

PROVIDING THAT INDIVIDUAL INCOME TAX RETURNS MAY BE MADE WITHOUT THE FORMALITY OF AN OATH

JUNE 15, 1937.-- Ordered to be printed

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

R E P O R T

[To accompany S. 2473]

The Committee on Finance, to whom was referred the bill (S. 2473) to provide that individual income tax returns may be made without the formality of an oath, and for other purposes, having considered the same, report favorably thereon and recommend that the bill do pass with amendments.

The purpose of the bill is to eliminate the requirement that individual income tax returns be made under oath. The bill provides, however, that a person who knowingly signs a false return shall be subject to the penalties imposed by law for perjury.

The Treasury has made a favorable report on a similar bill and the Department believes that the collection of the revenue will be as adequately protected under the bill as under existing law.

In making its reports on two other bills which were introduced for the same purpose, the Treasury recommended certain amendments. The present bill incorporates those amendments and is reported with other amendments which are merely clerical in nature.

In a letter from the Acting Secretary of the Treasury, recommending favorable action on a bill for this purpose, the following statements were made:

The Department has, on several occasions in recent years, considered suggestions that the statutory requirement for making income returns under oath be eliminated and that a statement similar to that now proposed in S. 4257 be substituted therefor. After a careful review of the relevant considerations, I am convinced that the arguments raised against eliminating the oath on income returns are not of sufficient weight to warrant objection on the part of the Department to the purpose of the proposed legislation. The experience of the Department is that there has been a frequent disregard of the prescribed formalities incident to the administering of oaths by notaries public and other persons authorized to administer oaths. As a result much of the solemnity and psychological effect usually attached to the proper administering of an oath is lost. Because of some formal defect in the administering of the oath, the Government, in numerous

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instances, has been unable to prosecute taxpayers for perjury for false statements made in their income returns.

It will suffice to state, without entering into a detailed discussion of the relative significance, merits, and effect of an oath as compared with a statement made under the penalties of perjury as proposed, that I am of the opinion that such a statement as is proposed in S. 4257 would discourage the making of dishonest returns at least as effectively as the present requirement of an oath.

It will remove some delays and inconveniences to taxpayers and also aid somewhat the Government in prosecuting taxpayers for perjury for false statements made in their income-tax returns.

