

witnesses, prevent repetition and assure that all aspects of the proposals can be given appropriate attention.

The Committee will be pleased to receive from any interested organization or persons a written statement for inclusion in the printed record of the hearing in lieu of a personal appearance. These statements will be given the same full consideration as though the statements had been presented in person. In such cases, a minimum of three (3) copies of the statement should be submitted by the close of business, Wednesday, August 23, 1967.

Contents of Requests to be Heard.—In order to eliminate repetitious testimony and to properly schedule witnesses, it will be necessary for the request to be heard to specify:

- (1) the name, address, and capacity in which the witness will appear;
- (2) the list of persons or organizations the witness represents and in the case of associations or organizations, their total membership and where possible a membership list;
- (3) the amount of time the witness desires in which to present his *direct oral testimony* (not including answers to questions of Committee Members);
- (4) an indication of whether or not the witness is supporting or opposing the proposal or proposals on which he desires to testify; and
- (5) a *topical outline* or *summary* of the comments and recommendations which the witness proposes to make.

If a prospective witness has already submitted a request to be heard on any of the subjects covered by this hearing, the request should be re-submitted furnishing the above information and otherwise conforming to the rules set forth for conducting this hearing.

Written Statements.—In the case of those persons who are scheduled to appear and testify, it is requested that 60 copies of their written statements be submitted 24 hours in advance of their scheduled appearance. If it is desired, an additional 60 copies may be submitted for distribution to the press and the interested public on the witness' date of appearance.

Persons submitting a minimum of 3 written statements in lieu of a personal appearance may also, if they desire, submit an additional 60 copies of their statements for distribution to the Committee Members and the interested departmental and legislative staffs, pending the printing of the public hearings, which will include such statements along with the oral testimony of those persons who appear in person. An additional 60 copies may be submitted for the press and the interested public, if it is desired.

Format of All Written Statements.—To more usefully serve their purpose, *all* written statements (those for the purpose of personal appearance and those submitted in lieu of a personal appearance) should contain—

- (1) a *summary of comments and recommendations*, and
- (2) *subject headings* in their main body.

TREASURY DEPARTMENT, WASHINGTON, AUGUST 4, 1967

BACKGROUND MATERIAL IN PRESIDENT'S TAX PROPOSAL

The attached material constitutes background on the tax proposals in President Johnson's message on the State of the Budget and the Economy, delivered to the Congress August 3, 1967.

Included in the attachments are:

- Material on the 10 percent surcharge proposal as it affects individuals and corporations;
- Tax tables, showing the effects of the surcharge on individuals and on corporations;
- A description of the acceleration of corporation tax collections;
- Details of the continuation of excise taxes on automobiles and telephone service.

EXPLANATION OF PRESIDENT'S PROPOSAL FOR A TAX SURCHARGE OF TEN PERCENT

The President's recommendation to increase taxes is a temporary surcharge of 10 percent on personal income tax liability and 10 percent on corporate income tax liability. The surcharge provides an exemption for low income individuals and families. It is a 10 percent increase in the tax liability otherwise due, not 10 percent of the taxable income.