

NEW TAX BILL WILL RAISE \$200,000,000

FLANNAGAN'S BILL BOTH ATTACKED AND DEFENDED IN HOUSE

Farmers Are Subjected to "Wholesale Robbery" and "Exploitation" By Buyers, Charge

GROWERS AGAINST BILL, KERR STATES

Tar Heel Congressman Says Purpose of Measure Is to Break Up Auction System of Selling Tobacco; Remembers Farm Delegation Opposing Plan

Washington, July 25 (AP)—Resuming debate on the Flannagan tobacco grading bill, the House today was told that under the present auction system for selling tobacco, farmers are subjected to "wholesale robbery" and "exploitation" by buyers.

"There is no class of people in this country victimized as the tobacco growers," declared Representative Cox, Democrat, Georgia. "I feel outraged every time I go on a tobacco floor at the wholesale robbery I see committed against a helpless people. It is exploitation."

Cox said the purpose of the Flannagan bill, which would establish government standards for tobacco, was simply to advise the grower as to the quality of his product and assure him a fair price.

"I will work toward stripping the tobacco buyers of the overlordship they have exercised over the grower for many years," the Georgian asserted.

Cox was joined by Representative Bollieu, Progressive, of Wisconsin, who said the proposal would give tobacco farmers the advantage of expert information as to the value of his crop.

Opposing the bill was Representative Kerr, Democrat, North Carolina, co-author of the Kerr-Smith tobacco control act.

"This bill has as its purpose the breaking up of the auction warehouse system of selling tobacco," Kerr said. "Tobacco farmers do not want it. They want to be left alone."

Kerr declared North Carolina and Kentucky growers came to Washington last spring and "begged" that the bill not be passed.

Will Probe Size Cotton Crop Abroad

Washington, July 25.—(AP)—Angered by statements which he doubts that foreign cotton growers are winning America's market, Chairman Smith, Democrat, South Carolina, of the Senate Agriculture Committee, said today he would visit these cotton growing countries and find out first hand.

He listed India, Russia, Brazil and Argentina and said he might travel in part by air.

"Cotton growers have been told that if they force the price of cotton too high, other countries would come in and take the market," Smith said. "I don't believe it."

"America has a monopoly on the best cotton and should be in position to set the price."

Atlanta, Ga., July 25.—(AP)—A threat of delay in the opening of Georgia tobacco auction markets August 1 appeared today, as a group of

WILDERNESS PROTECTION FOR ABYSSINIAN CAPITAL



One of the hazards obstructing any armed attack directed at Addis Ababa, capital of Abyssinia, is the wilderness that surrounds it. This picture made several years ago, shows the topography of the countryside which would make progress of infantry difficult. The capital may be glimpsed in the right background, situated on a high plateau. It may be abandoned in case of war.

Would Draw Teeth From Tobacco Bill

Tar Heels Lead Fight Against Compulsory Grading in Flannagan Act

Washington, July 25.—(AP)—An attempt to eliminate compulsory features of the Flannagan tobacco inspection and grading bill was made today as the House continued consideration of the measure.

Opponents planned an amendment striking out all compulsory features, and provisions for penalties. Led by Representative Clark, Democrat, North Carolina, the opposition based its attack on the contention that the measure, as now written, would be unconstitutional.

A colleague, Representative Umstead, Democrat, North Carolina, was to offer the emasculating amendment.

"It is not interstate commerce to say this pile of tobacco is grade four and this one is grade five," said Clark yesterday, as he branded the measure the "most unconstitutional bill ever proposed in this House."

The measure would provide compulsory trading of markets designated by the agriculture secretary, but producers would be permitted by referendum to decide whether the majority wanted the service.

WEATHER FOR NORTH CAROLINA.

Generally fair tonight and Friday, except local thundershowers Friday afternoon in west and north portions.

warehousemen prepared to attack the right of the State to regulate the industry by prescribing maximum fees to be charged growers.

They contended the act is not constitutional and attacked it on various other grounds.

Report Torso of Woman in Water

Morehead City, July 25.—(AP)—The tug boat Alma's crew reported to police and the coast guard they had seen the body of a woman floating in Bogue Sound near Swansboro when the tug reached Morehead City today.

CONTRACTS SIGNED IN MOREHEAD LOAN

Can Demand PWA Money Soon As Dr. Baity Finally Approves It

Daily Dispatch Bureau, In the St. Walter Hotel, BY J. C. BASKERVILLE.

