For the refund learned of the revised funds of income tax paid on the cost-of-living allowance in the statute of limitations to relieve the 84th and 85th Congresses would have been inequitable. In late March 1954, some taxpayers named in the bill filed claims for refund for the years 1949, 1950, and 1951. Refund presents the statute of limitations barred the filing of such claims.

The two taxpayers named in the bill filed joint income-tax returns from Alaska for the years 1949 and 1950. On these returns the taxpayers included as income certain "territorial cost-of-living allowances." The Internal Revenue Service had ruled, in 1948, that such allowances were excludable. The Internal Revenue Service, in 1948, some 5 months after the publication of this second ruling, one of the taxpayers named in the bill filed claims for refund for the years 1949, 1950, and 1951. Refund was granted for the year 1951, but the 3-year period of limitations prescribed by the Internal Revenue Code of 1939 barred refund for the years 1949 and 1950.

While it is true that, at the time the second ruling of the Internal Revenue Service was published, refund for the year 1949 already was barred by the statute of limitations, the taxpayers did have from October 15, 1952, which date was 2 years and 5 months prior to the expiration of the period of limitations for filing a claim for 1952. The circumstances of this case are not sufficiently unique to warrant special legislative relief. The statutory period of limitations, which Congress has included in the revenue system as a matter of sound policy, is essential in order to achieve finality in tax administration. Granting special relief in this case, where a refund was not claimed in the time and manner prescribed by law, would constitute a discrimination against other taxpayers similarly situated and would create an undesirable precedent.

Under the circumstances, therefore, I am constrained to withhold my approval of the bill.

Dwight D. Eisenhower.

The White House, August 28, 1958.

George P. E. Caesar, Jr.

S. 571. I am withholding my approval from S. 571, for the relief of George P. E. Caesar, Jr.

The bill would provide that, notwithstanding any period of limitations or lapse of time, claims, exclusive of interest, for credit or refund of overpayments of income taxes for the taxable years 1951 and 1952 based on exemption from taxation of certain earned income received for personal services rendered outside of the United States may be filed within 1 year after the date of enactment by George P. E. Caesar, Jr., of Aldie, Va., on behalf of himself and Claudia V. Caesar (deceased).

The records of the Treasury Department show that the death of the taxpayer's spouse occurred on October 15, 1952, which date was 2 years and 5 months prior to the expiration of the period of limitations for filing a claim for 1952.

The main purpose of the bill is to expand and continue the present Federal program of aid to States and local communities for the construction and improvement of public airports. Under the bill, the currently authorized program of $63 million a year through fiscal year 1959, would be increased to $100 million a year and extended 4 years through fiscal year 1963. Total Government expenditures would be increased by $437 million.

Civil airports have always been regarded primarily as a local responsibility, and have been built, operated, and maintained by States and local communities. During the period when the aviation industry was growing rapidly, it was appropriate for the Federal Government to assist local communities to develop airport facilities. Through various programs, including the grant program authorized by the Federal Aid Act, well over $1 billion has been allocated by the Government to the construction and improvement of local civil airports. In addition, over 600 military airport facilities have been declared surplus and turned over to the cities, counties, and States for airport use. These contributions, along with subsidies to airlines, aeronautical research, and the establishment and maintenance of the Federal airways system, have greatly aided—indeed, in fact, have made possible—the tremendous growth of civil aviation in our generation.