

Calendar No. 1543

73D CONGRESS }
2d Session }

SENATE

{ REPORT
No. 1445

PROTECTION OF REVENUE BY REQUIRING INFORMATION CONCERNING THE DISPOSITION OF SUBSTANCES USED IN THE MANUFACTURE OF DISTILLED SPIRITS

JUNE 6 (calendar day, JUNE 15), 1934.—Ordered to be printed

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

REPORT

[To accompany S.J.Res. 141]

The Committee on Finance, to whom was referred the joint resolution (S.J.Res. 141) to protect the revenue by requiring information concerning the disposition of substances used in the manufacture of distilled spirits, having considered the resolution, report favorably thereon with an amendment and recommend that the resolution as amended do pass.

The joint resolution is designed to enable the collection of the revenue on the manufacture of distilled spirits and to prevent illicit manufacture of such spirits. Under present conditions, a great deal of illicit manufacture of spirits is going on. If that manufacture can be stopped revenue will be collected from the legitimate manufacturers of spirits. The resolution authorizes the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, to require persons disposing of substances of the character used in the manufacture of distilled spirits to render correct return, showing the persons to whom such substances are disposed of and the quantities transferred. This will enable the Treasury to trace the materials into the hands of the illicit manufacturers and thus stop their operations.

This legislation is strongly recommended by the Treasury Department as being necessary for the protection of the revenue.

The committee amendment is a clarifying amendment to assure the construction that corn sugar and cane sugar are included within the substances the disposition of which can be traced. The resolution as reported is identical with a similar resolution which passed the House.