Raleigh, July 25.—The contract for the PWA loan for the Morehead City port terminal has already been signed, and has been approved by the PWA legal department in Washington and now only awaits the final approval of Dr. H. C. Baity, state PWA administrator, to become effective, it was learned here today from Attorney General A. A. F. Seawell, who has been working for many months on the many legal intricacies that developed in connection with the project.

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CARS FOR PATROL BEING DELIVERED

Highway Police to Have 40 of Them, Equipped to the Last Word

In the St. Walter Hotel, Daily Dispatch Bureau, BY J. C. BASKERVILLE.

Raleigh, July 25.—The cavalcade of 40 special Ford V-8 roadsters for the State Highway Patrol, arrived here Wednesday afternoon and were unloaded at the patrol training school at the State Fair Grounds, a few miles west of Raleigh. They were delivered direct from the Ford plant in Charlotte on special trucks carrying three cars each. The patrol cars are painted aluminum color, with the exception that the hoods are painted a dark blue in order to reduce the glare in the eyes of the driver. The cars are equipped with a special high-speed rear axle that will permit them to make a speed of more than 100 miles an hour.

The cars also have a special rear compartment so arranged that when the deck is raised, space is provided for a stretcher. Every one of these cars will carry a first aid kit and a stretcher so that in cases of serious automobile accidents they can be converted into emergency ambulances, in which the injured may be rushed to the nearest hospital. Each patrol car

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New Tax May Double Total Of Estimates

Chain Filling Station Levy May Yield \$500,000 Instead of \$300,000.

Daily Dispatch Bureau, In the St. Walter Hotel, BY J. C. BASKERVILLE.

Raleigh, July 25.—The big gasoline and oil companies, as well as tire and battery dealers which operate chain stores and service stations, are going to have to "kick in" to the tune of about \$500,000 a year in State taxes under the chain filling and service station section of the new 1935 revenue act, as the result of the ruling just issued by Commissioner of Revenue A. J. Maxwell, interpreting the new chain filling station tax section, according to a number of State officials here. During the present General Assembly it was estimated that this tax would yield only about \$300,000 a year at the most. But the belief now is that it will probably yield nearer \$500,000 a year.

As the chain filling station tax section is interpreted by Commissioner Maxwell, parent gasoline and oil corporations will be required to pay the tax on the following stations:

1. All the stations which the parent companies own and operate.
2. All the stations which they lease from the owners and from which they

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INTERESTS BETRAY THEIR OWN CAUSE

Administration Fighting Utilities and Bankers With Own Weapons

By LESLIE EICHEL, Central Press Staff Writer

New York, July 25.—The strategy of the Roosevelt administration to rebut the attacks becomes apparent. The utility and banking interests have played into the hands of the administration, according to present indications. (That does not mean, however, that congress will be amenable to put through the holding company and banking bills with real teeth in them.)

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Great Britain And Belgium Stop Arms Exports To Africa

Britain, However, Will Permit Transit Across Her Territory by Other Nations

STILL HOPING FOR PEACEFUL OUTCOME

Eden Will Try Hard at Coming League Council for Plan to Prevent Italo-Ethiopian War; France Understood To Oppose Arms Shipments Also

London, July 25.—(AP)—Sir Samuel Hoare, foreign secretary, announced in the House of Commons today that the British government will not, for the present, grant licenses for the exportation of arms from Great Britain to either Italy or Ethiopia.

He said that the transit across British territory of arms destined for Ethiopia would, however, be permitted. "The government," said Sir Samuel, "is doing its best to make possible the peaceful outcome of the present unhappy issue, and would not wish to do anything that might prejudice the situation, and it will, therefore, for the present, not issue license for the export of arms from this country to either Italy or Ethiopia."

The foreign secretary said the French government, he understood, interprets its obligations under the treaty in the same manner.

Meanwhile, Prime Minister Stanley Baldwin and leading members of the cabinet were represented as favoring full League action, providing their powers agree, as a last resort to avert war between Italy and Ethiopia.

The time limit for appointment of a fifth arbitrator to the deadlocked conciliation commission expires tonight, apparently killing all hope of settling the crisis by direct negotiations.

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All Catholic Press Banned By The Nazis

Berlin, July 25.—(AP)—Nazism moved today to make its curb on "political Catholicism" complete, turning it to a drive for elimination of the Catholic press.

The signal for the public campaign was sounded by the official Nazi party organ of Baden, "Fuhrer," which came out with a demand for crushing of Catholic newspapers.

