

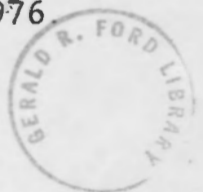
**The original documents are located in Box 32, folder “Taxes - Tax Cut/Spending Limitations Proposal” of the John Marsh Files at the Gerald R. Ford Presidential Library.**

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Subject: Possible Areas of Compromise with Regard to  
Tax Cut and Spending Limitation Proposal

1. President's Proposal: Permanent tax cuts of \$28 billion per year to take effect January 1, 1976. Outlays in fiscal year 1977 limited to \$395 billion. Both features essential to program.
2. Senate Finance Committee position (likely to be adopted by Congress): Tax cuts will be extended for first six months of calendar year 1976 (last six months of fiscal year 1976) at levels which will reduce revenues collected by \$6.4 billion (corresponding to \$6.5 billion in liabilities). If later extended for full year, reduction in calendar year 1976 liabilities would approximate \$16 billion (two times \$6.5 billion equals \$13 billion plus \$3 billion for the investment credit). There will be no spending limitation but a statement of intention that tax rates for the second half of 1976 and thereafter should be established only when budget figures for fiscal year 1977 are known - i.e., May 15, 1976.



In theory, at least, Congress would not continue the tax cuts unless some progress was indicated in curtailing spending.

3. Constraints on Compromise Plan: Under the Budget Act, a point of order will lie against any tax cut plan which would reduce revenues for the first six months of 1976 by more than \$6.4 billion. Accordingly, if the President's program of permanent tax cuts is to be implemented, it should not take effect, insofar as it would affect collections, until either July 1 or October 1, 1976.

With regard to spending limitations, a firm limitation for fiscal year 1977 would seem premature, in light of the Budget Act, prior to May 15, 1976. It would seem, therefore, that the goal of any compromise should be to achieve the strongest possible moral commitment to a \$395 billion limit on outlays for fiscal year 1977 without directly overriding the Budget Act procedures.

4. Suggested Approach: Have Congress enact a tax program for 1976 which would have the effect of bringing the President's program into play on either July 1 or October 1, 1976. The mechanics of such a proposal are not difficult to



work out since essentially the same task must be accomplished to effect the Senate proposal - i.e., under such proposal, the cuts would be effective only for six months and 1974 rates would return as of July 1, 1976, in the absence of further legislative action.

At the same time, Congress would do one of the following to achieve a compromise with regard to the spending limitation: (a) waive points of order as necessary under the Budget Act and actually impose the \$395 billion limitation effective for fiscal year 1977; or (b) pass a precatory resolution with regard to \$395 billion which would satisfy the President with regard to the strength of its moral commitment; or (c) include in the new Tax Act a statement to the effect that the reduced permanent rates would take effect only if a \$395 billion spending limitation for fiscal 1977 is established by Congress prior to October 1, 1976.

One further possible area of compromise which would be possible under either of the above alternatives would be to release the Budget Committee from its obligations with regard to a \$395 billion spending limit, if such Committee (perhaps with the concurrence of the President) determined that the



state of the economy as of October 1, 1976, requires a higher limitation. The attached memorandum gives more details on the mechanics of a possible compromise.



Tax Cut/Spending Limit  
Compromise

1. Tax cuts maintained at 1975 levels through June 30, 1976 (or September 30, 1976). Cuts increased permanently July 1, 1976 (or October 1, 1976) to President's level (\$28 billion):

(a) Approaches:

(i) cuts based on President's approach (flat standard deduction, rates, increased exemption) but scaled-down for first 6 months (9 months).

(ii) cuts based on Senate approach (\$30 credit 2 percent credit; percent standard deduction) but scaled-up to \$28 billion on July 1, 1976 (or October 1, 1976).

2. Spending Concurrent Resolution for FY 1977 - \$395 billion limit on outlays:

(a) Waive points of order under section 301(a).

(b) Precatory words which are strong but do not violate Budget Act.

