

DEMOCRATS TO MEET JUNE 10

See More Than Billion For Relief Convention To Open Six Days After Primary

Washington—The boys on Capitol Hill are unhappy because they have got to figure out some new taxes—and no fooling. The word came from the White House that they must provide additional revenues of \$786,000,000 a year for the next 3 years and \$620,000,000 a year or the next six years thereafter. They knew it had to come some time, but they were hoping it might be postponed until after election.

The President has not told them where to get the money. They passed the legislation so they must figure out for themselves where the money is coming from. The biggest job that confronts them is working out new tax measures that will really raise the revenue required without letting too many voters realize that they have got to pay.

NEW TAX OUTLOOK

It is regarded as practically settled that processing taxes similar to those under the defunct three A's will be utilized to provide a major part of the additional revenues. The likelihood is that these taxes will be spread farther, over a wider range of commodities, taking in practically every agricultural product that has to go through any manufacturing process between the farm and the consumer. The hope of the boys is that the consumers won't notice.

A strong movement is under way to revise the income tax laws so as to draw directly upon incomes down to \$800 a year. Politically this is not well liked, especially in view of the fact that an income tax on all wages and salaries is already on the statute books under the Social Security Act, to take effect at the beginning of 1937. Some heavier inheritance taxes will doubtless be included in the new set up.

The inflationists are taking advantage of the situation by trying to enlist more support for their plan of doing away with additional taxes by simply printing more money. That probably will not get very far but they may make a lot of noise. A push is on also for legislation to restore the NRA standards of wages and hours of labor on Government contracts, but the chance is rather slim of any such action at this session.

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Pays Burial Costs To Escape Trial

L. R. Cheshire, local negro undertaker this week complied with requirements which released him from a pending criminal action relative to the holding of the body of a negro woman which the State contended was obtained under false pretenses.

Leanna Sibley, died near Richfield several weeks ago. Immediately after death, Cheshire called for the body, stating the deceased was a member of a burial association. When he failed to bring the body for burial at the time specified, an investigation was started, Cheshire claimed that the dead woman's dues were not paid up, and that he was holding the body for burial expenses.

Claim and delivery papers were signed upon Cheshire, alleging that the body had been obtained by false representation. He turned the body over to the claimants, and then was faced with the criminal action. He was released from the probability of this action by paying the burial expenses of the woman and court costs which had accumulated.

N. C. Bank Resources Are Highest Since '29

Raleigh—Resources of all banks in North Carolina as of January 1 totaled \$418,990,44 or the highest mark since 1929, Gurney P. Hood, State commissioner of banks, has announced.

Hood revealed a statement from the comptroller of the currency showing total resources of national banks in North Carolina were \$100,672,000 last December 31. Resources of State banks the same date were \$318,318,440.

Available amounts in commercial banks were \$305,051,060, and that of industrial banks \$13,267,784, accounting for the State institution total.

WPA And PWA Are Defended By Democrats

President Undetermined On Exact Amount to Be Asked

MAY DELAY REQUEST

Washington—Intimations that President Roosevelt soon would ask Congress for between \$1,000,000,000 and \$1,500,000,000 for continuing his work relief program were dropped in Senate circles as Democrats entered a twin defense of the WPA and PWA.

Senator Robinson of Arkansas Democratic leader, in a 7,000-word prepared address, defended "boondoggling" under Harry L. Hopkins' Works Progress administration, and asserted the Republican national committee and "miscalled Liberty league" were attempting to make a "political football out of the unfortunate unemployed."

Soon afterward, Senator Hayden, Democrat of Arizona, read another prepared speech paying tribute to the Public Works Administration under Secretary Wick and urging another \$700,000,000 appropriation for new non-Federal projects already proposed but for which funds are lacking.

On the present 45-55 grant-loan basis, Hayden said this would enable construction of \$1,500,000,000 of State and municipal projects. Sandwiched in between the two Democratic speeches was a fresh demand from Senator Vandenberg, Republican of Michigan, for a full investigation of charges that WPA is being used for "political exploitation for a partisan purpose."

