

MEMO# 2747

May 9, 1991

LETTERS IN SUPPORT OF REPEAL OF 30% TEST

May 9, 1991 TO: BOARD OF GOVERNORS NO. 32-91 FEDERAL LEGISLATION COMMITTEE NO. 6-91 TAX COMMITTEE NO. 12-91 ACCOUNTING/TREASURERS COMMITTEE NO. 8-91 INVESTMENT ISSUES COMMITTEE NO. 2-91 RE: LETTERS IN SUPPORT OF REPEAL OF 30 PERCENT TEST _____

You may be aware that the Institute's major tax legislative initiative in this Congress is the repeal of the so-called "30 percent test." Bills have been introduced in the House and Senate: H.R. 1597, by Ways and Means Committee Members Mike Andrews and Raymond McGrath and S. 530, by Senators Dixon, Simon and Daschle (the last of whom is a member of the Senate Finance Committee). We are hopeful that the repeal of the 30% test will be considered by the House Ways and Means and Senate Finance Committees as they begin their work on tax simplification legislation next month. It is our view that it would be helpful for Committee members to hear from industry representatives regarding your support for repeal of the 30% test. As such, we are asking that you write letters in support of repeal to as many Committee members as possible. While we have provided certain "talking points" that you may find helpful, a letter in your own words would be most effective. The appropriate names and addresses are provided. In any letters to Representatives Andrews and McGrath and Senator Daschle you should recognize their sponsorship of the repeal legislation. In each instance, blind copies of your letters should be sent to us. Finally, if you have not already done so, please complete the attached yellow form if you are willing to visit with Members of Congress on this issue. If you have any questions, please call me at (202) 955-3544. Thank you for your assistance in this important effort. Julie Domenick Doerr Vice President-Legislative Affairs Attachments