The political police dissolved the steel helmet unit in western Medienburg at Parchim, Ludwigsluff and Waren today on the ground of subversive activity.

Ethiopians Again Plead League's Aid

Note Sent by Selassie; Italy Willing To Resume Conciliation Meetings

Geneva, July 25.—(AP)—A new note again requesting urgently a session of the Council of the League of Nations was received today from Ethiopia a short time before the publication of an Italian note blaming Ethiopia for the breakdown in conciliation efforts.

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Banker Held



B. Coles Neidecker, head of Travelers' Bank, Paris, is being held for Paris authorities by New York police for questioning in connection with the bank's closing.

(Central Press)

ADMITS SON GAVE CIGARS TO PATMAN

Head of Texas Power and Light Company Testifies in Lobby Inquiry

BOOKS ON LIVESTOCK

May Have Been in Package Seen; Cigars Given in Appreciation of Invitation To Go Fishing, Witness Says

Washington, July 25.—(AP)—Questioned by Senate lobby investigators as to whether he recalled giving any one a box just before the House vote on the utilities bill, John W. Carpenter, president of the Texas Power and Light Company, said today his eldest son, John, had given a box of cigars to Representative Patman, Democrat, Texas.

He added that the mysterious news paper-wrapped package which figured in previous testimony may have been books on livestock.

Meanwhile, the House Rules Committee investigating lobbying for and against the utilities bill received testimony from Hugh S. Magill, president of the American Federation of Utilities Investors, that the organization spent \$40,000 in the last six months in the "interest of the millions of investors its represents."

Of this amount, he said, \$5,000 was spent against the utilities bill, and part of the remainder against the Tennessee Valley amendment.

"I didn't give anybody a box of cigars, but my son said yesterday he gave Mr. Patman a box of cigars," Carpenter said.

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Huey Long In New York Again Jumps On Critics

New York, July 25.—(AP)—Huey Long brought his one-man circus to New York today, balancing sundry political comment on the ice cold rim of a cocktail shaker.

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SCHEDULE OF LEVY FOLLOWS THE IDEA OF SOAK-THE-RICH

Incomes Over \$150,000 Annually Would Be Taxed Much More Heavily Than at Present

INHERITANCES OVER \$50,000 GIVEN BLOW

Corporation Profits Over Eight or Ten Percent Would Be Gouged Into Deeply; All New Rates Apply in Addition to Normal Four Percent Income Levy

Washington, July 25.—(AP)—A tentative agreement on a new tax bill to raise about \$200,000,000 a year, but which does not include the inter-corporation dividend tax proposed by the President, was reached today by House Ways and Means Committee Democrats.

The tentative measure would put heavier taxes on all individual incomes over \$150,000; inheritances over \$50,000 left to close kin, the profits that a corporation makes above eight or ten percent on its capital, and corporation income.

The tentative decision to include the last, if it is not overturned subsequently, is a partial victory for the President.

He proposed that the present flat 13 3/4 percent tax on all corporation incomes be replaced with a graduated levy ranging from 10 3/4 to 16 3/4.

Chairman Doughton, Democrat, North Carolina, of the committee, said the range would "probably be much narrower than that—maybe from 13 1/4 to 14 1/4."

He added, too, that the Democrats had decided not to include an increase in the present one-tenth of one percent tax on inter-corporate dividends—those paid from one corporation to another.

The inheritance tax rates would begin at four percent on the first \$10,000 above an exemption and reach 75 percent of that part of an inheritance over \$10,000,000.

The individual income tax plan would raise from 53 to 54 percent the present surtax on individual exemptions. The maximum rate on income over \$10,000,000 would be 75 percent, against the present 59 percent. To all those rates must be added the existing "normal" tax of four percent, which applies to the first \$4,000 of every taxable income.

COLONY IN ALASKA IS NOW A FAILURE

Movements Like This Have Met Little Success in Modern Times

By CHARLES P. STEWART, Central Press Staff Writer

Washington, July 25.—Mass pioneering in Alaska, evidently is a fizzle.

The Matanuska Valley colony is reported in a violent state of discontent again. It was in a similar state once before, and that time it was hushed up, but it doesn't stay hushed.

The colonists say they can't stand the hardships.

Ye! Alaskan Territorial Delegate Anthony J. Dimond describes their kind of pioneering as "pioneering de luxe."

ALL FAIL NOW

Since the beginning of the World War I have seen three attempts at wholesale colonization made in more

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