

THREE PER CENT TAX ON MEALS

Cafes, Tourist Camps and Cafes Subject to State Levy, Collector Holmes Explains.

A three per cent tax on all meals served by cafes, tourist camps and hotels will be imposed, beginning June 1st, according to G. H. Holmes Jr., deputy Commissioner of Internal Revenue, who was a visitor in Boone Tuesday. The first payment of this tax will be due July 10, 1935, and the tax is to be paid monthly by the tenth of each month thereafter. This tax, Mr. Holmes explained, applies to all boarding houses soliciting or advertising for transient patronage.

Outlining changes in the sales tax law, Mr. Holmes listed the following items as exempt from the 1935 levy: (a) gasoline; (b) commercial fertilizer on which the inspection tax is paid; (c) public school books on the adopted list; (d) sales to State of North Carolina or any of its subdivisions, including sales to agencies of State or local governments for distribution in public welfare or relief work; (e) fresh liquid milk, whether sold by producer or purchased for resale; (f) sales of products of farms, forests, waters and mines, when such sales are made by producers, manufacturers or fishermen. The exemption in article "f" does not extend to producers, manufacturers or fishermen who become merchants or who maintain a store or stores to sell or dispose of their products.

Monthly Reports

"The new sales tax law requires that all sales tax reports be made monthly," continued Mr. Holmes, "on or before the 15th day of the month next succeeding the month in which the tax accrues. Every merchant must file a return each month by the 15th day of the month, regardless of the volume of business done. If a delayed or delinquent return is received by the commissioner or his duly authorized agents, the taxpayer shall be assessed a 5 per cent penalty plus interest at one per cent for month from the date when the tax was due. The penalty shall not be less than \$1.00, changes in the sales tax law as to exemptions and penalties are effective July 1, 1935."

Any taxpayer in Watauga County wishing advice or assistance in preparing reports under the 1935 Revenue Act may communicate with local Deputy Commissioner Holmes, care of Box 695, Lenoir, N. C.

A pasture demonstration in Transylvania County in which the sod has been fertilized with 500 pounds per acre of a fertilizer neutralized with limestone is being conducted by the farm agent.

Watauga Baseball League

Games to Be Played Saturday, June 1

Oak Grove at Blowing Rock.
Mabel at Aho.
Boone's Fork at Bamboo.
Vilas at Boone.
(Time: 2 o'clock.)

CLUB STANDINGS

Team	W	L	Pct.
Blowing Rock	3	0	1.000
Boone	3	0	1.000
Bamboo	2	1	.666
Aho	2	1	.666
Mabel	1	2	.333
Vilas	1	2	.333
Boone's Fork	0	3	.000
Oak Grove	0	3	.000

Results Saturday, May 25

Boone, 6; Boone's Fork, 0.
Bamboo, 4; Vilas, 1.
Blowing Rock, 15; Mabel, 5.
Aho, 9; Oak Grove, 5.

Pinnacle Inn Opens June 1

BANNER ELK, N. C.—Pinnacle Inn at Banner Elk will open June 1st under the management of Mrs. L. K. Paty of Palm Beach Plaza, Palm Beach, Fla. Students of Lees-McRae College, which owns and operates the Pinnacle Inn, will again compose the major part of the staff. O. E. Adcock, chef last season at the Green Park Hotel, Blowing Rock, will be chef at Pinnacle Inn.

Many Florida people have made reservations for the opening, including Mr. and Mrs. B. F. Paty of Palm Beach. Mr. Paty is a candidate for Governor of Florida.

The Pinnacle Inn dining room is being redecorated with wrought iron, new tables and chairs and window curtains, made in wrought iron, woodshop, and weaving departments of the Lees-McRae College by the students working under direction of their supervisors.

FEDERAL HOUSING DIRECTOR TO DELIVER SPEECH HERE

(Continued from Page 1)

colored. Of these homes 12,932 were owned while 15,273 or 54 per cent were not owned by occupants.

