tax which the taxpayer had made for 1951. The Internal Revenue Service did not match the taxpayer's prepayment documents with her return for 1951 and was not aware of the taxpayer's error. In March 1955, an agent of the Internal Revenue Service discovered the possibility of the erroneous overpayment when he assisted the taxpayer in preparing her income-tax return for 1954. At that time the 3-year statutory period of limitation had not expired, and the agent advised the taxpayer to file a claim for refund. The taxpayer, however, did not file her claim until about 2 months later, at which time the statutory period had expired, and the claim could not under the law be allowed. The record on this bill affords no explanation for the taxpayer's failure to file a timely claim for refund.

The statutory period of limitations, which the 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 would constitute a discrimination against other taxpayers similarly situated and would create an undesirable precedent.

For these reasons I am constrained to withhold my approval from the bill.

On August 28, 1958:

NORTH COUNTIES HYDRO-ELECTRIC CO.

H. R. 10419. I am withholding my approval from H. R. 10419, for the relief of North Counties Hydro-Electric Co.

The bill provides that—

notwithstanding any statute of limitation, lapse of time, or any prior court decision of this claim by any court of the United States, jurisdiction is hereby conferred upon the United States Court of Claims to hear, determine, and render judgment on the claim of North Counties Hydro-Electric Co., of Illinois, against the United States for damages to its powerplant and dam at Dayton, Ill., sustained as the result of a dam built by the United States on the Illinois River, at Starved Rock near Ottawa, Ill.

The North Counties Hydro-Electric Co. owns a hydroelectric power development on the Fox River near Dayton, Ill. On two occasions, once in 1943 and again in 1952, the company suffered damages to its facilities from ice jams and flooding in the river. It twice brought suit against the United States in the Court of Claims alleging that the ice jam and flooding were caused by the erection by the United States of the Starved Rock Dam, which is located on the Illinois River at a point approximately 14 miles below the corporation's properties. In each instance the decision of the Court of Claims went against the company.

The matters covered by this bill have been fully considered on their merits and decided adversely to the corporation. The company has had its day in court on two occasions and the Court of Claims should not now be required to consider the same matter again.

On September 2, 1958:

SOUTHWEST RESEARCH INSTITUTE

H. R. 1494. I am withholding my approval from H. R. 1494, for the relief of the Southwest Research Institute.

This bill would direct the Secretary of the Treasury to pay to the Southwest Research Institute such sum, not exceeding $8,200.84, as the Housing and Home Finance Administrator may approve. This payment would be for services rendered by the beneficiary in excess of its written contract with the Government.

Approval of this legislation could well encourage others to perform unauthorized work and expect payment therefor from the Government. Furthermore, under this bill this organization would receive preferential treatment which has in the past been denied other research contractors who performed work in excess of their contract obligations.

On September 2, 1958:

HARRY N. DUFF

H. R. 1695. I am withholding my approval from H. R. 1695, for the relief of Harry N. Duff.

This bill would confer jurisdiction on the Court of Claims, notwithstanding the applicable statute of limitations, to adjudicate the claim of Harry N. Duff arising out of the failure of the then War Department to retire him, in 1946, for physical disability incurred as an incident of his military service.

The beneficiary of this bill had a long history of spinal trouble and arthritis while serving as an officer in the Army during World War II. He contends that these disabilities were suffered or aggravated as a result of injuries incurred in the service. Although early medical records do not support this contention, in 1945 an Army retiring board found the beneficiary permanently incapacitated for active duty as an incident of the service and recommended his retirement.

Reviewing the case in accordance with applicable regulations, the Office of the Surgeon General of the Army disagreed with the findings of the retiring board and requested it to reconsider the case. Upon reconsideration, the retiring board reaffirmed its previous findings, whereupon the Office of the Surgeon General recommended to the Secretary of War that the findings of the board be disapproved. The recommendation of that office was based on its opinion that a spinal defect and arthritis clearly had existed prior to entry on active duty and had not been aggravated permanently by such service. The findings of the board were disapproved by the Secretary of War, and the beneficiary was thereupon released from active duty in 1946, without entitlement to retired pay. In 1949, however, he was awarded disability compensation by the Veterans' Administration on account of service-aggravation of a congenital defect.

The beneficiary appealed the decision in his case to the statutory Army Disability Review Board. In 1947 this Board affirmed the decision of the Secretary of War and, subsequently, reaffirmed its decision upon a request for reconsideration. In 1955 the Army Board for Correction of Military Records found no error or injustice in the determinations which had been made in the beneficiary's case. He also brought an action in the Court of Claims in 1955, which was dismissed as barred by the statute of limitations.

Traditionally, eligibility for retirement on account of physical disability has been determined by the military services in accordance with general provisions of law. Appellate review of these determinations has been provided within the executive branch by means of statutory boards such as the Disability Review Board and the Board for Correction of Military Records.

In recent years the Court of Claims has been petitioned in various cases to award disability retirement to individuals who have been found not entitled to such pay by the Secretary of the military department concerned. In consistently denying these petitions, the court has stated, in effect, that, under the statutory procedures for determining and reviewing entitlement to retirement, it has jurisdiction only in cases where it can be shown that the cognizant military Secretary has acted arbitrarily, capriciously, or plainly contrary to law.

I believe that this rule which the Court of Claims has adopted is a sound one. It conforms to an important principle underlying judicial review of administrative decisions; namely, that the courts will not substitute their judgment for that of the experienced officials who have been given adjudicative responsibility by law. For this reason and since there is no evidence in this case that the Secretary of War acted arbitrarily, capriciously, or contrary to law, I can see no justification for special legislation which would require the Court of Claims to grant the beneficiary a de novo hearing.

Approval of this bill would discriminate against the many hundreds of individuals who have had their claims for disability retirement denied without benefit of judicial review. It would also establish an undesirable precedent leading to other exceptions to the orderly procedure which is now provided for under general law and which currently governs the hundreds of similar cases that are adjudicated each year.

On September 2, 1958:

TOLEY'S CHARTER BOATS, INC., ETC.

H. R. 3193. I am withholding my approval from H. R. 3193, entitled "For the relief of Toley's Charter Boats, Inc., Toley Engebretsen, and Harvey Homlar."

The bill would direct the Secretary of the Treasury to pay the sum of $37.65 to Toley's Charter Boats, Inc., of Salerno, Fla., and the sum of $3,227.10 to Toley Engebretsen and Harvey Homlar, of Salerno, Fla., in full settlement of all claims of the named persons for a refund of taxes paid pursuant to section 3469 of the Internal Revenue Code of 1939, relating to tax on the transportation of persons.

The records of the Treasury Department show that the amounts which this bill would refund to the claimants were paid as transportation taxes with respect to fees charged for the charter of fishing boats by the claimants at various times between January 1945 and November 1951. On March 31, 1953, the District Court for the Northern District of Florida held that the transportation tax was not applicable to amounts paid for fishing parties in situations similar to the one involved in this bill. On the date of this decision, the claimants could have

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 required 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 could 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-