

*Mr Eckels -  
In your own information  
Hm-*

THE FUNDAMENTAL BASIS OF THE PROPOSED REVISION  
OF FEDERAL TAXES ON PROFITS OF BUSINESS

1. Business profits, from whatever source derived and whenever received, should bear the same tax burden. They do not now.

2. It is not for the Government to say what portion of corporate earnings shall be distributed and what portion retained; but it is for the Government to say that those controlling corporations shall not use them as a device for evading the taxes on their personal incomes which everybody else has to pay.

3. It is not for the Government to dictate whether business shall be carried on as individual enterprises or partnerships on the one hand or as corporations on the other hand. Present tax laws go a long way toward doing so by making the use of the corporate form of business organization expensive for the little fellow and profitable for the big fellow. This inequality should be removed.