

## SENATE GROUP CUTS SALES TAX TO 2 PERCENT

### Big Work-Relief Bill Still Deadlocked In Congress

#### SENATE AND HOUSE MANAGERS UNABLE TO COME TOGETHER

Conference Lasting Over An Hour Breaks Up Abruptly With Glass Announcement

#### NRA IS BOMBARDED BY MORE ENEMIES

Recovery Unit Is Step Toward Fascist State; Business Leader Denounces Abolition of Holding Companies; Wallace Yields Ground on the AAA

Washington, April 4.—(AP)—Senate and House managers of the tight-roped \$4,200,000,000 work-relief program once again today failed to agree on a bill for final passage.

A conference lasting just over an hour broke up abruptly with Senator Carter Glass announcing: "There is no agreement yet."

The Virginian, despite optimistic predictions in other quarters that a compromise would be effected, said he did not know when the conferees of the two houses would meet again. Today's session was held just 74 days after the money measure was first introduced.

The Senate amendment under disagreement would require spending on direct work one-third of the \$900,000,000 allocated to states. This was opposed by the administration and House conferees were insisting on new language.

NRA was bombarded with criticism before the Senate Finance Committee by Lowell Mason, former counsel of last summer's Darrow review board. He termed the recovery unit "a recovery unit."

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#### Hill's Bill Back Again Upon Floor

Daily Dispatch Bureau, In the St. Walter Hotel, Raleigh, April 4.—By the narrow margin of one vote the much-discussed Hill liquor control bill will reach the floor of the Senate tomorrow for debate. The Senate Finance Committee after only a few minutes of argument voted 87 to 6 to recommend the bill to the Senate.

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#### Newman Claims His Plan Will Get Needed Revenue

Will Be Sufficient To Give Teachers 25 Percent Increase Both Years, Senate Finance Chairman Says; Dividends and Highway Money To Get It

Daily Dispatch Bureau, In the St. Walter Hotel, Raleigh, April 4.—There is no doubt that the bill in shape so that the Senate can start consideration of it by tomorrow unless some unforeseen difficulties arise.

#### On Way to Death at Beginning of Life



At the age when other youths are beginning their lives as citizens, these four boys are traveling the last mile to death. Enrico Angelino (left to right), 20; Ray Orley, 21; Newman Raymond, 21; and Thomas Gilbride, 20, tried the easy road when they came to New York from small towns. In their 22nd holiday, one of them shot a policeman; now all are to die in Sing Sing, where they are seen being taken. Their combined fines at the end of their criminal careers totaled \$3.21.

#### Government Tactics Are Responsible For Cotton Paralysis, Gardner Says

#### Delay in Announcing 1935 Loan Value for Staple De-nounced by Former Governor

#### SAYS BUYERS FEAR PRESENT CONDITION

#### Not Going Into Market In Face of Possible Later Sharp Declines; Says Statement from Government Would Stabilize Confidence of Public

Washington, April 4.—(AP)—O. Max Gardner, former governor of North Carolina, today blamed the government's delay in announcing the 1935 loan value of cotton for what he described as the "state of complete paralysis" in the cotton industry.

#### Will Raise Income Tax Schedules

Raleigh, April 4.—Two State senators will propose drastic changes in the inheritance and income tax sections of the North Carolina revenue act when the current revenue bill reaches the floor of the Senate for debate.

#### U. S. Won't Start World Navy Race

Washington, April 4.—(AP)—"If a naval building race is started," says the 73-year-old boss of Uncle Sam's floating defenses, "it will be started by other nations, not by us."

#### Inheritances Also Included in Proposal To Remove Most Exemptions

Daily Dispatch Bureau, In the St. Walter Hotel, By C. A. PAUL  
Raleigh, April 4.—Two State senators will propose drastic changes in the inheritance and income tax sections of the North Carolina revenue act when the current revenue bill reaches the floor of the Senate for debate.

#### EDWIN R. OVERTON, 77, IS DEAD AT SALISBURY

Salisbury, April 4.—(AP)—Edwin R. Overton, 77, brother of the late U. S. Senator Lee S. Overton, and retired merchant died at his home here this morning. He had been in ill health for several years.

