

Mr. COHEN. I don't think the so-called affluent are getting any tremendous advantage out of this. I don't know what the advantage is. We hope there aren't too many abuses. We don't discover too many. We find some. Therefore, I hope we don't have to open up the tax law to any more loopholes. I would characterize them as unjustified benefits since most of the so-called loopholes were consciously enacted by the Congress.

Mr. PATMAN. That is correct, and I think it is the duty of IRS to point out these loopholes as quickly as you discover them. I am not on the tax writing committee, the Ways and Means Committee, that would have to do with these loopholes and gimmicks in the tax laws. But it appears to me that a report from the Secretary of the Treasury which goes to all Members of Congress would be very helpful in pointing out things that needed to be done in order to stop loopholes. I wish the Secretary of the Treasury at the end of each year or better yet at the beginning of each Congress will point out to all Members of Congress the legislation that is needed to stop these loopholes and prevent their use against the public interest.

Mr. SURREY. I think you will find, Mr. Chairman, that the Treasury has been very diligent in acting in this area to perform as the Secretary said the other day, and it is also our hope that there will be a tax reform program which the Ways and Means Committee can occupy itself with next year.

Mr. PATMAN. Yes, sir. I appreciate the fact that that is being talked about, and I hope it materializes and is set for some time next year.

The committees have more legislation all the time, and they do not always get around to some of these things. The tax writing committees, the Ways and Means and the Finance Committee in the Senate, have been so busy in other matters, they just naturally could not get to it, and it is understandable that they did not.

I appreciate very much the information you gentlemen have furnished and for your appearance and testimony.

The committee will stand in recess until 10 o'clock in the morning here in this room.

(Whereupon, at 12 noon, November 16, 1967, the subcommittee recessed, to reconvene on Friday, November 17, at 10 a.m.)