

NEW FEDERAL TAXES EFFECTIVE IN FEW WEEKS

House And Senate Select Conferees For New Tax Bill

Joint Committee To Meet Quickly Tomorrow Morning To Speed Agreement of Measure

ECONOMY BILL NOW IS BEFORE SENATE

Slated For Action Before Adjournment; Glass Bill Favorably Reported To Make Government Bonds Eligible for the Issuance of Currency

Washington, June 1.—(AP)—Congress today set on the legislative accelerator with full force and shot the billion dollar tax bill on the road to enactment.

Both the Senate and House appointed conferees to adjust differences between the two branches and the first session was called for tomorrow morning.

Meanwhile, the Senate prepared to take up another highly controversial measure—the \$238,606,000 economy bill—which is slated for action before adjournment.

The Senate Banking Committee reported a proposal by Senator Glass of Virginia to make all government bonds eligible for the issuance of currency. It substituted this for the Goldsmith dollar stabilization bill, which has passed the House.

A favorable report on the Root protocol for American adherence to the World Court was presented by the Senate Foreign Relations Committee. House committees approved the Cochran bill to make interstate kidnapping a crime punishable by death and heard testimony for and against Garner relief bill.

LAWRENCE SHOWS OWN WAR RECORD

Attack Auxiliary Effort To Turn Votes to Fletcher In Primary

Daily Dispatch Bureau, In The Sir Walter Hotel.

BY J. C. BASKERVILLE.

Raleigh, June 1.—Declaring that the supporters of Major A. L. Fletcher for commissioner of labor are seeking to promote Fletcher by unfairly attacking his war record, R. R. Lawrence, one of the other candidates for the nomination, vigorously answered these attacks in a speech here last night.

Lawrence pointed out that a letter is being circulated by a member of the Ladies Auxiliary of the American Legion advocating Fletcher for commissioner of labor and opposing Lawrence because Lawrence did not enlist in the army until 1918 and because he did not see service overseas. This letter also seeks to give the impression that Lawrence is not now and never has been a member of the American Legion.

Part of the letter, from which Lawrence quoted, is as follows: "In order to intelligently head a division of this nature (The Department of Labor) it is necessary to have a man who has been in the service of his country for a long period of years, and who has seen service overseas, and who has been in the service of his country for a long period of years, and who has seen service overseas."

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Mother Attacks Two Little Daughters With A Hatchet

Richmond, Va., June 1.—(AP)—Turner S. Shelton, 42-year-old mother, attacked with a hatchet and critically wounded her two daughters, Mary Elizabeth, 11, and Eleanor, 9, while they slept at their home today.

Dark Horse?



The prediction that the Democratic National Convention will be deadlocked and that Senator Robert J. Buckley (above), of Ohio, will be the surprise nominee for the Presidency, was made by Senator Moses, of New Hampshire, Republican leader in the Upper House. Senator Moses enjoys a wide reputation as a political prognosticator.

RACE FOR SENATE IS STILL TOSS UP

Morrison's Chances for Being High Man Saturday Improved, However

IS FIELD VS. MORRISON

Opponents Urging Public To Vote For Anybody But The Senator; Reynolds Proving Strong With The Voters

Daily Dispatch Bureau, In The Sir Walter Hotel.

BY J. C. BASKERVILLE.

Raleigh, June 1.—The race for the Democratic nomination for the United States Senate is still a toss-up between Senator Cameron Morrison and Robert R. Reynolds, according to the reports reaching here from various sections of the State, although most of the observers here seem to think that Morrison's chance for being high man in Saturday's primary have improved materially within the past week.

It is generally agreed that if the Reynolds vote is as heavy as the Reynolds talk and that if the sentiment for Reynolds is half as strong as his friends and supporters say it is, that he should be nominated in Saturday's primary and a second primary be unnecessary. The Reynolds managers and Reynolds followers are prediction that he will sweep the slate.

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Middle-Aged Man Is Hanged by Mob In Kentucky Town

Princeton, Ky., June 1.—(AP)—Walter Merritt, 48, was removed from the county jail late last night and his body was found hanging from a tree three miles from here today.

The lynching party entered Jailer Curt Jones' room, bound him, took his keys and departed with the prisoner without arousing any citizens. Merritt was to have been tried June 3 on a charge of dynamiting the store of M. P. Poole, at Hapson, near here, last February.