(c) Condition October 1 changes on ceiling by September.

(Perhaps include escape clause if Budget Committee determines state of economy requires higher limit.)



~~Clunch (6:00) 11 Dec '75~~

more Executive cooperation re  
Legis proposals.

6:25 11 Dec.

Logg, Muskie, Bellman, Curtis

Logg - budget commit problem, Muskie

appear  
Muskie - Commit is working, members  
polishing themselves.

Timinisch

THE WHITE HOUSE  
WASHINGTON

M

October 6, 1975

MEMORANDUM FOR: JACK MARSH

FROM: RUSS ROURKE R

The President agreed with your suggestion. The schedule has been re-arranged so that he can meet with the Republican Congressional Leadership from 5:30-6:15. At 6:15 other appropriate M/Cs will be pre-noticed. Max has prepared a list of those to be included in the latter category for Rumsfeld/ Presidential sign off. The pre-notice group will be contacted at 6:15.





THE WHITE HOUSE

WASHINGTON

October 6, 1975

MEMORANDUM FOR THE PRESIDENT

FROM: MAX FRIEDERSDORF *M. G.*

SUBJECT: Congressional Leadership Notifications/Consultations Prior to Your Television Appearance Tonight

As you suggested, I recommend that we bring the following Republican leaders down at 5:30 tonight in the Cabinet Room for a pre-notification on your tax cut and spending decisions.

House

Rhodes, Michel, Anderson, Schneebeli, Conable, Cederberg, Latta, Devine, Edwards, Lou Frey, Quillen, and Vander Jagt.

Senate

Griffin, Curtis, Tower, Bellmon, Young, Stafford and Stevens

In addition at 6:15 when that briefing of the Republican Congressional leaders concludes, I recommend that we notify by phone prior to your 8 P. M. television address the following:

House

The Speaker, Majority Leader O'Neill, Majority Whip McFall, Ways and Means Chairman Ullman, and Budget Committee Chairman Brock Adams.

Senate

Mansfield, Byrd, Russell Long, Muskie and McClellan



October 6, 1975

MEMORANDUM FOR: THE PRESIDENT  
FROM: JACK MARSH

Jim Lynn has outlined to me briefly the possibility of your announcing a proposal involving both a tax cut and a spending ceiling.

This appears to be a very good approach and one that makes a great deal of sense to me. I also believe it would have a good deal of public appeal. However, because it is such a significant action, it is one that I believe should be discussed with the Republican Leadership in broad general terms rather than pre-noticing them of your decision. This is necessary I believe to gain their support.

It is my view that if this is done without consultation, the Republican Leaders will feel they have not had an opportunity to contribute to your decision, and you are likely to pick up unwarranted criticism for having acted precipitously, thereby indicating your action was not either well thought out or even worse is not economically sound.

If it is your decision to go forward with an announcement tonight, then I would strongly urge a meeting of the Republican Leadership this afternoon. However, if it is your decision not to announce tonight, then I would place it on the agenda of the Leadership meeting in the morning. To minimize leaking the plans, I would talk in generalities as to what you have in mind. Further, I would insist they keep in confidence your discussion until you are ready to announce.



On the Democratic Leadership I would suggest a pre-notice perhaps one hour before you go on the air. It may be that certain Democrats you can give a consultation, but I think that would have to be on a carefully thought out individual basis.

In summary, my great concern is the Republican Leadership if you go without at least limited consultation with them.

JOM/dl

cc: Don Rumsfeld



Mr. Mars

Dear

As you have already been advised, I will shortly be sending to Congress proposed legislation calling for extension of ~~many~~ <sup>most</sup> of the 1975 tax reductions as well as additional cuts during 1976. I feel strongly that these tax proposals provide a fair shake to millions of middle income working Americans.

In order to pay for these proposals, I am calling on the Congress to promptly resolve that federal spending for FY 1977 be limited to \$395 billion.