The double Democratic defense reached its height just as President Roosevelt at his press conference said he had not determined (Continued on page eight)

THE WEEKLY NEWSPAPERS

(Arthur Brisbane) "The readers of the smaller newspapers, scattered all over the United States, forms the most important body of thinking Americans in the country. Editors of the smaller newspapers constitute a national intellectual police force that keeps a great majority of the 130,000,000 Americans informed as to public happenings. If the great advertisers of the United States could be made to realize the extraordinary buying powers and advertising value of the local newspapers, the publishers of such newspapers would be rewarded financially as they deserve to be."

F. D. R. Leads Georgia Vote

Second County To Give Big Majority Over Talmadge

Chamblee, Ga.—President Franklin D. Roosevelt rolled up a heavy majority over his Georgia critic, Governor Eugene Talmadge, in a presidential preference primary in Harris county Wednesday—the second county so to vote—incomplete returns showed:

Returns from 18 precincts gave: Roosevelt 991; Talmadge 34.

Roosevelt's name was on the ticket in the election, but Talmadge's was not.

The ballot instructed "if not for Roosevelt write preference." Harris county adjoints Meriwether, where President Roosevelt has a vacation cottage.

It was the second county in the State in which the presidential issue was submitted to voters in an unofficial primary. The results are not binding.

Seminole county, like Harris a rural area, recently gave Roosevelt a five-to-one vote over Talmadge.

Nation Sunday Toll Immense

Automobile crashes took 50 lives across the nation Sunday.

Four CCC members suffering from mumps were killed in a truck accident near Gillette, Wyo., while en route to a hospital for treatment.

A fifth victim of an auto crash in New York, died Sunday. The sixth occupant of the car was operated upon and not expected to recover.

Pennsylvania with eight deaths led the states. Texas had seven.

The list: Pennsylvania 8, Texas 7, Alabama 5, Wyoming and North Carolina 4, Kentucky 3, California, Iowa, Illinois, Connecticut and New Jersey 2, Ohio, Oklahoma, Missouri, Kansas, Colorado, New Mexico, Oregon, Nevada, South Carolina and New York one each.

Appeal Ruling On Income Tax

Washington—Contending they had been denied legitimate deductions by government tax officials, two railroads asked the Supreme Court to free them from income taxes of more than \$236,000 for 1928, 1929, 1930.

Attorneys for the Atlantic Coast Line railroad company, with offices at Wilmington, N. C., and the Carolina, Clinchfield and Ohio railway appealed from a ruling by the Fourth Federal circuit court January 9 which approved the findings of the board of tax appeals.

The Coast Line protested additional taxes of \$94,047, for 1928, \$66,575 for 1929, and \$75,115 for 1930. The Carolina Railway appealed from a deficiency of \$427, for 1930 and a refund of \$33 for 1929. It claimed the latter should be larger.

WILL SEEK THIRD PARTY St. Paul—Howard Y. Williams, national organizer for the Farmer-Labor federation, announced the Minnesota Farmer-Labor association will be asked to take the lead at its coming convention in a movement for a national third party in 1936.

Not For Publicity Purposes



NEW YORK—Above are Mrs. George Burns and daughter Sandra, 2, and brother Ronald, 6-months old. Mr. and Mrs. Burns adopted both children from a Chicago foundling home, Sandra more than a year ago and Ronald just recently. Photo shows Sandra welcoming her new brother. . . . Mr. and Mrs. Burns are widely known . . . to screen and radio fans. They are none other than George Burns and Gracie Allen.

Doughton Defends F.R.'s Tax Program

Washington—Representative R. L. Doughton as chairman of the ways and means committee moved to mold public sentiment in favor of the President's tax program which would hit surplus profits of industry and business establishments hardest.

