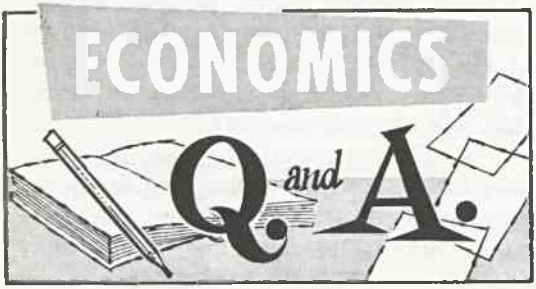

Q. Why is the present federal tax system held responsible for blocking a faster rate of economic growth?

A. Because the rates of income tax which take up to 91% from individuals and as much as 52% from corporations impede the steady flow of capital vital to economic progress.

Q. Just how do they do that?

A. Capital has but one source—the savings of individuals and businesses. If the rates of tax make it impossible to retain enough of their respective incomes they will be unable to enter into investments they otherwise would make.

Q. Does the inability to invest more of those in the, say, middle to top income brackets have any effect on the number of jobs?

A. Very definitely. Since it costs $22,000—on the average—to provide a single job in industry the heavy demand for capital is obvious. Thus, when the tax system slows the flow of investment funds needed for research, new products, new plants and equipment it puts roadblocks in the path of economic growth; adversely affects the well-being of all Americans.

Q. Do the present rates of tax have other ill effects?

A. Yes. Among other things they stifle incentive by denying just rewards for success as the harder people work and the more they earn the bigger the share that must be paid in taxes.

Q. Do the rates have any bearing on the opportunity for starting a small business?

A. Naturally. If the person wishing to go into business on his own does not have sufficient capital it will be difficult for him either to accumulate it out of income—after taxes—or to acquire it from those who would like to invest in the project but are prevented by the tax drain on their incomes.

WATER TANK REPLACED

The new 20,000 gallon capacity tank at Plant #4 supplies water for the dye house. Water is pumped from the plant's own deep well and the city supply in Kernersville. The use of this tank enables the plant to use their own well and to store water from the city supply, thereby furnishing an ample supply for the dye house without creating a shortage in the remainder of the plant.