

Hoey Will Begin Speaking April 1

Washington—The outlook for adjournment of Congress before June 1 gets slimmer and slimmer. The main thing that is going to eat up time is working out a new tax bill. That a very large amount of additional tax revenues must be found somewhere, and that quickly, is now regretfully admitted by members of Congress. At any time the problem of taxation is a delicate one. Important new tax systems have to be discussed and considered from many angles besides the question of whether they will raise the money needed.

That sort of discussion has already begun in regard to President Roosevelt's proposal to levy a tax upon the undisturbed surplus of corporations. That would mean that liquid funds in corporate treasuries, which are being held as reserves, either against a falling off in business or to finance improvements and extensions as business picks up, would be drawn upon as a new source of revenue.

The President's proposal is to abolish the existing taxes on corporate incomes, excess profits and capital stock, which now produce a revenue of about \$1,000,000 a year, and instead, levy a tax which is estimated at about one-third of their total on the corporate reserves. This, the Treasury figures, would amount to about \$1,600,000, thus increasing the Government's income by \$600,000,000.

VIEWING NEW TAX PLAN

The question of how the President's plan would work out is what is puzzling members of Congress. First, would it cripple corporations which have accumulated large surpluses? Second, would it result in an immediate distribution of large proportions of those surpluses in the form of dividends to stockholders, and so reduce the total to a point where the expected tax revenue would not be forthcoming?

It is pointed out on one hand that these surpluses are the property of the stockholders and ought to be distributed to them in the form of dividends. If they were done, they would be taxable as individual incomes.

On the other hand, the argument is set up that only the existence of large undistributed surpluses has enabled many industries to carry on, to keep their plant equipment up-to-date, continue to employ labor, and pay dividends to stockholders during even the depths of the depression, when they were actually running at a loss. How far can that protective reserve be drawn upon without incurring the risk of serious damage to industries and increasing unemployment?

LOOKING AHEAD

The best guess now is that the President's plan will not be adopted in its entirety, mainly because there is not time between now and the political conventions to examine all of its implications. There probably will be some experimental tax on undistributed surpluses, but existing corporation taxes are not likely to be repealed, although they (Continued on page Four)

Farmers Urged To File Cotton Applications

D. H. Sutton, county agent, has asked that all farmers of Rowan county who are growers of cotton to bring their cotton sales certificates to his office, if they have not already done so.

The county agent has received instructions to complete his work on cotton price adjustment and farmers should file application for the 12 cent cotton guarantee by the government at once.

The application is to assure the farmer that when he sells his cotton he will receive 12 cents for it and there is no obligation attached as to any reduction of acreage, it is stated.

The government will pay the difference, if any, on the price the farmer receives on the day he makes his sale and the 12 cent price will be determined by the average of southern spot markets on that particular day.

Plans For County Fair Under Way

Agricultural Products to Be Given Special Attention

BIG PREMIUM LIST

The Rowan county fair has been leased for five years to Norman Chambliss, of Rocky Mount, who spent Monday in the city interviewing interested persons and those who might help him and his partner, Mr. Geo. Hamid of New York City, in the Fair here.

Mr. Chambliss has had a wide experience managing fairs; the last three years he has operated the State Fair at Raleigh.

The Rowan fair has been announced to open on the afternoon of October 26, of this year with the World of Mirth shows, which play at the North Carolina and Virginia State fairs, as the midway attraction.

D. H. Sutton, county agent, and Miss Mary Parrish, home demonstration agent, have conferred with Mr. Chambliss and are cooperating. It is expected that the fair will be exceptionally interesting and helpful, it has been stated.

Through the support of county Supt. S. G. Hasty, the vocational agriculture and home economic teachers and pupils, the fair promises to have a large display of products from the farmers and their families.

Mr. Chambliss has indicated that \$3,000 in premiums for exhibits will be given. An abundant display is desired and special attention will be given to farm and home products.

RFC Loan Will Speed Liquidation Of Bank

Raleigh—Gurney P. Hood, State bank examiner, Tuesday announced the RFC has agreed to lend \$2,600,000 to be used in speeding the liquidation of the defunct North Carolina Bank and Trust company. Hood said "a substantial dividend" will be paid to the depositors and other creditors as soon as possible.

As there are pending in the Supreme Court several cases involving claims against the North Carolina bank, it was indicated it might be sometime before the dividend could be paid.

EVERYTHING USED FOR BOOKMARKS

Clinton, Mass.—What does Mr. and Mrs. Public use for bookmarks? The staff of the Bigelow Free Public Library here have a collection. These include: Hairpins, bobby pins, elastic bands, orange manicure sticks, small combs, matches, razor blades, clippings from magazines and newspapers.

Schools for Adults



ST. LOUIS... C. R. Reed (above), Superintendent of Minneapolis, Minn., schools, is a staunch advocate of night schools for adults, like those in his city where 9,000 adults are enrolled.

