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WEEKLY NEWS ANALYSIS

Tunisia Upset Slows Yank Timetable; Japs Open 7-Pronged Offensive to Knock China Completely Out of War; Axis Spokesmen Try Peace 'Feelers'

(EDITOR'S NOTE: When spinions are expressed in these columns, they are those of Western Newspaper Union's news analysis and not necessarily of this newspaper.)



aded U. S. soldier struck during a heavy air attack by German anes on the airfield at Souk el Arba in Algeria is shown being comforted by a comrade-in-arms. The airfield was originally captured by U. S. para-

TUNISIAN TIMETABLE: **Delayed** by Rommel

General Eisenhower had had his choice of fighting decisive engage-ments on ground offered him by Marshal Rommel or on terrain of his own choosing. That he had preferred the latter was indicated by the fact that he was not drawn into a major battle when the Nazis pushed American troops out of the Tunisian area between Sidi Bou Zid and Gafsa into the foothills bordering Tebessa, Algeria.

While the Tunisian reverse was not a catastrophe, it was neverthe-less a punishing setback that meant considerable further delay in liqui-dating the Axis in Africa and moving on to the vastly bigger job of getting at Europe. The situation was brightened somewhat by reports that the veteran British Eighth army had rolled up from the south and had engaged Rommel's atten-

The loss of three advance air-fields and three forward positions by the American forces was costly. Superior weight and mechanical equipment, plus gruelling battle exrience was the explanation for the Nazi success. The new German 60ton Mark tanks had proved too strong for the 28-ton American tanks. The Nazis, moreover, had caught the Americans with their lines too thinly held.

In Washington Secretary of War Stimson said that American forces, outnumbered and outarmed have

PEACE OFFENSIVE: Axis Tries Wedge

Long expected by Allied chancel-lories, the Axis peace offensive finally got under way. First feelers were extended by Virginio Gayda, Fascist editor. The next move came from Nazi Propaganda Minister Jos-

eph Goebbels. The theme of both Axis spokesmen was that the unprecedented Russian victories were as much a danger to Britain and America as to the Axis. Therefore why not a separate peace, so that Europe could be saved from the Bolshevik men-

Quick to expose the spurious technique by which the enemy hopes to talk its way out of the consequences of impending defeat, was Elmer Da-vis, chief of the Office of War Information. "This pulls the whole mat-ter into the open," he declared. "The Axis is trying to drive a wedge between Britain, the United States and their Allies."

CANNED MEAT:

Temporary Freeze

Making supplies of canned meats and canned fish last through the year was a problem causing many a headache in the Office of Food Administration. Stocks on dealers' shelves had dwindled ominously; housewives were on a buying spree. Result: the OPA suspended sales of canned salmon, tuna, shrimp, meat spreads and kindred products until at least March 28-the date on which meat rationing was expected to be gin. Meanwhile, housewives and corner grocerymen had begun to familiarize themselves with the point-ration-ing system governing the sale of canned fruits and vegetables, dried borrowing. fruits, canned soups and canned baby foods.

RACE FOR DNIEPER: Nazis Still Menaced

Only two natural defense lines in the flat farm areas of southern Russia were left open to the Nazi armies after the victorious Russian forces had swept rapidly westward follow-ing the fall of Rostov and Kharkov. These were the Dnieper river in the central Ukraine, and behind it the Dniester river on the Rumanian bor-der.

der. Even if Hitler's armies won the race to the Dnieper river and suc-ceeded in establishing a new winter line behind its mile-wide expanse, the Nazi problems were by no means solved. The Nazi southern flank in the Crimea would be exposed and difficult to hold. The northern flank west of Leningrad would likewise

be in jeopardy. In an effort to convert the German retreat westward into a disorderly rout, the Red army had pounded ahead in a knockout offensive aimed at Orel, Nazi anchor point below Moscow. Strategic junction of four

railroads, Orel provided direct communications between north Russia, and the central Ukraine on the trunk rail line between Moscow and Orel. As the Reds continued to push the

Nazis out of the eastern and northern regions of the Donets river, Nazi resistance had stiffened inside the river basin itself. DRAFT:

'Undesirables' Next?