But through the Federal Housing Administration money is advanced through the co-operation of financial institutions, building supply dealers and Crop Production Credit Associations. This is not a borrowing program. Those who can pay cash for repairs and modernization should by all means do it. Through December \$171,000,000 was spent making new repairs and on modernization work of which amount 63 per cent was for cash. Only one out of every six dollars is borrowed.

Any Owner Eligible

Any property owner is eligible for a modernization credit loan, provided he owns his property (even with incumbrances), his income is five times the amount of his annual payment of notes and his credit is in good standing. In the case of farmers, payments are made annually or semi-annually. Under the modernization credit loan one may borrow from \$100.00 to \$2,000.00 for a period of one to five years at the rate of \$5.00 per \$100.00 per year.

Such loans are called government insured loans because the United States government insures the financial institutions or any approved lending agency 20 per cent against loss of the aggregate amount of loans made during the five-year period. The highest loss ever sustained by financial institutions making similar loans has been 3 per cent. The margin of guarantee made by the United States Government, therefore, makes this a 100 per cent guarantee against loss.

Among the many things that can be done with modernization credit money includes installing a water system of pump and motor, roofing, painting, installing heating plants, adding bath rooms or making sanitary improvements, screening porches, adding another room or two, building tourist cabins, litter feeds, hay racks, silos, incubators, storage vats, windows, doors, garages, etc.

Rat-Proofing

How many farmers know that every rat on his place is eating or destroying \$2.00 worth of his grain every year? This destruction can be stopped now by building rat proof flooring for graneries and cribs, which will ultimately save hundreds of dollars. How many farmers know that there is an annual loss of \$1,000,000,000 in rust. These of non-corrodible materials in roofing repair, replacement of pipes and fixtures is suggested as a means of overcoming losses from rust and corrosion. Many farmers throughout our State are spending from \$1,000 to \$2,000 every eight years on farm implements, all of which can be saved by building machine shops.

The F. H. A. is urging farmers to make either homes more attractive, more livable and more convenient for their families by using the Federal Housing modernization credit loans.

MERCHANTS MEETING

The thirty-third annual convention of the North Carolina Merchants Association will be held in Charlotte on June 3-4, with six members of the North Carolina General Assembly and several outsiders on the speaking program. The legislators are anti-sales taxers.

Porto Rico as Mainland

Geological evidence in a survey shows that Porto Rico was once part of the mainland.

Blowing Rock to Get Cheaper Power Rates

RALEIGH, N. C.—Reduction in electric rates of about 32 per cent for small users in Northwestern North Carolina summer resorts, Roaring Gap in Surry County and Blowing Rock in Watauga County, has been made by the Northwest Carolina Utilities, operating in that section, Utilities Commissioner Stanley Winborne announces.

The reduction for combined residence (cooking) rates is from 15 to 10 cents per kilowatt hour for the first 30 kwh, 5 cents for the next 70, 3 cents for the next 200 and all over 200 will be at the rate of 2 cents.

In the general commercial rate the reduction is to 10 cents for the first 100 kwh, 8 cents for the next 100 kwh, 5 cents for the next 150 kwh, and 3 cents for all over 350 kwh.

Estimates are that this reduction will save users in these two communities \$2,200 annually in their electric bills, while it will cost the utilities company several hundred dollars to install the new meters to put the new rates into effect, Mr. Winborne said.

Both communities are primarily summer resorts and the benefits will be felt largely by summer residents, as well as the hotels operated in and near them.

Capetown to Buenos Aires

The distance between Cape Town and Buenos Aires by great circle sailing is 3,728 nautical miles, which is roughly 4,299 statute miles. This is the course taken going east. The course taken going west is by rhumb line and is 3,824 nautical miles, which is approximately 4,410 statute miles.

We Have a Million . . .

Not Dollars . . . but watch parts in stock. Bring your repairs here for quick and accurate watch service. BERN-MAR'S LITTLE JEWELRY STORE.

