

filed timely claims for refund of taxes paid after March 1949. However, the claimants did not file claims for refund until November 15, 1955, which date was more than 2½ years after the district court's decision. These claims for refund were rejected because they were filed after the expiration of the 4-year period of limitations prescribed by law for filing such claims.

It is true that, at the time the district court reversed the Internal Revenue Service's interpretation of the statute, refund of taxes paid for a large portion of the period here involved was barred by the statute of limitations. However, Congress has determined it to be a sound policy to include in the revenue system a statute of limitations which, after a period of time, bars taxpayers from obtaining refunds of tax overpayments and bars the Government from collecting additional taxes. Such a provision is essential to finality in tax administration.

The basic justification for the statute of limitations is that, after the passing of a reasonable period of time, witnesses may have died, records may have been destroyed or lost, and problems of proof and administration of tax claims become too burdensome and unfair for both taxpayers and the Government. The basic purposes underlying the statute of limitations continue in force even in cases where a taxpayer, after having paid a tax, discovers that the interpretation of the law has been changed by a judicial decision or by a modification in regulations and rulings.

There are no special circumstances in this case to justify singling out the named taxpayers for special relief from the statute of limitations. The bill, therefore, would unfairly discriminate against other taxpayers similarly situated and would create an undesirable precedent.

On September 2, 1958:

SECTION 1870 OF TITLE 28, U. S. C.

H. R. 3368. I am withholding my approval from H. R. 3368, to amend section 1870 of title 28, United States Code, to authorize the district courts to allow additional peremptory challenges in civil cases to multiple plaintiffs as well as multiple defendants, for reasons wholly unrelated to the original title and purpose of the bill.

Section 1 of the bill amends existing law (28 U. S. C. 1870) so as to extend to multiple plaintiffs in civil cases the same three peremptory challenges which are available under the present statute to multiple defendants. I favor this change in the law and would approve the bill if it were limited to this provision.

Section 2 of the bill amends the Declaration of Taking Act (46 Stat. 1421; 40 U. S. C. 258a). That act provides a procedure under which the Government may acquire immediate possession of property taken prior to a trial before a Federal district court at which a final determination as to just compensation for the property will be made. If, after trial, the court determines that the funds advanced by the Government are less than the amount which the owner should receive, the Government is re-

quired to pay the balance due plus 6 percent interest.

Section 2 of H. R. 3368 would modify the procedure by providing that the judge of a district court could, upon the application of any interested party, determine that the amount of the Government's advance payment was determined fraudulently or in bad faith and require the Government to pay an additional amount as fixed by the court prior to trial. Prior to such additional payment, the Government would not be entitled to the income from the property.

These additional steps appear to be unnecessary and unwarranted since, under the present statute, the rights of property owners to receive just compensation as guaranteed by the fifth amendment to the Constitution when property is taken for public use are fully protected. If, for any reason, the payments advanced by the Government are less than a court judgment of just compensation, the owner is still assured of fair treatment because the Government is required to pay the additional amount plus interest at 6 percent.

In the circumstances, and since neither the responsible Congressional committees nor the affected executive agencies had their normal opportunity to consider this basic change in procedure, I believe more thorough consideration of section 2 is warranted.

On September 2, 1958:

PETER JAMES O'BRIEN

H. R. 4073. I am withholding my approval from H. R. 4073, for the relief of Peter James O'Brien.

This bill would pay to Peter James O'Brien the sum of \$10,000 as compensation for the death of his son, who was killed in military service in 1947.

The son of the beneficiary of this bill was being taken on an indoctrination flight in a naval aircraft on the same day on which he entered active duty as a member of the Naval Reserve. As the plane in which he was riding was waiting to take off, another Navy aircraft coming in for a landing crashed into it, injuring the son so seriously that he died several days later.

The beneficiary has twice filed applications for death compensation with the Veterans' Administration. Although the death of his son was deemed to be service-connected, the Veterans' Administration has denied awards in both instances because the father was unable to establish dependency as required by the governing statutes. It also appears that, for the same reason, the beneficiary's claim for benefits under the Federal Employees' Compensation Act was denied. He apparently has never filed a claim for 6 months' death gratuity or for regular monthly benefits under the Social Security Act which also conditions entitlement upon a showing of dependency.

A suit was instituted on behalf of the beneficiary to recover damages on account of the death of his son under the provisions of the Federal Tort Claims Act. Both the lower and appellate courts held that recovery was barred on the grounds that the death occurred as an incident of military service. These

rulings were based on the decision in *Feres v. United States* (340 U. S. 135, 1950). In that case, the United States Supreme Court held that a claim for damages based on the death of a serviceman occurring as an incident of his service is not cognizable under the Federal Tort Claims Act.

The Federal Government has provided a comprehensive and orderly system of benefits for survivors of members of the Armed Forces who die in service in line of duty, including deaths due to negligence of fellow servicemen. In the present case the serviceman's father is eligible for various benefits upon a showing of dependency.

To make the award proposed by the bill would be discriminatory and establish a most undesirable precedent with respect to other cases involving service-connected deaths. If the bill were approved, it would be difficult to deny similar awards to the survivors of other servicemen who die under a wide variety of circumstances. To follow such a course would, in my opinion, jeopardize the entire structure of benefits for survivors of servicemen and veterans.

On September 2, 1958:

COOPER TIRE & RUBBER CO.

H. R. 7499. I am withholding my approval from H. R. 7499, for the relief of the Cooper Tire & Rubber Co.

This bill would authorize and direct the Secretary of the Treasury to pay to the Cooper Tire & Rubber Co. of Findlay, Ohio, the sum of \$616,911.88 in full satisfaction of the claim of the corporation against the United States arising out of losses, due to increases in costs, incurred in performing seven contracts with the Department of the Army for the manufacture of rubber tires, tubes, and camelback.

The contractor previously made application for relief under title II of the First War Powers Act. This application was denied by the then Secretary of War, along with the claims of two other rubber manufacturers based on the same grounds.

The record indicates that the company made a net profit of over \$64,000 on the 35 Government contracts which were awarded to it during 1950, 1951, and 1952, the years in question, despite the fact that as to 7 of them it sustained losses. From the Government's standpoint, it would be inequitable to grant relief to the company with respect to the 7 contracts on which it sustained losses, without giving consideration to the 28 on which it made profits. The granting of relief in this case would also be discriminatory against many other contractors who sustained losses under fixed price contracts during the early part of the Korean conflict.

On September 2, 1958:

MR. AND MRS. ROBERT B. HALL

H. R. 8184. I am withholding my approval from H. R. 8184, for the relief of Mr. and Mrs. Robert B. Hall.

The bill would direct the Secretary of the Treasury to pay the sum of \$1,300 to Mr. and Mrs. Robert B. Hall, Los Angeles, Calif., in full settlement of their claims against the United States for re-