

months. American institutions, for example, sponsor well over 100 undergraduate study programs abroad during those months involving some 8,000 students—integral in the academic offerings of the home university or college, normally conducted for credit with the threefold purpose of: (1) broadening the base of liberal education (2) increasing competence in foreign languages and in the knowledge of other cultures, and (3) affording specialized study in major academic fields. The range of American institutions involved includes the full spectrum—public and private, large and small, universities, colleges, and junior colleges.

The experiential cost data which we have examined indicates that living costs to individual students for academic programs of limited duration abroad would be in excess of the \$7.00 per diem general exemption proposed, thus throwing all or virtually all students participating in such programs into at least the 15% bracket of expenditures tax liability. Leaving aside the 5% travel tax contemplated, the expenditures tax liability alone could add \$50-\$200 or more to the individual student's total cost for summer study abroad. There can be no real doubt that summer study programs would be hard hit by such additional liability. In highly specialized student programs of longer (but less than 120 days) duration, where the educational program is based upon extensive travel, the added costs could be prohibitive.

We do not believe that it is in the national interest, on balance, to curtail student programs abroad which are aimed at increasing our people's literacy in world affairs and their understanding of other cultures. The validity of this principle seems to us to have been acknowledged in fact by the inclusion of the 120 day exemption in the proposals as they stand. We conclude, accordingly, that the distinction between long-term and short-term student study abroad embodied in the expenditures tax proposals is fallacious.

SCHOLARS AND ACADEMIC ADMINISTRATORS

We cannot but reach the same conclusion as respects short-term, professionally-related scholarly travel abroad and the comparable travel of academic administrators. The responsibilities of the teacher-scholar-academic administrator require that he normally be in residence on the home campus for at least nine months each year. As a consequence, he tends to concentrate his travel abroad for research and other professional purposes into periods of less than 120 days. The \$7.00 per day exemption provided for foreign travel of short duration is even less adequate for the scholar than for the student. It is our opinion that most scholars and others in this category would fall within the 30% bracket of expenditures tax liability under the pending proposals. There can be little doubt that such tax liability would significantly penalize, and thus curtail, academic travel in this category. We do not believe such a result to be in the national interest. Hence, as in the case of student travel abroad, we reiterate that the distinction for scholars and academic administrators between long- and short-term travel abroad is fallacious.

We are convinced that government's own encouragement and support of the foreign travel of academic leadership has, for well over two decades, amply demonstrated its belief as well as ours, that increased international communication between academics is a significant public goal. Quite aside from the advancement of knowledge through research, it appears beyond much dispute that the enhancement of mutual understanding among cultures, and the cultivation of standing international ties between such professional leadership groups, are priorities of a high order for this nation. We do not believe it logical to curtail such scholarly activity, nor equitable to penalize, through the proposed expenditures tax, the scholars or academic administrators who are its vehicle.

TRAVEL ON BEHALF OF THE UNITED STATES GOVERNMENT

A substantial amount of short-term foreign travel by scholars and academic administrators is, furthermore, undertaken at the behest or under the sponsorship of government (e.g., in the Fulbright Program, the AID program, consultantships and advisory mission of many kinds, "official" delegations to international meetings). Irrespective of its duration, such travel should be exempted in equity from the taxes proposed as is "United States Government Travel."

In Summary, we reemphasize our concurrence with what has been long-standing public policy: that student and scholarly professional travel is in the national interest. We believe that it should, therefore, be exempted from the proposed