

Equalization Of Taxation As A Farm Relief Measure

Ed. Note:—The following article was delivered by Arthur Francis at the Young Tar Heel Farmer meeting in Raleigh recently. Mr. Francis won third place in the state for his paper. He was elected secretary of the organization after receiving a good vote for president.

By Arthur Francis.

On this problem of taxes there is much which might be said, but I wish to emphasize a few important facts. I can not imagine who the first tax collector of the world was, but I know he must have been the most unpopular man of his day. We all realize that from scriptural days down to, and including this year of 1933, the way of the tax collector has been a very hard one.

This human attitude about tax collection and taxes has had unfortunate results. This problem has disturbed much thinking of ours on problems of taxation. It has stimulated an unthinking, mistrust of our government, it may be local or national. It has altogether concealed services of the government. First, and most important of all, it has caused many citizens to be against any attempt at understanding the operation of government.

The second thing to do is to study tax problems. Fortunately, as a check to this attitude, we can point out a way that is growing daily in strength. Is this I mean the force of education, operating now with better results about the farm press and also farm organizations, and based on facts gathered by state and federal research men. The leading farm organizations in their discussion at their recent meetings dug deep concerning the things related to taxation problems.

As this educational work continues, it will mean, in the end, that farmers will understand better than ever why tax burden is so heavy, where most of it originates, and what can be done to relieve the situation. In the second place it will mean, that an individual farmer will see things in a new way and the possibilities of farm organizations. The farmer at the present time can do only one thing about taxation and that is to complain. When you think of the individual farmer his voice is small. But in his farm organization he can and already is effecting important reforms in taxation. The tax authorities must listen respectfully when the organizations of agriculture are speaking. Our National Grange and Farmers Union and American Farm Bureau have tremendous influence on legislation.

If the three fold principles of ability to pay, benefits received, and convenience of collection were adhered to, the solution would in a great extent take care of itself.

Who should bear the burden of the greater part of the tax if not the ones who are able to pay? As an example of the farmer's ability compared with that of other industries, the Cornell University's Farmer Economics for February of 1931 reports the farmer products were 17% above pre-war price; New York factory workers 122% above the same period, while average price of leading industrial

stocks were 218%, while the cotton growers were receiving 73% of pre-war price. The tobacco grower far below cost of production were wrestling with the problems of living and paying taxes, the big tobacco companies were paying their officials fat salaries and declaring millions of dollars in dividends. How do they manage to escape? Why not demand that they carry their share of the tax burden? Why allow the tobacco trusts to rob agriculture and give millions to Duke and others? Tax should be enforced demanding of the extravagant spenders and high livers that they bear more fairly the burden of taxes. Income and inheritance taxes should be more vigorously followed thereby letting the class that gets the money that is in circulation contribute more to expenses of the government.

Those who get the benefits of protection when it be in the form of tariff or some other should be more responsible, and certainly the big business of our country gets the benefits of our high tariff wall. The farmers, necessities are sky high while the things he sells are not adequately protected thereby giving the big business all the advantage. In case of highways the modern way adopted by all states is to place a tax on gas thereby letting the ones who use the roads build and keep them in repair which will naturally relieve the burden on real estate and let those most benefited pay most.

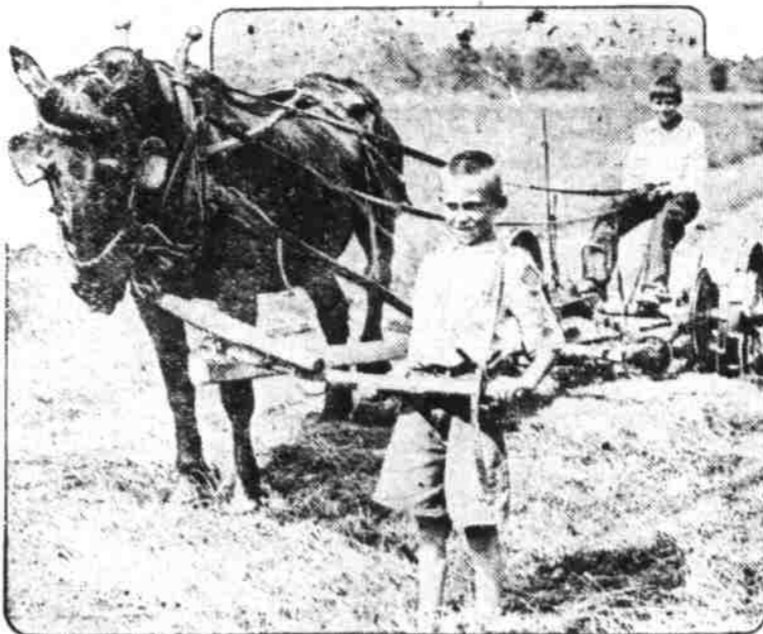
The convenience of collection has heretofore been very much abused because it has been and is much easier to collect from real estate and the farmer's old cow than to dig in and learn and collect on stocks and bonds. The farmer has all his investment in land and other property that cannot be hidden from the public therefore he usually is caught 100% while the men of wealth and high earnings are dodging. The burden is placed where it is hardest to bear on the land and the farmer.