As it became clear that congressional sentiment was preponderantly in favor of deferring fathers and others with dependents until the supply of single men was completely exhausted, somber predictions on the future quality of draftees were made by army spokesmen.

Brig. Gen. Miller G. White warned that deferment for fathers of draft age would make it necessary for the army to induct illiterates, men with venereal diseases and "undesirables" now accepted only in limited numbers.

The rapidity with which the nation's armed forces are being built up was indicated by a statement by Maj. Gen. Lewis B. Hershey, head of the selective service system, that a total of 28,000 men per day are being taken into the army and navy at present induction rates.

RATION DATES: March 13-Period 5 fuel-oil coupons, good to Sept. 30, become valid.

March 15-Last valid date for No. 11 sugar coupons, good for

three pounds. March 21-Last valid date for Stamp No. 25, good for one pound of coffee. March 21-Last day on which Coupon 4 in "A" gas ration book is valid.

March 31-Final date for first inspection of passenger car tires for "A" card holders and motorcycles. April 26-Expiration date for Period 4 fuel-oil coupons. June 15-Last valid date for

Stamp No. 17, good for one pair of shoes.

INFLATION:

Taxation the Remedy Hard-headed Marriner S. Eccles, chairman of the Federal Reserve

Many Deductions Allowed by Treasury On Income Tax; Every Worker Can Claim Credits Under the New Levy

By ALFRED SINGLER

Although wartime necessity demands that Uncle Sam collect the highest income taxes in history, there is nothing unpatriotic in taking advantage of legitimate ways to lower your payments, as provided by law.

Tax laws are carefully written instruments. In writing them, congress included a list of deductions which taxpayers may claim. These deductions were included for excellent reasons and with the expectation that all taxpayers who could honestly claim them would do so.

The big taxpayer usually finds it advantageous to hire an expert who is familiar with each permissible deduction. The smaller taxpayer is not so likely to secure outside assistance. The latter would do well to determine for himself the deductions he can make legitimately.

For the person who makes not more than \$2,000 of taxable income per cent. A 50 cent theater ticket, which cost the customer 55 cents, represents a 5 cent deduction. -which means a single man earning not more than \$2,500, or a married Automobile owners are entitled to

cigarettes and liquor are not deducti-ble. They are stamp taxes levied

The transportation taxes paid on

cent for the last two months. The tax on transportation of goods,

amounting to 3 per cent on all freight and express bills, is deductible.

Taxes imposed by the federal gov-

ernment on jewelry, furs and toilet goods are not deductible. They are

excise taxes levied on the maker or dealer and are not collection

Also deductible are traveling ex-

penses required by one's employer

bursed by anything over salary,

when such expenses are not reim-

Dues to labor unions, assessments

taxes levied on the taxpayer.

wages or commissions.

on the manufacturer or dealer.

man or head of a family earning not more than \$3,200-every \$100 of deduct state and local license fees, the federal use stamps (which cost \$7.09 in 1942), driver's license fee deductions claimed will mean an \$18.40 reduction in income taxes and state gasoline tax. Automobile owners may not deduct the federal paid. Where larger incomes are ingasoline tax because it is consti-tuted as a tax on the manufacturer volved, savings are proportionately and not on the consumer, even though it was passed along to him.

The following are important deductions which will aid the average taxpayer. It is the general rule that the taxpayer gets credit only for those taxes levied directly upon him. For that reason state and federal taxes on

You Can Deduct

greater.

License Fees, Business Expenses, Contributions, Interest, Taxes.

