

# Ways and Means

Senator Daniel K. Inouye Papers

House records, Legislation, Committee files, Box HR12, Folder 20

<https://hdl.handle.net/10524/88210>

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August 13, 1960

*Ways & Means*

Dr. J. I. Frederick Reppun  
President  
Hawaii Academy of General Practice  
510 South Beretania Street  
Honolulu, Hawaii

Dear Dr. Reppun:

Thank you very much for your letter of August 11, 1960  
requesting my support for H.R. 12580.

As you may know, I voted in favor of this bill when it  
was first considered by the House. The bill is presently  
being considered by the Senate.

With all best wishes, I am

Sincerely,

DANIEL K. INOUE  
Member of Congress

DKI:ss

HAWAII  
HONOLULU

AUG 17 1960

# Academy of General Practice



510 SOUTH BERETANIA STREET  
HONOLULU, HAWAII  
TELEPHONE 5-7907

August 11, 1960

The Honorable Daniel K. Inouye  
Congress of the United States  
House of Representatives  
425 Old House Office Building  
Washington 25, D. C.

Dear Sir:

May we strongly urge you to support H.R. 12580 and resist any "Forand" type amendments.

We feel that the small, easy steps down the gradual decline of the socialistic path leading to a Welfare State should be strenuously avoided. This requires a critical and discerning sense on the part of all citizens, but particularly by those elected from the people to represent them in the halls of the Congress.

A bold and vigorous approach on matters of the public good, up a rocky, unchartered course but with heights of great promise as the objective, is what we enjoin you to seek.

We know from the experience of others, that socialization of medical care is tantamount to making medical care mediocre for all.

Sincerely yours,

J. I. Frederick Reppun, M.D.  
President

JIF:iw

DANIEL K. INOUE  
HAWAII

**Congress of the United States**  
**House of Representatives**  
**Washington, D. C.**

STATE OFFICE:  
CAPITAL INVESTMENT BLDG.  
HONOLULU, HAWAII  
MORIO OMORI  
EXECUTIVE ASSISTANT

425 OLD HOUSE OFFICE BLDG.  
WASHINGTON 25, D.C.

ALFRED LAURETA  
ADMINISTRATIVE ASSISTANT

9 August 1960

Mrs. Lula Roberts  
264-B Paoakalani Avenue  
Honolulu 15, Hawaii

Dear Mrs. Roberts:

Thank you for your letter regarding certain Congressional bills, particularly with reference to the retired and aged people.

Please be assured of my continued support of social legislation which recognizes the problems of the senior citizens of our country.

I sincerely appreciate your taking the time and trouble to extend your personal best wishes to me.

Sincerely,

DANIEL K. INOUE, M. C.

DKI/emk

W.C. 7/27/60

Hon. J. Young

Being a very  
interested member also 1st Vice  
President of the Senior Citizens  
Club of Honolulu also was a  
very interested delegate to the  
Commission on Aging, I am  
wondering what has happened  
to all the most interesting  
talks & ideas for help for our  
growing group of retired people.  
I think they <sup>Heal</sup> fell to help the  
indigent aged is a fine cause  
I am thinking of the large  
groups that are not fed part

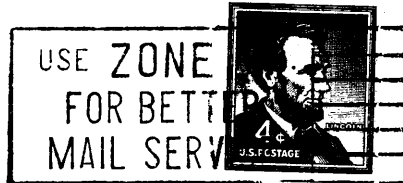
still able to do many things  
but just do not have a living  
premium. With the constant  
higher prices of all our needs  
and many of us who have  
worked 40 to 50 years of our  
lives but not being in the  
high wage brackets we find  
ourselves almost destitute.  
We are not a group that  
requires many <sup>superior</sup> ~~high~~ <sup>ways</sup> ~~we~~  
do need housing, food, clothing  
and some medications. My  
Social Security is \$41.00 per  
month - which is surely too  
small for even the most.

ordinary needs. <sup>3</sup> There are very  
numbers of widows in the same  
category. So we are looking  
to you to perhaps help to  
find a means of a living  
pension. Many of us have  
made applications at the  
Purch Board. A partnership and  
trusting it will help many of  
us. Hoping for your continued  
success and fine work in your  
government work.

Aloha o God. Bless you,  
Mrs. Julia Roberts  
264 B - Paokalani Ave,  
Hon. 15 Hawaii

Phone 938666

Mrs. Julia Roberts  
264 B- Paopala Ave.  
Honolulu 15 Hawaii



Hon. Dan Inouye  
State Building  
Local

File 3563  
No 3564  
(Wright Means)

June 13, 1960

X  
Mr. Jesse B. Dudley, Jr.  
621 Ulumaika Street  
Honolulu 16, Hawaii

Dear Mr. Dudley:

I am in receipt of your letter of June 8, 1960, calling my attention to and support for H.R. 3563 and 3564, which bills, according to you, would amend the Federal Aviation Act of 1958.

I have checked into the records and find that H.R. 3563 and 3564 deal with the Unemployment Compensation Act of 1959, rather than with the Federal Aviation Act of 1958.

I would appreciate your checking your source of information to see whether or not any error has been made in the numerical designation of the bills you are interested in.

Assuming that the bills you called to my attention will give further justice to pilots, such as you, by providing an appeals procedure within the agency, you may be assured that I will be favorably inclined to support it.

With sincere best wishes, I am

Sincerely,

DANIEL K. INOUE, M.C.

DKI:ss

JUN 13 1960

621 Ulumaika Street  
Honolulu 16, Hawaii

June 8, 1960

Representative Daniel K. Inouye  
House Office Building  
Washington, D. C.

Dear Representative Inouye:

I am an airline pilot residing in Honolulu, Hawaii. To be gainfully employed, I am required by the Federal Aviation Agency to have a current airman's certificate, called an Airline Transport Rating, which is subject to renewal each six months upon successful completion of a flight check.

Under the Federal Aviation Act of 1958, the FAA Administrator, who makes the rules, has the power to charge pilots with violation of the rules without a hearing and he also acts as the judge, jury and prosecutor. The pilot stands guilty until he can prove his innocence in the Federal Courts, which is the only avenue of relief other than to accept the penalty imposed by the FAA.


There are now two bills before the House of Representatives to amend the Federal Aviation Act of 1958. These bills are as follows:

(1) HB 3563. A bill to amend the Federal Aviation Act of 1958 to give the Civil Aeronautics Board certain review authority over the Administrator of the Federal Aviation Agency.

(2) HB 3564. A bill to amend the Federal Aviation Act of 1958 with respect to the authority of the Administrator of the Federal Aviation Agency over airmen's certificates.

I urgently solicit your support before the House of Representatives of these two bills. I would appreciate hearing from you on this matter at your earliest convenience.

Sincerely yours,

  
Jesse B. Dudley, Jr.

cc: C. Sayen, ALPA

HALE BOGGS, M. C.  
2D DISTRICT, LOUISIANA

Congress of the United States  
House of Representatives  
Washington, D. C.  
May 20, 1960

H.R. 5  
COMMITTEES:  
WAYS AND MEANS  
CHAIRMAN, SUBCOMMITTEE ON  
ADMINISTRATION OF FOREIGN  
TRADE LAWS AND POLICY  
JOINT ECONOMIC COMMITTEE

*Ways & Means*

Honorable Daniel Inouye, M.C.  
House of Representatives  
Washington 25, D. C.

Dear Dan,

Just a note to tell you how much I appreciated  
your great help in the passage of H. R. 5. Believe me,  
you have a lot of credit in my bank.

Sincerely your friend,

  
HALE BOGGS, M.C.

HB:klw

H.R. 10466  
Way 2 News

March 21, 1960

Mr. Paul L. Breese, Director, Honolulu Zoo  
Mr. Theodore F. Nobriga, Director  
Department of Parks & Recreation  
City and County of Honolulu  
Honolulu, Hawaii

Gentlemen:

I am in receipt of your letter of March 15, 1960 relative to your interest in HR 10466, which is intended to eliminate duty on zoo animals brought in by animal dealers.

Without having had a chance to study the details of HR 10466, I am inclined to support this bill on the basis of the reasons given by you. I, for one, would like to see our Honolulu Zoo reach the point where it won't have to take a back seat to anyone.

Eliminating this 7 $\frac{1}{2}$ % duty and at the same time enabling zoos to purchase animals which are not in competition with domestic producers certainly should be encouraged.

I will make an effort to acquaint myself with the provisions of this bill, keeping in mind your views on this subject.

Thank you for bringing this matter to my attention.

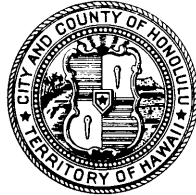
Sincere best wishes and Aloha.

Sincerely,

DANIEL K. INOUE, M.C.