This spending level will not be easy to achieve. It will undoubtedly require that many popular but nonessential programs be curtailed. Most of all it will require cooperation between the Executive and Congress.

I look forward to working with the Congress on this important effort to cut taxes and restrain the growth of Federal spending.

Sincerely,

GRF



OCT 8 1975

M

October 8, 1975

MEMORANDUM FOR THE PRESIDENT

FROM: MAX L. FRIEDERSDORF

SUBJECT: Tax Cut/Spending Limit Comments

Attached are statements issued yesterday by Tip O'Neill and John McFall in response to the President's proposal for a permanent tax reduction and spending ceiling.

John Rhodes made a Floor statement in support of the President.

bcc: Don Rumsfeld  
Jack Marsh



October 7, 1975

RECEIVED  
OCT 7 1975

WASHINGTON, D.C.

U. S. HOUSE OF REPRESENTATIVES

-----  
Office of the Majority Leader

MAJORITY LEADER THOMAS P. O'NEILL, JR., SAYS TAX CUT IS  
HEADED IN RIGHT DIRECTION BUT CONGRESS WANTS SPECIFICS

Mr. Speaker, I am glad that this time the President agrees with Congress on the need for a tax cut.

Just a year ago at this time, when we were headed deep into recession, President Ford was calling for a tax increase.

The President now appears to be headed in the right direction, but the Congress will want to see exactly where he is going. It is easy to call for a tax cut, but he wants to offset that with a spending cut that would carve \$28 billion out of the hides of the American people.

Is the President talking about cuts in the veterans programs? Or health? Or school lunch? Or education?

What about timing? I note that the benefit of the tax cut would begin in January, 1976. But the bad news, in the form of program cuts, would not begin until October, 1976, a month before the election, and would not really be felt until well into 1977.

The President's tradeoff of a tax cut for a spending cut would cancel out all stimulus for the economy. It would be like putting a transfusion into one arm and letting blood out of the other.

The important thing is jobs and people. The tax cut should be coupled with a program for employment and economic recovery -- not some arbitrary budget figure. A flat, uncompromising budget ceiling is unrealistic. The important thing is to make sure that unemployment doesn't get to be a way of life.



RECEIVED  
OCT 7 1975  
WASHINGTON, D.C.

October 7, 1975

U. S. HOUSE OF REPRESENTATIVES

-----  
Office of the Majority Whip

MAJORITY WHIP JOHN J. McFALL PLEASED PRESIDENT  
ACCEPTS DEMOCRATIC TAX CUT, PREDICTS PASSAGE THIS YEAR

A poll in a national news magazine showed yesterday that less than half the American people consider President Ford acceptable as president and that the main reason is his consistent and persistent mishandling of the economy.

Perhaps that's why Mr. Ford last night embraced the Democratic proposal to extend the tax cut and why he trotted out that favorite Republican whipping boy, galloping government spending.

The suggestion that the tax cut be extended is a step in the right direction that we welcome, although the Congressional Joint Economic Committee already has recommended a tax reduction and the House Ways and Means Committee has been working for some time on a proposal to give a bigger break to middle and lower income earners. We will pass this legislation well before the end of the year.

The Joint Economic Committee recommends more stimulus to turn the economic rebound into recovery. It recognizes, as neither Mr. Ford nor Herbert Hoover before him recognized, that arbitrary budget cuts never put a single unemployed man or woman back to work. Nor will they produce a single additional barrel of oil or bushel of wheat, and scarcities in food and fuel coupled with high interest rates are the real bogeymen in producing the inflation the President decries.

Congress will look carefully at the President's proposed spending cuts. As we have before, we will trim waste and fat and frills. Our appropriations to date are well within the range suggested by our budget resolution. But we're not going to cut \$28 billion from the areas where the President has previously sought to cut. We're not going to take \$28 billion out of the hides of the unemployed, the young, the elderly, the ill, the handicapped and the ill-housed.



