

# Expect Favorable House Action on Curtis Bill

*Associations, Individuals Urged to Concentrate on Senate Finance Committee to Get Tax Relief*

By REX McMORRIS

Real progress on the bill to exempt country clubs from the 20 per cent tax on capital improvements has been made in recent weeks, according to Rep. Thomas B. Curtis of Missouri, sponsor of the measure, who has informed GOLF-DOM that the House undoubtedly will act favorably upon it when it is reported out of committee, probably late this month. Whether or not the bill will receive favorable action in the Senate is still a matter of conjecture.

According to the Missouri congressman, the club improvements bill has been incorporated in a big excise revision measure the House Ways and Means committee is currently working on. "The revision bill," says Rep. Curtis, "probably will reach the floor of the House within the next three or four weeks. The way the bill is being written it looks as though it stands an excellent chance of passage inasmuch as tax bills from the Ways and Means committee come onto the floor under a closed rule which precludes amendments. If the bill is accepted by the House, it will be passed in its entirety."

The exact language used by the Ways and Means committee and contained in the 'Summary of Committee Decisions Relating to Technical Excise Changes' is as follows, according to Curtis:

## **Provisions of the Bill**

"The present 20 per cent tax on club dues applies to payments used for capital improvements as well as those used for operating expenses.

"The new bill will provide that assessments paid for construction or reconstruction of a capital addition to, or improvement of any such facility is not to be subject to club dues tax. This exemption will be available only for assessments paid after the effective date of the bill for construction or reconstruction begun on or after that date.

"This provision was added in House Ways and Means committee action last year, but the effective date was modified through action of the committee this year. Under action taken last year, exemptions could have been provided for any assessments paid for construction or reconstruction begun on or after the effective date of the bill."

If the bill is accepted in its entirety by the House of Representatives it then goes to the Senate where amendments may be offered in the Senate Finance committee. It is also possible that the bill may be amended on the floor of the Senate. Thus, it is particularly important that members of the Senate be informed of the merits of the Curtis bill through information supplied not only by country club officials but by members as well.

If you have not already done so, it is advisable to immediately inform members of the Senate Finance committee of all the ramifications of the Curtis legislation. If every Senator is apprised of the gross inequity imposed by the 20 per cent tax on capital improvements to existing club facilities, it can be assumed that the bill stands a good chance of final passage.

## **Finance Committee Members**

Members of the Senate Finance committee include: Harry Flood Byrd, Va.; Robert S. Kerr, Okla.; Russell B. Long, La.; Clifton P. Anderson, N. M.; Albert Gore, Tenn.; John J. Williams, Del.; George W. Malone, Nev.; Wallace F. Bennett, Utah; J. Allen Frear, Jr., Del.; George A. Smathers, Fla.; Paul H. Douglas, Ill.; Edward Martin, Pa.; Ralph E. Flanders, Vt.; Frank Carlson, Kans.; and William E. Jenner, Ind.

To date golf associations, clubs and individual golfers have supported the Curtis legislation in excellent fashion. The favorable action it has received in the



**PGA Club Champs** Larry Bartosek (second from right) collects the spoils after winning recent PGA Club title at Dunedin, Fla. Bill Heinlein (second from left) was runnerup. Jack Lust (l) and Joseph J. Di Fini (r) of Squire Slacks, sponsor of the tournament, made the presentation.

House Ways and Means committee is partly due to the fact that the associations and others have conducted a campaign to educate the legislators not only on the merits of the bill, but to call their attention to the onerous burden the improvements tax places on those who are willing to spend their money to provide community recreational facilities. But, as Rep. Curtis pointed out in a recent statement, the battle at this point is only half successful since members of the Senate Finance committee as well as the Senate, as a whole, still have to be wooed and won.

#### Have Vital Stake in Bill

Every private club — old, new and proposed — has a vital stake in this bill. To make sure every club is fully informed and will have an opportunity to join in the concerted effort being made in behalf of the Curtis bill, the National Golf Foundation has mailed to each club a copy of the bill, a list of the members of the Senate Finance Committee and the House Ways and Means Committee and a letter urging the clubs to write, wire, phone or see in person members of the Committees and local Representatives and Senators explaining merits of the bill and encouraging full support.

It is not generally known but the present 20 per cent tax on assessments for construction and improvements has been a more far reaching deterrent to the development of new private clubs than is realized. So much so that there are fewer private clubs today than at any time in the past 25 years. In 1931 with a total of 5700 golf clubs in the United States, 4448 of these were private clubs. Today, with a total of less than 5400 golf clubs, there are only 2801 private clubs — an alarming downward trend.

At the same time and during the same period, the number of public courses, i.e., privately-owned fee courses, has more than doubled. There are now 1692 compared to only 700 in 1931, and there are now better than 870 municipal courses where there were only 543 in 1931.

#### USGA Rules Movie

"Play Them As They Lie," third USGA sound and color movie, is available through National Educational Films, Inc., 165 W. 46th st., New York 36. The 16mm movie covers rules of golf for fairways and rough and runs 16½ minutes. Rental charge is \$15.