A Tax Credit Plan for Re-establishing Private Support of Pure Science

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THE HEAVY TAXES NOW LEVIED against incomes have virtually dried up private support for American science. Its revival need not, however, be contingent upon the return of that visionary day when the Federal budget will again approach its predepression size. Another and very simple means is at hand. Being flexible to a high degree, this means can be made sufficiently productive to carry the full load of pure science, or it can be operated in parallel with the appropriation of funds from the Federal Treasury.

By way of explanation of the plan, let us first note the inequalities of reckoning which the income tax law now accords to different income classes. Assuming that our goal is to complete a certain budgetary quota for pure science, each dollar entering the quota should be counted as of equal value, irrespective of its source. In other words, the dollar contributed voluntarily to science should count equally with the dollar processed by the tax collector. Under the present tax formulas, however, this is not the case. The person who voluntarily donates a $1.00 finds his tax reduced not by $1.00 but by an amount lying between the approximate limits of $.19 and $.85, depending upon whether he stands at the low or the high end of the income scale. As for a contributing corporation, its dollar counts for a maximum of $.38. If science is hereafter to receive support partly from private donations and partly from the Federal Treasury (an arrangement that many advocates of Federal aid hope for), it seems definitely illogical that the only dollars to count at full value should be those taken, and later contributed, by the tax collector.

While recognizing that inconsistencies in the tax schedules are nothing new and are perhaps not overly embarrassing to tax authorities, I wish to emphasize, nonetheless, that the removal of these disparities might readily suffice to produce even greater support for science than any one dreams of asking from the Government. In short, the rectification which becomes logical, were Treasury funds to be drawn upon to participate jointly with private aid, might well result in making the Treasury funds unnecessary.

Let us now see how the plan might operate in the current year. The total income tax payments from individuals on incomes earned in 1946 is (in round figures) $18,000,000,000. In the tax discussions now taking place in Congress, reductions in individual taxes ranging from 10 to 30 per cent are mentioned. If it is supposed that the amounts finally agreed upon average 15 per cent, then, using for 1947 the 1946 base of $18,000,000,000, this would represent a reduction of $2,700,000,000. This reduction is so large that a few per cent of it would equal any sum that has been mentioned as appropriate for additional aid to science, and when the contributions that may be expected from corporations are taken into account, the sum that would be needed from private donors becomes even a smaller quantity in comparison with the presumptive tax reduction.

The specific proposal, then, is that, from the shortly-to-be-established tax reduction, Congress channel approximately 2–3 per cent to science by the expedient of informing the taxpayer that he will get full tax credit for any contribution (up to, say, 5 per cent of his income) which he makes to approved scientific agencies. Many of these contributions, and especially those from corporations, would be made to the National Science Foundation if, as may reasonably be assumed, such a body is created. If any taxpayer does not elect to make such a contribution, he may expect the tax collector to demand an equal sum. As a matter of fact, adequate support may reasonably be expected to flow from the recipients of large incomes alone (*i.e.* from the group who are already accustomed to making systematic contributions) without drawing from the small-income groups, the mobilization of which might well require considerable time and effort.

Although here expressed in terms of a percentage of the pending tax reduction, the credit system is, of course, envisaged as applying year after year, the mechanism being the same whether or not a tax reduction for any year is in prospect. The allowable credit would be stated as a fraction of the taxpayer's net income (5 per cent, for example), and, while this fraction might be subject to modification from time to time, any change would be incidental to the operation of the plan. There might, however, be some advantage from the taxpayer's standpoint in launching the plan in a year when a tax reduction is in prospect. It might be mentioned that the plan has been discussed with tax experts and is believed to involve no hidden difficulties of administration.

But, it will be objected, the plan grants to pure science

This plan has been placed before Congress, but its details and the reasons for its proposal are not generally understood among scientists. The plan was referred to by F. B. Jewett in his recent statement before the House Committee on Foreign and Domestic Commerce.

the privilege of a special tax treatment which would not be accorded the many other forms of philanthropy. This is true; yet such a charge is even more to be leveled against the proposal to support science out of Federal funds. This represents the very pinnacle of partiality. No possible course of action could give science a more favored position, and if any charge of favoritism is to be brought, the plan of Treasury aid is clearly more liable than the plan for modifying the income tax formulas.

