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## PAYING TAXES IN CAROLINA

### POSTPONED

The second session of the State and County Council, which was marked up by the state department heads and university authorities to occur at the University on August 17-19, has now been called off for the present. This determination was reached on yesterday at a conference in the Governor's office. The Council was originally planned to follow the extra Legislative session. But as it happens, the Legislative and the Council dates are in unresolvable conflict, and the Council session is therefore postponed. Definite announcements will be made later. The mind of the state is preoccupied with the great problems of the legislature "under consideration", said Professor Branson of the University committee. "The Governor and the state department heads find it well-nigh impossible to be away from their offices at the capitol during the sitting of the legislature, and their minds are set upon a great council session at a later date, during the fall or winter. The federation of the public service agencies of the commonwealth, state and county, is a vital one that merits, they think, the undivided attention of all the public welfare officials and the civic-minded people of the state."

Meantime the School of Public Welfare at the University goes on until September 3. And it is the first time in the South that any institution has offered full college-quarter courses and credits in social science and social engineering.

The Summer School crowd goes this week, but the Red Cross secretaries get on to complete their courses for field service and administrative positions. The field agents of the State Community Service Bureau and others interested in community problems hold a 10-day school at the University August 20, under the direction of Prof. W. Crosby, with a staff of specialists. On August 16-17 Miss Elizabeth Kelly, who heads the state bureau that battles with Adult Illiteracy, calls her field agents into session at the University, for special instruction in her work and to share in the program of the Community Service School. People in general who are interested in this and other community problems are free to attend. They can secure a program and board on the campus at \$2.00 a day by writing at once to Dr. H. W. Lum, Chapel Hill, N. C.

### PAYING TAXES IN CAROLINA

In 1860 the taxable wealth of North Carolina averaged \$361 per inhabitant, and twenty-eight states made a better showing.

In 1912, or some fifty years later, our estimated true wealth in taxables was \$491 per inhabitant, and forty-seven states made a better showing. The Census Bureau wrote us down at that time as the poorest state in the Union! See the bulletin on Wealth, Debt, and Taxation, p. 20.

In 1917, our actual taxable wealth per inhabitant averaged \$391. Which is less than half our per capita taxable wealth, as estimated five years earlier, and actually only \$30 greater than it was some sixty years ago! An increase of less than 10 percent in more than a half century!

Something is wrong of course. And the explanation lies in our inordinate repugnance to paying taxes in North Carolina.

Meantime we pay into the federal treasury 163 millions of taxes, and less than 25 millions into our town, county, and state treasuries, for all tax purposes whatsoever. We fatten the treasury in Washington and starve our treasuries at home.

In order to look into our tax situation in detail under the old order of things when everybody listed his properties or much or little or nothing at all, just as he pleased, and so laid upon the state unbearable inequities and inequities, Mr. P. P. Purrington of Scotland Neck, a student at the University of North Carolina, has worked out a table ranking the counties of the state according to per capita taxable wealth in 1917. See his table in another column of this issue.

### Above and Below the Line

Our average of taxables per inhabitant in 1917 was only \$391. Only \$391, after two and a half cen-

turies of history!

The averages ranged from \$183 in Dare and \$189 in Yancey, our two poorest counties, to \$634 in New Hanover and \$804 in Durham, our two richest counties.

Only 25 counties were above the state average of \$391.

Sixty-five counties were below the state average, with ten counties omitted for lack of authoritative population figures—Avery, Caldwell, Chatham, Cumberland, Hoke, Lee, Mitchell, Watauga, Moore, and Robeson.

No wonder 33 counties of the state are deficit, dependent counties, getting more money out of the state treasury than they pay into it!

Thirty of these 33 dependent counties paid taxes on listed properties ranging from \$183 to \$391 per inhabitant.

### An Honor Roll

Only three of the 17 mountain counties were above the state average of \$391 in taxables per inhabitant—Swain, Transylvania, and Buncombe.

Of the foothill counties, only Gaston, Mecklenburg, Cabarrus, Rowan, Davidson, Forsyth, Orange, Durham, Vance, Wake, Richmond, Wayne, Wilson, Halifax, and Northampton stood above the dead line.

And in the Tidewater, only New Hanover, Onslow, Craven, Hyde, and Martin.

Here's an honor roll—not so much in wealth as in tax willingness.

### Tail-Enders

Twenty-three counties of North Carolina confessed a taxable wealth of less than \$300 per inhabitant. Think of counties like Pamlico, Wilkes, Ashe, Alleghany, Rutherford, Person, Burke, Union, Sampson, and Bertie being in this list of tail-enders.

Five of these counties, after several centuries of civilization, were worth around \$200 per inhabitant—on the tax books. Two of them, less than \$200 per inhabitant.

