

very effective. Due to the very unusual circumstances we have in our own region, I think the Bureau of Reclamation, with its skill and background, is simply better prepared to cope with the very terrible problems we have.

I don't think that the problems of reclaiming our ruined mountains is one with which the Soil Conservation Districts can effectively cope. I presume they could do a fine job in Iowa, for example, and certainly their knowledge of how to handle these problems ought to be utilized in every possible way.

Senator METCALF. I don't think that you have to make a case to most of the members of this committee, who are largely westerners, as to the expertise and superb accomplishments of the Bureau of Reclamation.

Do you have anything to add, Mr. Ebersole?

Mr. EBERSOLE. You may remember, when the Congress for Appalachian Development was testifying previously, Luce Smith was retiring from the organization and had a prepared statement. If it please the committee, perhaps this can be made a part of the hearing.

Senator METCALF. Without objection that will be incorporated in the record.

(The document to be supplied had not been received at the time of going to press.)

Mr. EBERSOLE. The Courier Journal in 1964 ran a Sunday Supplement entitled "Kentucky's Ravaged Land, Its People and Its Hope". For this publication they won the Pulitzer prize. In 1967 they ran a second article, "Kentucky's Still Ravaged Lands." These are two important documents that deal with this subject that might be made a part of the record.

Senator METCALF. They will be incorporated in the file of the committee for its use. Thank you.

Thank you, Mr. Caudill, for your splendid testimony.

Mr. CAUDILL. Thank you, Mr. Chairman.

(The bill previously referred to follows:)

[S. 2934, 90th Cong., second sess.]

A BILL To assist the States in raising revenues by making more uniform the incidence and rate of tax imposed by States on the severance of minerals

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subtitle D of the Internal Revenue Code of 1954 (relating to miscellaneous excise taxes) is amended by adding at the end of thereof the following new chapter:

"CHAPTER 42—SEVERANCE TAX

"SEC. 4941. IMPOSITION OF SEVERANCE TAX ON MINERALS.

"(a) IMPOSITION.—There is hereby imposed on the severance of minerals from a mineral property located within the United States an excise tax equal to 5 percent of the gross income from the property during the taxable period.

"(b) LIABILITY FOR TAX.—The tax imposed by this section shall be paid by the person who holds the working interest in the mineral property.

"SEC. 4942. DEFINITION AND RULES.

"For purposes of this chapter—

"(a) MINERAL PROPERTY.—The term 'mineral property' has the same meaning as the term 'property' has for the purposes of section 613 (relating to the allowance for percentage depletion), and any election made under section 614 to treat