***33 T.C. 203 (1959)***

A taxpayer seeking relief from excess profits tax under Section 722 of the Internal Revenue Code of 1939 bears the burden of proving that its circumstances meet the specific criteria outlined in the statute, and that a fair and just amount for constructive average base period net income can be determined.

**Summary**

The Natatorium Laundry Company sought relief from excess profits taxes, claiming entitlement to a constructive average base period net income (CABPNI) under section 722 of the Internal Revenue Code of 1939. The company argued that it was eligible for relief because of plant remodeling, a price war in the linen supply business, and changes in the character of its business by adding rug and pillow cleaning services. The Tax Court denied relief, finding that the company failed to prove its case, did not demonstrate how the events in question affected its business, and failed to establish a CABPNI that would justify tax relief.

**Facts**

Natatorium Laundry Company, a Texas corporation, filed for relief from excess profits taxes for 1944 and 1945, with carryover claims for 1942 and 1943. The company operated a laundry, dry cleaning, linen supply, fur storage, rug cleaning, and pillow cleaning businesses. The company argued that its normal operations were interrupted by plant modernization in 1938 and a

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