1415  This Week in Science

**Editorial**
1417  Punitive Taxation of Science and Engineering

**Letters**

**News & Comment**
1425  Will Magnet Problems Delay the SSC?
1427  German Universities Bursting at the Seams
1428  Monitoring the Fate of the Forests from Space ■ Landsat Wins a Reprieve
1430  Alar: The Numbers Game
1431  MCAT to Stress Thinking, Writing
1432  Unesco Seeks Role in Genome Projects

**Research News**
1433  Making the Moon, Remaking Earth
1435  Ice Age Art Idea Toppled
1436  Update on Electron Superconductors
1437  Diary of a Solar Flare
1439  Will the Hubble Space Telescope Compute?
1439  Scheduling the Stars

**Articles**
1441  Growing Up in Poor Neighborhoods: How Much Does It Matter?: S. E. Mayer and C. Jencks
1445  The First High-Energy Neutrino Experiment: M. Schwartz
1450  Gial Cell Diversification in the Rat Optic Nerve: M. C. Raff

**Reports**
1456  Generalized Tube Model of Biased Reptation for Gel Electrophoresis of DNA: J. Noolandi, G. W. Slater, H. A. Lim, J. L. Viovy
1458  Heat Flow and Hydrothermal Circulation in the Cascade Range, North-Central Oregon: S. E. Ingebritsen, D. R. Sherrod, R. H. Mariner
1462  Reduction of Intestinal Carcinogen Absorption by Carcinogen-Specific Secretory Immunity: L. K. Silbart and D. F. Keren

Identification of a Platelet Membrane Glycoprotein as a Falciparum Malaria Sequestration Receptor: C. F. Ockenhouse, N. N. Tandon, C. Magowan, G. A. Jamieson, J. D. Chulay

The Mutations in Ashkenazi Jews with Adult GM2 Gangliosidosis, the Adult Form of Tay-Sachs Disease: R. Navon and R. L. Proia

Quisqualate Activates a Rapidly Inactivating High Conductance Ionic Channel in Hippocampal Neurons: C.-M. Tang, M. Dichter, M. Morad

The EGF Receptor Kinase Substrate p35 in the Floor Plate of the Embryonic Rat CNS: J. A. McKanna and S. Cohen

Binocular Unmasking: An Analog to Binaural Unmasking?: B. Schneider, G. Moraglia, A. Jepson

Identification of an Allatotropin from Adult Manduca sexta: H. Kataoka, A. Toschi, J. P. Li, R. L. Carney, D. A. Schooley, S. J. Kramer


Direct Bronchial Analysis of the Restoration of Activity to a Mutant Enzyme by Exogenous Amines: M. D. Toney and J. F. Kirch

Amyloid β Protein Enhances the Survival of Hippocampal Neurons in Vitro: J. S. Whitson, D. J. Selkoe, C. W. Cotman


Reproductive Success, reviewed by R. E. Ricklefs • The Sources of Innovation, F. M. Scherer • Lost in Space, A. Hayes • Some Other Books of Interest • Books Received

Microscope Imaging Workstation • Biocompatible HPLC Columns • Mathematics Software • Software for Finite Element Analysis • DAB in Liquid Concentrate Form • Peptide Analysis by HPLC • Heating Mantles for Flasks • Literature
PUNITIVE TAXATION OF SCIENCE AND ENGINEERING

The Subcommittee on Oversight of the House Committee on Ways and Means has proposed legislation that would diminish the ability of science and engineering to serve this country. This appears to be an unintended consequence of a major effort to curb some abuses by tax-exempt organizations, which include churches, hospitals, universities, trade associations, and scientific and engineering societies.

Excluding 340,000 churches, there are in this country some 866,000 exempt organizations with total annual revenues exceeding $300 billion. In order to provide financial resources to achieve their purposes, some of them have engaged in commercial activities unrelated to their tax exemption. By so doing they compete with tax-paying companies including small business. Although nonprofits do pay taxes, Congress has been subjected to highly organized lobbying by these companies that claim the taxes are too low. Congress is being called on to take drastic action to tax more of the profits derived from unrelated business income, or “UBIT.” Obviously, when a million organizations are involved, each differing somewhat, a detailed judicial approach is difficult. A sweeping broad approach is tempting.

An example of the negative effect of such an approach is the proposed accounting treatment of advertising revenues of Science and other scholarly journals. In comparison with profit-making magazines, scientific and engineering journals containing advertising would be subjected to a punitive tax.

When commercial magazines are published, the total cost of editorial matter, printing and mailing, and other expenses is subtracted from net advertising revenues before levying a tax. In contrast, the proposed legislation calls for a 34% tax on net advertising revenue of scholarly journals published by tax-exempt scientific and engineering societies, with no offset allowed for costs of writing, editing, assembling, and printing the scholarly material, as is the case today.

The proposed tax would deleteriously affect the financial capacity of many scholarly societies to carry out their tax-exempt purpose to disseminate research results. For example, it would seriously injure the capabilities of the American Association for the Advancement of Science to the tune of about $1 million a year. To meet such a blow, the Association would be forced to curtail its activities. The scholarly scientific content of Science would necessarily be reduced and its illustrious global reputation injured. In addition, public service activities of AAAS such as improvement of secondary education and efforts to help women, minorities, and the handicapped toward greater representation in science and engineering would be reduced. Other major scientific and engineering societies would to varying degrees be affected. In their scholarly journals, they are facing increasing and tremendous competition from large-scale foreign-owned profit-making publishing houses that have already captured a majority of the scientific scholarly market and are charging huge prices to libraries for their low-circulation journals.

Why is the subcommittee even considering such a harmful proviso of its legislation? It appears that some exempt organizations include automobile and other consumer advertisements in their magazines. To curtail such practices, the subcommittee has proposed the tax-accounting change mentioned above. What it should do now is give proper weight to the nature of the advertising appearing in the scholarly scientific and engineering journals. Those that contain no consumer advertising but rather advertisements highly related to scholarly endeavors should be treated differently from those that contain liquor, cigarette, or other consumer advertisements.

The Subcommittee on Oversight has labored for about 2 years to develop legislation to curb abuses by some tax-exempt organizations. It is now under pressure to submit legislation to the Committee on Ways and Means. The subcommittee has an opportunity to act constructively in this arcane and complex area of tax law. If it does not, more than the scientific and engineering societies will suffer. The whole nation will be the loser.

—PHILIP H. ABELSON