

Mr. PATMAN. I assume you often have that.

Mr. COHEN. It is not unknown.

Mr. PATMAN. During our hearing on August 10, 1964 (page 137 of the printed record), I asked Acting Commissioner Harding whether the IRS has found that the Leonard C. Hanna, Jr., Fund of Cleveland has complied with all statutory requirements in its final liquidation.

By letter of October 26, 1964, the IRS informed us that it "has not completed its consideration of the fund's operations."

On December 3, 1964, the IRS informed us that they expected to complete their field audit work on the fund by February 28, 1965.

Now, by letter of October 12, 1967, 3 years after our request of October 10, 1964, the IRS informed us as follows:

"In accordance with requests made by you in connection with hearings conducted by your Subcommittee on Foundations, this is to advise that we have completed our audit of the Leonard C. Hanna, Jr., Fund, of Cleveland, Ohio, and have found the organization to have complied with provisions of the Internal Revenue Code applicable to such exempt organizations."

Mr. Cohen, would you call this a dynamic performance, 3 years after we requested the information?

Mr. COHEN. The audit was completed rather rapidly. The issue was, did the organization comply with the law. The matter was submitted for complete legal review. There were a great many matters here involved. It was reviewed and additional information was requested and supplied. The activity went on. The organization has its right to make its views known. We have to sit and listen, we have to wait for briefs.

Mr. PATMAN. You think they advised us as quickly—

Mr. COHEN. I would like to say we would like to do everything within 30 or 60 days.

Mr. PATMAN. You think 3 years is a reasonable time?

Mr. COHEN. I would have preferred to have been able to provide you with the information more quickly.

Mr. PATMAN. You think it is not uncommon for it to be 3 years?

Mr. COHEN. It is not unknown.

Mr. PATMAN. I wish to announce that the U.S. marshal in Chicago has informed us that he has served Dr. Michael R. Saxon for appearance here at 10 tomorrow. Dr. Saxon is the member of the ABC who failed to show up here on Tuesday when he promised to testify.

However, we had his printed testimony and I believe you were furnished a copy of it the other day.

Mr. COHEN. I haven't looked at it myself. I think our people have it.

Mr. PATMAN. Mr. Corman?

Mr. CORMAN. First of all, of the approximately \$10 billion in charitable contributions, I think that is only part of the total that I wanted to get at. What about the income of foundations that are exempt?

Mr. COHEN. I think Mr. Surry suggested about a billion and a half dollars income of the various foundations.

Mr. CORMAN. Is that the tax base or tax loss?

Mr. SURREY. That was the income—the tax base in your terminology. In 1962 it was a little over a billion dollars. It may be up somewhere to a billion and a half today.