### Some Surprises

Forsyth has long led the state in the annual value of manufactured products. It leads the United States in the output of tobacco products and men's underwear; but in per capita wealth on the taxbooks Forsyth lags behind Durham, New Hanover, and Buncombe, which rank first, second, and third, in the order named.

Durham county, which leads in the production of hosiery, also leads in per capita property on the taxbooks, and it has had this eminent distinction year by year since 1915. Mecklenburg, the center of the hydro-electric power areas and the textile mill supply business of the south, stands six places below Durham; Gaston, the best developed textile center in the south, stands ten places below; and Guilford, which leads in denim mills and furniture factories, 23 places below. Transylvania stands above Mecklenburg, and Martin just below.

Orange, with her three cotton mill concerns, stands two places above Gaston with her hundred mills, four places above Wake, and fourteen places above Guilford. Only seven counties in the state are richer in per capita taxables.

Even Swain outranks Wake in per capita taxable wealth, and it stands far above Richmond, Guilford, Davidson, Rowan, and Rockingham, all of which are well developed manufacturing counties. Even Northampton stands above Guilford.

And Graham, a little mountain county set in the clefts of the Smoky Mountains, stands above Pasquotank, the leading county in the Albemarle country, and also above Johnston, the second richest agricultural county in the state.

Among the 17 mountain counties, the leaders are Buncombe, Transylvania, Swain, and Graham; and the laggards are Macon, Alleghany, Ashe, and Yancey, with per capita taxable wealth ranging from \$264 to \$189 in the order named.

## FEDERATION

Suppose we had in every county in North Carolina a body of closely integrated social servants composed of (1) the school board with its superintendent and supervisors, (2) an agricultural board with its home and farm extension agents, (3) a public health board with its whole-time health officer, its public health nurses, its clinics and dispensaries, (4) a public welfare board and its secretary charged with specific social concerns, and (5) a ministerial board composed of all the preachers of all the churches busy stamping every common effort with the ultimate values of life and destiny, time and eternity—suppose, I say, the civic and social mind of North Carolina were organized and federated in this way!

If only it could be so, and it can, then what an era of democratic wholesomeness and effectiveness we should enter upon, and how rapidly our beloved state would move to the fore in the new social order that is even now breaking upon the world.—E. C. Branson, an address before N. C. Social Work Conference.

But perhaps the greatest surprise of all is Pitt, the greatest tobacco producing and marketing area in the state. Thirty counties make a better showing in per capita taxable wealth. Either tobacco does not enrich a people, or it develops a tight-fisted taxpaying conscience. Not only does Wilson stand ahead of Pitt, but Onslow and Hyde bear heavier tax burdens per inhabitant. Jones has never been considered a rich county, but it stands next to Pitt in taxpaying willingness.

### Revaluation Hints

However, look at the table. It provokes endless comparisons.

Two things are plainer than print: (1) As a rule under the old order of things, the tax burden falls heaviest on the industrial and commercial counties, not on the agricultural counties, and (2) the grossest inequalities of all lie among the farm counties—as, for instance, Martin with \$491 of taxable property per inhabitant, in contrast with Caswell, Alleghany, Ashe, Yadkin, Wilkes, Pamlico, Yancey, and Dare, each with less than half of Martin's per capita taxable wealth. And these are farm counties all, Dare alone excepted.

If our farmers wipe out inequalities in tax values among themselves in 60 dominantly rural counties, we shall go a long way toward getting upon a righteous basis of taxation. For instance, six of these counties listed their farm lands in 1917 at an average value of \$12 or more per acre, while thirteen far better farm counties paid taxes on an average basis of less than \$6 per acre; five of these on an average basis of less than \$5 an acre.

The farm counties are laying burdens of tax inequity upon themselves far heavier than the industrial and commercial counties have ever done.

A clear conclusion is that our farmers have everything to gain and nothing to lose by getting taxable properties put upon a righteous basis—that is to say, honest farmers. And if this can be done, they will pay an even smaller fraction of the total taxes, both state and county.

### The County Tax List

The man who does not know this does not know the county tax list—any tax list in any county of the state. And if he does not know a county tax list in detail, he does not seem to us to be a competent authority on taxation in North Carolina.

And here we call attention once more to A Township Tax-List Study in the North Carolina Club Year-Book for 1917-18 on County Government and County Affairs. A copy will be sent free upon application, or so as long as the small edition lasts.

## COUNTRY HOME CONVENIENCES

LETTER SERIES No. 22

### Electric Farm Power from Central Stations—I

Ten years ago in North Carolina the number of farm homes that enjoyed the benefits of electricity could almost literally be counted on the fingers of one hand. Today it is another story. To the one pioneer, who in 1910 owned his small generator driven by a balky, uncertain gas engine, there are now a hundred up-to-date North Carolina farmers who are enjoying the comforts of a well lighted home, and a plentiful supply of freely running water while their wives do the washing, ironing, sweeping and churning as well as their talking by wire.

