

common gossip that has gone around the Capitol.

Mr. Speaker, this represents a clear violation of the rules of the House, and I do not see how under these circumstances it can be considered in the House of Representatives.

Mr. Speaker, I have no particular prejudice one way or the other as to the merits or the demerits of the proposal, and I am not discussing this. However, I do feel that this is the wrong way in which to legislate.

Mr. Speaker, the rules of the House seem to be positively against this procedure and it is my opinion that we should stop doing this sort of business.

Mr. MILLS. Mr. Speaker, may I be heard on the point of order?

The SPEAKER. The Chair will hear the gentleman from Arkansas.

Mr. MILLS. Mr. Speaker, the bill, H.R. 13103, which is the bill that the conference report accompanies, amends the Internal Revenue Service Code of 1954, to provide equitable treatment for foreign investment in the United States.

Mr. Speaker, the bill amends provisions in that respect, dealing with both the income tax and with the estate tax and perhaps others—I do not recall, there may be even some other aspects of the code that are affected.

Mr. Speaker, title III to which the gentleman from Virginia makes the point of order, under rule XX, as I understood his point of order, amends the Internal Revenue Service Code.

Mr. Speaker, the authority within the entire title is based upon an amendment to section 6096 of the code which is amended by section 302 of title III of the bill as reported by the conferees on the part of the House.

Mr. Speaker, it is my opinion that the matter is certainly germane to the bill in that both the bill and the amendment amend provisions of the Internal Revenue Service Code.

The responsibilities here are such as we normally would place upon the Secretary of the Treasury in providing for a separate account in his books. And I think clearly that it is germane to the bill.

Mr. SMITH of Virginia. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I will be glad to yield.

Mr. SMITH of Virginia. Mr. Speaker, I just want to ask this question:

If that amendment had been offered when the bill was under consideration in the House it would have had to be under rule XX, and considered under rule XX that I have just read.

Now, because it is a bill which is an appropriation bill we cannot consider it except in the Committee of the Whole House on the State of the Union. This rule provides that if there is put on it a Senate amendment and it comes back

it is subject to a point of order that it has not been considered in the Committee of the Whole House on the State of the Union.

Mr. MILLS. Providing it is not germane to the bill. But I am contending that it is germane in that it is an amendment of the Internal Revenue Code which the bill itself is an amendment of the Internal Revenue Code.

Mr. SMITH of Virginia. Mr. Speaker, if the gentleman will yield further?

Mr. MILLS. I yield to the gentleman.

Mr. SMITH of Virginia. Mr. Speaker, I was just going to ask the chairman this question:

The rule provides that the bill must be considered, if this bill was introduced in the House, the rule is that the amendment of the Senate, if it had been introduced in the House, it would have had to be considered in the Committee of the Whole House on the State of the Union. And the rule is that if it comes in as a Senate amendment then it is subject to a point of order because it was not considered in the Committee of the Whole House on the State of the Union.

The gentleman addressed himself to the matter of whether it would have been germane in the House. That is not the question that I am seeking to make clear at this time. It is a question of whether the rule XX has been violated because a Senate amendment, if it was introduced in the House, was subject to a point of order, would have had to have been in the Committee of the Whole House on the State of the Union.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. MILLS. Yes; I yield to the gentleman from Missouri.

Mr. CURTIS. Mr. Speaker, I simply wanted to add on this point of order—and I agree with the gentleman from Virginia—that on examination this Senate amendment is an appropriation, this is authorized revenue, it has to do with actually appropriating funds, and clearly is subject to the point that the gentleman from Virginia [Mr. SMITH] makes.

The SPEAKER. The Chair is prepared to rule.

The gentleman from Virginia makes the point of order that title III of the conference report contravenes the first sentence of rule XX:

Any amendment of the Senate to any House bill shall be subject to the point of order that it shall first be considered in the Committee of the Whole House on the State of the Union, if, originating in the House, it would be subject to that point:

Without passing upon the germaneness of the amendment, because that point was not raised, the Chair calls attention to the fact that the Senate amendment went to conference by unanimous consent. Where unanimous consent was obtained, the effect of that is to circuit rule