*Cong.*

October 20, 1975

TO: BOB WOLTHUIS

FROM: RUSS ROURKE

As per Jack's note please  
advise when attached info  
is available.

Thanks,  
cb

(memo from Max to JOM-re Pres's tax cut)





OCT 18 1975

THE WHITE HOUSE

WASHINGTON

October 18, 1975

MEMORANDUM FOR: JACK MARSH

FROM: MAX FRIEDERSDORF *M.F.*

We have been working with Herm Schneebeli, Barber Conable and Joe Waggoner this week to promote the President's tax cut and spending reduction proposals before the House Ways and Means consideration of tax reform and tax cut extension this week.

Schneebeli and Waggoner are coordinating their efforts and will seek to obtain a vote on the President's proposal along the lines of the proposed Waggoner Amendment.

All Republicans have indicated support and we believe that four Democrats will also support the amendment.

[ We should have a better head count Monday when the troops return. ]

cc: Dick Cheney

*R - I prep w B/w*  
*m*



*Congressional*

THE WHITE HOUSE

WASHINGTON

November 5, 1975

MEMORANDUM FOR THE PRESIDENT

FROM: L. WILLIAM SEIDMAN *LS*

SUBJECT: Tax Cut/Spending Limitation

Background: Ways and Means Committee today considered the Debt Limit Bill and passed a motion to raise the limit to \$495 billion through 15 March 1976.

Republican members moved to add an amendment to add a \$395 billion spending limitation for FY 1977 to the bill. This motion accidentally was permitted to be discussed before a point of order was raised, and the Chairman reluctantly ruled that a vote had to be taken. The vote was 20 to 15 with Landrum, Burleson, and Waggoner voting with us.

A succeeding motion was presented to direct the Chairman to write a letter to the Budget Committee Chairman asking his consideration of the debt ceiling. Good debate followed, and our position was reinforced. This motion was also defeated.

Current Status

Following today's activity, we learned that Chairman Ullman feels that he cannot get the Tax Bill out of Committee. He privately is concerned that if a vote is taken, he will lose 21-19. In addition, with all Republicans adamant about adding a spending limitation to the debt bill, he is reluctant to report the bill because he feels it will again be defeated on the Floor.

As a result, there are feelers for a deal to:

- (a) separate Reform from Tax Measures,
- (b) Have Ullman and Schneebeli jointly ask Rules Committee for a rule that would permit a Floor amendment to consider adding the \$395 billion spending ceiling to the tax bill.

This will be considered by Minority Members tomorrow at 10:00 a.m. Current feeling is that Chairman Ullman cannot be trusted to deliver the rule, and that a commitment from Chairman Madden of the Rules Committee is essential.



THE WHITE HOUSE  
WASHINGTON

November 5, 1975

Jack Marsh -

The original of this was sent  
forward to the President. This  
is for your information.

Jim Connor

SHOW  
MAX



THE WHITE HOUSE  
WASHINGTON

Congressman  
ad.

November 5, 1975

MEMORANDUM FOR THE PRESIDENT

FROM:

L. WILLIAM SEIDMAN *LWS*

BACKGROUND

As you are aware, the Ways and Means Committee considered amendments to the Tax Bill during a late session Tuesday night. Our strategy was to attempt once again to substitute your Bill (\$28B in cuts), and to attempt to add a spending limitation of \$395B for FY 1977.

SUMMARY OF EVENTS

I. A meeting was held on Monday morning with Minority Members. Agreement was reached on the following strategy:

- (a) Offer Amendment to substitute your Bill.
- (b) Offer Amendment tying tax cut to \$395B spending limitation. (Expected to be ruled out of order)
- (c) Then offer Amendment delaying effect of tax cut until Joint Resolution, establishing \$395B ceiling, is passed.

