BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

Office Correspondence

Date November 20, 1943

To Mr. Thurston

Subject: Address by Randolph Paul

From Mr. Musgrave RNM

I have read Mr. Paul's address and think that it is an excellent brief statement of the difficulties and objectives of tax simplification.

The statement might have been a little more positive regarding the desirability of reducing requirements for mandatory returns under the income tax (pages 26-27) and might have given a little more emphasis to the simplification of the corporation income tax. Also the point might have been made that most of the difficulties arise in connection with determining taxable income rather than with applying rate schedules. However, not everything can be said in a brief address, and on the whole I find the paper to be very good. I don't think that any specific suggestions are required.

Mr. Musgrave

Dick, please note the attached pink slip memo — I've read it but its out of my line!

[initials]

Form F. R. 511

TO Mr. Thurston

FROM meb

REMARKS:

The Chairman asked that you check over this speech as far as the OWI is concerned - Miss Friedline called last night about it - and then he would like to have Mr. Musgrave check for any comments or suggestions that might be made to Mr. Paul direct.

CHAIRMAN'S OFFICE

TO:

Mr. Eccles

11-18-43

You may be interested in reviewing copy of my address to be given before the National Tax Association on Monday.

If you have any comments or changes I shall appreciate your letting me know.

Randolph Paul

From: MR. PAUL

TREASURY DEPARTMENT
Washington

(The following address by Randolph E. Paul, General Counsel of the Treasury, before the National Tax Association at the Palmer House, Chicago, is scheduled for delivery at 1:30 p. m., Central War Time, Monday, November 22, 1943, and is for release at that time.)

SIMPLIFYING OUR TAX LAWS

I am at a peculiar disadvantage this afternoon. A little more than a month ago here in Chicago, I addressed a group of business men. My subject was "Simplification of Our Tax Laws." I am here today to discuss "Simplifying Our Tax Laws." You see my dilemma.

It reminds me of a story which is told of the eminent naturalist, Agassiz. When he was to deliver his first visiting lecture in Zurich, he had grave doubts about his ability to occupy the prescribed three-quarters of an hour. He was speaking without notes, and from time to time he glanced anxiously at the watch that lay before him on the desk. When he had spoken half an hour, he felt that he had told the audience everything he knew in the world. "From that point on", he said, "I began to repeat myself and I have done nothing else ever since."

Apparently I did not

Apparently I did not talk for thirty minutes when I was last in Chicago for I do not believe that I said everything there is to say about simplification. Perhaps you will allow me to begin now where I left off then.

Today we sometimes think that we are victims of a malady which never attacked anyone before. But complaints about the complexity of our tax laws are an old story. The patient has been suffering for a long time; the disease has become a national scourge; it has even crossed national boundary lines.

Causes of Complexity

The first thing we discover when we attempt to diagnose this complaint is that there is no single cause. Our tax system did not become complicated overnight. Some complexity originates in a commendable Congressional desire to prevent tax avoidance. Sometimes a commendable desire to give tax relief results in complication. A 90 percent excess profits tax can be written very simply.

very simply. But the relief provisions which that rate makes imperative must be extremely complicated. Still another contribution to complexity stems from our manifold system of administrative and judicial interpretation.

War taxation adds its own complications. You are all familiar with the paradox on the economic front that in wartime increased purchasing power means fewer purchasable goods. The same condition that produces plentitude of income also produces scarcity of goods. On the simplification front one finds another curious paradox. War taxation leads at the same time to a general demand for simplification and a maximum of specific requests for complicating amendments.

Competing Considerations

We have then a basic conflict. In tax law, as more generally, there are almost always competing considerations. What is simple may

What is simple may not be equitable. What is equitable may of necessity be complicated. In other words, simplicity and equity are often incompatible and we are forced to choose between them. In choosing we must weigh advantages gained against advantages lost, knowing what we are doing when we make an election. A sufficiently desirable objective, either by way of relief or by way of preventing tax avoidance, may be worth some complication. A particular item of simplicity may not be worth the inequity it entails. The question is one of price, and our first choice should be the simplicities that are the best bargains.

Then, too, there is something ad hominem about simplification. What is simple to one taxpayer may not be simple to another who plays a part in administering the tax. For example, it seemed

For example, it seemed very desirable when we were working on the 1942 Revenue Act to introduce collection at the source into our tax structure. You will remember that such a system was introduced at the beginning of 1943 to expedite the collection of the Victory tax. It was extended in the Current Tax Payment Act to cover the normal tax and the first bracket of surtax. In connection with collection at the source we found specific application of the maxim that one man's meat is another man's poison.