DKI:SS

MAR 19 1960



HONOLULU ZOO  
KAPIOLANI PARK  
HONOLULU 15, HAWAII

BOARD OF PUBLIC PARKS AND RECREATION

CITY AND COUNTY OF HONOLULU

March 15, 1960

Mr. Daniel Inouye  
Congressman, State of Hawaii  
House of Representatives  
Washington, D. C.

Dear Representative Inouye:

Our national organization of American zoos, The American Association of Zoological Parks and Aquariums, recently approved at their annual meeting at Philadelphia a resolution requesting Congress to eliminate duty on zoo animals brought in by animal dealers.

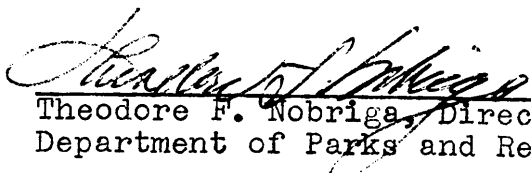
It is our understanding that duty is imposed for the purpose of protecting domestic producers and since foreign wild animals are in no way competitive in this regard, there appears to be even a question as to whether the present  $7\frac{1}{2}\%$  duty is warranted.

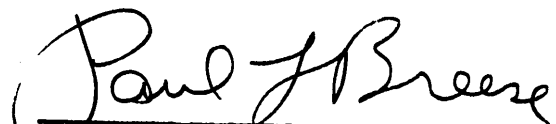
There does exist in the present regulations a clause permitting zoos to bring in animals duty-free. However, this necessitates acceptance of stock without prior inspection or approval by the zoo, whereas zoos would far prefer to wait for an animal dealer to import the animals rather than buy them sight unseen. As a consequence, this existing  $7\frac{1}{2}\%$  duty which the dealer must pay for all animals not specifically ordered in advance by zoos increases the costs to the zoos.

Moreover, the American animal dealers have reported over the years to our national zoo organization that one of the greatest objections to this law is it greatly increases the already complex amount of red tape in importing wild animals for zoos from foreign countries. They encounter from United States Customs officers problems such as varying values on the same kinds of animals, fines for so-called misrepresentation of values on stock, several years elapsing before finally settling import papers, and delays at airports endangering delicate animals.

Consequently, we would like to urge you to support a bill (No. H. R. 10466) being introduced in this session by Congressman Charles M. Teague of California and which has been referred to the Committee on Ways and Means, requesting the removal of this duty in keeping with the action taken by the American Association of Zoological Parks and Aquariums.

Thank you for your kokua.

  
Theodore F. Nobriga, Director  
Department of Parks and Recreation

  
Paul L. Breese, Director  
Honolulu Zoo

**OPA-LOCKA CIVIC IMPROVEMENT LEAGUE**

P. O. Box 1293  
OPA-LOCKA, FLORIDA

Mar. 12, 1960

Hon. Daniel K. Inouye, M.C.  
House of Representatives  
Washington, D.C.

Dear Congressman:

Thank you for your answer to our letter relative to HR 9233, the bill introduced by Congressman Fascell. We are happy that you share our views on the matter and applaud your intention of introducing a similar bill.

Please send us a copy of the bill when it is introduced and any information you may have on it's progress. We are interested in having the present inequities corrected, and will welcome and support any bill designed to achieve this purpose.

Surely there must be many Members of Congress who feel as you and Congressman Fascell do respecting this matter, and who will lend their support.

Hoping to hear from you soon I remain

Yours truly



Lawrence W. Bowers, Pres.  
Opa-locka Civic Improvement  
League

(dictated 1/30/60)  
February 1, 1960

Mr. Lawrence W. Bowers, President  
X- Opa-locka Civic Improvement League  
P. O. Box 1293  
Opa-Locka, Florida

Dear Mr. Bowers:

This is to acknowledge receipt of your letter of January 28, 1960, relative to H.R. 9233, a bill introduced by my colleague, X-Congressman Dante B. Fascell of Florida.

Please be assured that I am in full concurrence with the intent and import of the bill and have this date instructed my Administrative Assistant to draft a similar bill so that I may join Mr. Fascell in this matter.

Sincerely,

DANIEL K. INOUE, M.C.

JAN 29 1960

## OPA-LOCKA CIVIC IMPROVEMENT LEAGUE

P. O. Box 1293  
OPA-LOCKA, FLORIDA

Jan. 28, 1960

Hon. Daniel K. Inouye  
House of Representatives  
Washington, D.C.

Dear Congressman:

No doubt you are familiar with the provisions of H.R. 9233, a bill introduced by Congressman Dante B. Fascell of Florida on Sept. 12, 1959. In case you have not seen the bill, however, we are enclosing a copy, and will appreciate your writing us any comment or suggestion you may have on the merits of the bill.

We are very interested in having this measure adopted at the 1960 session of Congress, for we believe this will help relieve the in-equitable tax load now placed on commercial and industrial property in that extension of local governmental services may be financed by service charges or direct assessments without the necessity of the citizen paying federal income tax on the money he pays for such local services or improvements.

As the cost of government steadily mounts it becomes more and more necessary to spread out the cost of garbage and trash collection and disposal, sewerage, and other services rendered by local governments, and the cost of construction of improvements such as sidewalks, streets, storm and sanitary sewage mains, etc., among all those benefitting from the service or improvement, instead of loading the complete cost on the backs of business and industry.

However, the adamant attitude of the Internal Revenue Bureau refusing to admit that such charges are in reality taxes and therefore deductible by the tax-payer makes the adoption of a bill such as H.R. 9233 vitally important.

Hoping to hear from you soon with an objective opinion on the merits of this bill we remain

Yours truly,

*Lawrence W. Powers*

Lawrence W. Powers, Pres.  
Opa-locka Civic Improvement  
League

A BILL

To amend the Internal Revenue Code of 1954 to allow a taxpayer to deduct for income tax purposes certain special assessments and other charges made against him or his property under local law without regard to whether they tend to increase the value of such property.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 164(b) of the Internal Revenue Code of 1954 (relating to denial of deduction in case of certain taxes) is amended by striking out paragraph (5) and by redesignating paragraphs (6) and (7) as paragraphs (5) and (6), respectively.

(b) Section 164 of such Code (relating to deduction for taxes) is further amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

(g) SPECIAL ASSESSMENTS AND OTHER LOCAL CHARGES.- For purposes of subsection (a), the term taxes includes any tax, special assessment, fee, or other charge which is established and imposed by a municipal, county, or other local government for the performance of a service or the provision of a local improvement which the taxpayer has no option to reject, whether or not the performance of such service or the provision of such improvement tends to increase the value of the taxpayer's property.

Sec. 2. (a) 535(b) (1) of the Internal Revenue Code of 1954 (relating to adjustments for taxes under definition of accumulated taxable income) is amended by striking out "section 164(b) (6) " and inserting in lieu thereof "section 164 (b) (5)".

(b) Section 545 (b) (1) of such Code (relating to adjustments for taxes under definition of undistributed personal holding company income) is amended by striking out "section 164(b) (6) and inserting in lieu thereof "section 164(b) (5)".

Sec. 3. The amendments made by this Act shall apply only with respect to taxable years ending after the date of the enactment of this Act.

May, Ed. F. (ang)  
(# R. 247)

March 9, 1960

Mr. D. H. Lowrey  
Vice President & Treasurer  
Cooke Trust Company, Limited  
926 Fort Street  
Honolulu 13, Hawaii

Dear Mr. Lowrey:

Please accept my humble apologies for this very belated reply to your letter requesting my support of HR 3477 and 3985, both of which provide for a special method of taxation for real estate investment trusts and associations.

As and when these bills are brought to the floor for consideration, you may be assured that I will favor their enactment.

Thank you for bringing this matter to my attention.

Sincerely,

DANIEL K. INOUYE, M.C.

DKI:ss

FEB 18 1960

# Cooke Trust Company, Limited

P. O. Box 2041  
HONOLULU 5, HAWAII

926 FORT STREET  
Honolulu 13, Hawaii

TELEGRAPHIC ADDRESS  
"COOKE TRUST" HONOLULU

February 10, 1960

The Honorable Daniel Inouye  
425 Old House Office Building  
Washington 25, D. C.

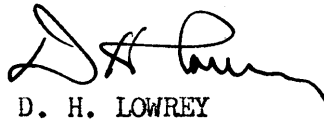
Dear Sir:

Reference to House Bills 3477 and 3985, both of which will be taken up soon in Washington.

I have received copies of these bills and feel they will be of real benefit to the people of Hawaii.

We earnestly recommend your support of these measures.

Very truly yours,



D. H. LOWREY  
Vice President and Treasurer

DHL:gh

March 1, 1960

Dr. Ray K. Tachibana, Secretary  
Honolulu County Dental Society  
Honolulu, Hawaii

Dear Dr. Tachibana:

Receipt of your letter of February 23, 1960, and your enclosed copy of a resolution adopted by the Honolulu County Dental Society, relative to its endorsement of H. R. 10 (Keogh Bill), is hereby gratefully acknowledged.