All contributions, for public purposes, made to the United States, any state, city or town, are deductible, as are contributions to a domestic nonprofit organization operated exclusively for religious, charita-ble, literary, educational or scientific purposes or for prevention of cru-elty to children and animals. Church contributions include pew rent, assessments, etc. Organiza-tions such as USO, Army and Navy Pablic Red Corse community cheets Relief, Red Cross, community chests, etc., come under the charitable heading. Literary and educational organizations include such institutions as nonprofit colleges and schools, the Boy Scouts, voters leagues, and study groups. The sci-entific heading includes all nonpar-tisan scientific societies.

It is not permissible to deduct contributions made to a bar associa-tion, a medical association, a prohibition association, political campaign committees, volunteer fire companies, social fraternities, athletic clubs or gifts to needy friends or relatives.

is divided similarly, but only when actually sold and not when used as Generally speaking the taxpayer may deduct any interest paid on bor-rowings, including business, person-al and family debts. Because in-terest paid on behalf of a relative or friend is not a legal obligation on the taxpayer, such interest is not deductible a trade-in. In addition to deducting the threecent state tax on all gasoline used in your car, you can also deduct the cost of the gasoline and other supplies for business use of the madeductible.

As a broad general rule, the in-dividual can deduct all taxes he perby unions for out of work benefits, but not for sick, accident or death sonally pays to the tax collector, ex-cept federal income, estate and gift taxes and state and local benefit, benefits, cost of indemnity of fidelity bonds required by your employment,

miums, unless they exceed 5 per cent of your income. Any expense over 5 per cent of income, and up to a maximum of \$1,250 for a single person or \$2,500 for a family, may be deducted. This includes hospital bills, treatment, diagnosis and ev-erything connected with medical and dental care.

> **Farmer Deductions** Wages, Seed, Repairs, Tools, Fertilizers, Depreciation.

In general, a farmer who operates farm for profit is entitled to deduct from gross income as necessary expenses all amounts actually expended in carrying on the busi-ness of farming. The wages paid for hired labor are deductible. The value of products furnished by farm and used in the board of hired labor is not a deductible expense, but food purchased and furnished to hired hands is deductible.

Farmers may deduct the cost of grain and hay, amounts paid for grinding and processing feed, amount paid for hire of machinery, cost of farm supplies, gasoline for farming, repairs and upkeep of cars.

Amounts expended for repairs and maintenance of farm buildings, (except the dwelling), fences, drains and other farm improvements, and for repairs and maintenance of farm machinery and nequipment are de-ductible. Amounts expended for re-placement of, or additions to, farm machinery, farm buildings, or other The transportation taxes paid on railroad, airline and other personal transportation last year is deducti-ble. The rate was 5 per cent of the fare for the first 10 months; 10 per farm equipment of a permanent na-ture are not deductible as such expenditures are regarded as invest-ment of capital which is returned to the owner through depreciation allowances during the useful life of

the property. The cost of small tools of short life may be deducted. The cost of com-mercial fertilizers and lime, the benefit of which is of short dura-tion, is deductible as an expense. The amount expended in the resto-ration of soil fertility preparatory to actual production of crops and the cost of liming soil to increase productiveness over a period of years are capital expenditures, and thus are not deductible.

When your car is used partly for Fees paid for advertising farm business and partly for private purposes, deduction is allowed only products; expenditures for stamps, stationery, account books and other the portion used for business, office supplies purchased for farm use; expenditures for travel in conand then only when the driver is not reimbursed. The loss on the nection with the farm business and sale of a car, used partly for busi-ness and partly for private purposes, other similar miscellaneous expenditures are deductible.