Navy Investigates



LOS ANGELES... Harry T. Thompson (above), is held here under \$20,000 bail and facing indictments on charges of illegally wearing a naval uniform and impersonating a Federal officer. An espionage plot is also being investigated, the sale of navy secrets.

Hauptmann Clings To Reprieve Hope With Staunch Faith

Bruno Richard Hauptmann clings to faith that he will escape the electric chair despite the fact that the date set for his execution is now less than three weeks distant. Hauptmann told his wife, Anna, of his steadfast hope and confidence upon the occasion of a visit to him within the past few days.

Hauptmann, convicted of the Lindbergh baby kidnap-murder, is under sentence to die the week of March 30, and will probably be executed the night of Tuesday, March 31.

Gov. Harold G. Hoffman, who granted a 30-day reprieve on January 16, 29 hours before Hauptmann was to go to his death, said he would not sign a new reprieve, and that Hauptmann's only chance of sidestepping his fate at the end of the month lay in the discovery of new evidence.

Even in that case, the governor said, he has no legal power to do anything, beyond suggesting to Attorney General David T. Wilentz and defense attorneys that they ask Supreme Court Justice, to stay execution.

Dry Body Sues To Get \$1,000

Gastonia.—The United Dry Forces of Gaston county have filed suit here against John A. Wilkins and R. B. Babington, Jr., executors of the estate of the late E. G. McLurd, to collect \$1,000 they claim was left to the dry cause in the McLurd will.

McLurd, prominent Gastonia business man who died in November, 1933, was an ardent prohibitionist and left provision in his will for a fund of \$1,000 for any organization formed to promote prohibition enforcement in Gaston county, the United Dries claim in their complaint.

The United Dry Forces claim that all indebtedness of the estate has been paid off with the exception of certain listed exceptions, and that the executors have notified them they are preparing to close settlement of the estate.

Peanut In Lungs Causes Death Of Young Child

Greensboro.—A peanut that lodged in the lungs of Gerald Stone Newman recently caused his death in a local hospital Wednesday night.

The boy, 22 months of age, swallowed the peanut and after it lodged in his lungs an abscess formed in his lungs. He coughed and the peanut moved to his windpipe, impeding respiration to such an extent to prove fatal.

No man likes to have a woman buy his neckties. He can pick funnier ones himself.

Snow Impedes Traffic In WNC

Flood Menace Arises In East, Meanwhile, As Rivers Absorb Melting Ice

Mountain counties of western North Carolina spent Wednesday snowbound as highway department crews struggled to open roads clogged by a 12 to 18-inch fall.

"Every road west of the Blue Ridge," was the way the State Highway department listed the roads blocked. Officials expected, however, to have main highways in the vicinity of Asheville opened by Thursday, but said another day would be required to open those in the Boone section.

While the West dug out from under its snow which marooned between 300 and 400 school children, stranded motorists on the roads and damaged communication and power lines, a flood menace arose in the East.

Advisory warning that the Roanoke, Neuse, Tar and Cape Fear rivers would leave their banks were issued by the U. S. weather bureau at Raleigh.

Extra equipment was sent to the mountain counties by the State Highway department to help in clearing roads. The highway workers were handicapped by having no machinery designed to handle deep snows and in some places the snow had drifted to a depth of 10 feet or more on the roads.

With all highway traffic paralyzed by the blizzard which swept the western part of the State Tuesday, many communities went without reach. Dairymen could not reach towns to make milk deliveries and those without fuel could get none.

Classes were suspended at Lees-McRae college at Banner Elk because of a coal shortage which prevented heating of classrooms.

Scores of automobiles were abandoned on roads as their drivers took shelter in homes and hotels during the blizzard. Twenty-five cars were reported stuck in the snow over the eight-mile stretch between Banner Elk and Elk Park, alone.

Despite the conditions, no exposure deaths were reported.

Reports of children snowbound included 48 brought to the courthouse at Asheville after their bus became stalled, 70 in the Valley Springs school, 60 in Arden negro school, 60 in Fletcher school, and 30 in the Avery county school near Newlands. Four buses carrying 100 children stalled in Madison county and the children were taken into homes in Marshall.

Won't Have To 'Plow Under' 20-Pig Litter

Bluefield, W. V.—A. C. Lockhart, a farmer of Bishop, Va., almost swooned when he went to the barnyard and found a litter of 20 pigs.

Recovering his equilibrium, he proceeded to the nearest telephone and called the Bluefield Sunset News, 30 miles away, to ask if "the AAA will do anything to me." He was assured of his immunity, whereupon he observed: "Well, these are such fine little fellers I sure would hate to plow 'em under."

Bull Born In Antarctic To Greet Byrd

Winston-Salem—"Iceberg," internationally famous Guernsey bull, born in Little America, will greet Admiral Richard E. Byrd when he arrives here to deliver an address Friday.

Manager Pyron of Klondike farm will bring "Iceberg" here Friday to join Winston-Salem in welcoming Admiral Byrd.

