

set forth as appendix III to this report. More recently, at its meeting on October 21, 1965, the committee directed the staff to prepare and release a report on this subject. In compliance with these directions, the staff has prepared this report setting forth comments and suggestions for legislation on the tax treatment of straddles. The Treasury Department staff has worked with the Joint Committee staff on this report but the Treasury Department has as yet taken no official position on the suggestions contained herein.