It is to the interest of employees that the amount of tax withheld at the source be matched as closely as possible with final tax liability. Under-withholding may mean loss to the Government. Over-withholding may mean inconvenience, and even hardship, to employees. But the question cannot be approached only from this one angle.

In the pay-as-you-go

In the pay-as-you-go procedure we were putting a burden upon employers. In one sense we were asking them to become deputy collectors of internal revenue. It was only fair, therefore, to consider their convenience, as well as the convenience of employees. This meant that we had to reduce the classification of employees to a minimum in order that the accounting problems of employers would not be too irksome. In other words, we had to withhold on an approximate basis, grouping particular employees according to the band method. We did not wish to require employers to make specific computations which would result in exact withholding. Nor did we want to permit too many changes in exemption status during the year. A choice had to be made between the relative convenience of employers and employees.

The Meaning of Simplification

When any words become

The Meaning of Simplification

When any words become as popular as the words "tax simplification" have recently become, one may be very sure that the phrase means many different things to many different people. The words may mean so much that they mean little or nothing. Certainly the term "tax simplification" is a vague abstraction, and it is necessary to look behind it for the concrete meanings which it holds. I have tried to gather together from conversations, newspaper stories, and revenue hearings some of these diverse meanings.

From the standpoint of individual taxpayers and the small business man simplification means a number of things. It means a minimization of tax arithmetic. It means the elimination of unnecessary records. It means the reduction of tax forms to a few lines which can be

a few lines which can be filled in swiftly without digging deep into old papers. In short, it means a tax structure which the casual newspaper reader can understand with no more mental strain than it takes to follow Joe Palooka.

Some taxpayers probably use the word "simplification" in the sense of certainty. They are perplexed by our tax laws. They don't know how much they owe. The statute is filled with provisions which only the expert can understand, and he sometimes has a hard time. In fact, the expert's difficulty sometimes parallels the situation in which Robert Browning found himself in "The Barretts of Wimpole Street." You remember that Elizabeth Barrett asked the poet the meaning of some of his lines. After Browning had read them aloud three times he said: "Elizabeth, when those lines were written, God and Robert Browning knew what they meant. Now God alone knows."

Basic policy conflicts

Basic policy conflicts are frequent in the statute; the essential pattern of objective is vague. Concepts have changed; the desire to prevent inflation is a novel tax motive. Taxation has new folkways. The future is a black imponderable. In all this whirl taxpayers glance with nostalgia toward the old certainties they once thought they had, and the present becomes more uncertain than ever.

From the standpoint of the Treasury simplification has still another definition. We certainly recognize that the success of the income tax depends on achieving the utmost desirable simplicity. This is essential to taxpayer good-will, which in turn is essential to successful administration. But we have our own internal problems, which at the moment are greatly intensified by our inability to secure accounting machinery and hold personnel. The number of returns which must be handled by the Bureau

be handled by the Bureau of Internal Revenue is a vital matter, but it is even more vital that these returns be as simple as possible. The difficulty with complicated returns does not end with their filing; they must be audited. Correspondence may be necessary. Interviews with taxpayers and their representatives may be required. The number of direct contacts with the individual taxpayer, and the clerical work of keeping accounts with him and his employer, are matters of intense concern to a Bureau of Internal Revenue which desires to afford every aid possible to puzzled taxpayers. Finally, there is the process of judicial review. The simpler our tax laws are made, the easier the whole process of administration and interpretation becomes.

Dual Nature of the Problem

Simplification is a vast subject. There are things that may be done quickly

may be done quickly on the basis of sufficient knowledge at hand, and there are things which it would be unwise to attempt without a further clarification of issues and considerable additional investigation of law and facts. In this latter category fall changes in the "reorganization" provisions and more satisfactory correlation of the income, estate and gift taxes. Powers of appointment remain troublesome, but perhaps it is well to make haste slowly in this highly technical field of estate tax law. Trusts are a thorn in the flesh of the income, estate, and gift taxes. The Treasury is working upon these and many other problems, and has called upon the outside Tax Bar for suggestions and advice; a special committee is working upon estate and gift tax correlation. We hope to be able to deal intelligently with these problems when we get to the 1944 administrative revenue act.

