

APRIL REFLECTIONS
(Originally published April 1963)

We have just finished reading a couple of articles on taxes and expense accounts that happened to appear in different sections of a Sunday newspaper. The first is by an authority on the subject, Mr. Mortimer R. Caplin, who as Commissioner of the U.S. Internal Revenue Service, should qualify as the authority. Mr. Caplin's article, "We're Really Your Friends," attempts to relieve some of the bitterness and anxiety generated by the new tax law in regard to deductions for travel and entertainment. Three words—legitimate, reasonable, and substantiated—constitute the essence of the new law which, Mr. Caplin says, is directed only against that chiseling minority of the 10% of all taxpayers who are fortunate enough to have the opportunity to claim travel and entertainment expenses. The law, he says, is not designed to badger the honest taxpayer who claims reasonable deductions, but really will serve to help and protect him as a taxpayer by seeing to it that he no longer has to pick up part of the tab for those smooth operators who abuse deduction privileges.

Mr. Caplin lists some suspicious and horrible examples of individual and corporation deductions that include a \$3,000 deduction for an executive's daughter's coming out party, a \$23,753 Christmas dinner party, and \$111,804 in yacht expenses for a corporation's fishing parties. He says that when the Congress learned of this terrible situation, its members became so shocked that they went into action and put the new, strong tax law on the books.

The second article was by Arthur Edson of the Associated Press and was entitled "Freewheeling Freeload." In it he observed that our congressmen have unpoliced and unlimited expense accounts, while the ordinary citizen now must tabulate, substantiate and defend every dime. Apparently senators and representatives dislike to bother with messy details and itemizations on their expense account travels. Under the law passed by Congress for congressmen, no dates for trips, except the all-inclusive ones from January 1 through December 31 of a given year, are necessary, and only the totals for meals, lodging and transportation need be given.

For example, in 1961, Rep. Celler of New York conscientiously reported the expenses of his trip to Italy as:

Lodging	\$420.62
Meals	\$790.51
Transportation	\$410.24
Miscellaneous	\$264.25

Rep. Cooley, Chairman of the Agriculture Committee, and apparently a lighter eater than Rep. Celler, checked up on Swiss farming that same year and reported

Lodging	\$133.32
Meals	\$ 82.71
Transportation	\$474.47
Miscellaneous	\$261.85

After having digested and given serious thought to these two articles, we have decided that we are happy that Mr. Caplin is such an understanding soul, bent on protecting the honest taxpayer, and that our congressmen in Washington are capable of being shocked by the outrageous abuse of expense account privileges. However, we must agree with Mr. Edson's statement that "In the troubled world of expense account living, it still pays to be a congressman."

(c) *The Bulletin of the Muscogee County (Georgia) Medical Society*, "Doctor's Lounge", Apr 1963, Vol. X No.4, p.15