

Why anyone could object staggers my imagination.

Now we always have someone—

Mr. LONG of Louisiana. I hope the Senator will allow me to interrupt him there long enough to say that everything the Senator has said is correct. Furthermore, as a matter of tax equity, by bringing that ore in from Jamaica, we are losing dollars, we are losing jobs and losing gold, and we are impoverishing our own people and endangering our own national security by doing it that way. If we do it this new way, it will help the gold situation, it will raise revenue for the Government, it will provide employment, and, in addition, it will do something to benefit our tax equity.

Mr. TALMADGE. It will mean more jobs in Jamaica than it will in the United States of America.

In the final analysis, anyone who objects to a depletion allowance does not have the slightest idea of economics because we are wasting a capital asset and when we waste that capital asset we must recognize that we have lost the capital that would provide new tax revenue and employment.

The amendment was offered by me in committee and was approved by the committee unanimously, as I recall—perhaps one or two dissenting votes, but virtually unanimous—and as has been pointed out, the Anaconda Copper Co. found that they could make aluminum ore from alumina in the United States of America. They have experimented with this alumina clay in several areas—in Idaho—and other sections of the country; but they have found that Georgia clay is ideal for the development of alumina and aluminum, but they have found further that it takes two tons of Georgia clay to equal one ton of bauxite to develop aluminum ore; so that the plan would not be practical unless they had a depletion allowance. If they get the depletion allowance, there is a good possibility that a vast aluminum industry can be developed in my State.

As the Senator has pointed out, it will create jobs, it will save dollars, it will save gold, and it will benefit the Treasury from the receipt of additional tax revenue.

Mr. LONG of Louisiana. The Senator is correct.

Mr. TALMADGE. I thank my friend for yielding to me to make these comments.

Mr. GORE. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

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Mr. GORE. I do not like to raise my voice in disagreement, but I should cite that percentage depletion in law has no relation whatsoever to wear, tear, and exhaustion or depletion of the product.

It is nothing more and nothing less than a formula for tax reduction.

Mr. LONG of Louisiana. Mr. President, let the record speak for itself. Senators have varying opinions. The amendments which we have on depletion are merely based on the matter of tax equity, if nothing else.

The PRESIDING OFFICER. The Chair would like to announce that the question before the Senate is on the adoption of the committee amendment in the nature of a substitute for the bill. Both proposed language to be stricken and language to be inserted are open to amendment in two degrees, with amendments to the language to be stricken taking precedence over amendments to the language to be inserted.

Mr. WILLIAMS of Delaware. Mr. President, for the past hour and a half I have been listening to a discussion on methods of financing presidential campaigns out of the Treasury and the merits of a depletion allowance.

I thought the bill before the Senate dealt with "tax on foreign investments in this country." Would the Chair ask the clerk to state the pending business now before the Senate?

The PRESIDING OFFICER. Does the Senator mean on the bill?

Mr. WILLIAMS of Delaware. Yes; have the clerk state the bill we are discussing.

The PRESIDING OFFICER. H.R. 13103.

Mr. WILLIAMS of Delaware. That is what I thought—the Foreign Investors Tax Act, but I am somewhat confused by the discussion which has just taken place. What has the depletion allowance on clam or oyster shells or the financing of Presidential campaigns to do with that bill? Perhaps the title of the act should be amended to read "Grab Bag Act of 1966." It was very properly referred to as such in the Wall Street Journal. I think that title would be more in line with what it actually is. This bill is loaded with everything but the kitchen sink.

I have an amendment to strike out one section of the bill, which section is certainly not germane to a Foreign Investors Tax Act.

I send it to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Delaware will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 189, beginning with line 3, to strike out down to and through line 14, as follows:

SEC. 204. Transfers of stock and securities to corporations controlled by transferors.

(a) TRANSFERS TO INVESTMENT COMPANIES.—The first sentence of section 351(a) (relating to transfers to corporations controlled by transferor) is amended by striking