

The Cherokee Scout

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Murphy, North Carolina, Thursday, October 22, 1936.

THE STATE AMENDMENTS

Not all of the voters of this section know that five amendments to the state constitution of far-reaching importance will confront them on election day.

The five amendments have been drawn up by state leaders of all political parties and factions. They are not a party issue and are not even remotely connected with politics. The names of many men and women prominent in the state and its affairs will be found among the honorary directors.

Outside of the first question, the other four are primarily concerned with so-called "tax reform" movements. The questions have been drawn up after years of diligent and intense search into the tax wrongs of North Carolina and are offered as a possible solution for cutting down and simplifying the state's tax demands.

Just how important these proposed amendments are, the voters will decide at the polls on Nov. 3. If the voter honestly does not believe in enacting them into law, that is all right. But to have them defeated because the voter does not understand what they are all about would not be fair to the people at large.

We do not propose to indorse or discriminate against the proposed amendments, but rather to explain them as they have been brought to our attention.

The first is for or against "amendment to the Judicial Section of the Constitution." This amendment would have the number of State Supreme court justices raised from its present number of five to seven.

It has long been pointed out that five justices is an inadequate number to handle the business before them. Practically all other states have from seven to eleven supreme court justices.

The act further provides that "the court shall have power to sit in divisions, when in its judgment this is necessary for the proper dispatch of business, and to make rules for the distribution of business between the divisions and for hearing of cases by the full court."

The bill also specifies that no decision of any division shall become the judgment of the court unless concurred in by a majority of all the justices; and no case involving a construction of the constitution of the state or the United States shall be decided except by the court in banc.

There has been no evidence, so far as we would ascertain, where there is any serious or organized objection to this question.

Such however can not be said for proposed amendment No. 2 or its successors. No. 2 if enacted would have all homes to the value of \$1000 exempted from taxation.

It has been pointed out that there is quite some misunderstanding regarding this proposed amendment. While the proposal would allow exemption up to \$1000, there is no indication that next session of the general assembly would set the amount at that figure. The proposal really implies "any amount up to" \$1000. Therefore the assembly could set the figure at \$100, \$200, \$500 or any amount they felt was reasonable and to the interest of the taxpayers, communities and counties at large.

It has been pointed out that if this proposed amendment were enacted into law it would stimulate small home building, and as Clarence Poe, chairman of the state committee says, "of all forms of property, real estate has been most heavily taxed, and of all the forms of real estate, small homes and farms have been most heavily taxed."

The main objections to this proposal, naturally enough, is the loss suffered through decreased county taxes, and huge landowners could deed their property out to relatives and tenants to escape payment of taxes.

The third proposal is evident enough. It would have all property classified and thus create a more uniform tax system and the county officers would be rid of a lot of unnecessary bookkeeping.

The amendment itself as published in the public laws of 1935 follows: "The power of taxation shall be exercised in a just and equitable manner, and shall never

MAN'S GREAT ENEMY

I am more powerful than the combined armies of the world.

I have destroyed more men than all the wars of the nations.

I am more deadly than bullets, and I have wrecked more homes than the mightiest siege guns.

I spare no one, and I find my victims among the rich and poor alike the young and the old, the strong and the weak. Widows and orphans know me.

I loom up in such proportions that I cast my shadow over every field of labor from the turning point of the gridstone to the moving of every railway train.

I massacre thousands upon thousands of wage-earners in a year.

I lurk in unseen places. I do most of my work silently. You are warned against me, but you heed not.

I am relentless.

I am everywhere—in the house, on the street, in the factory at crossings, and on the sea.

I destroy, crush, and maim. I give nothing, but take all.

I am your great enemy. I am Carelessness—
Mecklenburg Times.

be surrendered, suspended or contracted away. Taxes on property shall be uniform as to each class of property taxed. Taxes shall be levied only for public purposes, and every act levying a tax shall state the object to which it is to be applied."

The fourth proposal would increase "limitation of income tax to 10 per cent. At present the constitution forbids levying more than 6 per cent income even in the higher "brackets." The amendment would permit taxation as high as 10 per cent on incomes.

Poe says, "The Legislature may change these "brackets" as it wishes. Except for income from out-of-the-state corporations it is "net income" that is taxed. That is to say, the person who receives the income is entitled to deduct interest paid, bad debts, gifts to charities, etc., and the Constitution also gives married persons an extra exemption of \$2,000 and single persons \$1,000—exemptions in no way affected by the Tax Reform Amendment. These exceptions stand as they are. The Legislature, however, will tax the excess net income above these exemptions and could for example fix various "brackets" as follows:

Brackets	Net Yearly Income
Bracket A	All under \$5,000
Bracket B	\$5,000 to \$ 10,000
Bracket C	10,000 to 25,000
Bracket D	25,000 to 100,000
Bracket E	100,000 to 1,000,000
Bracket F	Over 1,000,000

The final amendment which will be voted on concerns limitations upon the increase of public debt. As passed by the legislature it gives the general assembly power to contract debts and to pledge the faith and credit of the state, and to authorize counties and municipalities to contract debts and pledge their faith and credit for the following purposes:

"To fund or refund a valid existing debt;

"To borrow in anticipation of the collection of taxes due and payable within the fiscal year to an amount not exceeding fifty per centum of such taxes;

"To supply a casual deficit;

"To suppress riots or insurrections, or to repel invasions.