The veteran solon struck back forcibly at critics of the administration who are charging the President has broken his pledge for a "breathing spell" for business, and justified the proposed program by saying that the greater part of the present emergency was caused by the soldiers bonus law and the Supreme Court invalidation of the AAA.

"There is a great deal of confusion about just what the plan is," declared Doughton. "And yet, essentially it is very simple. It is to place all taxpayers on the same footing: it is to make the same rule apply to the corporation as to the private, unincorporated individual; it is to treat all stockholders alike, whether they are big stockholders or little stockholders, whether they own stock in a great corporation or a small and insignificant one."

"The existing system is unfair and expensive to the majority of stockholders. It enriches or benefits some corporations and a relatively few large taxpayers. It prevents the small stockholder from receiving a fair annual return on his investment. "All corporations are now taxed on a scale of 12 1/2 to 15 per cent of their net profits and they also pay other taxes on capital and on excess profits. When dividends are paid, the stockholder must pay in addition, personal income surtaxes on them. This makes the small stockholder pay too high a tax—a double tax—on his share of the profits. Where the corporation distributes to stockholders all its net profits, or nearly all, the whole group of stockholders of the corporation has paid much greater taxes than they would have paid, if they had made the same earnings in business as individuals."

"But there is a great profit in the situation for some. The corporation may withhold a large proportion of its profits and reinvest them instead of distributing them to stockholders. In that case no personal income taxes are paid on them. This enables big stockholders with large personal incomes to place or retain their earnings in good investments without paying the heavy surtaxes they would have had to pay, if they had been in business as individuals or had been members of a partnership. The corporate form is thus merely a refuge from just taxation for big incomes."

"If corporate income, now withheld, was subjected to the same surtax rates that apply to income of individuals and partnerships, the treasury department has estimated that in the calendar year 1936, the government would collect \$620,000,000 net additional revenue, even though the corporation paid no tax on its distributed profits, and no capital stock or excess profits taxes."

"The excessive accumulation of current earnings by corporations is the biggest leak in our tax system. It operates also to cause great artificial consolidations of capital and disregard of the interest of the small stockholders."

"The President's proposal is to put a stop to this evil by substituting a very simple and clear cut system. It is this: "First, repeal all of the existing general corporation taxes, the graduated tax on corporation income, the capital stock tax and the excess profits tax."

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College Honors Judge Warlick

Honorary degrees will be conferred upon Judge Wilson Warlick, of Newton, and Professor Charles Edward Meyers, of Lancaster, Pa., by Catawba college at the commencement exercises, May 26, it is announced by Dr. Howard Omwake, president.

Judge Warlick, is an alumnus of the college, and is now on the Superior court bench. He will receive the degree of Doctor of Laws, while Professor Meyers will receive the degree of Doctor of Letters. Judge Warlick will make the address to the graduating class of approximately seventy-five members on Tuesday, May 26, at 10 a. m. Professor Meyers, who is professor of English at Franklin and Marshall college, Lancaster, will preach the Baccalaureate sermon Sunday morning, May 24, at 11 o'clock.

J. F. Hurley, Sr. Dies Enroute To His Home Here

Funeral Services Held At First Presbyterian Church Saturday

Attended by an exceptionally large gathering of Salisbury and Concord people and persons from other sections of the state, funeral services for James F. Hurley, Sr., editor and publisher of the Salisbury Evening Post, were conducted at the First Presbyterian church here Saturday afternoon.

Burial followed in the Phifer Memorial cemetery in Concord, where the deceased was born and reared and spent the majority of his 65 years. Prior to 1910 he was publisher of the Concord Tribune.

The services were conducted by Rev. Marshall Woodson, pastor of the First Presbyterian church of this city, assisted by Rev. W. E. Davis, pastor of the First Presbyterian church of Concord.

In accordance with Mr. Hurley's request, members of the Evening Post organization served as pallbearers. He had been editor of The Post since 1912.

