

*sum ...
✓ & Vols - Income Tax file*

**PEACE CORPS / MICRONESIA
TRUST TERRITORY OF THE PACIFIC ISLANDS**

*Bill
Signed by
HiCombin
March 5th.*

Headquarters
P.O. Box 392
Saipan, Mariana Islands
96950

February 3, 1971

MEMORANDUM

TO: Charles
FROM: *[Signature]*
SUBJECT: Income Tax Bill

Enclosed is a copy of the proposed income tax bill that is being discussed in the Senate. This is a compromise to the bill that the Hicom vetoed during the last session in July. At this juncture we are not sure what the House is going to have to say about it, but our informants tell us that it is likely to be passed in both the House and Senate and will be approved by the Hicom.

If you manage to wade through the detail you will note that the Peace Corps has not been exempted from income tax, only the military.

During the last session of Congress we made some attempts to receive an exemption for Peace Corps but our efforts were thwarted.

I have asked Bob and Dave to review the bill and enter into detailed discussions with the Budget and Finance Department to find out the mechanics of implementation should it be passed. When I have the information we will develop a position and forward the information on to you. In the interim I would ask that you review the bill with Phil and perhaps General Counsel seeing what the ramifications are and how we can be involved in complying to them.

Peace.

cc: D. Garner
B. Currie

*IV
✓
150*