SEABURY PRESENTS EVIDENCE HE SAYS TO REMOVE MAYOR

Shows Walker Owned Stock In Company That Got Fat Contract From New York City

WALKER TESTIFIED MONEY WAS PROFIT

Got It From Pool He Joined After 1926, He Said at Hearing Last Week; Seabury Claims Money Came From Head of a New York Taxicab Company

New York, June 1.—(AP)—Samuel Seabury, at a hearing of the Hofstadter committee today, introduced testimony indicating that Mayor James J. Walker had owned bonds of the Reliance Bronze and Steel Company, which received a \$43,556.40 city contract.

Seabury declared in his opinion that constituted grounds for the mayor's removal from office. "I say the mayor of this city has no right to hold stock in a company that has a city contract," Seabury said, "and I say it is grounds for removal, and has been so held and is so provided in the city charter."

Seabury said that ten bonds of the Reliance Bronze and Steel Company were included in the \$26,500 worth of securities that witnesses have testified the mayor received from J. A. Sisto while Sisto's company was interested in the promotion of a taxicab company.

Walker testified the securities represented his profits from a pool which he was invited to join about the time he first met Sisto at a banquet in Atlantic City in 1926. He denied the securities came from Sisto, and he testified he vetoed a taxicab control bill that would have brought profits of \$1,000,000 a year to the taxicab company, in which Sisto's brokerage house was interested.

GRAHAM BELIEVED IN LEAD OF GILES

Lieutenant Governor Race Will Be Close, However, Indications Show

Daily Dispatch Bureau, In The Sir Walter Hotel.

BY J. C. BASKERVILLE.

Raleigh, June 1.—The contest for the Democratic nomination for lieutenant governor has been so overshadowed by the interest in the campaign for the gubernatorial and senatorial nominations, that very little has been heard about it. But reports concerning this contest reaching here during the last few days indicate that the race between A. H. Sandy Graham, of Hillsboro, and F. D. (Fatty) Giles, of Marion, for lieutenant governor may be a great deal closer than the majority have thought. David P. Dellinger, of Cherryville, Gaston county, the third candidate for the nomination, is not considered by any one here as being a serious contender, since the race seems to be clearly between Graham and Giles.

Supporters of Graham, who was speaker of the House in the 1929 General Assembly, and who had previously served several sessions in the House from Orange county, have felt confident from the time that Graham announced his candidacy he would win the nomination for lieutenant governor without much trouble. They felt that his record as a member.

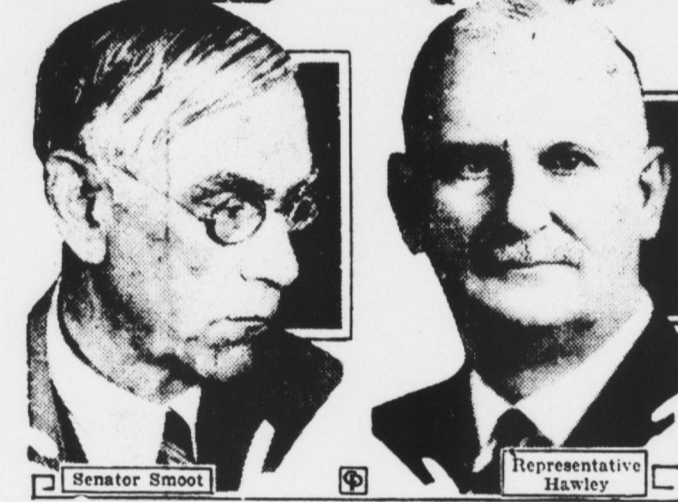
(Continued on Page Two.)

U. S. and France Sign Important New Trade Pact

Paris, June 1.—(AP)—An important trade agreement which is expected shortly to increase the amount of American goods that can be imported into France was reached today by representatives of the United States and France.

The agreement grants the United States most-favored-nation treatment on importations which now are curtailed by the French system of quotas. It provides a method of establishing quotas in the future by more consultations than has been the case in the past with those handling American importations into France. Generally speaking, it bases importations limits on the levels of 1931.

