

More Phony Tax Talk

Probably the phoniest issue connected with the repeal of the tax on intangibles is that, somehow, it would trigger a business boom in the state.

Saying that "its time has come," Senator William W. Redman, Jr., the minority leader, urged the adoption of the Hardison amendment, which would phase out the tax over a two-year period, bringing the annual revenue loss to \$75.4 million by 1987-88.

Redman told his fellow senators that the state needs "to do something drastic to send a signal to the people that we're trying to communicate with," wealthy retirees and corporate executives who invest their capital outside North Carolina.

From that, the assumption is that these wealthy people, but for the intangibles tax, would rush to invest their money in North Carolina companies. The fallacy in that assumption is that stock in North Carolina companies is already exempt from the intangibles tax.

What these wealthy retirees and corporate executives, who have decided because of the many other advantages to cast their lot among us, what they want is to keep their investments right where they are and not have to pay an intangibles tax on the cash, stocks and bonds they own and the other evidences of debt they hold.

There are valid arguments that can be made in favor of repealing the intangibles tax, but the claim that it would trigger a large capital buildup in North Carolina is not one of them. In fact, it might do just the opposite. By removing the tax advantage now available to holders of stock in domestic corporations, it well could encourage some of our wealthy residents to go elsewhere for their investments.

Perhaps the most valid argument for repealing the state's tax on intangible property owned by its citizens is that the state levies no tax on tangible property and should treat intangible property the same way.

The trouble with repealing the intangibles tax is that over the years the counties and cities have become the prime beneficiaries. Except for the cost of collection, which is almost negligible, the state returns the intangibles revenue to the counties and cities where it originated.

Thus, if the tax is repealed without the local governments being reimbursed, offsetting taxes in those localities would have to be levied, with the burden shifting from the "wealthy retirees and corporate executives" to the backs of taxpayers in general. The same will be true if the state decides to reimburse the localities — the state's general fund taxpayers will pick up the tab.

We do not come as a stranger to the intangibles tax. Our intangibles tax bill has run into the thousands of dollars for the past several years. It would save us money if it is repealed. But we are getting a little tired of the phony arguments the governor and his legislative lieutenants are using in an effort to get it off the books. We don't want to see North Carolina get itself in the same shape the federal government is right now by cutting taxes and increasing spending at the same time.

Crackdown Begun On Litterbugs

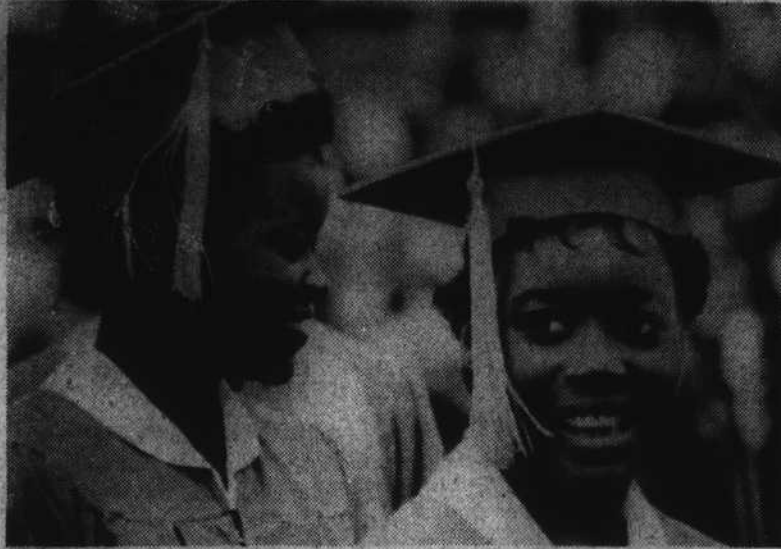
The Town of Edenton is getting tough on litterbugs.

At Monday's town council meeting, Mayor Harrell stated that he has received a lot of complaints recently about the litter problem.

"We don't want people throwing trash on our streets and we intend to enforce the littering laws," the mayor said.

Harrell asked Edenton Police Chief Parrish to begin a crackdown on litterbugs.

The fine for littering within city limits is \$50.



Graduation Day 1985....

Hicks Field was definitely the place to be last Friday night, as John A. Holmes High School's Commencement exercises were held. Gray and overcast skies held a threat of rainfall, but could not dim the radiant smiles of graduating seniors. Keynote speaker for the occasion was Dr. Johnny Horton, who told the students they possess the best tools for success: education, reading ability, and intelligence. (Staff Photos by Ron Anderson)

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Commissioners Vote Additional Funding For Schools

County commissioners passed a resolution Friday calling for a property tax increase of 6½ cents instead of the 5 cents hike suggested by the finance committee. The 1½ cent increase in revenue would be used exclusively to help fund the county's school system during Fiscal Year 1985-86.

