

I would urge the President not to wait with his tax reform message. The taxpayers who are already paying their share want to know what this administration intends to do about those who by tax avoidance procedures, do not pay their equitable share of the tax burdens.

They want to know now.

The President should send his tax reform proposal to the Congress without delay. Such action will create an air of confidence in the minds of the taxpayers. It will serve to encourage them in giving objective consideration to the Nation's budgetary needs. They will better understand what the President's advisers are saying.

The proposal which I am making today stems from the fact that I want everyone to share in the Nation's mounting tax burden. I want everyone to contribute to the Nation's obligations at home and abroad.

Mr. Chairman and gentlemen of this committee, last Thursday I introduced H.R. 12445, a bill to impose a minimum income tax on certain individuals and corporations with substantial incomes. My proposed bill has the following features:

(1) Taxpayers with less than \$10,000 in actual income will be exempt.

(2) A minimum income tax to apply across the board so as to reach all tax loopholes and tax-sheltered income, income from tax exempt securities, nontaxed capital gains, excess of percentage over cost depletion and real estate depreciation income.

The thrust of my proposal is to tax the untaxed by having them pay a minimum income tax of 10 percent, to remain in effect only so long as the President's surcharge tax remains in effect.

I have carefully considered this proposal to establish fairness and equitable treatment among all individuals and corporations.

I am not wedded to the text of my bill but to the equity behind the principle. If the principle is accepted, then I am certain that the distinguished chairman and members of the House Ways and Means Committee and their tax experts will amend the bill to correct its deficiencies and omissions.

One of the individuals who paid no tax in 1964 had an adjusted gross income of \$5 million. Under the President's proposal he would not contribute to the cost of running the Government because no matter how you look at it, 10 percent of zero is still zero.

I want those with substantial incomes who pay no taxes to contribute their just share of fighting the war in Vietnam; fighting the war on poverty, and the battle to clean up and rid the riot potential cities of slum areas. I want them to pay an equitable share of the burden of providing education, medical facilities, and building our highways, the benefits from which they share with their fellow citizens.

H.R. 12445 (Tenzer bill) is not a tax reform measure. It does not single out any particular tax loophole for reform. It simply requires a minimum contribution to the Nation's tax burden through a minimum income tax applied to all income—without regard to exemptions, deductions or other special privileges set forth in the Internal Revenue Code.

I fully realize that tax reform cannot be accomplished overnight; however, the time to start is now. A complete overhaul of our tax laws is urgently needed and will be of long-term benefit to our Nation.