
MELVIN H. BAKER AND FRANCES V. BAKER

M E S S A G E

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

WITHOUT APPROVAL THE BILL (H.R. 4206) FOR THE RELIEF OF
MELVIN H. BAKER AND FRANCES V. BAKER

JULY 24, 1961.—Referred to the Committee on the Judiciary and ordered to be
printed

To the House of Representatives:

I am returning herewith, without my approval the bill (H.R. 4206) for the relief of Melvin H. Baker and Frances V. Baker.

The bill directs refund of \$12,760.04 to the claimants, representing an overpayment of income tax for the year 1953. The overpayment resulted from the fact that the taxpayers received a dividend of \$15,293.60 in January 1954, and erroneously included the dividend in their income tax return for 1953. They also included the same dividend in their income tax return for 1954. The taxpayers did not discover their mistake until 1958, after the end of the 3-year period allowed by law for claiming a refund.

The 3-year limit on tax claims for refund of taxes and the related limitations which operate against the Government stem directly from the need for orderliness and finality in the administration of our tax system. While the operation of this 3-year limitation may bar many claims, over 90 million tax returns of all types are filed annually. If returns were open indefinitely for reconsideration by either the taxpayer or the Government, administration would be chaotic.

The case of the present taxpayers is not distinguished from others by any exceptional factors. The record gives no explanation whatever for the mistaken inclusion of the same dividend as income for the

year 1953 and also for the year 1954, or for failure to discover the mistake for so long a period.

The Government stood ready to correct this mistake for 3 years, an ample period for making the kind of routine review of returns which would have disclosed an error of the sort involved. I see no basis, therefore, for exercising special leniency in this case. Relief for these taxpayers would violate basic obligations of the Government—the obligation to administer the tax system efficiently and the obligation to treat taxpayers alike.

JOHN F. KENNEDY.

THE WHITE HOUSE, July 20, 1961.

H.R. 4206

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

AN ACT For the relief of Melvin H. Baker and Frances V. Baker.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$12,760.04 to Melvin H. Baker and Frances V. Baker, of Buffalo, New York, in full settlement of all claims against the United States. Such sum represents overpayment in income tax for the year 1953 as a result of the inclusion of a dividend from National Gypsum Company declared on October 27, 1953, but not payable until January 4, 1954: Provided, That no part of the amount appropriated in this Act 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.

SAM RAYBURN,
Speaker of the House of Representatives.
LYNDON B. JOHNSON,
*Vice President of the United States and
President of the Senate.*

[Endorsement on back of bill:]

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

RALPH R. ROBERTS, *Clerk.*

