

MEMO# 9782

March 20, 1998

INSTITUTE SUBMITS TESTIMONY ON TAX AND PENSION PROPOSALS IN THE PRESIDENT'S BUDGET

1 See Memorandum to Board of Governors No. 5-98, Federal Legislation Members No. 2-98, Primary Contacts- Member Complex No. 4-98, Public Information Committee No. 2-98, dated February 9, 1998. [9782] March 20, 1998 TO: BOARD OF GOVERNORS No. 15-98 FEDERAL LEGISLATION MEMBERS No. 3-98 PRIMARY CONTACTS - MEMBER COMPLEX No. 18-98 PUBLIC INFORMATION COMMITTEE No. 9-98 RE: INSTITUTE SUBMITS TESTIMONY ON TAX AND PENSION PROPOSALS IN THE PRESIDENT'S BUDGET

_____ In response to a House Ways and Means Committee request to comment on President Clinton's fiscal-year 1999 budget proposal,¹ the Institute submitted the attached testimony. The Institute commented on several issues, including the following: ` Withholding tax exemption for certain bond fund distributions. ` Retirement security initiatives. — small employer retirement plan coverage — retirement account portability — variable annuities ` Conversion of large C corporations to S corporations. ` Increased penalties for failure to file correct information returns. We will keep you informed of further developments. Matthew P. Fink President Attachment

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