An allowance for depreciation of buildings, improvements, machin-ery, or other farm equipment of a permanent nature is deductible. The amount claimed on account of de-preciation should not exceed the original cost of the property.

item depreciation on livestock or any

other property included in the farm-

Repairs on depreciation on the dwelling occupied by the farmer or on his personal or household equip-ment are not deductible. It is not permissible to claim as a separate

Now a thick-set, firm-mouthed commander of 58, he directs all engineers through an encyclo-

Who's News This Week Delos Wheeler Lovelace Consolidated Features.---WNU Reisas

NEW YORK.-First there were Art Neht's own three World Series victories over the Yankees of the Ruthian years; no other pitcher We've 3 Times 3 Victories Chalked came anoth

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Up for the Nehfs er three, ob viously un Now, in a drift of pungent smoke over the Solomons, Art Junior racks up three Zeros.

The friends who walked and talked with Old Art-he is barely 50-when he was about the best left-handed pitcher of the twenties, read of young Art's three-timer and began to think back.

Arthur Newcomb Nehf, Terre Haute-born and a graduate electrical engineer when John McGraw sidetracked him into the Polo Grounds, has lived so long in Phoenix, Ariz., that he is a legendary shadow across the big league trails, but the friends made him a man alive there once more. They made him a man to be remembered for more than base-ball, too. They spoke of him as D'Artagnan, Porthos and Aramis spoke of Athos, the thoughtful, the just.

ust. Art Junior did only what they expected of Art Senior's son when the Japs bore in from five compass points. He was scared but, "I knocked off three of those monkeys," and damaged the other two. Then, "They hit me and I couldn't do much so I ran like h-l," and crashed. Now, however, he is as fresh as new paint again.

In some such whirl of action Art Senior took his first game from the Yanks. For eight innings the bats of Ruth and the cocky others bore in from all the compass points. Nehf had a 1-0 score, one out and one on in the ninth when Home-Run Baker hit a ball like a bullet. A good judge who saw Johnny Rawlings race for it off second base still calls the It on second base shill calls the stop the greatest play of baseball. High-pockets Kelly and the marvel-ous Frank Frisch, that day at third, finished the double play That was in 1921. Nehf won his other two in '22 and '23.

IF Maj. Gen. Eugene Reybold hadn't decided 16 years ago that he was on the wrong track the army corps of engineers would jump for A Big Gun Man a different chief today.

Starts Afresh and He was a Engineers Profit big gun man then,

ten years out of the coast artillery school at Fort Monroe; and come to think of it, pretty old to be mak-ing a fresh start, 42. But young enough. Eleven years later, when the Mis-

sissippi went on a rampage and an army engineer was needed, he got the nod. The block and tackle he threw then has kept Old Man River quiet ever since.

stantial casualties."

BLACK MARKETS:

Gangsters Reap Riches

- How to combat the black markets in meat products which were skyrocketing retail prices, menacing the supply for military and lendlease purposes and endangering the future existence of small packers was a problem that had congress as well as agricultural officials worried.

As reports persisted that gang-sters had turned their unscrupulous talents into this highly profitable illegal trade, two suggestions were made by the OPA to the house small business committee, for solv-ing the problem. One was for the government to purchase live ani-mals. The other was for a registration of every person who sells or handles meat.

FRENCH ARMADA: **To Strengthen Allies**

Heartening news that 42 French warships, in addition to the four now undergoing repairs in American shipyards, would soon be fighting on the side of the United Nations was brought out by Vice Admiral Raymond Fenard, chief of the French naval mission to the United States.

Admiral Fenard said that two more battleships, six cruisers, an aircraft carrier, seven destroyers, 14 submarines and ten auxiliary craft would join the United Nations armada "soon, but I don't know when."

The naval leader said that the cruisers Gloire and Georges Ley-gues already are in action against the Axis.

JAP WAR THEATER: Mme. Chiang Urges Speed Even as Madame Chiang Kai-shek

in Washington was calling for more decisive Allied blows against Japan, communiques from China revealed that the Japs had undertaken what was apparently a major effort to knock China out of the war.

The Jap offensive took the form of attacks in seven Chinese areas from above Shanghai to Yunan in the Southwest. The core of the drive had been directed along the old Burma road in Southwest Yunan.

