June 14, 1960

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Dear ...:

I do expect to support the proposal which has passed the House to extend various excise taxes, including a provision to extend the tax on telephone service for another year.

The Treasury Department advises me that the loss on repeal of the telephone tax would be in the neighborhood of $460 million and this would plow a considerable hole in the budget. In addition, it should be pointed out that some states are prepared to impose an equivalent tax on telephone users just as soon as the federal government retreats from this field of taxation.

It is the old story of how and where to find necessary revenues with which to preserve a budget balance.

Sincerely,

Everett McKinley Dirksen
Dear ...:

You may remember that during the last session of Congress the excise tax on local telephone service was repealed effective June 30, 1960. The tax on long distance service however, was continued for another year but if this is presented to the Senate again during the present session I will be mindful of your views.

Sincerely

Everett McKinley Dirksen