

Mr. HAYES. In Illinois.

Mr. CONTE. In other words, if I may interrupt, what you are telling me here is that you are only going to tell me what is public knowledge. You have other knowledge and other information, but you won't disseminate that information here. Is that correct?

Mr. HAYES. Some knowledge I have and some I don't have.

Mr. CONTE. Could you give us the knowledge that you do have?

Mr. HAYES. No, I cannot divulge the names of private foundations.

Mr. CONTE. On what ground?

Mr. HAYES. The members I believe have a right to privacy, and if I reveal it, that right will be invaded and I don't believe I have that right to divulge that information.

Mr. CONTE. As I said last week, Mr. Hayes, what the committee seeks to elicit from you and the other witnesses here is evidence of the scope of your operations, and the effect upon the administration of the Federal tax system, more specifically the consequences in terms of the burden borne by the small taxpayer, to the end that it ultimately may be enabled to determine what corrective legislation, by way of more equitable reforms of that system, should be recommended.

Therefore, I think it is highly essential that this information be given by you to this committee. What you are doing is either illegal or, if it is legal, there are loopholes in the tax laws that must be plugged so that everyone carries their full share of the tax load. The only way I am going to find out whether it is legal or illegal is by your answers, and so far you haven't told us very much.

Mr. RAY. If what is legal or illegal? You are going to find out if what is legal or illegal, the school, what we teach, our members? What do you seek to find out?

Mr. CONTE. I must find out your members first of all, because it may be that the chairman may want to bring the members before this committee.

Mr. RAY. Are you questioning whether what ABC does is legal or illegal?

Mr. CONTE. And if there are loopholes. If it is legal, and if there are loopholes in the tax laws that have to be plugged.

Mr. RAY. We will answer any of the questions on that.

Mr. CONTE. No, you don't answer it. You raise the cloak of secrecy.

Mr. RAY. On a hypothetical basis and what we teach we—

Mr. CONTE. I didn't give you a hypothetical case. I have given you actual cases. Your own statement here and your own witnesses tells me that he is not going to tell me because of the right of secrecy. These are not hypothetical questions.

Mr. RAY. He is just protecting the members.

Mr. PATMAN. Why should the members need protection if they are doing something that is legal, honorable, and right? What protection do they need?

Mr. RAY. I might suggest that on one afternoon 15 agents of the Internal Revenue Service approached 15 homes where housewives were present.

Mr. PATMAN. Well, don't you think that is a good thing?

Mr. RAY. Do you?

Mr. PATMAN. Yes.

Mr. RAY. I know their husbands sure didn't, Mr. Chairman.