

# Calendar No. 247

77TH CONGRESS }  
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SENATE

{ REPORT  
No. 238

## CONTINUING THE TEMPORARY INCREASES IN POSTAL RATES ON FIRST-CLASS MATTER

APRIL 29, 1941.—Ordered to be printed

Mr. BROWN, from the Committee on Finance, submitted the following

### REPORT

[To accompany H. J. Res. 105]

The Committee on Finance, to whom was referred the joint resolution (H. J. Res. 105) to continue the temporary increases in postal rates on first-class matter, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the joint resolution do pass.

The purpose of the joint resolution is fully explained in the report of the House Committee on Ways and Means, which is appended to and made a part of this report.

[H. Rept. No. 367, 77th Cong., 1st sess.]

The Committee on Ways and Means, to whom was referred the joint resolution (H. J. Res. 105) to continue the temporary increases in postal rates on first-class matter, and for other purposes, hereby report the same favorably to the House of Representatives and recommend that the same do pass.

The need for the legislation is set forth in the following letter from the Third Assistant Postmaster General:

POST OFFICE DEPARTMENT,  
Washington, April 2, 1941.

Hon. ROBERT L. DOUGHTON,  
Chairman, Committee on Ways and Means,  
House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: It is estimated that a return to the 2-cent rate on first-class postage will result in a net loss of revenue to the Post Office Department of \$101,860,065 per year. The following tabulation will show how this estimate was arrived at:

Total revenue for first class, except local letters.....	\$330, 357, 752
Less revenue from cards.....	24, 777, 556
Revenue from nonlocal subject to 3-cent rate.....	305, 580, 196
Postage on same mail computed at 2-cent rate.....	203, 720, 131
Loss resulting at lower rate.....	101, 860, 065

## 2 CONTINUING TEMPORARY INCREASES IN POSTAL RATES

Consequently, it is recommended that the present postal rates be continued for a period of 2 years by the enactment of House Joint Resolution 105.

Yours very truly,

RAMSEY S. BLACK,  
*Third Assistant Postmaster General.*

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### CHANGES IN EXISTING LAW

In compliance with paragraph 2a of rule XIII of the Rules of the House of Representatives, changes in section 1001 (a), as amended by the Revenue Act of 1932, and section 2, as amended, made by the joint resolution are shown as follows: Existing law proposed to be omitted is enclosed in black brackets; new matter is printed in italics; existing law in which no change is proposed is shown in roman:

"Sec. 2. The President is authorized during the period ending June 30, 1941, to proclaim such modifications of postage rates on mail matter (except that in the case of first-class matter the rate shall not be reduced to less than 2 cents an ounce or fraction thereof) as, after a survey by him, he may deem advisable by reason of increase in business, the interest of the public, or the needs of the Postal Service, and such modifications shall be in effect on and after such date as he shall proclaim and until [July 1, 1941] *July 1, 1943*. In case a modification of the rate of postage on first-class matter is proclaimed, the President shall also make a corresponding modification in the percentages of gross postal receipts specified in section 1001 (c) of the Revenue Act of 1932 as amended by this Act, which percentages shall be in effect during the period such modification of the rate of postage on first-class matter is in effect. Nothing in this section shall be construed as giving the President authority to change the rate fixed by law on first-class matter mailed for local delivery, postal cards, and private mailing or post cards.

"Sec. 1001. (a) On and after the thirtieth day after the date of the enactment of this Act and until [July 1, 1941] *July 1, 1943*, the rate of postage on all mail matter of the first class (except postal cards and private mailing or post cards, and except other first-class matter on which the rate of postage under existing law is 1 cent for each ounce or fraction thereof) shall be 1 cent for each ounce or fraction thereof in addition to the rate provided by existing law: *Provided*, That such additional rate shall not apply on or after July 1, 1933, to first-class matter mailed for local delivery."

