



Handwritten notes: CJA 9/29/99 TT&L 056

September 17, 1999

Cynthia L. Johnson
Director Cash Management Policy and Planning Division
Financial Management Service
Department of the Treasury, Room 420
401 14th Street SW
Washington DC 20227

Re: RIN 1510-AA79 Payment of Federal Taxes and Treasury Tax and Loan Program

Dear Ms. Johnson:

Johnson International Inc., a \$1.7 billion bank holding company headquartered in Racine, WI, with affiliated banks in Wisconsin, Illinois, and Arizona, appreciates the opportunity to comment on the above-referenced regulatory proposal.

Our bank currently provides TT&L collection services for our customers as an agent of the Treasury. A recent review of the profitability of this activity indicates that we provide these services at a net loss to our company. Human resources, computer processing and other miscellaneous expenses are not covered by the income we receive holding the Treasury's money prior to remittance.

While we appreciate your attempt to streamline and modernize this regulation, the net effect appears to be the elimination of the 25 basis point discount from the formula used to calculate interest due. The elimination of the 25 basis points from the formula further increases the net loss to our bank for collecting and processing these payments.

While we support your effort to streamline the index in the formula, we adamantly oppose this proposal because of the elimination of the 25 basis point component to the formula.

Thank you for the opportunity to comment on this proposal.

Sincerely,

A handwritten signature in black ink, appearing to read 'John R. Topczewski'.

John R. Topczewski
Vice-President Risk Manager
Corporate Compliance Officer

Cc: Mark Behrens, Senior Vice-President Johnson International
Harry Argue, Executive Vice-President Wisconsin's Bankers Association

JOHNSON INTERNATIONAL, INC.

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