

**GHQ/SCAP Records(RG 331)**  
**Description of contents**

THE  
NATIONAL ARCHIVES  
OF THE  
UNITED STATES

- (1) Box no. 2188  
(2) Folder title/number: (3)  
SCAP Advisory Committee

(3) Date: Aug. 1949

(4) Subject :

Classification	Type of record
031	e

(5) Item description and comment :

(6) Reproduction :  Yes  No

(7) Film no. Sheet no.

GENERAL HEADQUARTERS  
SUPREME COMMANDER FOR THE ALLIED POWERS  
Government Section  
Public Affairs Division

27 August 1949

MEMORANDUM FOR THE CHIEF, GOVERNMENT SECTION

SUBJECT: Proposal to Establish SCAP Advisory Committee

1. The Local Autonomy Law and other laws relating to government functions have sought to define the responsibilities of the national, prefectural, and municipal levels of government. It has long been apparent, however, that a completely effective clarification of lines of responsibility could not be achieved prior to the formulation of long-projected tax reform measures - since functions are inextricably bound up with the assignment of tax revenues.
2. In the course of its deliberations the Shoup Mission decided to recommend sweeping revision of the tax structure. Thus, inevitably, arose the question of reconsidering assignments of functions to the various levels of government. In its report the Mission suggests creation of a temporary commission on local government organization to make recommendations concerning functional delegations and changes in the system of subsidy allocations.
3. Effective implementation of the local government phase of the Shoup Mission report requires that the study of government functions be undertaken and completed as expeditiously as possible. It is proposed, therefore, that GS organize a Headquarters committee to work with the projected Japanese commission. The task of the committee would be to extend whatever advice and assistance might be required by the Japanese commission - and, most important, to invoke necessary measures to speed the commission's deliberations.
4. The projected Headquarters committee could include Mr. Bradshaw or Mr. Allen of Internal Revenue Division, ESS, who are directly concerned with the collection of local government revenues; Mr. Baron, Finance Division, ESS, who will have a large share of responsibility for all matters relating to national government subsidies or equalization grants; and Dr. Oppler of Legal Section.
5. Recommend that the Public Affairs Division be authorized to take action immediately to organize a Headquarters committee to advise the projected Japanese commission concerning delegations of functions to the various levels of government.

OSBORNE HAUGE  
Chief, Public Affairs Division