Simplification at the Return Level

In 1932 exemptions and

Simplification at the Return Level

In 1932 exemptions and national income were at such a level that slightly less than 2 million returns were filed with the Bureau of Internal Revenue. For the year 1944 it is expected that more than 44 million returns will be received. This increase in the number of taxpayers intensifies the need for simplification. The income tax must permit of simple acts by taxpayers if full compliance is to be achieved. Most taxpayers are not concerned with what the statute or the regulations or the court decisions say. To the man in the street the income tax return and the instructions on that return are the whole story. It is logical then that simplification should commence at the return level.

The Treasury has recommended a number of changes in our tax structure which will help to achieve simplification at this level. I should

this level. I should like to discuss some of these changes with you in detail. We shall need your help. In the campaign for simplification you can help best if you understand what we are trying to do.

The Earned Income Credit

At the suggestion of the Treasury the House Ways and Means Committee voted the elimination of the earned income credit now in the statute. This credit, as you know, is 10 percent of earned net income or of net income, whichever is lower, up to $14,000. The first $3,000 of income, whatever its character -- even though it be dividends or bond interest - is presumed to be earned income. The credit is only for normal tax purposes, which means that its maximum value at the $14,000 level is $84.

If this earned income

If this earned income credit were a true earned income credit, it might be worth the complication it involves. The extension of the credit to the first $3,000 of net income, irrespective of its character, thwarts the objective of favoring earned income. This presumption is required by administrative necessity; it would be impossible for the Bureau to check the type of income received by the millions of taxpayers in the lowest brackets. Since we cannot achieve a practicable discrimination in favor of earned income, we may as well avoid the complexities inherent in an unsuccessful attempt. The elimination of the credit will be a distinct step toward simplification.

Consolidation of Normal Tax and Surtax

Part of the trouble with tax calculation arises from the fact that we have so many different rates. As a partial and palliative remedy, the

palliative remedy, the Treasury has recommended the consolidation of the normal tax and the surtax. You are well aware of the defects of the present system. The earned income credit and the issuance prior to 1941 of partially exempt federal bonds are the only remaining excuses for two concepts of net income -- one for normal tax purposes and the other for surtax purposes. If we eliminate the earned income credit, only one reason remains for submitting to the difficulty involved in expressing the rates of tax. This complicates returns, making necessary two statements of net income and two computations of separate tax liability which must be added together.

The obvious solution is to integrate rates into one schedule and limit ourselves to one concept of net income.

Our rate for the first

Our rate for the first $2,000 of net income could then be 19 percent -- 6 percent present normal tax plus 13 percent, the first surtax bracket. For the second $2,000, the rate could be 22 percent -- 6 percent plus 16 percent. This simplification can be extended throughout the rate structure.

Treatment of Tax-Exempt Securities

One precaution need be taken. About 7 billion dollars of partially tax-exempt securities are outstanding. We do not wish to enlarge the benefits of this exemption, nor do we wish to repudiate a contract of exemption. The status quo can be preserved by allowing, in lieu of the present credit against net income, a credit against the tax of 6 percent of partially tax exempt interest, or of net income after the exemption, whichever is lower. This would give partially tax-exempt bondholders

tax-exempt bondholders the exact benefit they possess today and would limit extra computations to the few taxpayers who own tax exempt bonds. I am confident that such an amendment would be constitutional.

Elimination of the Victory Tax

In the 1942 Act the Senate Finance Committee inserted, and the conference committee accepted, the famous "Victory" tax. The object was to reach by a special tax incomes below the exemption levels of the 1942 Act -- $1200 for a married person without dependents, $500 for a single person and $350 for each dependent. As a matter of fact, the Victory tax collected from persons in these low brackets only about $300,000,000 of revenue. The balance of the $3 billion yield of the tax came from persons already subject to the regular income tax. It is a matter of indifference to these higher bracket taxpayers whether a particular dollar of tax paid is labeled Victory or income tax.

To you, I need not elaborate upon the complications of the Victory tax. Its special set of deductions results in

a separate concept

a separate concept of taxable income. The tax has a different set of exemptions. The dependency credit is recognized only in a complicated postwar credit. The faulty structure of the tax was recognized by Congress when it eliminated the postwar aspects of the credit for 1943. The Ways and Means Committee has followed by integrating the tax with the regular income tax for 1944.

In his statement of October 4 before the Ways and Means Committee, the Secretary of the Treasury proposed the elimination of the Victory tax and the lowering of the regular exemptions for married persons without dependents from $1,200 to $1,100, and from $350 for each dependent to $300. The Secretary also proposed raising the surtax and the elimination of the earned income credit to recapture some of the revenue lost by the elimination of the

elimination of the Victory tax. The adoption of these proposals would have enormously simplified returns. Indeed, it is doubtful whether any adequate simplification can be achieved without the elimination of the Victory tax.