The 3-2 vote in favor of the increase in the proposed tax rate came after a lengthy meeting between the commissioners and members of the Edenton-Chowan Board of Education. Voting for the increase were Alton Elmore,

Clara Boswell, and Joe Hollowell; against the motion were Al Phillips and Wayne Goodwin.

The additional 1½ cent increase would amount to approximately \$42,000 in additional funding for the school system, but would fall \$300,000 short of the amount requested. The school system had asked the county for \$1,870,353; the original amount offered to the schools was \$1,517,340.

Before Friday's vote, Edenton-Chowan School Superintendent John Dunn told the commissioners that it will be necessary to cut some of the existing school programs if additional funding is not provided. Some of those programs include the Artist in the Schools program; Master Teachers Salaries; two elementary school teacher position; renovations at various school facilities; and the closing of the Alternative School. He added that

the average increase in school budgets in the surrounding seven counties between 1971 and 1983 was 328 percent while Chowan County's average increase amounted to 135 percent during the same period.

In a telephone interview, Dunn said that while the additional \$42,000 from the extra 1½ cent property tax would save some of the programs, "it still means we are going to have to cut over \$300,000 (in program)."

At the meeting of the two boards, Chairman of the Board of County Commissioners Al Phillips asked Dunn why the school

system is asking for an extra \$350,000 this year when one of the schools in the system (Swain Elementary) will be closed next year.

Dunn said that many of the renovations throughout the

system are costing more than was expected and that, "Education is a people industry - salaries go up."

"It (increases in funding requests) can't continue," said

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Selective Board Established

The Selective Service System has established a local board for Chowan, Perquimans, Pasquotank, Camden and Currituck counties. They are now accepting applications for volunteers to serve on that board.

Persons selected would spend

one weekend of initial training and one additional three-hour training session each year.

If the draft were ever resumed, the local board would decide conscientious objection and hardship claims for draft exemptions and

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United Methodist Minister Appointed



Reverend Ralph I. Epps will be moving to Edenton on June 13 and will become the new pastor of Edenton United

Methodist Church. His first Sunday in the pulpit will be on Father's Day, June 16.

Rev. Epps, a native of Sumpter, South Carolina, attended Sumpter High School, received his A.B. degree from Wofford College, Spartanburg, and his B.D. degree from Duke Divinity School. He is a veteran of World War II, having served as an Infantry Officer with the Airborne (Gliders).

He has served appointments in North Carolina including Pikeville, Stem, Maxton, Laurel Hill, Grifton, Weldon, Fairmont, Mebane, Englewood in Rocky Mount, Fairmont in Raleigh, and comes to Edenton from Washington. He has held various memberships and served in many capacities on both the District and Conference levels. Epps has served as Town and County Commission Secretary; Vice Chairman, Conference Board of Pensions; Trustee, Methodist Home for Children; District Secretary of Missions; District Secretary of Race Relations; Member, Board of College Visitors; President, Raleigh Board of Missions; Secretary, Directors for Walnut Terrace Child Development Center, Raleigh; Coordinator, Migrant Ministry Committee, Rocky Mount; Member, Beaufort County Mental Health Association; Member, Family Support Group for Alzheimer's disease victims' families; Member, Beaufort County Council on Ag-

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Cheese Distribution Tuesday, June 18th

The Chowan Department of Social Services will be distributing cheese, butter and rice to residents of Chowan County on Tuesday, June 18, at the School Maintenance Building on Dicks Street in Edenton during the hours from 9 to 11 a.m.

The commodities will be available to households receiving food stamps in Chowan County and other households meeting certain income levels who did not receive these commodities on May 14.

For those households not on food stamps, gross monthly income levels to be eligible should not exceed \$540.00 for one person, \$728.00 for two persons, \$917.00 for three persons, \$1,105.00 for four persons, \$1,294.00 for five persons, \$1,482.00 for six persons, \$1,671.00 for seven persons, \$1,859.00 for 8 persons and household over eight persons should add \$189.00 for additional person. The application will contain a self-declaration income statement to be signed by the applicant.

One person from each household should come and sign the application and receive the commodities. The Department encourages all households that feel they are eligible, and did not receive these commodities during May, to come to the site and sign the application to receive commodities.

Knox Retires From Local Post Office

by Ron Anderson

The weather is stifling. But it doesn't seem to bother Larry Knox as he settles into a shaded backyard hammock and takes another sip from his soft drink. He's retired.

Last month, Knox, 55, officially retired from the U.S. Postal Service with thirty years of service. For the last ten of those years, he was Superintendent of Postal Operations at the Edenton Post Office.