TOP LIST FOR PLATFORM CHAIRMAN



With interest in the Republican national convention focused on the party's platform, and whether or not it will contain a wet plank, unusual importance is attached to the chairmanship of the platform committee. Among those prominently mentioned for the post are Senator James Watson, G. O. P. floor leader, of Indiana; Senator Reed Smoot, of Utah; Senator David Reed, of Pennsylvania, and Congressman Willis Hawley of Oregon.

New Bill To Raise \$1,115,000,000 Taxes

Washington, June 1.—(AP)—The huge new tax bill, bulwark of financial stability for the American nation, was passed today by the Senate and speeded immediately to the concluding formalities which will make it law.

The measure, designed to raise \$1,115,000,000 of revenue, was passed twenty minutes after midnight at the conclusion of a 14-hour dramatic session without parallel in recent congresses.

Responding to a suddenly planned and personally delivered plea of President Hoover, the Senate swiftly built up the bill by \$280,000,000, with the eleventh-hour addition of taxes on gasoline and electricity and increased income rates.

It turned a deaf ear to the President's call for a manufacturers' sales tax, defeating this by the decisive margin of 53 to 27 just before adding the bill by the even wider margin of 72 to 11.

It beat down in rapid order a whole succession of attempts to strike out tariffs and previous decisions.

The bill was dispatched to the House for a conference to adjust many differences, none of which were expected to prove dangerous. The prospect was it would be ready for the President's signature by the middle of next week.

BAXTER SHEMWELL SLAYERS ARE FREE

Coroner's Jury Holds Lexington Men Shot Him In Self Defense

Lexington, June 1 (AP)—J. O. Boase, automobile dealer, and Dr. blameless by a coroner's jury today for the death of Baxter Shemwell, who was fatally wounded in a gun battle with the two here yesterday.

The jury did not find from the evidence who fired the fatal shot, but held Boase and Johnson acted in self-defense when they returned Shemwell's fire in front of their father-in-law's store. Shemwell died last night, about 14 hours after the shooting, in which Boase sustained a slight bullet wound in one hand.

Army Balloon Is Trophy Winner In Omaha, Neb., Race

Omaha, Neb., June 1 (AP)—Officials of the Omaha Air Race Association received a telegram at noon today from Lieutenant Wilford J. Paul pilot of the No. 2 Army balloon in the national balloon race notifying them they had landed at 1 a. m. today 13 miles north of Hutton, Saskatchewan, Canada, to win the race and the Lockheed trophy.

WEATHER FOR NORTH CAROLINA

Partly cloudy tonight and Thursday; slightly warmer in extreme west portion tonight.

Rates Clamp Down Within 15 Days Of Date Hoover Signs

England Seeking Economic Parley

London, June 1.—(AP)—The British government is consulting the nations of Europe about the value of a world conference in amelioration of the general economic crisis.

This was revealed today by Sir John Simon, the foreign minister, in Parliament.

The consultations were inspired, he said, by a request from Andrew W. Mellon, the American ambassador, who asked if the British government believed a world conference to consider the universal slump in commodity prices would ameliorate conditions.

GUNS SPOUT DEATH TO FOUR TAR HEELS

Baxter Shemwell Dies At Lexington After Gun Battle In Street

2 DIE IN SOUTHPORT

Fisherman Kills His Wife and Another Man, But Falls in Suicide; Wake County Man Kills Would-Be Burglar

(By the Associated Press.) Four people were dead today and one wounded after guns spat death yesterday in three sections of North Carolina.

The most spectacular death was that of Baxter Shemwell, of Asheville, fatally wounded at Lexington, in a street gun battle with two Lexington citizens following an argument over foreclosure of mortgages on Shemwell's property.

At Southport Johnny Barnum, fisherman, shot to death his wife and fatally wounded Willie Fulford because he said Fulford was supporting Mrs. Barnum.

Barnum attempted suicide, but the pistol hammer fell on empty chambers and he surrendered to police.

Lenn Johnson, former convict, was shot and killed by Vance Billings as Johnson attempted to break into Billings' Wake county residence. At the time, police were searching for Johnson on warrants charging him with breaking into Billings' home.

PROHIBITION BOARD WARNS CANDIDATES

Those Who Seek To Weaken Law May Expect To Meet Opposition

Washington, June 1 (AP)—The National Prohibition Board of Strategy today issued a statement saying: "This is the time for the friends of the eighteenth amendment throughout the nation to serve notice on every political party and every candidate that those who seek to weaken prohibition by any means may expect 'organized aggressive, relentless opposition from the defenders of national prohibition.'"

