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Recorded Statement on Taxes
for Tom Mechling

Thank you Mr. Mechling. It is a pleasure for me once again to greet the people of Nevada through your radio program. The people of Nevada, like the people of Minnesota, are interested in a fair and equitable tax program, which is not too burdensome but which meets the needs of our nation. I am urging the Congress once again to remove existing inequities in our tax laws.

There is in Washington today, a great deal of talk about a manufacturers' excise tax and about a general sales tax — both are the same thing. I am opposed to a sales tax. It is an unfair burden on the consumer and on all low and middle income families. It is also unfair to the small businessman who should not be burdened with the responsibility of being a tax collector of the United States government.

In my judgment, we do not need a sales tax. I have presented to the Congress a tax loophole closing program which would raise more than \$4 billion for the Treasury by removing inequities and without in any way acting as a burden on the bulk of the American people.

Were the Congress to adopt this tax loophole closing program, we could also make great strides toward eliminating excise taxes which are also a burden on the consumer and the small businessman.

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This whole question of taxes is related to the question of balancing our budget. I am for a balanced budget but I do not believe we can balance the budget if it means we are at the same time balancing our national defense. It is not economy to cut our armed forces and jeopardize our defense establishment. Yet this is what has been done and is being done in order to fulfill a campaign pledge which, in fact, cannot be fulfilled and should never have been honestly made. The bulk of our spending today is in the defense area. The international signs make it unmistakably clear that there is no reason for optimism. We must not lower our guard.

The program of the Administration is not only endangering our national defense, but also endangering our national economic welfare. The so-called business readjustment of today is threatening the economic stability of our country. Businessmen in my State complain to me about a loss of revenue and about the fact that their customers are not spending money. Their customers are the farmers and workers of America. The farmers have suffered a serious loss in income over the past year. The workers are suffering from unemployment and fear of unemployment, as well as the reduced work week. I urge the Administration to put partisan considerations aside and use the built in stabilizers which the Democratic Administrations of the past have created to

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prevent depressions. These cushions which were established by the Roosevelt and Truman Administrations must be used if we are to avoid a depression.

Although I have been in the main disappointed with the activities of the new Administration, I pledge my efforts to support the Administration when I think it is right. I am pleased that President Eisenhower recommended a proposal to reduce the voting age to 19. This is exactly what I proposed last year in the form of a Constitutional Amendment.

We have a difficult few years ahead of us. We must unite regardless of Party to keep our country strong and prosperous.



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