The Ways and Means Committee has adopted a minimum tax plan in lieu of the Victory tax. The minimum tax is three percent of regular statutory net income with exemptions of $500 for a single person, $700 for married persons without dependents, and $100 for each dependent. Married persons filing separate returns are entitled to a single person's minimum tax exemption, and are required to take a single person's regular tax exemption. This proposal also increases the normal tax to 10 percent.

I shall not burden you with a long explanation of the defects of this substituted proposal. You will note that it calls for a set

calls for a set of exemptions different from those applicable for purposes of the regular income tax. This necessitates a table, giving a series of breaking points showing which tax applies -- the minimum tax or the regular income tax. The treatment of joint and separate returns presents further complications as to choice of return. There are several zones in which one of two forms of filing is more desirable, the limits of the zones varying with dependency status and division of income between husband and wife. Taxpayers will be forced to make alternative computations in order to ascertain whether to file Form 1040A or Form 1040 and whether to file joint or separate returns.

Simplicity is not to be found in mechanical forms which are not easily understood. It calls for a tax the basic outlines of which

outlines of which can be explained by one neighbor to another. The minimum tax, and the table it requires, can be explained by one expert to another, but not by neighbors over the back fence. It seems clear that the collection of about $300,000,000 of tax, from these particular individuals, less than 2 percent of our income tax collections from individuals, is not worth the complexity involved in this minimum tax. Moreover, to exact a tax from incomes at the subsistence level is a questionable contribution to the fight against inflation. The revenue will not be lost, since it can be distributed throughout the surtax brackets.

Extending use of Form 1040A

I now turn to a possible simplification -- a homely remedy for the deductions tangle. You are familiar with Supplement T, which permits the use

which permits the use of Form 1040A by taxpayers having gross income of not more than $3,000 consisting of salaries, dividends, interest and annuities. It has been suggested that the $3,000 boundary be raised. There are 5 million taxpayers having gross income between $3,000 and $5,000, of which 2 million taxpayers would be eligible to use Form 1040A, if it were extended. It would be a convenience to taxpayers with incomes above $3,000 to use Form 1040A. Taxpayer convenience coincides with administrative economy, since the estimated cost of handling the simpler form is less than half the cost of handling the longer Form 1040.

On the other hand, the extension I have suggested would cost about $17 million in revenue, and no doubt many persons entitled to use the simplified form under the extension would still compute their

still compute their tax both ways in order to be sure that they were paying the lowest possible tax. We are working on this problem in the Treasury and hope to present definite recommendations to the Congress in the near future.

Eliminating Some March 15 Returns

Now that we have collection at the source, you have heard much discussion of the possibility of eliminating March 15 returns for persons entirely in the first surtax bracket, whose liabilities are collected at the source. This is another matter under serious consideration in the Treasury. There are arguments on both sides of the question. On the one hand, it is certain that the elimination of March 15 returns would simplify taxpayer compliance and reduce taxpayer irritation. The persons relieved of filing returns would be those in the lowest taxable bracket; these taxpayers are least familiar with tax procedures and find the making

and find the making of returns most difficult. It is also argued that paper work would be reduced and administration simplified.

On the other hand, several important considerations militate against the elimination of returns. If returns are eliminated, administrative controls over taxpayers and employers will be weakened. The morale value of a tax return made under penalty of perjury will be lost. The possibility of a cross-check of employee returns against employer reports will be gone. It is well to remember also that taxpayer returns serve as the basis for adjusting the over-collections and under-collections which are inevitable in any withholding system. In cases of part-year unemployment, change of family status, and double employment, for example, these adjustments may be quite substantial. Then, too, the function which returns play in

returns play in educating citizens in their role as taxpayers and in stimulating a sense of direct participation in government should not be overlooked.

In discussing the elimination of returns it is important to recognize that different people mean different things by the phrase, "elimination of returns". Some mean that we should go from an annual accounting period to a payroll accounting period, and that withholding should itself be the tax. Under this interpretation a broad class of taxpayers would be neither required nor permitted to file. The inequities of such a solution and the great difficulty of drawing a line between filers and non-filers make its adoption highly questionable. Other people mean by "elimination of returns" that the annual accounting period be retained, but that only those who wish

to claim refunds

to claim refunds and those who have substantial additional taxes to pay would be permitted or required to file. A third inte pretation of "elimination" is that taxpayers would be required to furnish only a minimum of information; their taxes would be computed for them by the government and refunds or additional assessments would be issued without further action on their part. These alternative solutions and others are being closely examined in the Treasury.

