealing with allocations—

Senator ANDERSON. You think "attributable" is vague?

Mr. HENDERSON. Yes, sir; absolutely.

Senator ANDERSON. Then you said "destination" was vague.

Mr. HENDERSON. Well, "destination" in the concept used in the bill; yes, sir.

Senator ANDERSON. You do not think they would know where they would ship everything?

Mr. HENDERSON. Everybody knows where goods start to be shipped. The next question is what does the consignee of the goods intend. Does he intend to use them in that country, or is he going to take them and sell them out of the country?

Senator ANDERSON. Have you ever had a problem arise on the question of destination in the filing of an income tax return?

Mr. HENDERSON. Personally I have not dealt with the destination problem but I have dealt with allocation problems.

Senator ANDERSON. Do you know of a lawyer who has dealt with the destination problem?

Mr. HENDERSON. I cannot specifically name a lawyer, but I am sure there have been. There are problems under subpart F, if you read the regulations, which deal with destination. It is a concept which is very difficult as a concept to work out. When you ship an automobile, for example, to Seattle from Germany, is it clear that the automobile is going to be used in the United States or is it possible that it might be traded off—before it is sold for retail—to a Canadian dealer in British Columbia.

Senator ANDERSON. Most people who have enough money to send an automobile from Germany to Seattle will know where to use it.

Mr. HENDERSON. I am sorry, I did not hear that.

Senator ANDERSON. I say most people who have enough money to have a car shipped from Germany to Seattle would know where it is going to be used.

Mr. HENDERSON. But the shipper may not know it. Let us take the case of the German distributor who ships from Germany to Seattle. If he were to carry through the destination for use in U.S. concept, he would at least have to ask the dealer in Seattle whether the car was to be sold at retail in Seattle or sold at wholesale to a Canadian dealer before he could determine whether or not he would owe U.S. tax on that car.

Senator ANDERSON. How would a Canadian dealer be able to determine what would be the shipment from Seattle?