The farmer is not a tax slacker or dodger, but he has come to the place he believes he should have relief by asking the untaxed and under taxed classes to shoulder a fair portion of the taxes thereby equalizing more nearly the load.

As a means of catching every one I would advocate a sales tax, so rigidly enforced that there would be no escape for any one. It will get the common laborer who earns any amount whatever and reaches the professional class in every vocation of life. Just 1% tax on all sales will cost the common laborer who spends \$500.00 per year \$5.00 tax, while the professional man who spends \$5,000.00 per year would be given \$50.00 to carry the burden of government.

An example of our present unfair system I will give you a case in Indiana as stated by Lewis Taylor, a noted writer in "The Country Home." In a certain section of the state there is a farmer whose gross income is \$3,000 per year, while his taxes are \$1,200. In the same town resides a doctor with an income of \$7,000 who pays \$28.00 tax. A professional man with \$4,000 income who pays \$35.00 per year. The head of an institution in the same city gets \$6,000 while his

"Hay Had to Be Cut," Says Arthur



"We just had one horse, and the hay had to be cut," said ten-year-old Arthur Odell when sheriff's deputies went to his father's farm near Detroit, Mich., to investigate reports that the boy was being forced to work teamed with a horse. The young man is shown at his self-appointed job.

wife gets \$2,500 paying \$19.00 combined tax. The combined income of the four persons mentioned being \$19,500 paying \$92.00 tax. At the same time the above farmer with \$3,000 income was paying \$1,200 or two-fifths of his income in taxes, this shows the absolute unfairness of our present system.

In 1931 here in North Carolina the Duke Power Company paid 9 of their chief executives a total of \$288,861.00 in salaries but the tax collected was small. In the same year the Southern Public Utilities Company paid four officials a total of \$88,970.00. Why not demand that these big incomes carry an equal share of the tax load with the farmer? Last year how much taxes was paid by the five presidents of the New York Life; Prudential; Mutual Life; Metropolitan; and Equitable Life Insurance Companies, whose incomes were \$675,000.00?

If all property paid taxes in the United States and in North Carolina, deficits would disappear and the legislature could go home without scratching their heads off in their efforts to balance budgets.

"Upwards of forty billions of dollars are hiding out from the tax collector in the United States behind the bulwark of tax-exempt securities. It is estimated that Federal bond issue, wholly exempt from taxes total \$22,250,000,000, and the state and local issues, exempt in whole or part from taxes, amount to some \$16,300,000,000 more.

And yet these vast sums escaping

taxation are only a part of the great property in America which escapes the tax gatherer.

In North Carolina it has been estimated that \$196,000,000 in foreign stocks escape all taxation in the state except a small six per cent income tax on their dividends which was added in 1931.

In Washington and around there never was a time when it was so necessary to bring to the tax books the millions in property which are escaping the payment of their share. On the books the taxes from them would wipe out deficits and balance budgets. The time to begin this reform both in Washington and in Raleigh is now.

In our schools the burden is unfair. Some of our communities are rich in natural resources, and some are poor. If boys and girls are to have the same opportunities the burden of the weak must be distributed. In the total population the number of children of school age is said to be greater in the rural than in urban communities. Going back to 1920 children below the age of 19 years constituted 35.8 per cent of the population in cities, 41.4 per cent in the villages, and 48.9 per cent on the farms. Rural communities therefore had to bear the cost of educating a larger number of coming generation.