Seeking to stir America to a greater understanding of Japan's menace to the Allies, Madame Chiang said it was contrary to the United Nations' interests to allow Japan "to continue not only as a potential ene-

my, but as a waiting sword of Damocles, ready to descend at a mo-ment's notice."

Reports from Allied Pacific headquarters continued to reflect steady, if undramatic progress. In New Guinea, American and Australian jungle troops were pushing hard on the heels of Japs retreating from the Wau area toward Mubo on the outskirts of Salamau. In the air Liberator and Flying Fortress bombers continued attacks on Jap positions in Dutch New Guinea and New Britain. taxes

board of governors, bluntly warned congress that the nation faced disastrous inflation because the gov-ernment is financing too much of its war deficit by bank borrowing and not enough by taxation and public

Asserting that the government was doing a "very bad" job of war financing by comparison with other countries, Mr. Eccles said the problem of inflation was "entirely in the hands of congress."

"No government in a war period has been able to avoid some infla-tion," he said, adding that "inflation can only come by congress ap-propriating money and failing to provide method of collecting money.

Purchasing power this year, he estimated, would be 40 billion dollars in excess of goods and serv-ices available. If the public saved in the same proportion as in 1942, however, he said the gap would be shaved down to about 15 billion.

FASTEST PLANE: Unveiled by Navy

When the navy unveiled what was termed the "fastest airplane in the United States" at a Hartford, Conn., plane factory, it was disclosed that other models of this ship-the Vought F4U1 Corsair-hed already been in successful action against

the Japs over Munda in the South Pacific.

Among the "bests" claimed in the Corsair's behalf were that it has the most powerful engine of any navy fighter in the world; that it can out-fight and outfly land based aircraft in the same classification; that it can be used as an interceptor.

sitated by the type of work, are de-ductible, but only if their life is less than one year. If their life is longer than one year the owner can dis-Federal taxes which are deductible include those on admissions, dues, telephone, telegraph, transportation, auto use, safety deposit boxes, etc. count depreciation only. Admission taxes collected at the-

Admission taxes collected at the-aters and other places of amuse-ment during 1942 amounted to 10 No deduction is permitted for med-ical and dental expenses, including accident and health insurance pre-

er's inventory, as such depreciation is taken care of in the reduced amount of the inventory at the close of the year. However, depreciation may be claimed on livestock ac-quired for work, breeding or dairy

purposes which are not included in the inventory of livestock pur-chased or raised for sale.

Here's One Gang That Can Come Along!



As burdensome as the income tax may first appear, it allows for many deductions. Mr. Taxpayer pictured above is seen with a host of exemptions, including state gasoline tax, state sales tax, license fees, amusement tax, communications tax, charitable and religious contributions, etc. For every \$100 the taxpayer can legitimately deduct, he saves \$18.40 in taxes,

engineers through an encyclo-pedia of special jobs that this global war has added to the traditional bridge-building, map-making, camouflage and con-struction. Reports from Africa and Britain, where he has just been, are' that nothing of any great shakes is lagging. Here and there, the material may be a little short, but in such a pinch the army engineers work won-ders with baling wire, shovels and the sergeant's motherly coaxing. coaxing.

The general got his corps pre-pared for war a year ago when he streamlined it into nine divisional units, each overlapping those of the

army's own nine service commands. The honor lists already give Gen-eral Reybold a Distinguished Service Medal.

EVERY month fresh signs arise that after peace there will al-ways be a better England. Now the word is out that this will be help Ire-How High Bobby some from Chief Has Climbed land. King From How Low! George taps Herbert

Herbert Morrison, Londonderry born, Gal-way schooled in part, to be minister of town and country planning He is to see that dream cities become visi-

ble where Nazi bombs have now heaped rubble. The new minister already is home secretary, head of England's police. Morrison's father was a London bobby. In a dozen other posts over the

years the home secretary and min-ister of planning has become known as one of the government's most able executives.