Please be assured that I shall do everything I can to seek the passage of H. R. 10. Being a self-employed person, I realize the many benefits set forth in this bill.

Mahalo and aloha.

Sincerely,

DANIEL K. INOUE, M. C.

DKI:gg

P. S. My Assistant, Alfred Laureta, asks that I convey to you his personal best wishes. I understand the two of you were at the University at the same time.

DANIEL K. INOUE, M. C.

FEB 26 1960

HONOLULU COUNTY DENTAL SOCIETY

COMPONENT OF THE HAWAII TERRITORIAL DENTAL SOCIETY

HONOLULU, HAWAII

February 23, 1960

AIR MAIL

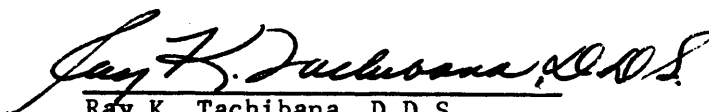
The Honorable Daniel K. Inouye  
Representative from Hawaii  
The House of Representatives  
The Congress of the United States  
Washington, D. C.

Dear Representative Inouye:

Enclosed please find a copy of a resolution passed by the Honolulu County Dental Society at a regular meeting, held on February 16, 1960, endorsing the passage of the Keogh Bill.

We would greatly appreciate your favorable consideration of this matter.

Yours very truly,



Ray K. Tachibana, D.D.S.  
Secretary

RKT/c

Enclosure - 1

# HONOLULU COUNTY DENTAL SOCIETY

COMPONENT OF THE HAWAII TERRITORIAL DENTAL SOCIETY  
HONOLULU, HAWAII

February 19, 1960

## RESOLUTION

WHEREAS, The Honolulu County Dental Society has for several years supported various bills in the Congress relating to Tax-Deferred Retirement Plans for the Self-Employed, and

WHEREAS, H. R. 10, known as the Keogh Bill, passed the House of Representatives this year, and

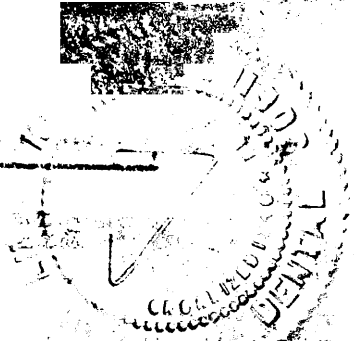
WHEREAS, A similar bill is now pending before the Senate Finance Committee, be it

RESOLVED, That the Honolulu County Dental Society inform the Senate Finance Committee of its unqualified endorsement of this pending legislation which will help to alleviate some of the inequities in our present tax laws pertaining to the self-employed and the Secretary is directed to send copies of this resolution to the Honorable Harry F. Bird, Chairman of the Senate Finance Committee, the Honorable Hiram L. Fong and the Honorable Oren K. Long, Senators from Hawaii and the Honorable Daniel K. Inouye, Representative from Hawaii.

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I certify that the above is a true copy of a resolution duly adopted by the Honolulu County Dental Society at its regular monthly meeting held on February 16, 1960.

\_\_\_\_\_  
Secretary



February 19, 1960

*Ways & Means  
(Legis Mail)  
H. R. 684*

Mr. George E. Goss, President  
Council of Boat Associations  
P. O. Box 3470  
Honolulu, Hawaii

Dear Mr. Goss:

Please accept my humble apologies for this very belated reply to your letter informing me of a proposed bill to be introduced by Congressman Bob Wilson of California, for the purpose of amending Section 4242(a) of the Internal Revenue Code of 1954, as it applies to the excise tax on dues for yacht clubs and similar organizations.

I have been extremely busy ever since my arrival in Washington, keeping up with accumulated as well as current communications. Any delay in my reply therefore, is entirely unintentional.

For your information the proposed bill that you mention has been introduced and assigned the number HR 684, which bill is now pending in the Ways and Means Committee. Please be assured of my support of this bill.

With all best wishes to you and your membership, I am

Sincerely,

DANIEL K. INOUE, M.C.

DKI:ss

HR 684  
pending  
way of Hawaii

JAN 11 1960

# COUNCIL OF BOAT ASSOCIATIONS

address correspondence to the secretary  
care of Miss Rae Ann Pagel P. O. Box 3470 Honolulu 1, Hawaii



January 8, 1960

## THE SEA IS OUR BOND

- Ala Moana Sportsman Club
- Fishing Boat Association of Hawaii
- Hawaii Big Game Fishing Club
- Hawaii Fishing Company
- Hawaii Yacht Club
- Hawaiian Catamaran, Ltd.
- Hawaiian Cruises, Ltd.
- Hawaiian Islands Water Ski Club
- Hawaiian Water Transportation Corp.
- Isleways
- Kaneohe Yacht Club
- Pacific Yacht Club
- Paradise Cruises
- Pearl Harbor Sailing Club
- Pokai Bay Boat Owners' Association
- Propellor Club of the U.S., Port of Hono.
- Royal Hawaiian Yacht Club
- Shoreline Cruises
- Sport Fishing Hawaii
- Tuna Boat Owners' Association
- Waialua Boat Club
- Waikiki Yacht Club
- Young Bros.

The Honorable Dan Inouye  
United States Representative  
Room 425 Old House Office Bldg.  
Washington 25, D. C.

My dear Mr. Inouye:

It has come to our attention that a Bill has been proposed to amend Section 4242(a) of the Internal Revenue Code of 1954 as applies to the excise tax on dues for yacht clubs and similar organizations.

The proposal was engendered by an Internal Revenue Service ruling that the term "dues" included other optional charges; such as, mooring fees, locker fees, etc. This ruling was, as we understand it, made retroactive. In the case of some of the clubs in the State of Hawaii, they make absolutely no profit on these optional charges as they act in effect as collection agencies only for the State Board of Harbor Commissioners. Such an imposition of tax would be extremely burdensome.

We are attaching to your letter copies of the proposed Bill and a letter written by Congressman Bob Wilson of California and Mr. Alonzo de Jessop of the Association of San Diego Yacht Clubs, which will give you a little further background on this Bill.

We feel that this Bill should be supported and request that your office review the status and keep us advised as it is being considered.

We trust that we may have your support.

Very truly yours,

COUNCIL OF BOAT ASSOCIATIONS

George E. Goss  
President

## OFFICERS AND EXECUTIVE COMMITTEE

- George E. Goss · *President*
- Bruce Carter · *Vice President*
- Rae Ann Pagel · *Secretary-Treasurer*
- Frank Goto · *Executive Committeeman*
- Lewis Sterry · *Executive Committeeman*

GEG:yh

encls.

(PROPOSED)

---  
A BILL

To amend section 4242 of the Internal Revenue Code of 1954 to exempt from the club dues tax certain charges made by non-profit clubs for the use of facilities.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4242 (a) of the Internal Revenue Code of 1954 (defining the term "dues" for the purpose of the excise tax on club dues) is amended by striking out "and" at the end thereof and inserting in lieu thereof a period and the following new sentence: "In the case of a club or organization no part of the net earnings of which inures to the benefit of any private stockholder or individual, the term "dues" does not include charges for privileges or facilities if the members have the option to decide whether they will avail themselves of such privileges or facilities."

Soc. 2 The amendments made by the first section of this Act shall apply only with respect to amounts paid on or after the effective date of this act.



# San Diego Yacht Club

POINT LOMA  
SAN DIEGO 6, CALIFORNIA

November 25, 1959

TO COMMODORES

The enclosed replica of a letter from Leon W. Parma dated November 10 is to call your attention to the fact that this Amendment to our Internal Revenue Bill for the elimination of the of the Luxury Tax will be published in the Federal Register soon. Watch for it.

We suggest that you contact your political representatives, Congressmen and Senators, at this time while they are at home and in their home districts so that you can apprise them of the situation and ask for their support in seeing that the amended bill is passed. We are asking each Yacht Club to finance its own program in this concerted effort.

This is vory important because in looking through our files, we find that we have the backing of the Yacht Club Associations and the Yacht Clubs in the United States and if each and everyone will do his part, there is no doubt that we will be successful in eliminating the Luxury Tax.

Registered Yacht Clubs are doing a good job and all we are now asking is that they follow through and do the best they can to see that this amended bill is passed. We have in mind that when this situation is over, win or lose, we must have a national organization to cope with these problems at the time they come up.

Again, I wish to impress upon you the importance of taking advantage of the time we have now before our representatives become engrossed in activities in Washington.

Looking forward to your wholehearted support, I am

Sincerely yours,

ASSOCIATION OF SAN DIEGO YACHT CLUBS

*Alonzo de Jessop*  
Alonzo de Jessop  
Chairman.

