

Calendar No. 537.

64TH CONGRESS, }
1st Session. }

SENATE.

} REPORT
No. 594.

TO AMEND SUBSECTION 11 OF SECTION 3244, REVISED STATUTES.

JULY 5, 1916.—Ordered to be printed.

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

REPORT.

[To accompany S. 5987.]

The Committee on Finance, to whom was referred the bill (S. 5987) to amend subsection 11 of section 3244, Revised Statutes, having considered the same, report thereon with a recommendation that it do pass.

A letter from the Secretary of the Treasury is appended hereto and made a part hereof:

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, May 29, 1916.

CHAIRMAN COMMITTEE ON FINANCE,
United States Senate.

SIR: I have the honor to acknowledge receipt of letter, dated 25th instant, from the clerk to your committee, referring Senate bill 5987, entitled "A bill to amend subsection 11 of section 3244, Revised Statutes," to this department with request that your committee be furnished with such suggestions as may be deemed proper touching the merits of the bill and the propriety of its passage.

In reply you are advised that Senate bill 5987 meets with the approval of this department, which has held that salesmen of manufacturers and jobbers are, under the present wording of the statute, to be regarded as peddlers of tobacco when they sell and deliver manufactured tobacco to retail dealers which they obtain from jobbers or direct from the manufacturers. The statutes relating to peddlers of tobacco are regulatory and not revenue producing, and it is thought that the amendment suggested will tend to increase the sale of manufactured tobacco and consequently increase the revenues from this source, and that no loss or fraud upon the revenue can accrue therefrom. This department therefore approves of the proposed bill.

Respectfully,

W. G. McAdoo, Secretary.