II. Tuesday night Amendment (a) was offered and defeated by voice vote. Barber Conable determined that (b) and (c) would be ruled out of order, but his staff recommended a new strategy as follows:

Move for preferential Motion to refer Tax Cut Titles of Bill to Budget Committee for their specific action on a Resolution to establish \$395B spending ceiling for FY 1977. Date certain of November 11 was established for action of Budget Committee to force consideration of the Motion or discharge the Bill.

Barber Conable had Minority support and sufficient Democratic support to win this vote, but the Chairman ruled the Motion out of order.



The Committee was in great confusion at this point. Liberals were unhappy with reform provisions, Minority Members were disappointed with action to rule final Amendment out of order. Ullman sensed that he might lose the entire Bill and announced that a vote would be delayed until Thursday.

#### PRESENT ACTION

I. Entire Bill may not pass Committee. Present count is estimated at 19-18. Ullman may be willing to make a deal, but an evaluation of changes made last night needs to be made to determine if Minority Members can live with balance of the Bill. Treasury is doing this review this morning.

II. Debt Authorization is on Ways and Means Schedule for today. An attempt will be made to add \$395B spending limitation to this action.

III. Del Latta will be urged to push his Bill for \$395B limitation in Budget Committee.



THE WHITE HOUSE  
WASHINGTON

November 5, 1975

Jack Marsh

The original of the attached was  
sent into the President. This is  
for your information.

*Handwritten signature*  
Jim Connor



[Dec. 1975?]

1. WHEREAS the Senate has established Budget Resolutions for 1976 providing spending ceilings,

2. WHEREAS this Resolution provides for a tax reduction for the first six-month period of 1976,

3. WHEREAS pursuant to the Budget Act, Congress will establish new limits for spending for Fiscal Year 1977 in May of 1976,

4. WHEREAS Congress believes that final policy requires simultaneously control over receipts and expenditures and a limit to Federal spending,

NOW, THEREFORE, BE IT RESOLVED that the Congress commits that any continuation of tax cuts beyond 1 July 1976, or additional tax cuts in Fiscal Year 1976 or Fiscal Year 1977, will be accompanied by dollar for dollar Federal spending reductions from an estimated level of 1977 expenditures of \$423 billion.



DEC 12 1975

THE WHITE HOUSE  
WASHINGTON

Date: 12.8.75

TO: Bob Waller

FROM: Max L. Friedersdorf

For Your Information \_\_\_\_\_

Please Handle \_\_\_\_\_

Please See Me  \_\_\_\_\_

Comments, Please \_\_\_\_\_

Other

*[Large handwritten checkmark]*





THE WHITE HOUSE

WASHINGTON

December 6, 1975

MEMORANDUM FOR: MAX FRIEDERSDORF

FROM: JACK MARSH *Jan*

Although I am sure you have probably already taken care of this, I think the President may wish to drop a note of thanks to Esch, Vander Jagt and Gary Brown for their efforts in drafting the metion to recommit, which was considered by the Congress on the tax bill.

*Done*  
*RRW*



*Cong*

December 8, 1975

MEMORANDUM FOR: MAX FRIEDERSDORF

FROM: JACK MARSH

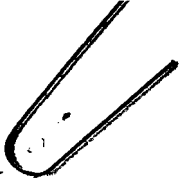
In reference to your proposed letter on the tax bill, I would make just one or two changes in the letter. I would change the first sentence, second paragraph to read as follows:

"I realize that with some your vote will not be popular. However, I am confident most Americans support your effort to put a lid on ..." (Copy)

*Cong*

JOM/dl





Dear:

May I express my sincere appreciation for your vote last Thursday to recommit the tax bill, H.R. 10612 to the Ways and Means Committee. The recommittal, had it been successful, would have required the Committee to include<sup>in</sup>the bill the \$395 billion spending ceiling for Fiscal Year 1977.

I realize that among certain interest groups your vote will be highly unpopular. However, most Americans support your effort to put a lid on the runaway growth in Federal spending. They realize there is only one source of income for our government and that is the American taxpayer. Never in our history has it been more important to bring this excess spending under control. Your responsible vote on the recommittal motion was a courageous beginning.