Bob Wilson  
30th District of California  
(San Diego County)

Residence  
Chula Vista, California

COMMITTEES:  
Armed Services  
Interior and Insular Affairs

Leon W. Parma  
Administrative Assistant

CONGRESS OF THE UNITED STATES  
HOUSE OF REPRESENTATIVES  
WASHINGTON, D. C.

November 10, 1959

Mr. Alonso Jessop  
1041 Fifth Avenue  
San Diego 1, California

Dear Mr. Jessop:

Following is the substance of our telephone conversation of November 6, relative to the excise tax applicable to certain operations of private clubs.

The Treasury Department, by letters dated August 5 and 21, 1959, has advised Congressman Wilson that the proposed regulations relative to this tax will be published in the Federal Register in the very near future. Copies of these letters were forwarded to Gardner Morse by letter dated October 20, 1959.

In discussing this matter with attorneys for some of the yacht clubs in the East, I am advised that their clubs intend to object to the regulations and plan to argue their cases in public hearings. These clubs have suggested Pacific Coast clubs may want to join with them in this matter.

Should you desire to have your counsel contact Washington counsel for some of the clubs in the East, may I suggest you write Mr. Richard S. Doyle of Knier, Garner, Doyle and Orth, Transportation Building, Washington 6, D.C.

Please keep us advised of your plans and we will of course continue to keep you posted on matters brought to our attention.

Sincerely,

Leon W. Parma  
Administrative Assistant to  
Congressman Bob Wilson

LWP:mod

*Hayes Means  
Legis Mail*

February 11, 1960

Miss Perle Marie Parvis  
Beta Beta State President  
3603 Nuuanu Avenue  
Honolulu 17, Hawaii

Dear Miss Parvis:

I am in receipt of your letter of January 28, 1960, relating to H.R. 3000 and H.R. 3000, identical measures introduced by Congressmen Herlong and Baker.

Although I am not a member of the very important House Ways and Means Committee, I have been assured by my colleagues sitting in this Committee that H.R. 3000 is being given most serious consideration. H.R. 3000 has great merit and you may be assured of my interest and support in this matter.

As to the establishment of an East-West Cultural and Technical Center in Hawaii, you may be assured that I am exerting every ounce of energy to make this project a success. Your interest in these matters ~~are~~ sincerely appreciated.

15

Sincerely yours,

DANIEL K. INOUE, M.C.

DKI:mk

JAN 30 1960



# *The Delta Kappa Gamma Society*

BETA BETA STATE • HAWAII

3603 Nuuanu Avenue

Honolulu 17, Hawaii

January 28, 1960

The Honorable Daniel K. Inouye  
House of Representatives  
Washington, D. C.

My dear Mr. Inouye:

Because I am greatly concerned with the way our national spending is pyramiding beyond any possibility of settlement, I should like to urge that in case House Resolutions 3000 and 3001, bills proposed by Herlong and Baker, be carefully considered by you in case they are still with the House Ways and Means Committee.

The situation with regard to taxes is a grave one, and I believe these identical bills are well-thought-out reform measures. If they have been lost in Committee, then I urge that a similar proposal be made during the current Congress.

Our Delta Kappa Gamma Society, numbering almost 200 outstanding women teachers in the State of Hawaii, is and has been working exceedingly hard to further friendship around the world most particularly among teachers and schools. We are all exceedingly interested in seeing that an East-West Center be established at the University of Hawaii. We know you will do everything possible to aid this movement.

Sincerely yours,

(Miss) Perle Marie Parvis  
Beta Beta State President

PMP:ssa

cc: The Honorable Hiram L. Fong

The Honorable Oren E. Long

MEMORANDUM FOR THE DIRECTOR

DATE: 10/15/54

TO: SAC, NEW YORK

Re: [Illegible] - [Illegible]

The situation with regard to [Illegible] is [Illegible]

It is noted that [Illegible] [Illegible] [Illegible]

Very truly yours,

[Illegible Signature]

cc: [Illegible]

The [Illegible] [Illegible]

86TH CONGRESS  
1ST SESSION

# H. R. 3000

---

## IN THE HOUSE OF REPRESENTATIVES

JANUARY 21, 1959

Mr. HERLONG introduced the following bill; which was referred to the Committee on Ways and Means

---

## A BILL

To amend the Internal Revenue Code of 1954 so as to provide for scheduled personal and corporate income tax reductions, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That section 1 (a) of the Internal Revenue Code of 1954  
4       (relating to rates of tax on individuals) is hereby amended  
5       by inserting before "RATES OF TAX ON INDIVIDUALS" the  
6       number "(1)" and adding a new paragraph (2) to read as  
7       follows:

8       “(2) SCHEDULE FOR REDUCTION OF TAX ON INDI-  
9       VIDUALS.—In the case of each taxable year beginning on or  
10      after the date specified in the following subparagraphs, the  
11      tax imposed by paragraph (1) shall, subject to the pro-

February 10, 1960

Mr. Malcolm MacNaughton  
President  
Castle & Cooke, Inc.  
P. O. Box 2990  
Honolulu 2, Hawaii

Dear Mr. MacNaughton:

Please accept my humble apologies for this belated  
reply to your letter relative to HR 6014.

You can be assured of my support of this bill when  
it is brought out of Committee for House consideration.

Thank you for bringing this matter to my attention.

Sincerely,

DANIEL K. INOUE, M.C.

DKI:ss

JAN 14 1960

# CASTLE & COOKE, INC.

P. O. BOX 2990

HONOLULU 2, HAWAII, U.S.A.

SAN FRANCISCO OFFICE  
215 MARKET STREET

TELEGRAPHIC ADDRESS  
"CASTLECOOK"

January 12, 1960

MALCOLM MACNAUGHTON  
PRESIDENT

Representative Daniel K. Inouye  
House of Representatives  
Washington 25, D. C.

Dear Dan:

I am a Director on the National Board of the National Association of Manufacturers representing the State of Hawaii. At the last meeting of the Board approval was given to a change in policy with respect to equitable tax treatment in the event of involuntary liquidation of Lifo inventories.

Lifo inventories are those costed on a last in, first out basis. The purpose of this is to keep realism in the manufacturers' costs.

National legislation for remedying this situation has been introduced in the last session of Congress and the bill, known as House Bill No. 6014, introduced by Congressman Mason of Illinois, is before the House Ways and Means Committee.

The American Institute of Certified Public Accountants is giving vigorous support to this legislation and I am informed that Congressman Wilbur Mills, Chairman of the House Ways and Means Committee, is fully aware of the problem and sympathetic. I am also informed that the Treasury Department is equally sympathetic.

The NAM staff in Washington is doing all it can to expedite consideration, but, as you well know, they can do effective work only if they get cooperation at the grass roots level.

Any support you may be able to give this legislation will be helpful and appreciated.

Kindest personal regards.

Sincerely,



7020

86TH CONGRESS  
1ST SESSION

# H. R. 6014

IN THE HOUSE OF REPRESENTATIVES

MARCH 24, 1959

Mr. MASON introduced the following bill; which was referred to the Committee on Ways and Means

## A BILL

To amend the Internal Revenue Code of 1954 with respect to the involuntary liquidation of LIFO inventories as the result of labor disputes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 That section 1321 of the Internal Revenue Code of 1954  
4 (relating to involuntary liquidation of LIFO inventories) is  
5 amended to read as follows:

6 "SEC. 1321. INVOLUNTARY LIQUIDATION OF LIFO INVEN-  
7 **TORIES.**

8 "(a) ADJUSTMENT OF TAXABLE INCOME AND RE-  
9 SULTING TAX.—If—

10 "(1) for any taxable year ending after December

*Legis. Staff  
Hays & Minner*

February 9, 1960

Mr. Donald F. Lindo  
439 Lawelawe Street  
Honolulu 16, Hawaii

Dear Mr. Lindo:

This is to acknowledged receipt of your letter of February 5, 1960, relative to H. R. 9150 and H. J. R. 523.

These bills, as you know, relate to you the use of fluoride and other chemical additives in our food and drinking water.

I must confess that I have not as yet determined my course on these two measures. It is generally felt in Congress that the control of fluoride should be a matter for each of the several States to decide. During the past session of the Territorial Legislature, several measures were offered to cope with this problem.

Please be assured that I will give this matter my very serious consideration.

Sincerely,

DANIEL K. INOUE, M. C.

DKI:gg

February 5, 1960

Honorable Daniel K. Inouye  
House of Representatives  
Washington, D. C.

Dear Mr. Inouye:

I would like to solicit your support of two bills now in Congress which were introduced by the Honorable David S. King, U. S. Representative from the state of Utah. The bills #HR-9150 and joint resolution #HJ-523 concern the general welfare and health of our beloved people as it deals with the problem of adding chemicals to water supplies and foods.