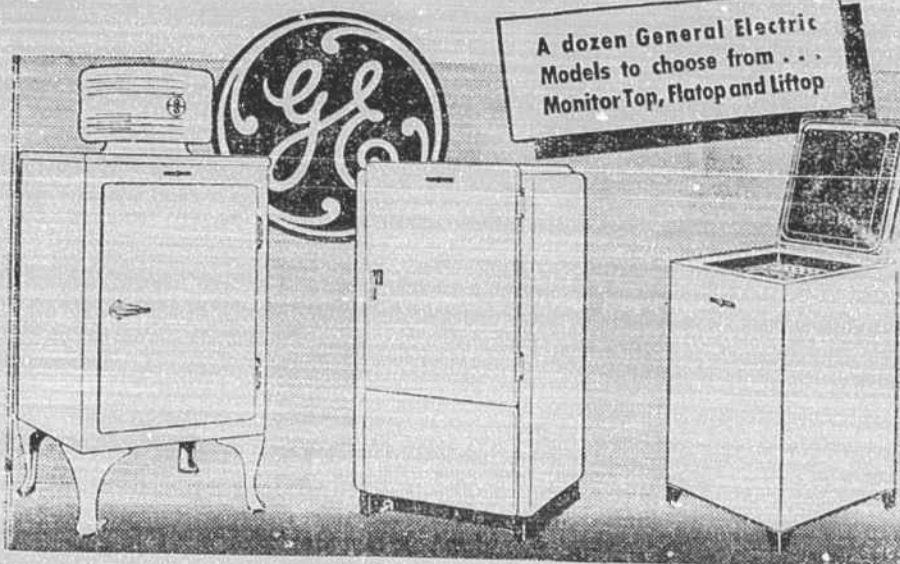
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- MR. AND MRS. W. F. MILLER
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- MR. AND MRS. VANCE M. CALLOWAY
- G. D. BARNETT LUNCH ROOM
- MR. AND MRS. JOHN H. NORRIS
- MR. AND MRS. R. L. BINGHAM
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carry a five-year guarantee, have all-steel cabinet, ageless sealed mechanism that defies time, and have piled up forty billion operating hours to their credit. They have a record for dependability that is unexcelled.

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PASTIME THEATRE

BOONE, N. C.
"PLACE OF GOOD SHOWS"

Program for Week OF JUNE 3, 1935:

MONDAY, JUNE 3
FLORENTINE DAGGER
with MARGARET LINDSEY and DONALD WOODS

TUESDAY, JUNE 4
THE INFORMER
with VICTOR McLAGLEN and MARGARET GRAHAM

WEDNESDAY, JUNE 5
FLAME WITHIN
with ANN HARDING, HERBERT MARSHALL

THURSDAY, JUNE 6
THE STAR OF MIDNIGHT
with GINGER ROGERS and WILLIAM POWELL

FRIDAY, JUNE 7
MURDER IN THE FLEET
with ROBERT TAYLOR and JEAN PARKER

SATURDAY, JUNE 8
TRAILS BEYOND
with JOHN WAYNE

Special Bargain Matinee, 10c, 15c

Night Shows, 10c and 25c.
NIGHT SHOWS, 7:30 & 9:00
MATINEES AT 2:30 & 4:00

Happy Motoring!



Youth demands Action . . . and Youth will be Served

Young folks have a way of finding out! That's why you see so many of them driving in where the Esso sign's displayed. For when youth takes the wheel to go places and do things . . . motors just have to respond. And they do . . . with all their vim, vigor and vitality . . . when fuel and oil are supplied at the Esso sign.

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Take a tip from youth. Cultivate the habit of stopping where you see the Esso sign. You're sure to banish travel troubles if you do and enjoy to the full the thrills of "Happy Motoring."

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RECOMMENDED FOR *Happy Motoring!* . . . Aerotype ESSO—modeled after U.S. Army Combat Aviation Gasoline . . . ESSOLENE—guarantees smoother performance than other regular-price fuels . . . ESSOLUBE—the premium quality oil at regular price. Ask for "Esso Tours and Detours" . . . published monthly. Contains official road construction maps; vacation information; touring data; etc. Also individual road maps.



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Wherever you see an Esso sign . . . whether at a modest wayside filling station or an elaborate metropolitan servicenter . . . you can be sure of courteous treatment . . . helpful attention . . . and uniform high quality of everything you buy.