A native of Edenton, Knox served in the U.S. Air Force for three years. When he came home in

1958, he began his career with the Post Office as a substitute carrier but soon was transferred inside and began working as a clerk.

In 1975, the last person to hold the title of Assistant Postmaster in Edenton, Bill Goodwin, retired and Knox was promoted to Superintendent. Duties formerly assigned to the Assistant Postmaster were now being performed by the Superintendent. The Superintendent, according to Knox, is in charge of all operations in the office.

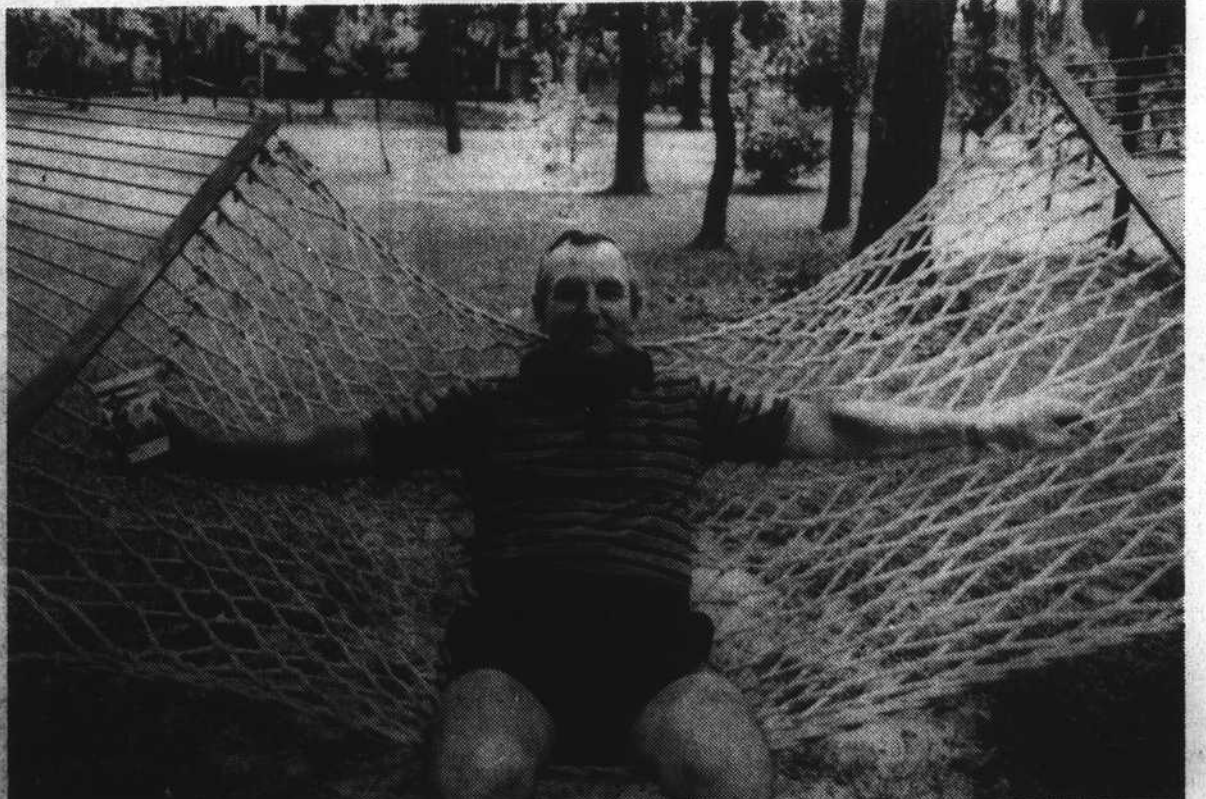
"The Postal Service has been good to me," Knox said of his thirty years of service. He noted that the biggest change to occur during his career was the reorganiza-

tion of the postal system in 1970. At that time the service became an independent organization.

Even though Knox has pleasant memories of the Post Office, he is looking forward to enjoying his retirement and has numerous activities planned.

"I like to fish and hunt - both bird hunting and deer hunting," he said. "I also plan to piddle around the garden. I'm a great piddler; I can piddle a long time."

Knox is married to the former Anne Mae Woolard of Washington who is currently the office manager at Fisher Nut Co. They have two sons, Larry and Jeff; three daughters, Susie, Amy and Patricia; and five grandchildren.



RETIREMENT—Larry Knox demonstrates the fine art of retirement in a hammock behind his house. Knox officially retired from the Post Office on Friday, May 24 with thirty years of service.

Tuesday, June 18th
12 P.M. - 6 P.M.

Bloodmobile Chowan Hospital

Quota: 90 Units