Being married and the father of three young children, I am deeply concerned over the matters affecting their health. Therefore, I sincerely believe that the passage of these bills would be a tremendous step forward in safeguarding the health of my little family as well as the rest of our American population.

In closing, I would like to say that it is a wonderful feeling to have the privilege of addressing your own representative and senators who could help you in instances such as this.

Thank you and Aloha,



Donald F. Lindo  
439 Lawelawe St., Aina Haina  
Honolulu 16, Hawaii

*Letter to  
Miss Shirley N. Ferreira*

February 9, 1960

Miss Shirley N. Ferreira  
438 Kaneohe Street  
Honolulu 15, Hawaii

Dear Miss Ferreira:

This is to acknowledge receipt of your letter of February 4, 1960, relative to H. R. 9150 and H. J. R. 523.

These bills, as you know, relate to you the use of fluoride and other chemical additives in our food and drinking water.

I must confess that I have not as yet determined my course on these two measures. It is generally felt in Congress that the control of fluoride should be a matter for each of the several States to decide. During the past session of the Territorial Legislature, several measures were offered to cope with this problem.

Please be assured that I will give this matter my very serious consideration.

Sincerely,

DANIEL K. INOUE, M. C.

DKI:gg

FEB 6 1960

February 4, 1960

Honorable Daniel K. Inouye  
House of Representatives  
Washington, D. C.

Dear Mr. Inouye,

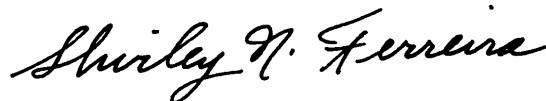
As a citizen of the new state of Hawaii, the novel experience of writing to my very own congressman is a pleasure.

May I suggest that you give your earnest consideration and support to two bills introduced in the U. S. Congress by the Honorable David S. King, U. S. Representative from Utah. These bills are #HR-9150 and joint resolution #HJ-523, dealing with the problem of adding various chemicals to water supplies and foods.

I believe that the passage of these bills would help very much in safeguarding the health of the American people. The incidents in recent months of contaminated cranberries and the mass poisonings of picnickers and airplane passengers -- also the very controversial subject of fluoridation of public water supplies -- makes legislation of this kind imperative.

Aloha and best wishes.

Respectfully yours,



Miss Shirley N. Ferreira  
438 Kanikapolei St.  
Honolulu 15, Hawaii

*Legis. Mail  
Hays & Burns*

February 8, 1960

Mrs. Elizabeth Walton  
P. O. Box 587  
Kihei, Maui, Hawaii

Dear Mrs. Walton:

This is to acknowledged receipt of your letter of January 27, 1960, relative to H. R. 9150 and H.J.R. 523.

These bills, as you know, relate to you the use of fluoride and other chemical additives in our food and drinking water.

I must confess that I have not as yet determined my ~~course~~<sup>stance</sup> on these two measures. It is generally felt in Congress that the control of fluoride should be a matter for each of the several States to decide. During the past session of the Territorial Legislature, several measures were offered to cope with this problem.

Please be assured that I will give this matter my very serious consideration.

Sincerely,

DANIEL K. INOUE, M. C.

DRI:gg

FEB 1 1960

January 27, 1960


Dear Mr. Inouye:

I should like to URGE YOUR SUPPORT of the following two bills:

1. HR 9150, which requests establishment of a commission for the purpose of conducting an impartial scientific study and investigation regarding the effect on the public health of adding various chemicals to water supplies and foods.
2. Joint-resolution HJ RES 523, to prohibit officers and employees of the United States from treating communal water supplies with fluoride compounds, until a report from the commission on Food and Water contamination shall have been submitted to the U. S. Congress.

Both resolutions have been referred to the Committee on Interstate and Foreign Commerce.

Sincerely yours,

  
(Mrs.) Elizabeth Walton  
Box 587, Kihei,  
Maui, Hawaii

February 3, 1960

7  
Y-Mr. W. J. Lanquist  
X-Bishop National Bank of Hawaii  
Kahului Branch  
Kahului, Maui, Hawaii

Dear Mr. Lanquist:

Receipt of your letter relative to your interest in the Herlong-Eaker Tax Bills is hereby gratefully acknowledged.

I am not yet certain in my own mind as to whether or not a reduction in taxes at this time is advisable in view of the many demands imposed upon the tax dollar by such functions as defense, education, et cetera. While I am not necessarily bound by the views of the Administration their position is one that is opposed to such a reduction.

I realize that my reply is not what you requested but for me to comment myself, one way or the other, at a time when I am not yet fully appraised of the full impact of such a reduction would be an act of irresponsibility. You can be assured, however, that I am making every effort to study the possibility of a tax reduction and its relation to the requirements of Government activities. Any action I take will be guided by such considerations along with what I feel will be in the best interest of the people in Hawaii and the nation.

Thank you for your expression of interest and for sharing your thoughts with.

Sincerely and Aloha,

DANIEL K. INOUE, M. C.

JAN 29 1960

BISHOP NATIONAL BANK  
OF HAWAII

W. J. LANQUIST  
VICE-PRESIDENT AND BRANCH MANAGER

January 26, 1960

KAHULUI BRANCH  
KAHULUI, MAUI, T. H.

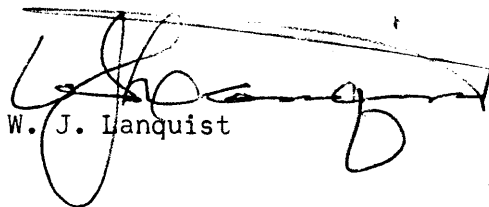
H.R. 3000  
H.R. 3001

The Honorable Daniel K. Inouye  
United States House of Representatives  
Washington, D. C.

Dear Representative Inouye:

As one of your constituents, I wish to express  
myself in favor of the pending Herlong-Baker (tax) Bill.  
I ask your active support thereof.

Sincerely,



W. J. Lanquist

WJL:jmh

al to  
clear -  
whenever  
of bill  
this -

5 February 1960

*Hayes & Mann*

Matsuo Takabuki, Esquire  
200 Capital Investment Bldg.  
850 Richards Street  
Honolulu 13, Hawaii

Dear Matsy:

Enclosed is a Bill that might be of some interest to you, H.R. 9264. This Bill amends the Internal Revenue Code of 1954 to allow a taxpayer to deduct for income tax purposes certain special assessments and other charges made against him or his property under local law without regard to whether they tend to increase the value of such property. Charges such as garbage fees will be included in the intent of this Bill.

Your views will be appreciated.

Sincerely,

DANIEL K. INOUE, M.C.

DKI:eyh  
Encl.

4 February 1960

Waye + Moore Comm.  
x Ferguson  
x Mortgage Co. of Hawaii

Mr. J. Howard Ferguson  
President, The Mortgage Company of Hawaii  
P. O. Box 798  
Honolulu, Hawaii

Dear Mr. Ferguson:

This is in reply to your letter of January 20, 1960, relative to H.R. 3477 introduced by Congressman Keogh, and H.R. 3985, an identical bill, introduced by the late Congressman Simpson.

Having had the opportunity of studying these measures, may I assure you that I am in favor of the import and intent of these bills. In order to indicate my firm support, I have, this day, instructed my staff to draft a similar bill for introduction.

With best wishes and aloha, I am

Sincerely

DANIEL K. INOUE, M.C.

DKI:eyh



T H E M O R T G A G E

J. Howard Ferguson, President

JAN 22 1960

C O M P A N Y O F H A W A I I , L T D .

Suite 305 Dillingham Building  
Post Office Box 798  
Honolulu, Hawaii  
Telephones 6-5230, 6-5488

January 20, 1960

Honorable Daniel K. Inouye  
425 Old House Office Building  
Washington 25, D. C.

Dear Mr. Congressman:

Some time during this session you will be called upon to consider one of two bills now in the House known as H. R. 3477 and H. R. 3985.

These bills have to do with the tax treatment of income of a Real Estate Investment Trust. If this becomes law, a Real Estate Investment Trust will be accorded the same tax treatment as a Securities Investment Trust.

Hawaii can well use some Real Estate Investment Trusts in our growing up process.

We would appreciate your support in the passing of one of these if you think well of it.

It is our understanding from the Mortgage Bankers Association of America that this principle has Treasury Department clearance.

