

## **COURT TELLS BLAIR TO GIVE TAX DATA**

### **Decides He Must Produce Income Tax Figures Before Tax • Appeal Board.**

*Special to The New York Times.*

WASHINGTON, June 29. — Commissioner of Internal Revenue David H. Blair was ordered in a decision in Equity Court today to produce for the Board of Tax Appeals the income tax returns of a dozen companies engaged in the manufacture of metal-working machinery and metal tools.

The Osterlein Manufacturing Company of Cincinnati desired to learn the method and principle by which Mr. Blair arrived at the figures showing the invested capital of these concerns and how he arrived at the figures representing what they should pay as excess profits taxes. It desired, in support of its appeal before the board, to show how other concerns in its line of business were treated in its income tax problems, and claimed that Mr. Blair was in possession of the necessary papers, the income tax returns of those concerns.

Mr. Blair at first refused to obey a subpoena on the ground that he would be violating the law if he produced such evidence before any Government body but the House and Senate. He also contended that the dozen firms mentioned by the Osterlein concern had a lawful right to the privacy he intended to accord them and that it would be to their damage if he exposed their private affairs.

The Board of Tax Appeals was powerless to act against Mr. Blair, as one Government body cannot sue another. The Osterlein concern then filed suit and named both Mr. Blair and the Board of Tax Appeals as defendants.

The decision rendered today by Justice Adolph A. Hoehling is considered extremely important. While the income tax laws permit publication of names of taxpayers and amount paid as income tax, this decision, permitting returns to be produced before the board in a tax appeal case upon demand of a person or firm appealing from a ruling of the Commissioner of Internal Revenue means that any one can see them, as all documents produced before the board are public property.

Mr. Blair noted an appeal from the order requiring him to obey the subpoena from the Board of Tax Appeals to produce the income tax returns for the scrutiny of the plaintiff concern.