Graduated Withholding

Simplification is possible also in the domain of withholding. One suggestion, originated with Judge Vinson and recently made to the Ways and Means Committee, was that withholding would be on a gross basis under a system which would enable taxpayers to understand instantly what percentage of their salaries was being withheld at the source. The Treasury has recommended

Treasury has recommended to the Committee that collection at the source be made to apply to the taxpayer's full liability rather than merely to his partial liability under the normal tax and the first bracket of surtax. The method for accomplishing this result would be to have a series of withholding rates applicable to gross wages, as a substitute for the present precise rates. This series of withholding rates would be expressed in tables based on the status of the taxpayer. There could also be tables calculating the amounts to be withheld, as at the present time.

Any objections to the inaccuracies resulting from the wide brackets in the present-law tables would be minimized by providing substantially narrower brackets over the ranges of wage within which most employees fall.

Employer groups with

Employer groups with whom withholding problems have been discussed have indicated the desirability of graduated withholding from the standpoint of their relationships with employees. At the time for filing the first of the new quarterly declarations this past September, several large employers reported that requests from employees for information as to total amounts of wage and of withholding over the year, as well as for assistance in the computations and the preparation of the form, resulted in significant additional burdens for their tax and accounting staffs. The question arises whether graduated withholding would unduly complicate the preparation of payrolls. Careful study, as well as discussions with employer groups, indicates that little or no extra burden upon employers would result.

Investigation of this

Investigation of this proposal reveals further interesting data. At present the first $2,000 bracket covers about 33,000,000 taxpayers. The remaining 23 brackets cover less than 7,000,000 taxpayers. The lesson of these figures is that our rate structure lacks refinement for the great majority of taxpayers. However, the moment we try to provide better progression, we have to face the necessity for graduated withholding. As I have said, this can be accomplished. The by-product of graduated withholding -- which enables us to accomplish the desirable objective of refining the rate structure for the great majority of taxpayers -- is the elimination of many quarterly declarations for persons in receipt of salaries above the present first bracket of surtax. A greater number of declarations could be eliminated if in addition we raised

addition we raised the present requirement relating to outside income, other than salaries, from $100 to a somewhat higher figure.

Additional Suggestions for Simplifying Returns

I do not want you to think that I have attempted to cover even the limited subject of simplification on the return front. Many additional suggestions are in the mill which, I might add, grinds slowly. Could we have different filing dates by classes of taxpayers, corporate and individual, or by divisions within one class of taxpayers on an alphabetical basis? How may return forms be set up to enable taxpayers to do their arithmetic more easily? These are merely examples of activity in the Treasury in its constant effort to improve the administration of our tax laws and to make taxpayer compliance less burdensome than it now is.

Corporate Tax Simplification

So far I have been

Corporate Tax Simplification

So far I have been talking about simplification on behalf of individual taxpayers. I have limited my discussion of that subject to the return front. Much more remains to be said on other individual tax fronts, but I should like to say a few words before I close regarding one item of corporate tax simplification.

Capital Stock and the Declared-Value Excess Profits Tax

In 1942 I attempted on behalf of the Treasury to persuade Congress to eliminate the capital stock and the declared-value excess-profits taxes. I was unable to persuade the Ways and Means Committee, but was more successful with the Senate Finance Committee. The latter committee receded in conference, however, and we still have in the statute these utterly indefensible taxes. They are indefensible for many reasons, not the least of which

not the least of which is that the same revenues could be collected from substantially the same corporations by increasing the corporate tax rate. These taxes are, therefore, nothing more than an unreasonable duplication in the corporate tax structure, requiring for compliance scarce manpower and trained personnel.

The Treasury did not again in 1943 specifically recommend the elimination of the capital stock and declared value excess profits taxes, but I would like to discuss the subject briefly with you because I believe the days of these taxes are numbered. I would also like to secure your cooperation in effecting their ultimate repeal.

You all know the history of the capital stock tax. Beginning in 1917 and through 1926 we had a capital stock tax based upon actual,

based upon actual, and not declared, value. The tax was abandoned because of valuation difficulties. The year 1933 saw the origin of the present type of capital stock tax, which totally disregards actual value and is based upon the value the corporation wishes to declare, with no regard for book, market value of assets, or earnings record. The function of a declaration is simply to take out insurance against the declared value excess profits tax; this tax penalizes corporations which guess wrong in making their declaration. In actual practice corporations make their declaration of value entirely with the purpose of saving themselves from the heavier impact of the declared value excess profits tax.