Very truly yours,

  
J. Howard Ferguson, President

JHF/ta

86TH CONGRESS  
1ST SESSION

# H. R. 3985

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 3, 1959

Mr. SIMPSON of Pennsylvania introduced the following bill; which was referred to the Committee on Ways and Means

---

## A BILL

To amend the Internal Revenue Code of 1954 to provide a special method of taxation for real estate investment trusts.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 That subchapter M of chapter 1 of the Internal Revenue  
4 Code of 1954 is hereby amended as follows:

5 **SECTION 1. TAX TREATMENT OF REAL ESTATE INVEST-**  
6 **MENT TRUSTS AND ASSOCIATIONS.**

7 Subchapter M of chapter 1 (relating to regulated in-  
8 vestment companies) is amended by adding at the end  
9 thereof the following:

86TH CONGRESS  
1ST SESSION

# H. R. 3477

---

## IN THE HOUSE OF REPRESENTATIVES

JANUARY 27, 1959

Mr. KEOGH introduced the following bill; which was referred to the Committee on Ways and Means

---

## A BILL

To amend the Internal Revenue Code of 1954 to provide a special method of taxation for real estate investment trusts.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       That subchapter M of chapter 1 of the Internal Revenue  
4       Code of 1954 is hereby amended as follows:

5       **SECTION 1. TAX TREATMENT OF REAL ESTATE INVEST-**  
6               **MENT TRUSTS AND ASSOCIATIONS.**

7       Subchapter M of chapter 1 (relating to regulated invest-  
8       ment companies) is amended by adding at the end thereof  
9       the following:

86TH CONGRESS  
1ST SESSION

# H. R. 10

---

IN THE SENATE OF THE UNITED STATES

MARCH 18, 1959

Read twice and referred to the Committee on Finance

---

## AN ACT

To encourage the establishment of voluntary pension plans by self-employed individuals.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That this Act may be cited as the "Self-Employed Individ-  
4       uals' Retirement Act of 1959".

5       **SEC. 2. DEDUCTION OF AMOUNTS PAID AS RETIREMENT**  
6       **DEPOSITS.**

7       (a) **ADJUSTED GROSS INCOME.**—Section 62 of the  
8       Internal Revenue Code of 1954 (relating to definition of  
9       adjusted gross income) is amended by inserting after para-  
10      graph (6) the following new paragraph:

February 2, 1960

*Handwritten signature/initials*

Mrs. G. J. Watumull  
2443 Koa Avenue  
Honolulu 15, Hawaii

Dear Mrs. Watumull:

Please accept my very humble apologies for this belated reply to your letter of January 7, 1960, relative to your interest in HR 3000 and HR 3001, co-authored by Herlong and Baker. Ever since my return to Washington I have diligently tried to catch up with all the mail that accumulated during my absence from Washington. This delay in replying, therefore, is not intentional.

For your information, the Herlong-Baker bills are among several other bills now in Congress dealing with efforts to reform our present tax structure.

Please be assured that I will give these bills very serious consideration when they come to a vote in the House and that I will act in the best interests of the people of Hawaii.

Thank you for your kind sentiments and best wishes,

Mahalo and Aloha,

DANIEL K. INOUE, M.C.

JAN 11 1960

# WATUMULL FOUNDATION

GOBINDRAM J. WATUMULL, FOUNDER  
ESTABLISHED 1942 - INCORPORATED 1956

**TRUSTEES:**

MILTON CADES, PRESIDENT  
MRS. DORIS E. BENNETT  
J. RUSSELL CADES  
MRS. RADHA WATUMULL HOMAY  
HUGH C. TENNENT  
DAVID WATUMULL  
MRS. ELLEN J. WATUMULL

**CHAIRMAN,  
DISTRIBUTION COMMITTEE:**  
MRS. G. J. WATUMULL

2443 KOA AVENUE  
HONOLULU 13, HAWAII

January 7, 1960

The Honorable Daniel K. Inouye  
Representative from Hawaii  
House of Representatives Office Building  
Washington D. C.

Dear Mr. Inouye:

With the opening of Congress and early consideration of the budget, may I, as your constituents, urge your earnest consideration of a tax reform measure now before the House Ways and Means Committee.

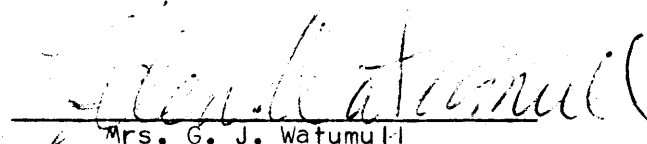
It is embodied in two identical bills, H. R. 3000 and H. R. 3001, co-authored by Herlong and Baker.

The tax structure of our Federal Government has reached such a colossal size that our free enterprise democracy is in danger. Unless the United States is free and strong, in a sound financial position, there is no guarantee that our democracy will survive. The taxes we pay now are confiscatory and it is high time that reform measures were passed, enabling our free enterprise system to develop new industries, to provide greater job opportunities and to stimulate in our citizens resourcefulness and independence.

I hope, therefore, that you will give serious consideration to this bill and give it your full approval when it comes to a vote in the House of Representatives.

May I say, again, how happy we are to have you as our Representative in Congress and how well we think you have represented us thus far since your election.

Sincerely yours,

  
Mrs. G. J. Watumull

EJW:ek

January 28, 1960

*Thays End Ocean*

Mr. Donald C. Peacock  
952 Lawelawe Street  
Honolulu, Hawaii

Dear Mr. Peacock:

I am in receipt of your letter of January 15, 1960, relative to the cost-of-living allowance paid to Federal employees.

May I first of all congratulate you for your effort and diligence in compiling the data contained in your letter. Few, if any constituents would take the time to spend as much time as you have in presenting facts and figures in support of a proposition. The information you have submitted to me will be of great value in my efforts to assist the Federal workers in Hawaii, and you can be assured that I will make reference to your letter when I take any action on the subject of cost-of-living allowance paid to Federal employees.

Thank you again and my sincere best wishes to you.

Sincerely,

DANIEL K. INOUE, M.C.

January 13, 1960

The Honorable Dan Inouye  
Congressman from Hawaii  
Washington, D. C.

Dear Mr. Inouye:

It is my understanding that you were scheduled to appear before employees of the United States government last Fall, in Honolulu, at which time the main topic for discussion was the cost of living allowance paid to Federal employees. I was unable to attend the meeting; however, had I attended, I doubt that I would have offered contributions to the discussion because I had been in the islands for only a short length of time and could not have offered factual information pertaining to the subject. At this time, I should like to give you my views on the cost of living allowance and the manner in which my family has been affected by it.

As introduction of myself to you, I am a special agent with the Intelligence Division, Internal Revenue Service, Honolulu; I hold a GS 11 pay classification and am paid \$7,270.00 yearly, which amount includes \$240.00, representative of an increase over base pay attributable to a within-grade promotion. I have been considered by my superiors, and I believe, that I am a dedicated employee of the Internal Revenue Service. After entering the Intelligence Division in Seattle, Washington, in May 1955, I remained in the employ of that Division, in Seattle, until June 1959, during which month I was transferred to the Honolulu office. I am a college graduate, married and the father of three children, a young son and two daughters ages 8 and 5.

Having resided in Honolulu for seven months, I feel that I am now able to give factual information about my family's cost of living in Honolulu as compared to my family's cost of living in Seattle, Washington. I am unable, it is true, to compare said costs in Honolulu with the costs attributable to residing in Washington, D.C., a comparison upon which the actual cost of living allowances are computed by the government.

The government pays me \$1,454.00 per year as a cost of living allowance for my being employed in Hawaii; the allowance is computed at the rate of 20% of my gross yearly income, \$7,270.00. Due to increased withholdings from the allowance, for retirement funds and insurance payments, the net monthly benefit to me approximates \$112.00. Set forth below are my family's major monthly expenses incidental to residences in Seattle, Honolulu and the differences.

<u>Item</u>	<u>Classification</u>	<u>Seattle</u>	<u>Honolulu</u>	<u>Difference</u>
1	Housing	\$ 78.00	\$ 175.00	\$ 97.00
2	Heating	12.00	-0-	(12.00)
3	Utilities	17.50	34.00	16.50
4	State Income tax	-0-	20.00	20.00
5	Food	108.00	152.50	44.50
	Totals	<u>\$215.50</u>	<u>\$381.50</u>	<u>\$166.00</u>

As may be seen, the above comparison does not take into account other personal expenses such as auto expenses, clothing, home furnishings, medical insurance and medicines, increase in sales tax payments etc. The differences between Seattle costs and Honolulu costs of such items, would increase the total monthly difference, set forth above. I don't believe I would be overestimating if I were to contend that the latter expenses in Honolulu exceed the similar expenses in Seattle by at least \$15.00 per month, if not more. Therefore, based upon the factual information disclosed by the comparison and the latter estimation, it costs my family \$181.00 more per month for necessities to reside in Honolulu than it cost for our residence in Seattle; the government reimburses me for such additional expenses in the amount of \$112.00.

I have enumerated each of the expense classifications cited in the above comparison because I wish to discuss some of the classifications in detail.

