

EXTENDING THE TIME DURING WHICH CERTAIN DOMESTIC
ANIMALS WHICH HAVE CROSSED THE BOUNDARY LINE INTO
FOREIGN COUNTRIES MAY BE RETURNED DUTY FREE

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

R E P O R T

[To accompany H. J. Res. 325]

The Committee on Finance, to whom was referred the bill (H. J. Res. 325) extending the time during which certain domestic animals which have crossed the boundary line into foreign countries may be returned duty free, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

The desirability of this legislation is set out in House of Representatives Report No. 1275, Sixty-eighth Congress, as follows:

[House Report No. 1275, Sixty-eighth Congress, second session]

The Committee on Ways and Means, having had under consideration H. J. Res. 325, extending the time during which certain domestic animals which have crossed the boundary line may be returned duty free, reported the same back without amendment and with a recommendation that it be adopted.

The necessity for this resolution grows out of the fact that a series of extraordinary dry seasons in the Southwest have so reduced the carrying capacity of the ranges and pastures, particularly in New Mexico and adjacent sections in Texas and Arizona, as to render them incapable of furnishing feed for the livestock of the sections, necessitating either the marketing of the same in an unsalable condition or its being driven into Mexico, where abundant pasturage was to be found.

This movement of livestock, consisting in the main of cattle, into Mexico for pasturage purposes has an aspect of important public interest, owing to that fact that in its operations in the Southwest in the interest of the livestock industry, under its congressional authority the War Finance Corporation had made loans which were secured by livestock for which it was necessary to find pasturage in Mexico.

In the fall of 1922 more than 30,000 head of cattle, which were collateral to loans made by the War Finance Corporation, were shipped or driven to pasturage in the northern part of the State of Chihuahua, south of Columbus, N. Mex., and southwest of El Paso, Tex. At that time it was hoped that improved grass and forage conditions would justify the return of the livestock to the home ranges in the United States during the year 1923. Under the law stock so returned within eight months after being driven or having strayed across the border can be returned

without the payment of duty, but in order to furnish what was considered sufficient time to return these cattle to the United States the time within which they might be so returned was extended by resolution to December 31, 1923.

It developed, however, that conditions on the home ranges did not sufficiently improve to warrant the return of the cattle within the period specified, and provision was made by resolution extending the time within which cattle could be returned without the payment of duty to December 31, 1924.

Early in the summer of 1924 plans were laid for the return from Mexico of the livestock under mortgage to the War Finance Corporation, but it was only found practicable to return about 5,000 head of steers and 13,000 head of mixed cattle. In the meantime the herds in Mexico had increased in numbers by about 18,000 head. The shipments in 1924, therefore, about balanced the increase.

Not only did the continuation of drought in the country referred to prevent the return of the bulk of the cattle from Mexico in 1924, but it was found necessary during the late summer and fall to make further large shipments into Mexico of cattle under mortgage to the War Finance Corporation. More than 22,000 head were so shipped; and shipments are still continuing. It is estimated that as many as 30,000 in all may be shipped before the movement is ended, within the next 30 to 60 days, which will result in a total of approximately 60,000 head of cattle in Mexico to be affected by the provisions of this resolution under which this stock and its increase may be returned to the United States any time prior to December 31, 1925.

Section 2 of the resolution provides that the Secretary of the Treasury may, under regulations prescribed by him, remit and refund any duties that may have been paid on domestic animals described in the resolution and their offspring which may be returned to the United States after December 31, 1924, and before the enactment of this resolution.

While the resolution provides for the return of horses, mules, asses, cattle, sheep, goats, and other domestic animals which heretofore have strayed across the boundary line or been driven across for temporary pasturage purposes, the major portion of the animals which have so strayed or been driven are cattle.

