

TAX EXEMPT FOUNDATIONS: THEIR IMPACT ON SMALL BUSINESS

TUESDAY, NOVEMBER 14, 1967

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE No. 1
OF THE SELECT COMMITTEE ON SMALL BUSINESS,
Washington, D.C.

The subcommittee met, pursuant to recess, at 10:10 a.m., in room 2359, Rayburn House Office Building, Hon. Wright Patman (chairman of the subcommittee) presiding.

Present: Representatives Patman and Corman.

Also present: H. A. Olsher, director, Foundations Study; Myrtle Ruth Foutch, clerk; and John J. Williams, minority counsel.

Mr. PATMAN. The committee will please come to order.

We had scheduled Dr. Michael R. Saxon to testify yesterday but he failed to appear, despite the fact that by letter of October 16, 1967, he stated that:

It will indeed be a privilege for me to discuss my activities with the Saxon Foundation and the program sponsored by Americans Building Constitutionally.

I shall now read a telegram we received from Dr. Saxon yesterday afternoon, and then place it in the record.

The telegram is addressed to the chairman and says:

Foundation Subcommittee Rayburn Bldg RM 2328 Wash. D.C. Because of current evaluation of the Saxon Foundation by IRS legal counsel advises me to refrain from testifying beyond written testimony submitted. M. R. Saxon, M.D., Medical Director, Saxon Foundation.

(The telegram follows:)

CHICAGO, ILL.

HON. WRIGHT PATMAN,
*Foundation Subcommittee,
Rayburn Building,
Washington, D.C.:*

Because of current evaluation of the Saxon Foundation by IRS legal counsel advises me to refrain from testifying beyond written testimony submitted.

M. R. SAXON, M.D.,
Medical Director, Saxon Foundation.

Mr. PATMAN. I also want the record to show that Dr. Saxon had been here as a spectator during our earlier hearings. Yesterday afternoon, we issued a subpoena for Dr. Saxon to appear on Friday at 10 a.m., November 17, 1967.

Our witnesses today are Mr. J. Alton Lauren and Mr. Richard J. Stephenson, trustees, two of the three trustees of ABC, Americans Building Constitutionally.

If you gentlemen will come around to the table accompanied by your lawyers, it will be appreciated.