E. C. Gregory Candidate For State Senate

E. C. Gregory, Sr., has announced that he will be a candidate in the June primary for the Democratic nomination from Rowan for state senator since J. Allen Dunn has definitely announced that he will not be in the race due to other duties and responsibilities.

Mr. Gregory is reported as having assured Mr. Dunn of his support should he be a candidate, but since he isn't, Mr. Gregory has said that he will appreciate the support of his friends for this office.

For Governor



Hon. Clyde R. Hoey

Hoey Campaign Managers For County Named

T. Kern Carlton and Nelson Woodson, young lawyers of this city, have been selected as campaign managers of Rowan county for Clyde R. Hoey, who is one of the candidates for the nomination of governor.

Mr. Carlton began his practice at law about eight years ago and Mr. Woodson was admitted to the bar in 1932. Both young men are successful and popular and it is believed that a wise choice of managers for Hoey has been made.

Briefs About Floods

Total dead in six states—39. Pennsylvania—At least 30 dead. In the west, Pittsburgh inundated, fires, explosions and power failure add to terror, troops on guard; Johnstown flooded, five dead, 10,000 flee, but dam holds. In the east, death and devastation, with Susquehanna crest due soon.

Massachusetts—Communications and transportation disrupted; Boston faces milk shortage, Worcester a power failure. One death added to 15 of last week.

Vermont—Four dead, power dams threatened.

Maine—Governor estimates damage at \$10,000,000; one dead. Connecticut—Three dams collapse, 200 homeless; dozen buildings swept away at New Hartford.

New Hampshire—Dam swept away at Claremont, transportation crippled.

New York—About 2,000 homeless, many communities isolated, power lines down, highway traffic paralyzed, 135,000 WPA workers mobilized.

West Virginia—Downtown Wheeling and other cities flooded, rivers still rise; 100 families flee Moundsville.

Maryland—One dead, Cumberland streets flooded, damage more than \$1,000,000.

Virginia—Two drowned, Shenandoah valley damaged by wind.

Georgia—Two killed in windstorm.

North Carolina—Hundreds of school children marooned by snow-drifts.

Now Judge Bok



PHILADELPHIA... Above is Curtis Bok, son of the late famous publisher, who has just been sworn in as judge of the Orphans Court here.

Hoey's Chances Are Excellent

Candidate for Democratic Nomination for Governor Believes He Will Be Named

Washington—With his candidacy for the Democratic nomination for Governor of North Carolina now fairly well before the people of the State, Clyde R. Hoey, distinguished Shelby lawyer, said that he would begin a vigorous campaign April 1, and thereafter speak almost daily over the State until the primary June 6.

Mr. Hoey came to Washington to remain two days urging a Reconstruction Finance loan for a group of cotton mills in Gaston county now in the hands of a receiver, but which are slowly getting on their financial feet.

"I feel very well satisfied as to my campaign, and believe that I will be nominated," said Mr. Hoey who is opposed for the honor by John McRae, of Charlotte, R. W. McDonald and A. H. Graham.

"Should the Legislature of the State be called to act so that the State may avail itself of the benefits of the social security act, and to aid tobacco growers?" Mr. Hoey was asked.

"I have made myself plain in regard to a session of the Legislature," responded Mr. Hoey in his careful way of stating a proposition. "On every occasion, I have said that if the persons who are responsible and have the matter in hand feel that it would be to the advantage of the State for a special session of the Legislature to be held, it should convene. I have a deep interest in the agricultural industry of our State, and hope that producers of tobacco, cotton and other products will be given every advantage that is possible under the law. If a special session of the Legislature would help the situation, it should be held. The interests of all industries should be taken into account and the greatest good to the largest number should be the controlling element in the situation.

"I am deeply interested in the application of the social security law. I want the aged of our State and others who would be benefitted to receive their quota under this great and beneficent law, and I hope that should those in authority in our State feel some steps should be taken that they will act as soon as they deem it advisable."

Asked as to repeal of the sales tax in the State, Mr. Hoey reiterated his previously announced view that the tax should be eliminated as to food and clothing, and on all other items as soon as the financial condition of the State will permit.

In regard to the prohibition issue, Mr. Hoey said little was being said thus far in the campaign in regard to the liquor question.

One of the questions to be voted on in the next election in North Carolina is an amendment to the constitution permitting the Legislature, if it deems such advisable, to increase the corporation tax. The legal limit is now six per cent. Mr. Hoey said that he was favorable to the amendment, and would make a public announcement in regard to it later, but at present he preferred to reserve comment. As to counties he would carry in the western section of the State, Mr. Hoey said he was confident that he would carry 48 out of the 50 in that section in the primary, and that he would more than break even in the eastern part.

Dunn Not To Seek Re-election

J. Allan Dunn, local attorney and Rowan's senator in the last General Assembly, has announced that he will not be a candidate to succeed himself due to the press of private business.