Rev. Woodson, in the funeral services here, paid brief but glowing tribute to the life and character of the deceased, pointing out that the outstanding passion of his life was his love for children and young people and citing his work for the schools and other enterprises for the welfare of youth, including Barium Springs orphanage.

Mr. Hurley died suddenly March 5 on a train bringing him home from Florida, where he had spent the winter.

The North Carolina Press association was represented at the funeral by Miss Beatrice Cobb, of Morganton, secretary; W. C. Dowd and J. A. Adkins of Charlotte, J. W. Adkins of Gastonia; Lee B. Weathers of Shelby, H. P. Deaton of Mooresville and J. D. Bivens of Albemarle.

GRADUAL PROGRESS

Victim: "Hey, that wasn't the tooth I wanted pulled."

Dentist: "Calm yourself, I'm coming to it!"

INDIAN GETS \$25, REJECTS RELIEF AID

Charlotte—John Wallace, one hundred and four-year-old Indian, had only \$25, but it was more money than he knew what to do with."

So he wrote the welfare office where he had been receiving periodic stipends, to strike his name from the rolls.

The aged man had received a check for \$25 from a man whom he had befriended.

South Hadley, Mass.

First Lady Pleads For Eliminating War Profits

Grand Rapids, Mich.—Mrs. Franklin D. Roosevelt offered a lecture tour here with a plea that profit be taken out of war, and the prediction that "the war psychology under which we have lived always" will be gradually worn away by each effort toward world peace.

The first Lady came here from Washington to speak at the Fountain Street Baptist church. A capacity audience of 1,700 heard her lecture.

"I believe," she said, "that if all nations could take all profits to individuals out of the munitions industry, we would be making a worth-while advance, even though we were still obliged to keep on building up our defenses."

"At least there would be no profit in it, and people would be paying directly in taxes for what the various nations had to spend on defenses. "It is impossible for any nation to bring about peace by itself," she said. "It is self-evident that, as long as the rest of the world is armed, every nation must be armed."

Convention To Open Six Days After Primary

Motion To Hold State Gathering Before Primary Withdrawn

Raleigh—The State Democratic executive committee has voted unanimously at its meeting here to hold the party's 1936 State convention in Raleigh at noon June 12, just six days after the first primary.

The county Democratic conventions will be held May 16 and precinct conventions May 9.

One motion to hold the State convention May 11, before the first primary, was introduced, but was withdrawn.

The meeting was harmonious, with 96 members present in person or by proxy.

Rivers D. Johnson of Duplin county presented the resolution setting convention dates. It was seconded by J. H. Yelton of Henderson county.

H. P. Whitehurst of Craven county proposed the meeting be held before the primaries, saying all candidates should know what the party platform was and should let the people know how they stood on it before nomination. He was aided by John H. Fogler of Surry, who urged the early convention but after Johnson spoke for his own resolution, Whitehurst withdrew his.

Johnson said the party wanted "to make more Democrats" and "we want to make the platform after the primary, so that everybody can get in on it and stand on it." He said, "You may be able to read between the lines of what I say, but we want to make Democrats."

Chairman Wallace Winborne commented Johnson had done "an eloquent piece of work."

A resolution was adopted expressing (Continued on page four)

Protest Against Huge Defense Measure

Washington—Mrs. W. A. Newell, of Salisbury, head of the women's missionary council of the Methodist Episcopal church, South was among the members of the committee that call upon President Roosevelt Thursday morning to protest against the "billion dollar" appropriations for the army and navy now before Congress, the largest peace time expenditure ever proposed for armaments in this country.

The committee of which Mrs. Newell is a member is correctly known as "the peoples mandate to end war." Many outstanding women are members of the committee, some of whom are: Mrs. Charl O. Williams, of Washington, D. C.; Mrs. Gerard Swope, of New York City, and Mrs. Mary E. Woolley of Mt. Holyoke college, South Hadley, Mass.