"For any purpose other than these enumerated, the general assembly shall have no power, during any biennium to contract new debts on behalf of the state to an amount in excess of two-thirds of the amount by which the state's outstanding indebtedness shall have been reduced during the next preceding biennium, unless the subject be submitted to a vote of the people of the state; and for any purpose other than these enumerated the general assembly shall have no power to authorize counties or municipalities to contract debts, and counties or municipalities shall not contract debts, during any fiscal year, to an amount exceeding two-thirds of the amount by which the outstanding indebtedness of the particular county or municipality shall have been reduced during the next preceding fiscal year, unless the subject be submitted to a vote of the people of the particular county or municipality. In any election held in the state or in any county or municipality under the provisions of this section, the proposed indebtedness must be approved by a majority of those who shall vote thereon."

The section of the constitution dealing with revenue and taxation at present specifies that the general assembly shall have no power to contract any new debt to an amount exceeding in the aggregate, including the then existing debt recognized by the state, and deducting sinking funds then on hand, seven and one-half per cent of the assessed valuation of taxable property within the state as last fixed for taxation.

TURNING BACK HISTORY'S PAGES

10 YEARS AGO

Friday, October 22, 1926

Mr. T. N. Bates and Creed Bates motored to Asheville Monday and are the guests of W. V. N. Powelson at the Elks club.

Miss Carrie Brittain who is teaching at Tapoca, spent the week-end at home.

Mrs. L. L. Seroggs, of Clay County was in town Friday.

Mrs. Luther Axley and children have lately been guests of Mrs. Axley's brothers in Knoxville.

Mrs. Ben Grant and children of Andrews, visited home folks last week.

Dr. W. O. Patton of Robbinsville motored to town, Friday.

Mrs. Walter Dickey, of Madison, Tenn., has been the guest of Mrs. W. H. Griffiths.

Mr. C. M. Wofford is looking after business interest in Miami, Fla.

Miss Hattie Axley is enjoying a visit from her sister, Mrs. Fisher Hubbell, of Decatur, Ga.

Miss Addie Leatherwood, who is principal of the school at Almond spent the week-end at home.

20 YEARS AGO

Friday, October 20, 1916

Frank D. Dickey has received the appointment of Assistant Postmaster of the Murphy postoffice.

W. T. Forsythe, R. A. Owenby, P. A. Mauney, W. P. Payne, Zebulon Lovingood are jurors from Cherokee county ofr U. S. District court which convenes in Asheville, Nov. 9.

DAVIDSON—McCOMBS

Married at the home of the bride's parents, Dr. and Mrs. Wm. S. McCombs, October 8th, Mr. W. E. Davidson and Miss Willie McCombs. Rev. J. H. Hopkins officiated.

The groom is from St. Louis, where he holds a good position. The bride is one of our most popular young ladies.

The best wishes of a large number of friends go with Mr. and Mrs. Davidson to their home in St. Louis, Mo.

30 YEARS AGO

Tuesday, October 23, 1906

W. S. Bell, of Crowell, Tex., was here last week.

Mayor M. W. Bell went to Knoxville Thursday on legal business.

J. H. Sutherland left last week to spend sometime in Madison county. Mr. and Mrs. E. B. Norvell went

Refreshing Relief

When You Need a Laxative

Because of the refreshing relief it has brought them, thousands of men and women, who could afford much more expensive laxatives, use Black-Draught when needed. It is very economical, purely vegetable, highly effective. Mr. J. Lester Roberson, well known hardware dealer at Martinsville, Va., writes: "I certainly can recommend Black-Draught as a splendid medicine. I have taken it for constipation and the dull feelings that follow, and have found it very satisfactory."

BLACK-DRAUGHT

QUESTIONS THAT ARE ASKED ABOUT BANKING

"Do Banks coin money or issue currency?"

THIS question has been asked by some people who desire a clearer understanding of our money system in this country.

Banks do not coin money. Money is coined by the Federal government mints under authority given to Congress by Section 8 of the Constitution which says: "The Congress shall have power to coin money and regulate the value thereof."

The banks of the country (except the 12 Federal Reserve Banks) do not issue currency. This function is exercised by the Treasury of the United States. The 12 Federal Reserve Banks issue Federal Reserve Notes. National banks formerly issued National Bank Notes but that authority was terminated by an Act of Congress.

This bank is glad to answer further questions about our American monetary system.

Citizens Bank & Trust Co.

MURPHY



ANDREWS