

March 3, 1945.

Honorable Robert A. Taft,
United States Senate,
Washington 25, D. C.

Dear Senator:

When I appeared before the Senate Banking and Currency Committee last week in regard to the gold reserve requirement bill, you questioned me about the dangers of inflation in homes, farms, and other capital assets, and since my suggestion for a special wartime capital gains tax was widely misunderstood or misrepresented, I prepared and gave out yesterday an explanatory statement, a copy of which I am venturing to enclose because of your interest in and concern about this problem.

It occurred to me that you might care to have the full text of the statement, a copy of which I have also sent to Senators Wagner, Murdock from my State, and Fulbright. I am not taking the liberty of sending it generally to members of the Committee, though, of course, I would be glad to do so if they wished to have it.

Enclosed also is a most illuminating letter from an army sergeant on this subject, which I thought you might be interested in seeing.

With kindest personal regards,

Sincerely yours,

M. S. Eccles,
Chairman.

Enclosures 2

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