to "noncommercial" shipments/acquisitions would simplify the administrative task of Customs, could not the same be said of "commercial" shipments/acquisitions?

There is inconsistency in the use of the words, "retail" and "wholesale" with the various limits ($1, $10, $50, $250, $500). This creates confusion. Since virtually all customs valuation (apart from penalty matters) respecting *ad valorem* rates is addressed to wholesale values, it would be desirable to use "wholesale" for the various limits for informal entries, exemptions, gifts, low value items of under $1, and formal entries. ("$10" might be changed to "$6").

Better yet, why not raise the limit of informal entries to $500 wholesale and apply a flat rate of 10%, whether or not the entry is "commercial" or "noncommercial"?

Customs' administrative task will be simplified.

10% will serve as effective a deterrent as 25%.

Yours respectfully,

BEDROS ODIAN,
Attorney at Law.

NORTH TARRYTOWN, N.Y.,
February 15, 1968.

Hon. WILBUR D. MILLS,
Chairman, Ways and Means Committee,
House of Representatives, Washington, D.C.

DEAR SIR: I would like to record my opposition to the proposals now being considered by the Committee on Ways & Means with respect to taxes on travel outside the Western Hemisphere, and changes in customs on tourist exemptions.

My occupation in publishing, in common with that of many hundreds of persons in other industries, is directed to the very goal of improving our balance of payments, by selling and exporting to foreign markets American products. I have made in the past many, and expect in the future to make more foreign trips to develop our sales in these foreign markets.

I fully agree with the need to develop a more favorable position for the U.S.A. in its balance of payments, but I do not see how this proposed legislation is any remedy or cure. It is like giving a cancer patient a bottle of patent medicine, and further compounding the real problem by suggesting that if he takes the medicine all will be well.

The restrictions, direct and implied, in this proposed legislation will do little but hinder our efforts to reach our foreign markets. Foreign press comments show we have gained no new friends in this proposal; and will surely lose a great many if such restrictions are imposed. Against such legislation as this, our friends overseas have no defense. They certainly can react however by buying less of those products which American business is trying to sell them; and by continuing their withdrawal from other programs which are an integral part of our foreign policy.

If the goal of government is to increase tax revenues, there are other means which at least have tradition and custom in their favor. Why need we create a kind of tax which has never before been imposed on Americans?

It also would follow that in this attempt to set a new tax the government will need yet another layer of tax inspectors, collectors, and enforcers. Any revenue earned from such a tax would surely be consumed in the administrative machinery required to keep it in operation. I must also express skepticism as to how temporary such a tax would be; governments do not easily relinquish newly found sources of revenue, popular or not. The proposed method of taxing would doubtless be annoying to the tourist, but to a business organization, yet another administrative expense and chore.

My viewpoint is largely that of business, but I cannot help but look on these proposals also as a private person. If the goal of the government is to restrict travel, I can only consider this to be a most reprehensible invasion of individual rights. More travel rather than less is one of the honored ways in which international understanding can be gained. The proposal then would appear to work more against our personal and national interests than in their behalf.

I urge you to consider these points and to conclude the hearings on this legislation as promptly as possible on the ground that this is poor legislation in a doubtful cause.

Sincerely yours,

GEORGE H. RAPPOLE.