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December 27, 1984

Mr. James A. Baker III
Chief of Staff and Assistant to the President
The White House
1600 Pennsylvania Ave NW
Washington, DC 20500

Dear Mr. Baker:

SUBJECT: Treasury Department Tax Reform Proposals

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 captial 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 government in the United States. I, therefore, urge you, in the strongest terms, to publicly oppose the recent Treasury proposal.

Sincerely,

Roger Dittus

Roger Dittus, President
Heartland Realty, Inc.

RD/ss

December 18 , 1984

RE: Treasury Department Tax Reform Proposals

Dear Mr. 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 philosphy 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,

Carroll M. Bong

Postscript:

This proposal may appear to somewhat lower the Federal tax for low to moderate income households. However, it completely ignors the intent embodied in the existing tax code to help provide decent and affordable housing for low to moderate income households. In today's marketplace, fully 35 to 40% of the total rental housing capital investment is equity which is compensated solely through tax deferral and conversion with no current yield. Current rent will only support a market competitive cash yield for 60 to 65% of the construction cost (typical mortgage financing). If the pass through tax benefits are eliminated under the Treasury proposal, new rental construction will stop and rents on existing rental housing will quickly adjust to a 50% increase, thereby costing the average American renter about $2,000 per year. In essence, Treasury proposal is a government mandated rent increase.

December 17 , 1984

RE: Treasury Department Tax Reform Proposals

Dear James Baker

I(we) 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(we) 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 philosphy 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,

Tom C. Schock

Tom C. Schock, Realtor

Postscript:

This proposal may appear to somewhat lower the Federal tax for low to moderate income households. However, it completely ignors the intent embodied in the existing tax code to help provide decent and affordable housing for low to moderate income households. In today's marketplace, fully 35 to 40% of the total rental housing capital investment is equity which is compensated solely through tax deferral and conversion with no current yield. Current rent will only support a market competitive cash yield for 60 to 65% of the construction cost (typical mortgage financing). If the pass through tax benefits are eliminated under the Treasury proposal, new rental construction will stop and rents on existing rental housing will quickly adjust to a 50% increase, thereby costing the average American renter about $2,000 per year. In essence, Treasury proposal is a government mandated rent increase.

Regan Wieland and Company

Box 3024 • Manchester Building • 112 North University • Suite 101
Fargo, North Dakota 58108

Dale D. Lian, President
Kenneth P. Regan
James S. Wieland
Richard A. Berg

December 14, 1984

Investment Real Estate
Tax Shelters
Farmland

Mr. James A. Baker III
Chief of Staff and Asst. to the President
The White House
1600 Pennsylvania Avenue NW
Washington, D.C. 20500

Dear Mr. Baker:

I strongly oppose the Treasury Department's tax proposal, particularly as it relates to:

1. Interest Indexing
2. Capital Gains
3. Real Estate depreciation being basically eliminated

These items, if passed as proposed, would severely hamper private business and the construction industry.

Let's promote true tax simplification that does not reduce the incentive to invest capital. Our jobs come from capital investment into business, industry, and new construction. And, of course, reducing the federal deficit should be our primary immediate concern.

Your consideration of my concerns is appreciated.

Sincerely,

Kenneth P. Regan

Kenneth P. Regan

KPR/pan

INLAND SECURITIES, INC.

401 South Main • P.O. Box 2011
Minot, North Dakota 58702
701 / 852-1640

December 27, 1984

James A. Baker III, Chief of Staff and Assistant to the President
The White House, 1600 Pennsylvania Avenue N.W.
Washington, D.C. 20500

Dear Mr. Baker:

I am writing this letter in regard to the proposed changes in our current tax laws.

As all of us are aware of the pressure now existing on the housing industry, I strongly feel that the far reaching tax changes would virtually destroy any chance for new decent and affordable housing for the exact people these proposals are intended to help and protect. The reason for this is simply that in today's marketplace, 35 to 40% of the total rental housing capital investment is equity which is compensated solely through tax deferral and conversion with no current yield. Current rent will only support a market competitive cash yield for 60 to 65% of the construction costs. If the pass through tax benefits are eliminated under the Treasury proposal, new rental construction will stop and rents on existing rental housing will quickly adjust to a 50% increase, thus costing the average renter about $2,000 a year. While President Reagan suggested there would be no tax increase, in essence the Treasury proposal is a government mandated rent increase.

This doesn't even bring into account the related industries: wood; steel; building in general.

In short, I ask is the United States really ready for the terrible unemployment and the acceleration of the recessionary pressures that were so prevalent in the Carter years? I, for one, am not.

In closing, I'd like to state that as written, this proposal is most economically damaging and conflicts with the whole philosophy of the Reagan administration and re-election. I therefore strongly suggest that you publicly oppose these proposals.

Respectfully,

Bill Moran

Bill Moran

BM/md

REAL ESTATE SECURITIES
RESSI REALTOR®
and SYNDICATION INSTITUTE

INLAND SECURITIES, INC.

401 South Main • P.O. Box 2011
Minot, North Dakota 58701

701/852-1640

December 26, 1984

James A. Baker III, Chief of Staff and Assistant to the President
The White House, 1600 Pennsylvanie Avenue, N.W.
Washington, D.C. 20500

RE: Treasury Department Tax Reform Proposals

Dear Mr. Baker:

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 proposals 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 admisistration and re-election. I, therefore, urge you, in the strongest terms, to publicly oppose the recent Treasury proposal.

Very truly yours,

Dave

David J. Theusch

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REALTOR®
and SYNDICATION INSTITUTE