### A Child Can Operate It

This change has been brought about by the enterprising manufacturers who have developed the farm-lighting set to its present state of perfection. Practically every farm lighting set we have seen is so simple that literally a child can operate it. A plant has even been built which will start itself as well as stop itself, so that practically the only instructions furnished by the manufac-

turer are "give it gasoline and let it alone."

The success of these fine little plants has opened the eyes of the managers of the central stations throughout the country. They have always thought that farm line customers are not profitable customers and some of them are still living in a fool's paradise.

### Everybody's Doing It

Most of the central stations want the farmer's business. For economic reasons, however, they cannot serve farmers on exactly the same basis that they can folks in cities and towns.

One reason for this is that the cost of the pole lines is very high compared to the number of customers reached. Another reason is that it is more difficult to maintain service on these farm line extensions, and central-stations consider that they sell service quite as much as they do electricity. Two methods are in general use for furnishing electricity from central stations to country communities. These will be explained in our next letter.—P. H. D.

As for exempting a homestead of \$1,000 in real estate and \$5,000 in personal property, as proposed, the 1918 tax list of a mid-state county shows only 135 private taxpayers with more than \$6,000 each on the tax books. An exemption law of this sort would free 5,013 taxpayers in this county from paying any taxes on private property. Which is to say, the entire tax burden would fall on three of every one hundred people who now pay taxes on private properties, and on the domestic and public service corporations owning physical properties in the county. It practically frees private taxpayers from

paying taxes altogether. Ninety-seven taxpayers in every 100 would go scot-free.

The only country we know of in which private citizens pay no taxes for the benefits of organized government is Dahomey—in Africa. It is a proposition to class Carolina with Dahomey. But it looks lovely until you examine a county tax book, and then the rank undemocracy of it becomes apparent.

With 97 in every 100 property owners freed from taxes and also from the legal obligations of debt paying, we should soon be a paradise of moral irresponsibility—which is Bolshevism.

## TAXABLE WEALTH IN NORTH CAROLINA PER INHABITANT IN 1917

Based on the 1918 Report of the State Corporation Commission and the Census Bureau Estimates of Population.

P. P. Purrington, Scotland Neck, Halifax County  
Rural Social Science Department, University of North Carolina  
State Average \$391

Rank	Counties	Per Capita	Rank	Counties	Per Capita
1	Durham	\$804	46	Greene	\$339
2	New Hanover	634	46	Bladen	339
3	Buncombe	583	48	Nash	338
4	Forsyth	563	49	Perquimans	336
5	Transylvania	508	50	Stanly	335
6	Mecklenburg	496	51	Davie	333
7	Martin	491	51	Duplin	333
8	Orange	484	53	Tyrrell	330
9	Vance	472	54	Warren	329
10	Gaston	450	55	Surry	328
11	Swain	445	56	Pender	327
12	Wake	441	57	Henderson	325
13	Wayne	440	58	Chowan	324
13	Craven	440	59	Harnett	323
15	Halifax	438	60	Clay	319
16	McDowell	436	61	Haywood	315
16	Cabarrus	436	62	Randolph	310
18	Wilson	428	63	Jackson	309
19	Onslow	425	64	Beaufort	307
20	Richmond	409	64	Catawba	307
20	Northampton	409	66	Anson	304
22	Guilford	402	67	Camden	301
23	Davidson	401	68	Brunswick	299
24	Rowan	398	68	Polk	299
25	Hyde	391	70	Madison	298
26	Iredell	383	71	Bertie	297
27	Alamance	382	72	Columbus	292
27	Granville	382	73	Sampson	282
29	Edgecombe	372	74	Union	280
30	Scotland	368	75	Currituck	278
31	Pitt	367	76	Burke	271
32	Jones	365	77	Carteret	267
32	Gates	365	78	Person	265
34	Rockingham	364	79	Alexander	264
35	Lenoir	360	79	Macon	264
36	Graham	355	81	Rutherford	262
37	Pasquotank	354	82	Stokes	256
38	Franklin	353	83	Caswell	236
39	Montgomery	347	84	Alleghany	232
39	Hertford	347	85	Ashe	222
41	Cleveland	346	86	Yadkin	208
41	Lincoln	346	87	Wilkes	206
43	Johnston	340	88	Pamlico	205
43	Cherokee	340	89	Yancey	189
43	Washington	340	90	Dare	183

Ten counties omitted for lack of authoritative population figures due to the formation of new counties since 1908; as follows Avery, Caldwell, Chatham, Cumberland, Hoke, Lee, Mitchell, Moore, Robeson, and Watauga.