The dry strategists planning the United organization campaign for the 1932 election concluded their long statement with: "This is the time to fight."

April V Winner Of Famous Race At Epsom Downs

Epsom Downs, England, June 1.—(AP)—April V, given only an outside chance to win, today outclassed 20 of England's best three-year-olds, winning the 153rd running of the Derby.

As April V, carrying the silk of T. Walls, flashed across the line three quarters of a length in front of Aga Khan's Dastur, W. M. G. Singer's Orwell, the choice at 15 to 8, finished far back in the field. Lord Roseberry's Miracle, second choice, at 100 to 9, was third. Although rated by many as a money horse, April V was considered to have no better than a 100 to 6 chance to defeat Orwell.

GEORGE POU ENTERS CAPITAL HOSPITAL

Washington, June 1 (AP)—Injured in an automobile accident near Henderson, N. C., George Ross Pou, 37, son of Representative Edward W. Pou, of North Carolina, was admitted to a hospital here today for treatment.

Asheville, June 1.—(AP)—Governor Albert C. Ritchie, of Maryland, arrived in Asheville today to deliver two addresses, one before the local Civic club and another tonight at a mass meeting sponsored by the Buncombe County Jefferson Democratic Club.

The Maryland executive and possible Democratic presidential nominee, in an interview, declared that a "revival of business is not possible until Congress balances the budget and wipes out the deficit."

He reiterated his belief that the "eighteenth amendment is a failure and should be lifted from the Constitution," and declared in favor of "a general manufacturers' sales tax."

"The liquor question," he said, "can never be solved until it becomes one of State's rights, a Democratic doctrine fostered for many years."

Postage Rates on First And Second Class Matter Go Into Effect About First of July

STAMP TAXES WILL APPLY BEFORE THEN

Levy on Gasoline and That on Electricity Also Effective in 15 Days; Income and Corporation Taxes To Be Included In Calendar Year Returns

Washington, June 1.—(AP)—Tax payers will start feeling many of the new and increased taxes in 15 days after President Hoover signs the bill making it a law.

All the excise levies in the bill returned to the House today and the import taxes on coal, oil, lumber and copper go into effect then and remain in force until July 1, 1934.

The first class postage rate increase goes into effect 30 days after it is signed, while the second class takes effect July 1. These also are temporary.

The admissions, communications, produce futures, check levies and the stamp taxes on stocks and bonds go into effect also in 15 days, as does the levy on gasoline and electricity. The income and corporation taxes apply to amounts accruing in the calendar year 1932, or fiscal years ending in that year and are permanent.

This means payment is to start with the filing of returns next year as under existing income tax laws.

THREE TERRORISTS NABBED IN ATLANTA

Atlanta, Ga., June 1.—(AP)—Three persons were arrested here today for a series of terroristic tactics in an Atlanta theatre that was climaxed today by the explosion of a bomb and the injury of six people.

Police said two of the prisoners, Herman Moseley, 18, and Mike Carmichael, 17, have confessed and implicated Royce Means, 26, projectionist at another theatre as the instigator of the terrorism.

STATE INCOME FAR BELOW ESTIMATES

More Than Last Year Due to Tax Increase, But Less Than Expected

Daily Dispatch Bureau, In The Sir Walter Hotel.

BY J. C. BASKERVILLE.

Raleigh, June 1.—Although the total collections of revenue for the general funds by the Department of Revenue for the first eleven months of this fiscal year amount to \$1,514,235, or nearly \$3,000,000 more than was collected in the same 11 months last year, when collections totalled \$1,276,262, the figure is still far behind the original estimates.

In fact, when the State closes its books on June 30, the end of the fiscal year, a deficit of \$3,475,000 is now predicted by the Budget Bureau. The original estimate of receipts for this fiscal year, made just a year ago, was that \$27,526,625 would be collected from all sources for this year. Revised estimates recently made by the Budget Bureau now place the total collections from all sources at not more than \$23,214,000. So the portion of this amount collected by the Department.

(Continued on Page Two.)

Sound Budget To Determine Recovery, Ritchie Declares

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