within, as proposed, 80 percent of final actual tax, and this is equally unrealistic for many smaller corporations.

Perhaps the proposed extension of the estimation requirement to smaller corporations will be defended on the ground that it already applies to individual proprietors who are unincorporated. This may be logic to some, but to me it is an application of what you might call the doctrine of shared misery.

If B is in a sinking boat should we take A out of his sound ship and put him in the leaky boat so that they may both perish in happy uniformity?

Two wrongs never make a right.

The reasons for maintaining the $100,000 floor are as valid today as in 1954, when Congress carefully considered this very point. In 1954 the committee reports stated that the floor was set "to prevent the hardships which might otherwise be imposed on corporations which are uncertain as to what their income during the taxable year will be."

To impose a recurring annual burden on several hundred thousand corporations in order to accelerate temporarily the collection of a very small percentage of the total corporate income tax just doesn't seem sensible. The result would be to raise the crystal ball and the soothsayer to an undeserved importance and to distract many businessmen from their real occupation, which is to create the real earnings upon which income taxes are ultimately based.

I hope that our Nation's fiscal situation is not so desperately on a hand-to-mouth basis as to force this burdensome acceleration procedure on small businessmen.

Thank you.

The CHAIRMAN. Are there any questions of Mr. Mendenhall?

We appreciate, Mr. Mendenhall, your coming to the committee and certainly we will take into consideration what you have suggested in the way of amendment.

Mr. MENDENHALL. Thank you.

The CHAIRMAN. Without objection, the committee will adjourn until 10 o'clock in the morning.

(Whereupon, at 11:47 a.m., the committee adjourned to reconvene at 10 a.m., Friday, August 25, 1967.)