

Friday , June 12, 1925.

Report of the Newspaper Conference.

I haven't any information beyond what has already been published I think relative to the Tidal Basin Bathing Beach. I think I put into the Budget last year a recommendation for money to be used to keep that open as a bathing beach and you will undoubtedly recall who it was that made a motion in the Senate to have it taken out. It was taken out. I should be very glad to do anything I can to afford bathing facilities for the residents of Washington, I mean especially those that are here in the Government employ, but I don't know of any action that I can take beyond what is being taken by Colonel Sherrill, who has charge of Public Buildings and Grounds. I understood that he was doing what he could to see if some plan could be devised for using the Tidal Basin for bathing.

I don't think there is anything I can add to what Secretary Kellogg stated today in relation to our relations with Mexico and conditions in that country.

I haven't seen the suggestion of Senator Smoot ~~for~~ which he is said to have made that the Federal Government might retire from the inheritance tax field and the states retire from the income tax field. Very likely if he has made that statement it is the result of careful study by him. He is not given to making statements that haven't substantial foundation of logic and soundness. I can see quite a good many difficulties in securing the adoption of a plan of that kind, because it requires the action of a good many state legislatures, and I presume it would be quite difficult to get the different state legislatures to discontinue income taxation. I haven't any particular information about any except the Massachusetts tax law, but I should think it would be practically impossible for the Commonwealth of Mass. to give up the income taxes that it secures and try to get sufficient revenue entirely from inheritance taxes. Many states do not only have an income tax, but also an inheritance tax, so I should think there would be a good many practical difficulties in the way of putting this proposal into operation, though I can say that while I like the idea I don't know whether it would be possible to get it adopted. I discussed somewhat before the tax conference here the question of inheritance taxes, suggesting that the National Government perhaps ought to retire from that field and leave it to the states. I realize that we could not retire all at once. It would have to be a gradual retirement on account of the amount of revenue that we secure.

Ques. Mr. President: In going over Mr. Winston's speech yesterday, I wasn't sure that your statement that it oftentimes takes \$2 to collect \$1 meant the individual states or the Federal Government.

The President: I can't recall now just how those figures ran. I would have to get that address out and refresh my recollection about it. That was the cost, as I recall it, to the states.

I have already spoken about the bathing beach and Senator Smoot's tax suggestion.

I am going to Mass. some time after the 22nd. I should presume between the 22nd and the 25th. I am not certain which day.

I have suggested to the Shipping Board that it confer on Admiral Palmer the matter of negotiating sales of ships. That is as far as my suggestion goes. Because of the difficulty of any person negotiating with the Board of 7 members, I suggested that Admiral Palmer take the negotiations and draw up the contract and lay it on the desk of the Shipping Board for their approval or their disapproval. I did that because it has constantly come to my attention that people have become discouraged about attempting to negotiate with the Shipping Board for the purchase of ships. They want some single person to whom they can apply to make a trade. They don't find that it is expedient to negotiate with the whole 7.

I am not certain whether I shall go to the Governors' Conference at Poland Springs. I want very much to go up there. It is doubtful whether I can get there though.

As I have already said, I don't see that I can add anything to what I thought was the very clear statement that Secretary Kellogg gave out relative to Mexico.

I have already spoken of the sales of ships and my reason. I didn't have any other reason. It was simply for the convenience of those who ~~would~~ want to purchase ships and to make more certain that we can negotiate. It wasn't on account of any dissatisfaction with any sales that have been made, but because as I have said, people have suggested to me that they weren't able to carry on the negotiations with 7 men. I didn't have in mind anything other than the sale of ships. I don't know of any suggestions that are being considered at the present time for the sale of any ships. Maybe there are some; I don't know of any.