

# FORTUNE

TIME & LIFE BUILDING  
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EXECUTIVE OFFICES

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Dear Mr. Eccles:

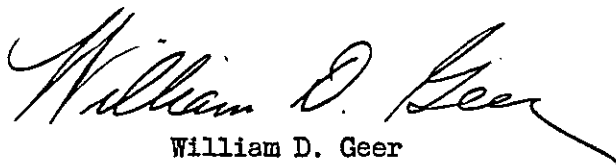
Because of your particular concern with the Federal Tax program I think you will find of immediate interest these tear-sheets from the September issue of FORTUNE.

"Turn the Tax Clock Ahead" was specially written for FORTUNE by the author of the pay-as-you-go tax plan, Mr. Beardsley Ruml, and is one of the most complete discussions of his plan yet published.

Extra copies of Mr. Ruml's article are still available and if you have friends or associates who would be interested in reading it I shall be glad to see that copies are sent them.

And when you send me their names and addresses I would very much appreciate hearing what you personally think of this article.

Sincerely,



William D. Geer  
General Manager

WDG/ha

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The citation for the original is:

Ruml, Beardsley. "Turn the Tax Clock Ahead: The Proposal for Putting Personal Income Taxes On a Much Needed Current Basis." *Fortune*, September 1942, pp. 94-95, 178, 181-182.

Released at 12 noon, October 7, 1942.

Mr. Beardsley Ruml, Treasurer of R. H. Macy & Co., Inc. and Chairman of the Federal Reserve Bank of New York, spoke on the Pay AS You Go income tax plan today (October 7, 1942) at a luncheon of the Young Men's Board of Trade at the Commodore Hotel.

In commenting on the chances of having a Pay AS You Go income tax plan for the beginning of 1943, Mr. Ruml said:

The chances of starting the New Year 1943 on a Pay-As-You-Go income tax basis with the whole country income-tax-debt free improve visibly from week to week. Today I should say that the chances are distinctly good.

The appointment of Justice Byrnes as Director of the new Office of Economic Stabilization gives us reason to expect that tax matters will be considered in relation to other war economic problems in deciding on the administration's tax policy. This is good news for the Pay AS You Go income tax plan. Now the plan may take its proper place in the all-over war time economic program, and be considered from a broader point of view than it has hitherto received from the Treasury.

On the legislative side, the Senate Finance Committee unanimously referred the plan to the joint committee of Congress which is to report by December 1. This means that the plan can be adopted in time to start 1943 on a Pay-As-You-Go basis for everyone. The plan stands on its own feet and the fact that it is not now part of the tax bill under consideration today by Congress is irrelevant as far as the early adoption of the plan is concerned.

Of course nothing is decided until the votes are counted, Mr. Ruml said. My optimism is based on the urgent need for a solution of the income-tax-debt problem, on the continued absence of convincing criticism to the Pay AS You Go plan proposed, and on the enthusiastic job that taxpayers are doing in making themselves heard where it counts.

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