#### 1. Housing

The monthly expense attributable to residence in Seattle represents a monthly mortgage payment on a home which I was purchasing; the monthly expense attributable to residence in Honolulu represents a monthly rental payment. Undoubtedly I could reduce my monthly housing expense in Honolulu by purchasing a home. However, the potential reduction in monthly expense is based on the assumption that I have sufficient funds to make the down payment on a home here in Honolulu. Because of the greatly inflated costs of homes in Honolulu, the proceeds which I realized from the sale of my low priced home in Seattle are not sufficient to permit me to make a down payment on a home in Honolulu which would be comparable to our home in Seattle. If I were to purchase such home in Honolulu, my monthly mortgage payments would cost about \$135.00 per month; the monthly payments on a loan, which I would be forced to incur in order to have sufficient funds to make the down payment, would represent my monthly housing expenses over and above the \$135.00 for at least three years. I am attempting to purchase a home in Honolulu, with 10% down, and F. H. A. Under the terms of the mortgage, my monthly payments will be \$135.00 for 30 years. To buy a comparable home in Seattle, with 10% down, and F. H. A., my mortgage payments per month would be about \$90.00 for 25 years.

I think you will readily agree that the prices of homes in Honolulu is not merely 20% more than the prices of comparable homes in Seattle, or on the mainland. In my best judgement, the price differential approximates 40% to 50% without giving attention to the fact that the land is normally rented in Honolulu whereas land is purchased on the mainland. It is practically impossible for the average government employee to purchase land in Honolulu at today's inflated prices.

As an alternative, I might rent cheaper housing accommodations in Honolulu in order to reduce my monthly expenses. Yes, I probably could find cheaper accommodations, but Mr. Inouye you are probably aware that in Honolulu it is difficult to find inexpensive rental units. Those located in clean, wholesome areas with suitable floorspace invariably rent for \$150.00

per month and up. I cannot ask my family to live in an unclean, unwholesome area.

## 2. Heating

I was paying to heat my home in Seattle, and in Honolulu such expense is not necessary. My fuel expenses in Seattle averaged \$145.00 annually.

## 3. Utilities

This classification includes expenses for electricity, water and telephone. I have compared the expenses on the basis of identical number of kilowatt hours, thousands of gallons of water and comparable telephone services. The amounts set forth in the comparison under Honolulu represent monthly expenses with the maximum of economization. We have reduced our water consumption to a minimum, turn on our water heater only when needed and no longer operate our dryer or television set. It has never been necessary for us to take those measures on the mainland at any time. If I were to compute my monthly utilities expense in Honolulu based upon normal use in Seattle, the difference set forth in the comparison would be much greater.

## 4. State Income Tax

As you know, residents in Hawaii pay a state income tax in addition to paying the taxes which are passed along to the individual purchasers by the merchandisers, which may be construed as being a form of state sales tax. In Seattle, I paid a sales tax and did not pay a state income tax.

## 5. Food

If I am not mistaken, the government has an accurate, current record of the food costs in Honolulu as compared to cities on the mainland. My food expense attributable to my residence in Honolulu, set forth in the comparison, does not take into account the fact that my family has been forced to do without many fruits, vegetables and meats because of the increased food costs here in Honolulu. We normally consumed such items in Seattle, and the Seattle food expenses, in the comparison, include our costs of those items. If in Honolulu, my family were to eat foods comparable to those which we consumed in Seattle, my Honolulu food expenses would be somewhat higher.

Mr. Inouye, the amount of my monthly expenses which I have described are not estimates - the amounts of the expenses were determined from cancelled checks and receipts. I think you will agree that in my particular case the 20% cost of living allowance is not ample. I do not believe that the cost of living allowance should exceed my additional expenses while residing in Honolulu; however, I do expect a fair reimbursement for the additional living expenses incurred in Honolulu.

The question remains - what can be done about it? I realize that the present administration is attempting to curtail expenses. With such an attempt being undertaken, it is doubtful that increased cost of living allowances would receive favorable attention by Congress at this time. I believe a reevaluation of the basis for determining the cost of living allowances would help the majority of Federal employees. As you know, the allowances are computed on the basis of gross incomes of the employees. Such computations do not take into account the needs of the families of the employees. By computing the cost of living allowances on gross annual salaries, some employees could conceivably pay the majority of their total living expenses solely from the cost of living allowance received; whereas, other employees conceivably would be forced to spend their savings to meet current living expenses.

In my opinion, the cost of living allowance is not intended to be a reward for employees whom have achieved a higher standing in government service; it is intended to offset actual additional living expenses only. Two examples of inequities incidental to the allowance come to my mind. In the first example, a GS 13 employee, married, no dependents and whose wife is employed, receives approximately \$2,000.00 per year as a cost of living allowance. In another example, an employee in still higher grade, married and with no dependents, receives approximately \$2,400.00 per year as a cost of living allowance. As I have stated previously, I receive a gross allowance of \$1,454.00 per year. Is it equitable for me, as the head of a family of five and its sole supporter, to receive approximately \$1,000.00 less per year as a cost of living allowance than the second example cited above? I think you will agree that with a family of five, my actual living expenses exceed the expenses of a married man with no children. Furthermore, is it equitable for a single person to receive the same cost of living allowance as that received by the head of a family solely because the yearly gross incomes of each are the same? Such inequities as those cited should not exist.

As further illustration, government employees whose gross incomes are less than mine receive proportionately less cost of living allowances than do I, no matter what actual additional living costs are being incurred by such employees.

After giving considerable thought to a more equitable manner of distributing the allowances, one idea remains foremost in my mind. The allowances should be given on a basis of actual need rather than on the basis of the employees yearly gross incomes. Congress could determine fairly a set amount to be granted for each Federal employee in the Hawaii, Alaska and other areas throughout the world where needed. If it is believed that employees with families should receive proportionately more allowance, the additional amounts could be allocated on the basis of number dependents, i.e. three dependents, three times the amount determined by Congress etc. If it is believed that employees holding positions in higher authority have standards of living so completely different from employees in lower positions, a token amount of money over and above the established base rates could be granted, the amount of which being dependent upon the gross yearly incomes.

In closing, I would like to add that the government incurred a large expense in transporting my family to Hawaii; a similar expense will have to be incurred by the government at the end of my two year assignment because I cannot afford the luxury of living in Hawaii. The islands are enchanting, and were I financially able to do so, I may have remained in the government's employ in Hawaii for many years. In addition, I realize that changes in the cost of living allowance or the manner of allocating same, if they occur, will probably occur after I have left. Realizing that, I am hopeful that my comments will in some way aid future federal employees in Hawaii.

Very truly yours,

*Donald C. Peacock*

Donald C. Peacock

cc: The Honorable Thomas Pelly  
Congressman from Washington  
Washington, D. C.

(dictated 1/15/60)

January 18, 1960

*Keogh and Means  
(Legis Mail)*

Mr. David O. Gillette  
Box 1754  
Honolulu 6, Hawaii

Dear Mr. Gillette:

This is to acknowledge receipt of your letter dated December 18, 1959, with the attached resolution in support of HR 10, the Keogh Bill.

Please forgive me for this very belated acknowledgement of your letter. It was received by this office during my extended tour to the Orient. Please be assured that in the future all communications will be promptly answered.

May I assure you that I shall do everything I can to seek the passage of HR 10. As a self employed myself, I realize the many benefits set forth in this bill.

Sincerely,

DANIEL K. INOUE, M.C.

PS: I noticed in your letter that a copy of your resolution was sent to the Honorable Harry Byrd, Chairman of the Senate Finance Committee. Your letter refers to "Senator Bird". Please make this correction in future communications.

DEC 28 1959

## HAWAII SOCIETY *of* CERTIFIED PUBLIC ACCOUNTANTS

ADDRESS ALL COMMUNICATIONS  
TO THE SOCIETY, ATTENTION OF:

MAILING ADDRESS:  
BOX 1754, HONOLULU 6, HAWAII

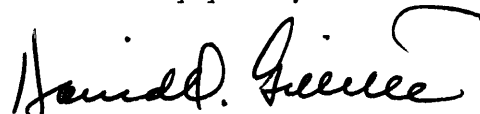
December 18, 1959

Representative Daniel K. Inouye  
House Office Building  
Washington 25, D.C.

Dear Representative Inouye:

Enclosed you will find a copy of resolution which has been forwarded to the Honorable Harry Bird, Chairman, Senate Finance Committee which reflects the unqualified endorsement of the Hawaii Society of Certified Public Accountants in connection with the Keogh Bill. Our Board of Directors would appreciate your informing Senator Bird of your interest in seeing that this bill is favorably acted upon.

Sincerely yours,



David O. Gillette

DG:mj

RESOLUTION

WHEREAS, The American Institute of Certified Public Accountants has for several years supported various bills in the Congress relating to Tax-Deferred Retirement Plans for the Self-Employed, and

WHEREAS, H.R. 10, known as the Keogh Bill, passed the House of Representatives this year, and

WHEREAS, a similar bill is now pending before the Senate Finance Committee, be it

RESOLVED, that the Hawaii Society of Certified Public Accountants inform the Senate Finance Committee of its unqualified endorsement of this pending legislation which will help to alleviate some of the inequities in our present tax laws pertaining to the self-employed and the Secretary is directed to send copies of this resolution to the Honorable Harry F. Bird, Chairman of the Senate Finance Committee, the Honorable Hiram L. Fong and the Honorable Oren E. Long, Senators from Hawaii and the Honorable Daniel K. Inouye, Representative from Hawaii.

