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# JEFFRIES REALTY GALLERY OF HOMES

604 N. Mulberry Street, Elizabethtown, KY 42701 • (502) 769-1317



December 10, 1984

RE: Treasury Department Tax Reform Proposals

Dear Mr. James A. Baker III:

I urge you to immediately take a strong position against the tax reform proposals recently issued by the U.S. Department of Treasury. The uncertainty of future legislation is causing havoc in the investment community. This uncertainty is likely to result in an acceleration of the recessionary pressures already building in the present economic climate.

I believe that if enacted, certain provisions contained in the Treasury proposal would create a disincentive for capital formation, thus greatly damaging the economy of the United States. This in turn will cripple the construction and development industries resulting in the loss of millions of jobs, and ultimately creating a severe housing shortage and higher rents for millions of tenants across the United States. The proposal is economically damaging and ineffectual and conflicts with the underlying philosophy of the Reagan administration and re-election. I, therefore, urge you, in the strongest terms, to publicly oppose the recent Treasury proposal.

Very truly yours,

A handwritten signature in green ink that reads "Nancy Jeffries".

Nancy Jeffries  
Broker/Owner  
JEFFRIES REALTY GALLERY OF HOMES

NJ/bdg



JAMES K. VINCENT  
GEOLOGIST & PETROLEUM ENGINEER

SUITE 301 LOCH RAVEN BUILDING  
3520 NEW HARTFORD PIKE  
OWENSBORO, KENTUCKY 42301

December 31, 1984

The President  
The White House  
Washington, D.C. 20500

Dear Mr. President:

As a very small operator in the Independent Oil Industry, I wholeheartedly support your economic policies. However, the U.S. Treasury Department's recent tax reform package would put me and most other Independents out of business.

Without going into great detail, let me assure you that the elimination of percentage depletion and current expensing of intangible drilling costs will be devastating to me. I am an exploration geologist and percentage depletion is my most important source of capital for financing new oil and gas exploration. Elimination of percentage depletion will cripple all small independents and force many out of business. At the same time, it will increase my country's dependence on foreign oil. Intangible Drilling Costs must not be eliminated. These costs are for goods and services in oil and gas drilling that have no resale or salvage value and therefore can only be partially recovered by expensing them.

Our industry should not be taxed out of business. Not only will I suffer, but so will my employees. In addition to those directly employed by us in oil and gas exploration, many others that supply goods and services will also be adversely affected. We buy oil field supplies such as tubular goods, pumps, motors, and tanks. We buy services such as legal, trucking and dozer, drilling (which is labor intensive), office space rental, and skilled labor. All of these entities in turn have employees that will be affected. Also, many of these suppliers of goods and services deal entirely with the small independent so they too will be out of business.

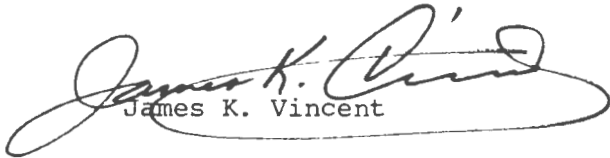
There are many oil producing areas in our country that are explored and produced entirely by small independents. These areas derive substantial tax revenue from the Independent Oil Industry. The residents in these areas, other than those directly in the oil industry, derive a large part of their income (and thus livelihood) from the Independent Oil Industry. It appears to me that the Treasury Department has no idea of the economic impact that the oil related part of its tax reform package will have, or else it doesn't care how severe the economic impact will be or what it does to economic growth.

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The President  
December 31, 1984

Mr. President, I believe you have walked in the little man's shoes and understand the economic consequences of which I speak. Therefore, I am asking you to flatly reject the Treasury Department's tax reform package as it relates to the Independent Oil Industry. I am also asking you to work to repeal the windfall profit tax on oil. It's a totally unfair tax which you promised to repeal.

Thanks for taking the time to read what I have to say. I wish you and yours a happy and productive new year, and may God walk with you as you represent our Country.

Respectfully yours,



James K. Vincent

JKV:mn