EXEMPTION REQUESTED FOR FOREIGN TOURS BY NONPROFIT AMERICAN SYMPHONY ORCHESTRAS

It is for all of these reasons that we feel that tours abroad by nonprofit American symphony orchestras should be exempted from the proposed new travel and expenditure taxes.

This could be done very simply by treating such a tour as a "nontaxable trip" for both the proposed transportation tax and the expenditure tax on foreign travel.

New York Philharmonic Orchestra—Tour of Europe and Israel, August–September 1968

TOUR BUDGET

Total costs of tour	$580, 000
Receipts:	
Concert fees (received in U.S. dollars)	250, 000
Contribution by U.S. State Department (received in local currencies of countries visited; not in U.S. dollars)	100, 000
Contributions by Trans World Airlines	150, 000
Total	500, 000
Deficit (must be met by New York Philharmonic Society)	80, 000
Possible additional cost of proposed travel and expenditure taxes	59, 000
Possible total deficit to be met by the New York Philharmonic Society	139, 000

SUMMARY OF INWARD-OUTWARD FLOW OF DOLLARS

	Total	U.S. dollars only
Fees paid in U.S. dollars for foreign concerts and telecasts [1]	$300, 100	$300, 000
Total estimated expenditures in foreign countries	255, 619	
Paid from foreign currencies granted by U.S. State Department	100, 000	
Paid from U.S. dollars received in fees	155, 610	155, 610
Net inward dollar flow		144, 490

[1] Television fees to be disbursed to the musicians by the New York Philharmonic Society upon the musicians' return to New York.

ESTIMATED EXPENSE BUDGET

	Total cost	Spent outside United States	Estimated travel tax [1]
Salaries, 6 weeks	$246, 000	$2, 000	
Per diem and expenses, 37 days abroad	117, 000	115, 000	$17, 350
Travel:			
Personnel	99, 330	42, 510	20, 667
Instruments and baggage (20,000 pounds)	75, 400	65, 100	19, 530
General expenses, booking commissions, insurance, music, rehearsal hall rental, printing, representation, etc	43, 000	31, 000	1, 200
Total	580, 730	255, 610	58, 747

[1] Estimated travel tax is computed on Secretary Fowler's formula: Expenditures: $8–$15 at 15 percent; above $15 at 30 percent. Travel: 5 percent on transatlantic travel; 30 percent on travel paid to foreign carriers (as expenditures).