

daughters of the well-to-do, or only to the dedicated few who will work their way through college, we are increasingly recognizing that whether they learn anything or not, young people should spend 4 years in college and therefore that this is a necessity. But there are a good many other necessities of life; the food I put on my table every day is also a basic necessity. The clothing I wear is necessary. A lot of other things in life are necessities with at least as strong a claim for special treatment as college expenses. This is one aspect of it.

I talked earlier about the tax system distorting people's choices with respect to disposition of income. Deductibility of college expenses would constitute precisely that kind of distortion.

A further objection is that Federal aid to education--and this is what it would be--through the income tax, if it were to come in the form of a deduction from income like your State and local taxes or your charitable contributions, would be worth more the less you needed it. In other words, for a family with eight kids and an income of \$6,000 a year, deductibility of college expenses would not be worth a nickel because there is no income tax liability. For the family with three kids, and an income of \$6,000 or \$7,000, deducting \$1,000 would provide toward financing that education the magnificent sum of \$140. For the same family with \$150,000 income, deducting the \$1,000 would be worth, at 1965 tax rates, \$700.

So that, there is an inverse relationship between need and assistance through deductibility. Answering this objection some Congressmen have suggested that there ought to be a credit against tax liability computed, say, at the first bracket rate. You would deduct from your tax liability, say, \$140 for every \$1,000 spent. Here, again, it would do no good for the low income family. It would provide only a token amount of assistance, and the amount of aid would vary directly with the actual expenditures incurred which would be very little for the kid who goes to a "streetcar college" as we used to call it, an urban college, who lives at home, relative to the kid who goes to Yale.

Beyond that, even if you can get around that objection, I would agree that if it were to cost, say, \$1 billion--and anything less than that is probably not worth bothering with--if it were to cost \$1 billion, well, I say it is not worth bothering about because we have an enrollment in higher education now of over 4.5 million kids, and