Moreover, the charge of partiality against the plan becomes even weaker if the tax credit is allowed to apply to donations to educational purposes generally. Expressing the basic doctrine that universal education is essential to our democratic way of life, governments, both state and federal, have traditionally encouraged and supported virtually all forms of education. In fact, any proposal to put greater stress upon higher education and research—the current appeal for a National Science Foundation being a case in point—can succeed only as it is supported upon a broad and effective base. At this very time, many of our leading universities are more in need of funds to defray current expenses than for more scholarships, fellowships, and research. It is therefore pertinent to point out that the tax credit plan here proposed is so flexible that it could be used, were Congress so minded, to create a broad-gauge and long-range program in aid of American scholarship in all its branches.

Everyone recognizes that many of the serious postwar problems looming up are not in the domain of the exact sciences at all, although many of them have had their birth in the social and political consequences of technology. As a nation, our success in the future depends increasingly upon broadening our understanding of such areas of learning as sociology, political science, economics, and psychology—call them sciences or not, as we choose. Congress can, if it will, shore up the entire foundations of American learning and scholarship and do so in a manner that will need little, if any, surveillance for a long time to come. Moreover, this can be done without enacting any novel legislation. It may be expected to occur spontaneously, once there is inaugurated the income tax credit that is deductible from the tax that is otherwise payable.

NEWS *and Notes*

The British Association for the Advancement of Science has invited Kirtley F. Mather, Harvard University, to deliver a lecture at its Dundee meeting (*Science*, May 16) under the exchange lectureship arrangement entered into by the AAAS and the BAAS in 1938. The Council of the BAAS has extended an invitation to Andrew C. Ivy, University of Illinois Medical School, Chicago, to be the guest of the Association at this meeting.

About People

H. A. Wilhelm, Department of Chemistry, Iowa State College, has been appointed assistant director of the Iowa State College Institute for Atomic Research. Ellis I. Fulmer, professor of chemistry at Iowa State, will join the staff of the Institute as research professor and assistant to the director.

C. C. Wylie, professor of astronomy, State University of Iowa, and secretary of Section D, AAAS, has been appointed director of the recently created Meteor Section of the Meteoritical Society.

Neal A. Weber, formerly associate professor of anatomy, University of North Dakota Medical School, has been appointed associate professor of zoology at Swarthmore College.

Henry S. Johnson, dean, College of Pharmacy, University of Connecticut, retires this month from his administrative duties but will continue on the staff as professor of chemistry. Dr. Johnson, who has been associated with the College since it was opened in 1925, is succeeded as dean by H. G. Hewitt, Department of Chemistry, University of Buffalo.

A. H. Compton, chancellor of Washington University, St. Louis, delivered the principal address at the dedication of the Iowa State College Institute for Atomic Research May 17.

Willard A. Kerr, assistant professor of industrial and social psychology, Tulane University, has been appointed associate professor of psychology and education, Illinois Institute of Technology, effective September 1.

Alfred L. Kroeber, formerly professor of anthropology, and director, Museum of Anthropology, University of California, Berkeley, has been appointed visiting lecturer on anthropology in the Department of Social Relations, Harvard University, for the academic year 1947–48.

Frank T. Gucker, Jr., professor of chemistry, Northwestern University, has been appointed professor of chemistry and chairman, Department of Chemistry, Indiana University, and will assume his duties there in September.

George Bachmann, professor emeritus of physiology, and chairman, Department of Physiology, School of Medicine, Emory University, for the past 37 years, will retire at the end of the present academic year.

H. P. Robertson, a member of the faculty of Princeton University since 1928, has been appointed professor of mathematical physics, California Institute of Technology, effective July 1.

J. Gordon Carlson, senior biologist at the National Institute of Health, Bethesda, Maryland, has been appointed professor and head of the Department of Zoology, University of Tennessee, Knoxville. He will assume his duties there on June 15.

Donald Sheehan, professor of anatomy and lately acting dean of the New York University College of Medicine, has