
CATALINA PROPERTIES, INC.

M E S S A G E

FROM

THE PRESIDENT OF THE UNITED STATES

RETURNING

WITHOUT APPROVAL H.R. 2262, FOR THE RELIEF OF CATALINA PROPERTIES, INC.

AUGUST 12, 1964.—Referred to the Committee on the Judiciary and ordered to be printed

To the House of Representatives:

I return herewith, without my approval, H.R. 2262, an act for the relief of Catalina Properties, Inc.

This bill is a substantial reenactment of H.R. 12701, 87th Congress, approval of which was withheld by President Kennedy in his memorandum of disapproval dated October 18, 1962, copy of which is set out on page 32 of House Report No. 224, 88th Congress. In view of the passage of this measure for the second time, I have carefully reviewed the reports of the House and Senate Committees on the Judiciary and the advisory opinion and findings of the Court of Claims upon which the committee reports are based. No additional facts or reasons in support of the measure have been presented which were not considered fully at the time the memorandum of disapproval was written. After thorough consideration of the underlying facts, I find myself in full agreement with President Kennedy.

The bill directs the Secretary of the Treasury to pay \$29,425.01 to Catalina Properties, Inc. This payment is based upon the assumption that the United States should have and could have collected a debt due Catalina Properties, upon which it served a notice of levy and warrant for distraint for nonpayment of taxes. Approval of this bill might imply that when the Internal Revenue Service makes a levy against the property of a delinquent taxpayer it must assume the

obligation of instituting court proceedings to collect the debts due the taxpayer. I agree with President Kennedy that the Government should not be asked to assume this burden. In the absence of some showing of bad faith by Government officials, which is not raised here, no equity can be said to arise in favor of the taxpayer merely because the Government has not taken affirmative steps to collect his debt. Approval of this bill would create an unfortunate precedent which would weaken the effectiveness of necessary distraint procedures in the collection of revenues due the Government.

Accordingly, I am returning H.R. 2262 without my approval.

LYNDON B. JOHNSON.

THE WHITE HOUSE, August 11, 1964.

H.R. 2262

EIGHTY-EIGHTH CONGRESS OF THE UNITED STATES OF AMERICA, AT THE SECOND SESSION, BEGUN AND HELD AT THE CITY OF WASHINGTON ON TUESDAY, THE SEVENTH DAY OF JANUARY, ONE THOUSAND NINE HUNDRED AND SIXTY-FOUR

AN ACT For the relief of Catalina Properties, Incorporated

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with the findings of fact of the United States Court of Claims in the case of Catalina Properties, Inc. v. The United States, Congressional No. 12-60, decided July 18, 1962, the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Catalina Properties, Incorporated, the sum of \$29,425.01, representing the amount determined by the Court of Claims pursuant to H. Res. 235, Eighty-sixth Congress, to be the amount equitably due to said Catalina Properties, Incorporated, from the United States. The payment of such amount shall be in full settlement of all claims against the United States of said Catalina Properties, Incorporated, arising from rental payments on the Catalina Hotel, Miami Beach, Florida, which were lost during the period from about December 15, 1952, to about March 15, 1953, because of inaction of certain officers and employees of the United States: *Provided, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.**

JOHN W. McCORMACK,
Speaker of the House of Representatives.

LEE METCALF,
Acting President pro tempore of the Senate.

[Endorsement on back of bill:]

I certify that this Act originated in the House of Representatives.

RALPH R. ROBERTS, *Clerk.*
By JOHN A. ROBERTS.