#### M'DONALD LETTER SPLITS UP SCHOOL FORCES IN STATE

#### "Who Doubled - Crossed Who" is Basis for Argument After Bryant Made Exposure

#### WARREN, ERWIN AND DANIEL GIVE ALIBI

#### They All Deny Furnishing Appropriations Chairman With Evidence That Some Think Defeated \$22,000,000 Fund for Schools for Two Years

Daily Dispatch Bureau, In the St. Walter Hotel, BY J. C. BASKERVILLE  
Raleigh, April 4.—The school forces are split wide open, with State Superintendent Clyde A. Erwin, Secretary Jule Warren and other big-wigs of the North Carolina Education Association on one side of the fence and with Dr. Ralph McDonald, representative from Forsyth county, most of the more progressive county and city superintendents on the other.

#### Two Men Stabbed In Textile Strike At Oklahoma Mill

Sand Springs, Okla., April 4.—(AP)—Two men were stabbed and several others injured today as strikers and workers fought at the Commander Textile Mills here.

#### WEATHER FOR NORTH CAROLINA

Cloudy, preceded by rain in east and north central portions early tonight; Friday partly cloudy; slightly colder on the north coast and in extreme west portions tonight; slightly warmer in west and central portions Friday.

#### Europe Is Divided Over Proposal For Maintaining Peace

#### France Is To Seek Agreement To Frighten Germany by Presenting United Front

#### GERMANY UNLIKELY TO BE TRAPPED NOW

#### Not Expected To Join Pan-European Accord; Britain Against Forging "Iron Ring" Around Reich; Russia and Poland Favor Eastern Locarno.

(By The Associated Press.)  
Conflicting views on the best method of guaranteeing European peace were apparent in the capitals of Europe today as statesmen made ready for the forthcoming conference of the powers at Stresa April 11.

#### WARREN, ERWIN AND DANIEL GIVE ALIBI

Washington, April 4.—(AP)—A 4.5 percent decline in the number of families on relief in North Carolina in February was shown today in a report by the Federal Emergency Relief Administration.

#### Relief Load In The State Is Declining

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#### Sheriff And Miner Killed During Riots

Gallup, N. M., April 4.—(AP)—Sheriff M. R. Carmichael and an unemployed coal miner were shot to death during a riot in Gallup today.

#### Tells of Tax "Losses"



Andrew W. Mellon  
Leaving a hearing of the federal tax appeals board in Pittsburgh, where he testified he sold certain stocks in 1931 to establish \$5,600,000 losses for income tax deductions, Andrew W. Mellon, one of the wealthiest men in the world, is pictured above. The hearing is on a charge of income tax evasion in 1931 when Mellon paid \$647,000. The government sets \$3,089,000 as the sum due.

#### ABOUT \$3,800,000 IS REMOVED FROM REVENUE MEASURE

#### Dividend Tax Also Removed, But Committee Retains Chain Filling Station Levy

#### ATTORNEY GENERAL CUMMINGS SPEAKER

#### Tells of Efficiency of Crime Detection Agency In Washington; Lauds Biggs and McLean; Frink Denounces Page's "Damnable Bills" From Bladen

Raleigh, April 4.—(AP)—The Senate Finance Committee this morning by a vote of 9 to 7, reduced the proposed retail sales tax rate in the biennial revenue bill from three to two percent.

The committee also struck out a new taxing provision to levy normal income taxes on dividends from stock of corporations but refused to eliminate the new tax proposed for chain filling stations.

#### Old Electric Chair To Go; Kill By Gas

Daily Dispatch Bureau, In the St. Walter Hotel, BY C. A. PAUL  
Raleigh, April 4.—North Carolina's 25-year-old electric chair is on its way to the junk pile. In its stead will be erected a lethal gas chamber, where violators of the State's capital crime laws will be put to death at a cost of 90 cents each. A preliminary survey of senatorial sentiment reveals practically no opposition to the bill which has already passed the lower house. Rejected finally after being accepted once was the amendment by Bladen county's Representative Page which would have caused the gas chamber to be built on wheels and propelled from county to county so that those paying the death penalty

#### Reilly Says More Facts Are In Hand Defense Chief In Hauptmann Case Fired Just As New Trial Is Sought

New York, April 4.—(AP)—Edward J. Reilly today received notice of his dismissal as chief of defense counsel for Bruno Richard Hauptmann, and said the action came "just when we were going to make application for a new trial, based on new evidence."

#### Perquimans Camp Scene Of Uprising By State Convicts

Elizabeth City, April 4.—(AP)—Fifteen Negro convicts at Woodville prison camp near here, in Perquimans county, were still in revolt this morning after two of their number had been wounded and a third had been overcome by tear gas thrown into the cell blocks they occupy in an effort to quell the uprising.