Thanks again for your support.

Sincerely,

Gerald R. Ford



THE WHITE HOUSE  
WASHINGTON

December 12, 1975

MEMORANDUM FOR:

JACK MARSH

FROM:

MAX FRIEDERSDORF

*M.G.*

SUBJECT:

Tax Cut Bill

We have requested a whip check in the House on the Tax Cut Bill, but Ralph Vinovich (Michel) reports that John Rhodes will not permit a whip check at this time.

I believe John is resisting this because he does not want a veto.

Based on the 189-187 vote in the House today on the Conference Report of the second concurrent resolution on the budget, it seems we would have a shot at sustaining in the House.

cc: Vern Loen

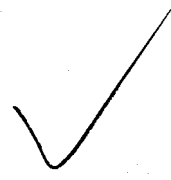
*It has  
been - no  
action.  
12/15/75*



THE WHITE HOUSE

WASHINGTON

December 13, 1975



MEMORANDUM FOR THE PRESIDENT

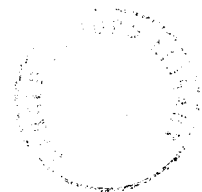
FROM: L. WILLIAM SEIDMAN  
SUBJECT: Tax Cut/Spending Limitation

Late yesterday, Senator Russell Long made a short impromptu speech before the Senate stressing that he would like to find a compromise concerning your request for a spending limitation.

A copy of his remarks is attached at Tab A. The principal difficulty with his approach is the fact that it does not establish a specific baseline, and as a result, could have little effect in controlling the spending ceiling.

We have drafted a sample Resolution which encompasses his suggestion, but adds language providing a \$423 billion spending baseline.

Attachment



1. WHEREAS the Senate has established Budget Resolutions for 1976 providing spending ceilings,

2. WHEREAS this Resolution provides for a tax reduction for the first six-month period of 1976,

3. WHEREAS pursuant to the Budget Act, Congress will establish new limits for spending for Fiscal Year 1977 in May of 1976,

4. WHEREAS Congress believes that final policy requires simultaneously control over receipts and expenditures and a limit to Federal spending,

NOW, THEREFORE, BE IT RESOLVED that the Congress commits that any continuation of tax cuts beyond 1 July 1976, or additional tax cuts in Fiscal Year 1976 or Fiscal Year 1977, will be accompanied by dollar for dollar Federal spending reductions from an estimated level of 1977 expenditures of \$423 billion.



the White House and Congress insist on an adversary style of budgeteering. Perhaps it is a consequence of divided government, but it isn't an unavoidable one. If both parties recognized that their calculations may be upset by economic events just around the corner but now unseen, and worked towards reasonable compromise, we suspect the difficulties would vanish.

Congress is rightly determined to pursue its attempt through the new budgetary process to be master of its own house. But are there not sufficient spending and revenue estimates for the new year already at hand so that Mr. Ford and Congress could agree on a budget ceiling figure? It would almost surely have to be revised anyway, whatever it turned out to be. Mr. Ford's \$395 billion figure is arbitrary; it ought to be negotiable.

It may be recalled that neither the White House nor Congress distinguished itself during the past year in economic foresight. Only a year ago, with the recession visibly deepening, the menace of double-digit inflation was seen as the number one target, and tax increases (believe it or not) the remedy talked of. After the President's famous "179-degree turn," all that changed in a twinkling.

Again, despite that failure of foresight, both parties are pretending to foresee the unforeseeable and are entrenching themselves in redoubts that a sharp turn in the economy could blow up overnight. Why? Why do both the President and the congressional Democrats take unbending positions on such sandy ground? The taxpayers deserve a more statesmanlike treatment of their economic affairs than they're getting, though we must apologize for so indelicate a sentiment in an election year.

Mr. LONG. Mr. President, it seems to me that the President is demanding that we commit ourselves to two things.