You may be interested in the relative impact of the tax upon large and small corporations. The Treasury's research upon this point leads

upon this point leads to the very clear conclusion that small corporations are relatively harder hit by the tax than are larger corporations. This is because small corporations experience fluctuating earnings to much greater extent than do large corporations. For example, in 1937 corporations with total assets of less than $50,000 had an average declared value of 197 percent of their equity capital while corporations with 50 million dollars or more of total assets had an average declared value of less than 62 percent of equity capital. In 1937 the ratio of tax to normal tax net income was 2.7 percent for corporations with under $50,000 of total assets. The ratio for corporations with assets of $100,000,000 and over was 1.8 percent. In 1936 corporations with net income of under $5,000 paid

under $5,000 paid capital stock and excess profits taxes equal to 6.5 percent of their aggregate net income while corporations with net incomes of $5 million and over paid taxes of only 1 percent of their net income.

It is argued by some that this tax is a suitable method of taxing deficit corporations. I had thought that our purpose today should be in the other direction - to tax corporations with swollen war profits at high rates and to relieve corporations with deficits occasioned in large part by economic events beyond their control. It is true that the old capital stock tax of the Twenties fell to a considerable extent on deficit corporations because those corporations were obliged to pay taxes on the fair value of capital stock regardless of their expectations of income or deficit. Under the present tax

the present tax the amount of tax paid by deficit corporations is relatively small - only about 11 percent of total collections at 1942 levels of income.

Nor does this small amount of revenue come in an equitable fashion from deficit corporations. The taxes falling on such corporations bear no relation to equity, to capital, to total assets, to invested capital, to gross sales, to the size of the deficit, or to any reasonable measure of privilege or taxpaying ability. The impact of the tax is capricious. It depends upon the accuracy of a forecast made by the corporate directors at a time when prophecy is a perilous adventure. In all these circumstances there remains little excuse for encumbering corporate tax structure with this freakish tax.

Conclusion

"Simplify Our Tax Laws"

Conclusion

"Simplify Our Tax Laws" has become a kind of slogan. Slogans are valuable instruments at times. They engender the enthusiasm needed to produce results. But they may also be dangerous weapons. Applied to tax law they are dangerous because they compress too much into too few words - a fault, I hasten to add, which cannot always be fairly ascribed to lawyers. They end by meaning nothing, or perhaps whatever anyone wants them to mean. In meaning all things to all men they mean nothing to any man. There is profound significance in the tale of "The Blind Men and the Elephant:"

> It was six men of Indostan
> To learning much inclined
> Who went to see the elephant
> (Though all of them were blind).
> That each of observation
> Might satisfy his mind.
>
> The first approached

The first approached the elephant
And, happening to fall
Against his broad and sturdy side
At once began to bawl:
"God bless me! but the elephant
Is very like a wall!"

The second feeling of the tusk,
Cried: "Ho! what have we here
So very round and smooth and sharp?
To me 'tis mighty clear
This wonder of an elephant
Is very like a spear!"

The third approached the animal
And happening to take
The squirming trunk within his hands
Thus boldly up and spake:
"I see," quoth he, "the elephant
Is very like a snake!"

The fourth reached out his eager hand,
And felt about the knee:
"What most this wondrous beast is like
Is mighty plain,"

Is mighty plain," quoth he:
"'Tis clear enough the elephant
Is very like a tree!"

The fifth who chanced to touch the ear
Said: "E'en the blindest man
Can tell what this resembles most;
Deny the fact who can,
This marvel of an elephant
Is very like a fan!"

The sixth no sooner had begun
About the beast to grope
Than, seizing on the swinging tail
That fell within his scope,
"I see," quoth he, "the elephant
Is very like a rope!"

And so these men of Indostan
Disputed loud and long,
Each in his own opinion
Exceeding stiff and strong,
Though each was partly in the right,
And all were in the wrong!

So oft in theologic

So oft in theologic wars
The disputants, I ween,
Rail on in utter ignorance
Of what each other mean,
And prate about an elephant
Not one of them as seen!

In simplifying out tax laws we need, like the men of Indostan, to recover our sight. We need the miracle of restored vision so we can see the whole elephant.

oOo