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I certify that the above is a true copy of a resolution duly adopted by the Board of Directors of the Hawaii Society of Certified Public Accountants at a Special Meeting held on November 24, 1959.

Witness my hand and the seal of said organization this 30th day of November, 1959.



*H. J. Sebastian*  
Secretary

9 October 1959

Hon. Roman C. Pucinski  
House of Representatives  
Washington 25, D. C.

Dear Colleague:

It was a privilege to introduce a companion measure to your Bill, H. R. 8695. This Bill has sufficient merit to deserve universal support. I believe it is time that we look into this great problem of our senior citizens.

It shall be a great pleasure to work with you on this measure.

Very sincerely and aloha,

DANIEL K. INOUE, M.C.

DKI:eyh

September 21, 1959

Honorable Roman C. Pucinski  
1027 New House Office Bldg.  
Washington 25, D. C.

Dear Congressman Pucinski:

This is to acknowledge receipt of your letter dated September 17, 1959, addressed to Congressman Inouye.

Congressman Inouye has left Washington and is presently on his way back to Honolulu. I am forwarding your letter to the Congressman for his personal attention.

Sincerely yours,

ALFRED MAURETA

H. R. 8695

A BILL "Amending the Internal Revenue Code of 1954 to provide credit against income tax for an employer who employs older persons in his trade or business."

\* \* \*

*Sent to:*

WAYS & MEANS COMMITTEE

Congress of the United States  
House of Representatives  
Washington, D. C.  
September 17, 1959

The Honorable Daniel K. Inouye  
House of Representatives  
Washington, D. C.

Dear Colleague:

I understand you have introduced a companion measure to H.R. 8695. Please be assured I am most grateful to you for joining in this effort to help alleviate the mounting problem of employment for our senior citizens.

You might be interested to know that I have been trying to marshal support for this legislation in many quarters, and I was very happy to learn that Senator Humphrey introduced the same proposal in the Senate on September 14 (S.2707).

I am looking forward to working with you very closely on this measure when we return to Washington after the recess.

Sincerely,



Roman C. Pucinski  
Member of Congress

RCP:cs

September 11, 1959

Mr. James Tabor  
Theo H. Davies & Co., Ltd.  
841 Bishop  
Honolulu, Hawaii

Dear Mr. Tabor:

H. R. 8678, an Act providing for an increase in the gasoline tax to carry out the Interstate Highway Construction, was passed by a very large vote in the Congress of the United States.

As you may have noted, I cast a "no" vote in this matter. Before doing so, I informed the leadership of the House and the members of the Committee that although I was in favor of and believed in the highway construction program, I would cast a "no" vote just to indicate that the people of Hawaii were unhappy because this program, as written in the law, would not directly benefit our State of Hawaii.

I was commended for this position and was assured by the Members of Congress that proper legislation will be passed in the coming Session to somehow include Hawaii in the Interstate Highway Construction Program.

I am certain that the people of the new and sovereign State of Hawaii are willing to pay taxes like all other citizens of the United States, but at the same time are desirous of receiving fair and equal treatment in the distribution of benefits supported by our tax monies.

Sincerely and Aloha,

DANIEL K. INOUE, M. C.

D:mpk

PAUL H. C. CHUNG  
City and County Clerk



1st Deputy  
Katsumi Muraoka

Ways & Means

CITY AND COUNTY OF HONOLULU  
**OFFICE OF THE CITY AND COUNTY CLERK**  
HONOLULU 13, HAWAII

November 12, 1959

Honorable Dan K. Inouye  
U. S. Representative from Hawaii  
Room 200 - Capital Investment Bldg.  
850 Richards Street  
Honolulu, Hawaii

Sir:

Submitted herewith is a certified copy of Resolution No. 677, adopted by the Council of the City and County of Honolulu, urging you to take whatever action may be required to facilitate the passage of H.R. 9233 or of other legislation of similar import.

Respectfully,

*Paul H. Chung*

PAUL H. C. CHUNG  
City and County Clerk

encl.

R E S O L U T I O N

URGING THE CONGRESS OF THE UNITED STATES TO ENACT H.R. 9233 OR OTHER LEGISLATION OF SIMILAR IMPORT.

WHEREAS, an amendment to the United States Internal Revenue Code of 1954 has been proposed by a Bill heretofore introduced in the United States House of Representatives of the 86th Congress, 1st Session, on or about September 19, 1959, as H.R. 9233, entitled "A BILL To amend the Internal Revenue Code of 1954 to allow a taxpayer to deduct for income tax purposes certain special assessments and other charges made against him or his property under local law without regard to whether they tend to increase the value of such property", which Bill is now under consideration by the Ways and Means Committee of said United States House of Representatives; and

WHEREAS, the financing by the City and County of Honolulu of local improvements and services through use of local service charges and assessments would be greatly facilitated, if the taxpayer, as provided by said Bill, were permitted to claim these payments as "taxes" for income tax purposes;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City and County of Honolulu, State of Hawaii:

That the Representative from the State of Hawaii, the Honorable Daniel K. Inouye, and the Senators from the State of Hawaii, the Honorable Hiram L. Fong and the Honorable Oren E. Long, be, and they are hereby, requested to take whatever action may be required to facilitate the passage of said Bill or of other legislation of similar import; and

BE IT FURTHER RESOLVED that the United States Congress be, and it is hereby, urged to enact said Bill, or to enact other legislation of similar import; and

BE IT FURTHER RESOLVED that copies of this resolution be transmitted by the City and County Clerk to the President of the United States, to the Speaker of the United States House of Representatives, to the Honorable Daniel K. Inouye, United States Representative from Hawaii, to the President of the United States Senate and to the Honorable Hiram L. Fong and the Honorable Oren E. Long, United States Senators from Hawaii.

INTRODUCED BY:

(S) NOBLE K. KAUHANE  
(S) H. G. P. LEMKE  
(S) MATSUO TAKABUKI  
(S) ERNEST N. HEEN  
(S) RICHARD M. KAGEYAMA  
Councilmen

DATE OF INTRODUCTION:  
November 10, 1959  
Honolulu, Hawaii

ADOPTED: November 10, 1959

Commercial Mackay All America Commercial Mackay All In  
Cables and Radio Cables at Radio Cables at

AM

Rec'd 2:33 PM  
8/14/59

1959 AUG 14 PM 11 44 8

AW936/HB3828/UH1073 HONOLULU 59/51 CNTPCTN 14 1506  
LT HON. DANIEL INOUE REPRESENTATIVE ELECT FROM HAWAII HOUSE  
OFFICE BUILDING WASHINGTONDC  
FEEL INTERSTATE HIGHWAY CONSTRUCTION PROGRAM MUST BE COMPLETED  
AT RATE CONTEMPLATED BY HIGHWAY ACT AND THAT STRETCH-OUT UNWISE.  
AGREE WITH PAY-AS-YOU-GO PRINCIPLE BY INCREASING GASOLINE TAX.  
YOUR ASSISTANCE PENDING LEGISLATION WILL BE APPRECIATED.  
JAMES TABOR

DE 2-4300 AD 4-9000 8 DUPONT CIRCLE NW DE 2-4300 AD 4-9000 8 DUI  
Radio System American Cable & Radio System Ameri



*American Cable & Radio System*



# INTERNATIONAL TELEGRAM

RECEIVED

**"Via All America" or "Via Commercial" or "Via Mackay Radio"**

**TO EXPEDITE YOUR REPLY USE ONE OF THE ABOVE ROUTINGS.**

NO. AW936/14 LT

HON. DANIEL INOUE

REPRESENTATIVE ELECT FROM HAWAII

*c/o Delegate from Hawaii Burns*  
425 HOUSE OFFICE BLDG.

**PAY NO CHARGE TO MESSENGER UNLESS WRITTEN IN INK ON DELIVERY RECEIPT**

NY 4-DE-AC&R

(Dictated 9/10/59)  
September 14, 1959

Mr. E. H. Fryer  
American Can Company  
of Hawaii  
P. O. Box 209  
Honolulu 10, Hawaii

Dear Mr. Fryer:

I am in receipt of your letter of September 4, 1959,  
in re H.R. 5, the Foreign Investment Tax Act of 1959.

I have been advised that no action is expected to be  
taken on H.R. 5, during this session of Congress. However,  
I have been assured that this measure will be favorably  
considered early in the 1960 session of the 86th Congress.  
At that time you may be assured of my support.

Sincerely and Aloha,

DANIEL K. INOUE, M.C.

