

(EXHIBIT B)—Concluded

UNITED STATES TREASURY PAYS TAX REFUNDS TOGETHER  
WITH 6% PER ANNUM INTEREST.

TREASURY DEPARTMENT  
Internal Revenue Service  
ST. PAUL, MINN.

EXAMPLE NO. 1

Nov. 5, 1925

Mr. A. L. Frederickson,  
c/o D. O. Frederickson,  
Castor, Alberta, Canada.

Sir:

This office is enclosing Treasury Warrant No. 698824 issued by Disbursing Agent of the United States Treasury in the amount of \$560.24 to adjust an overpayment of income tax made by you against your liability for the year 1919.

This overpayment resulted from an overassessment as indicated by the Commissioner's Schedule of tax reductions No. IT-A-15338. (Including \$48.18 interest.)

You are hereby requested to acknowledge receipt of this warrant on the enclosed receipt form and forward to this office in the enclosed franked envelope.

Respectfully,

Refunded . . . . \$ 512.06  
Interest . . . . . 48.18  
                      
\$ 560.24

L. M. WILLCUTS,  
Collector of Internal Revenue.

EXAMPLE No. 2.

Under date of April 22, 1930, the following despatch appeared in the public press:

"Washington, April 22—(U.P.)—A tax refund to John D. Rockefeller of New York for \$356,378.34 was announced today by the Internal Revenue Bureau. The amount resulted from an over assessment on his income tax payment for 1917."

Confirmation of the above was requested from the Treasury Department, Washington, D.C., and was received by letter dated May 6, 1930, reading in part as follows:

TREASURY DEPARTMENT  
Washington

May 6, 1930.

"Reference is made to your letter of April 25, 1930, in which you request to be informed as to what portion of the refund of \$356,378.34 allowed in favour of John D. Rockefeller constituted interest.

You are advised that the above stated amount represents the amount of the overpayment made with respect to the taxable year 1917 and does not include interest. While there is no provision of law which would permit the Department to divulge the amount of the interest computed on the overpayment it may be stated that interest at the rate of 6% per annum was computed on such amount from the date the overpayment was made to a date not more than thirty days preceding the date of the refund check."

Very truly yours,

WALTER E. HOPE,  
Assistant Secretary of the Treasury

On this basis of information the refund including interest paid to John D. Rockefeller would be \$612,970.74, apportioned as follows:

1918—Principal over paid for taxable year 1917 . . . . .	\$ 356,378.34
1930—Interest at 6% per annum for 12 years allowed . . . . .	256,592.40
1930—Total principal and interest refunded and paid . . . . .	<u>\$ 612,970.74</u>
Proportion of interest to principal sum refunded is . . . . .	72%

The Annual Reports of Mr. Andrew W. Mellon, former Secretary of the Treasury of the United States, show that in circumstances and for reasons similar to those in the two cases above, during the four fiscal years only of 1927-28 to 1930-31, inclusive, there has been refunded to United States taxpayers the total principal sum of . . . . \$ 404,424,681.64  
plus interest allowed and paid thereon of . . . . . 124,446,508.49  
making a grand total of principal and interest refunded and paid (within the above period only) of . . . . . \$ 528,871,190.13

In Mr. Mellon's latest reports he shows the total Internal Revenue Taxes collected in 15 years—1917-1931 inclusive—as . . . . . \$ 46,460,600,112.16  
and for the same period he shows the total principal and interest refunded and paid as . . . . . 1,323,794,820.88