

POST OFFICE ACCOUNTING

I urge that strictly standard corporation accounting methods be applied to the operations of the Post Office Department. This would segregate many costs properly chargeable to other governmental entities or enterprises, and would enable the Congress to determine, among other things, fair rates of postage for each class of mail.

A SOCIOECONOMIC TAX ON ALCOHOL AND TOBACCO

I urge increases in taxation upon alcohol and tobacco to the limits presently feasible, with progressive increases periodically into the far future—this program to be kept in conformity with the whole Government's ability to cope with bootlegging. Proceeds: for highway casualties and cancer.

FNMA TRUST PARTICIPATION CERTIFICATES

I suggest that "the" \$2 billion of these participation certificates hanging over the market be sold as quickly as convenient. As a sociologist I concur in the administration's insistence that there is psychopolitical advantage in every lowering of the visible deficit. And as an ex-Wall Street banker I approve the operation which these participation certificates are presumed to implement; namely, borrowing at wholesale to lend at retail—to small businessmen and homebuilders. The fact that Fannie Mae is not operated in the anticipated manner should not cause it to be hindered in the functions it can be made to perform as was intended, unless its prompt liquidation is anticipated.

RETAIL SALES TAX

I now respectfully submit for the judgment of the committee a tax plan in which I visualize many benefits, including the saving of \$700 million per annum to add to the President's item of \$800 million in interest saved, through the collection of one-half the Federal tax revenue on practically a daily remittance basis.

This plan, by substituting retail sales taxation for income taxation in the lowest brackets, releases 20 million families from income tax, happily restoring to their pay envelopes the 20 percent now being withheld. It also hands them exemption coupons with which to pay part of the new sales tax. It pays off their State sales tax for them directly to their State treasurer. And it offers many more big and little rewards, all very simply administered, and very likely to be of great political advantage to the party sponsoring the plan.

FIGURES HEREIN ARE TENTATIVE

It should be kept foremost in mind throughout this fragmentary outline that every figure cited is tentative. The plan is so flexible that wide variations in percentages, et cetera, will not spoil it but will determine whether application of it will raise, lower, or leave unchanged the total tax revenue. I shall use for illustration the figures I use in my accompanying booklet, "National Sales Tax—A Workable Plan," obtainable through bookstores countrywide.