

AUERBACH TRAVEL SERVICE,
Easton, Pa., February 20, 1968.

MR. WILBUR D. MILLS,
Chairman, Committee on Ways and Means,
1102 Longworth House Office Building, Washington, D.C.

DEAR MR. MILLS: We would like to register with you our adverse criticism on Secretary Fowler's proposed travel tax program.

- (1) The program is restrictive, punitive and self-defeating.
- (2) Because of the incredible complexity and amount of paperwork required of the traveler, and the always present threat of possible penalties and fines, it is apparent that the proposals have been designed to produce a ban on travel outside the Western Hemisphere—not just a travel deterrent.
- (3) The proposal is discriminatory legislation based upon misleading statistics, and strikes hardest at the middle and lower income earners by increasing their total travel costs approximately 30 per cent. It will also limit the vitally needed student and teacher educational travel by the excessive costs it imposes. It will not deter the wealthy.
- (4) It will burden travelers and government with an interminable volume of paperwork that will be impossible to administer equitably and create a larger bureaucracy at additional cost to the taxpayer.
- (5) Inevitably it will bring injurious retaliation through similar restrictions by foreign governments—even to the extent of outright prohibition of their citizens to travel to this country.
- (6) It would drastically reduce many countries' vitally needed tourist dollars they use to pay for U.S. goods and services, thus affecting adversely our favorable overall trade balance.
- (7) If enacted, it would undoubtedly cause the cancellation of much of the almost 2.5 billion dollars in air craft orders placed with U.S. manufacturers by foreign carriers and cause substantial unemployment in the aircraft, components and electronics industry.
- (8) A further drain on the U.S. dollar position will be generally by the need to replace tourist dollar earnings with greater foreign aid appropriations.
- (9) To the travel agent these proposals represent a threat to their existence. We have small and large groups to Europe, whose cancellations would rock our foundations; as we have expended money, plus labor (equated with money!) for at least eight months, developing the programs which our clients had requested from us. We are just small businessmen, supporting families on our commissions. Once we get cancellations on group programs, that we've spent hundreds of hours developing, we can never get those hours back for productive work. It will be a hopeless situation here!
- (10) We have pledged enthusiastic support of: feasible programs to promote increased two-way tourism to the United States as an effective method to reduce this imbalance. We are participating in a cooperative campaign to bring more tourism to the U.S. A realistic 15 per cent increase in tourism to the U.S. is possible by this means and would provide positive assistance in reducing the gold imbalance problem.

Please have our sentiments made known to the proper places.

Very truly yours,

(Mrs.) L. JOYCE GIBBONS, C.T.C.,
President.

BAL-MAR TRAVEL SERVICE,
Corona del Mar, Calif., March 1, 1968.

MR. WILBUR D. MILLS,
Chairman, Committee on Ways and Means,
1102 Longworth House Office Building,
Washington, D.C.

DEAR MR. MILLS: In reference to Secretary of the Treasury Fowler's series of proposals intended to limit travel by Americans outside the Western Hemisphere, I am opposed to any "Quickie" solution or any specified time limit for any taxes or restrictions. The situation did not arise overnight and should not be expected to be corrected overnight. And, as the entire deficit was not created by Americans traveling overseas, neither should the correction of this deficit be expected by curtailing travel overseas by Americans.

It is wrong to compare the expenditures of American tourists abroad to the expenditures of foreign tourists visiting the United States. True, there are more