

RELIEF OF JULIUS CRISLER

MAY 13 (calendar day, JULY 11), 1935.—Ordered to be printed

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

REPORT

[To accompany S. 1950]

The Committee on Finance, to whom was referred the bill (S. 1950) for the relief of Julius Crisler, having considered the same, report favorably thereon with an amendment and recommend that the bill do pass.

The bill is for the repayment of \$1,525.31 paid under protest by Dr. Julius Crisler, to satisfy a deficiency assessment against him as transferee of Jackson Sanatorium & Hospital Co., pursuant to final order of the Board of Tax Appeals entered September 20, 1933. Dr. Crisler was so critically ill at the time of the final order and during the time for appeal that no appeal was taken.

After liquidation of the company, in 1919, a deficiency assessment was made against it, and later demand was made on Dr. Crisler and also a Dr. Herbert, whose situation was identical with that of Dr. Crisler, for the full amount of the tax, each having received assets in excess of the tax. Dr. Herbert, who thought notice of assessment was not intended against him personally, did not appeal, but was forced to pay the entire tax, and filed suit in the District Court of the United States for a refund resulting in a judgment on May 11, 1932, from which the Government did not appeal, but satisfied in full in December of that year.

Dr. Crisler had preserved his rights by an appeal to the Board of Tax Appeals, which appeal was held in abeyance pending the result of the suit of Dr. Herbert. Notwithstanding the results of the Herbert case, duly pleaded before the Board, decision was rendered against Dr. Crisler, whose right to appeal was not taken advantage of, as was intended, because of the very critical illness of Dr. Crisler.

The tax having been paid in full by Dr. Herbert, and then repaid to him, without an appeal, after the judgment of the district court, leads the committee to believe that as a matter of policy the action of the Government was unjustified in the premises, and to recommend the reimbursement of Dr. Crisler.

The committee amendment was made necessary by the fact that the tax has been paid subsequent to the introduction of the original bill, which provided for abatement of the tax.

