# Calendar No. 688

68TH CONGRESS, 1st Session | SENATE | REPORT No. 635

## ORGANIZATION OF THE CUSTOMS SERVICE AND ENFORCEMENT OF ALL CUSTOMS REVENUE LAWS

MAY 26 (calendar day, MAY 27), 1924.—Ordered to be printed

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

## REPORT

[To accompany S. 3357]

The Committee on Finance, to whom was referred the bill (S. 3357), to amend sections 2 and 5 of the act entitled "An act to provide the necessary organization of the Customs Service for an adequate administration and enforcement of the tariff act of 1922 and all other customs-revenue laws," approved March 4, 1923, having considered the same, report thereon with the recommendation that it do pass with the following amendments:

On page 3, strike out all of lines 12 to 25, both inclusive.

On page 4, strike out all of lines 1 to 16, both inclusive.

The following letter from the Secretary of the Treasury indicates the urgency for the enactment of this measure:

TREASURY DEPARTMENT,
*Washington, May 26, 1924.*

Hon. REED SMOOT,
*Chairman Committee on Finance, United States Senate.*

MY DEAR MR. CHAIRMAN: I invite attention to the bill S. 3357, introduced by Senator Edge, entitled "An act to provide the necessary organization of the customs service for an adequate administration and enforcement of the tariff act of 1922 and all other customs revenue laws," approved March 4, 1923.

The purposes of the first section are (1) to correct an error in section 2 of the act approved March 4, 1923, which was made at some stage of the printing, probably in the preparation of the engrossed copy (see T. D. 39508 of March 20, 1923, copy herewith); and (2) to give the customs representatives abroad, who are designated for foreign service from the special agents and customs agents in service in the United States, a privileged official status which will enable them to obtain information now denied to them, facilitate their traveling through the country to which they are assigned, and also to escape the burdens of foreign taxation that are now so great as to threaten the continuance of this work in foreign countries. This matter was taken up with the State Department, which suggested the provisos in lines 17 to 25, page 2, and lines 1 to 4, page 3.

I believe you will appreciate that the interest of the Treasury Department in this first section is very great, as interference with the investigative work of these representatives would seriously embarrass the department in its admin-

istration of the provisions of the present tariff act, which involve the collection of ad valorem duties upon foreign values.

The second section of the bill deals with traveling expenses. While I believe the present allowance for traveling expenses is inadequate, if Congress is opposed to granting an increase at this time, I recommend that section 2 be stricken out and that the paramount and very urgent provisions of section 1 be enacted at the present session. Such enactment would not necessitate a supplemental estimate of expenses.

Very truly yours,

A. W. MELLON, *Secretary of the Treasury.*

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