It is estimated that from the farms in every county there leaves for the towns and cities more than 100 boys and girls annually. If the cost is only \$500.00 per person this would be

Go to Church Sunday

FIRST BAPTIST
Rev. H. W. Baucom, pastor
Sunday school, 9:45. W. C. Allen superintendent.
Worship 11:00.
6:30 all B. Y. P. U.'s of church meet.
Evening Worship 8:00 o'clock.
Mid-week prayer service 7:30 Wednesday.

FIRST PRESBYTERIAN CHURCH
Dr. R. P. Walker, Minister
Bible School 9:45 a. m.
Sermon 11 a. m.
Christian Endeavor, 7 p. m.
Mid-week Bible Study and Prayer, Wednesday, 8 p. m.

GRACE CHURCH IN THE MOUNTAINS, WAYNESVILLE, N. C.
Rev. Albert New, Rector.
Sunday, August 6th, 1933.
The Right Reverend K. G. Finlay, of Columbia, S. C., will preach at 11 A. M. and administer the Sacrament of the Holy Communion.
At 4 P. M. Bishop Finlay and Rev. Albert New will conduct service in "St. David's in the Valley." Cullowhee. Everybody cordially invited.

HAZELWOOD PRESBYTERIAN CHURCH
Rev. O. C. Lundrum, Pastor.
Sunday School, 10 o'clock.
Morning service, 10:40 o'clock.
Junior, Intermediate and Senior vespers, 7:15.

FIRST METHODIST CHURCH
Rev. Wade Johnson, Pastor.
Sunday School, 9:45.
At 9:45 Rev. L. B. Hayes will lecture to the Young Men's Bible Class.
Epworth League 7:15.
Sermon by Rev. L. B. Hayes at 8:00 o'clock.

HAZELWOOD BAPTIST CHURCH
Rev. B. B. Caldwell, Pastor.
Sunday School 9:45.
11:00 Sermon by Pastor.
7:00 Meeting of all B. Y. P. U.'s of the church.
8:00, Each Wednesday mid-week Prayer meeting.

ST. JOHN'S CATHOLIC CHURCH
Rev. Arthur J. Racette
Mass at 11 Sunday.
Mass, week days at 7:30 A. M.

an expenditure of \$50,000 which had pressed farmers of each of these counties are making annually to the life of the cities.

The cities, with their wealth and population, are getting more than their share of rural educational finances. They should help to equalize educational opportunities. The welfare of the whole nation demands that those boys and girls on the farm should enjoy an education comparable to that offered by cities. It is not any more than simple justice that base of taxation would be so spread that the burden of maintaining a vigorous and informal national life shall fall equally upon all classes of our citizens.

NOTICE OF SALE UNDER EXECUTION
NORTH CAROLINA,
HAYWOOD COUNTY,
IN THE SUPERIOR COURT,
Hyatt & Company,
vs.
J. N. Peacock and
Mrs. J. N. Peacock

By virtue of an execution directed to the undersigned from the Superior Court of Haywood County in the above entitled action, I will, on Monday, the 7th day of August, 1933, at

11 o'clock, A. M., at the Court House door of said County, sell to the highest bidder for cash to satisfy said execution, all the right, title and interest which the said Mrs. J. N. Peacock the defendant, had in said property as herein described at the time of said judgment was taken and docketed in the Superior Court of Haywood County, said sale made subject to the life estate of the said Mrs. J. N. Peacock in said land described as follows: Lying and being in the Town of Waynesville, Haywood County, and being Lots Nos. 9, 10, 11, 12 and 13 in Block "G" of Forest Addition the Town of Waynesville. Beginning at a point which is distance 200 feet northerly from side of Short Street, thence 83.45 East, 287 feet to Davidson Street; thence along the line of same 88 feet to property line; thence along said line N. 36.34 W. 240 feet more or less to side of railroad; thence S. 54.22 W. 124 feet to Richland Street; thence along said Street 100 feet to beginning. Containing 965-1000 of an acre. Being the same land that is recorded in Book 20, page 381, Record of Deeds for Haywood County.

This the 6th day of July, 1933.
J. A. LOWE,
Sheriff of Haywood County.
No. 80—July 13-20-27-Aug. 3

Prices Are Advancing on Building Material

For Anything In

BUILDING MATERIAL

or

MILL WORK

SEE US

Our Prices Are Always Right

Junaluska Supply Co.

Jerry Liner, Owner

Phone 263-J

Lake Junaluska

The Mountaineer

FOR ONE YEAR

\$ 1

This Applies on New or Renewal Subscriptions