He wants us to agree to what he has decided he is going to do, and that is to pick a figure and to cut the cloth to fit the pattern.

The response of the distinguished Senator from Maine (Mr. MUSKIE) and all those on the Budget Committee could only be that we have spelled out by law the procedure whereby Congress would arrive at its spending figure, and Congress is in no position to do what the President has requested, because it does not have the information. Nor has Congress had the time to study the information that causes the President to fix his figure of \$395 billion after a tax cut or \$423 billion before the tax cut.

The Senate has every right to insist that it should follow its budgetary procedure and arrive at its figure after it has studied the President's budget.

Now the President wants us also to commit ourselves to the principle that we will agree to a dollar-for-dollar trade-off, that for every dollar of tax cut in 1977 fiscal year we will have a \$1 reduction in expenditures.

In my judgment, Mr. President, it is a compromise to me to say we would meet the President halfway and make that commitment; so long as he is President that we will do business in that fashion, barring unforeseeable circumstances.

When I say barring unforeseeable circumstances, I note that the President has had to change his budget figures several times in the past year anyway. Our Budget Committee has changed its budget figures. In fact, the law is drawn so as to allow our Budget Committees to

change their figures, because the law anticipates that circumstances will change.

But I would think, Mr. President, that the logical basis to honorably resolve the difference between the President and Congress would be merely to say that we will try to come to an agreement with the President on a budget figure as soon as we have his figures. We do not have them now and will not have them until some time next year, when we can achieve this in the orderly process. Having done that, we will try to hold ourselves to those figures except that, as both he and our committee members and other Senators understand, circumstances could change all this.

What we agreed to might not be appropriate at some future point at all. I think we could make a commitment to the President—which I really do not think is giving a great deal, from our point of view—that once we have arrived at a figure, we will endeavor to stay by the principle that a \$1 cut in taxes should be accompanied by a \$1 reduction in projected Federal spending.

Again I stress that if you look at the President's record on budgetary matters and you look at our own record in the Congress on budgetary matters you can see how things change, and they have to change as the circumstances change. It would be irresponsible to do it any other way.

But the President is seeking to come to agreement with Congress on an objective, and I think there is not enough difference between us to quarrel about or to reach an impasse about something that we can all agree is desirable. The President thinks we should have a tax cut of at least \$17 billion, in fact he thinks it should be more than \$17 billion. We agree that we should have a tax cut which would equate to that figure on a full calendar-year basis. In view of the fact that we really are not at odds in our objective, it seems to me that we should try to join each other in reaching that objective.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. LONG. I yield.

#### LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, for the information of the Senate, I have a few announcements.

From 10 a.m. to 12 noon on Monday next, we will have consideration of the conference report on the common situs picketing act, which will then be laid aside until 4 p.m., at which time a vote will then occur thereon.

At 12 o'clock the Senate will then proceed to the consideration of the conference report on the Defense appropriations conference report.

ORDER FOR CONSIDERATION OF H.R. 5559 ON MONDAY

After that, Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the tax bill, H.R. 5559, that it be laid before the Senate and made the pending business at that time.



*legis*

December 17, 1975

MEMORANDUM FOR: THE PRESIDENT  
FROM: JACK MARSH  
SUBJECT: John Rhodes

John Rhodes just called me in reference to the Tax Bill and he wishes to convey the following question and suggestion:

1. How soon can you get a veto back of the Tax Bill on which the House expects to complete action within the next two hours? He would like for you to send the veto back today or not later than early tomorrow, if at all possible.
2. He also states that press people are circulating the report that you want to be overridden on the bill and he urges avoidance of this line by all of your advisers because it is counter productive in that the Congress feels you are trying to play games with them.

John also wants you to be aware that he voted against the Energy Bill. (I assume he is referring to the Conference Report.) He asked that you be aware of this and also that you remember the position taken in the Statement of the Republican Policy Committee on the Energy Bill. However, he was careful to note that he was one of the persons who voted against that statement made by the Committee.

JOM/dl

