

These are the three large segments it seems to me which would lose money in the event this proposal were put into effect and it could conceivably be that the revenue loss to the Federal Treasury would be greater than the income they would get from the proposed taxes themselves.

I don't know that we have a definite figure of what the new taxes would bring in. Somewhere between \$400 and \$500 million I think is the figure proposed that would be the income from the travel tax.

If you can provide to us the projected estimated loss to the Federal Government, Federal Treasury, in income tax from these three segments I think it would be a figure to be.

Mr. FRANKEL. We will endeavor to get it.

(The information referred to follows:)

(The following information was received by the committee:)

The information supplied on p. 521 is the best effort that we can make in connection with that general question.

Mr. SCHNEEBELI. Thank you.

The CHAIRMAN. Mr. Battin.

Mr. BATTIN. I too would like to congratulate you on your statement primarily because it ties together some of the other ramifications that follow the natural result of the proposal.

It just doesn't stand by itself. I was wondering, though—you didn't comment that some of the members of your association have already experienced a cancellation of tours. Would you have any information as to whether or not there has been any increase in the amount of travel to the exempt areas as a result of the announced intention of the Government to ask the Congress for this particular law?

Mr. FICHTENBAUM. If I may, Mr. Congressman, the same survey indicated a relatively small percentage. Approximately 3 percent of those clients that had booked to outside the Western Hemisphere have shifted to within the Western Hemisphere, only 3 percent.

Mr. BATTIN. The testimony as I remember, of the Government witnesses indicated that they felt that it would be a very small shift to this of people who were going to a destination for a reason rather than just for the vacation.

Mr. QUINN. Mr. Battin, if I may, in a very recent survey, published this morning in Travel Weekly, conducted of 100 agents on the west coast it established ironically, that the areas that are suffering most from the proposals on tourist restrictions are Hawaii and Mexico.

In other words, the confusion about the proposed travel tax is so great in the mind of the average potential traveler, and I quote here, "Asked in which tourist areas the earnings have thus far been most adversely affected the agents listed Hawaii first and Mexico second" and Europe and the Orient, the objective of these restrictions, were following those two areas.

Mr. BATTIN. I am informed that the request for visas in this country has gone up 15 percent, so I wonder if in the overall we are not finding ourselves in a rather peculiar position. Maybe the tax should be 100 percent instead of the recommended 15 to 30 percent if the objective is to be fulfilled.

I would like to just close on this. I don't want to unduly prolong this. I think the statement that you have made dealing with the people that