

BONUS WILL PASS SENATE BY NIGHTFALL

SERIOUS REBELLION REPORTED BEGUN IN ETHIOPIA PROVINCE

Occasional Battles Rumored, With Rebels Still Holding Many Towns of Section

VICTORY IN SOUTH IS HAILED IN ROME

Fascist Invaders Reported Advancing Distance of 125 Miles; Geneva Hears Mussolini More Receptive To Peace Proposals, Which May Come Shortly

Report that a serious rebellion against Emperor Haile Selassie had broken out in the rich Gogjam province of northwest Ethiopia, reached Djibouti, French Somaliland, today from what was described as a reliable source in Addis Ababa.

Rome hailed reports of victory from the southern Ethiopian front today in a communique which said the Fascist invaders had advanced 125 miles northward in a week-long running battle.

The high command, on the basis of a report relayed through the northern headquarters, raised its estimate of Ethiopian casualties from 3,000 to 5,000. The official statement did not mention Italian losses.

The Ethiopian government termed "utterly fantastic" the Italian claims of 5,000 defenders casualties and said the territory through which the invaders had advanced was only lightly held.

In addition to claims of Ethiopian casualties, the official communique at Rome reported 3,000 more had been taken prisoner.

The victory of General Graziafiki's troops on the Ganale Dorya proved to have yielded more decisive results, the official communique stated.

In Europe, diplomats turned toward Geneva, where the Council of the League of Nations meets Monday to consider the question of war settlement.

Unofficial agents recently arrived at Geneva represented Premier Mussolini receptive to new peace proposals. They expressed belief the Council would turn its attention to such measures, rather than imposition of new sanctions.

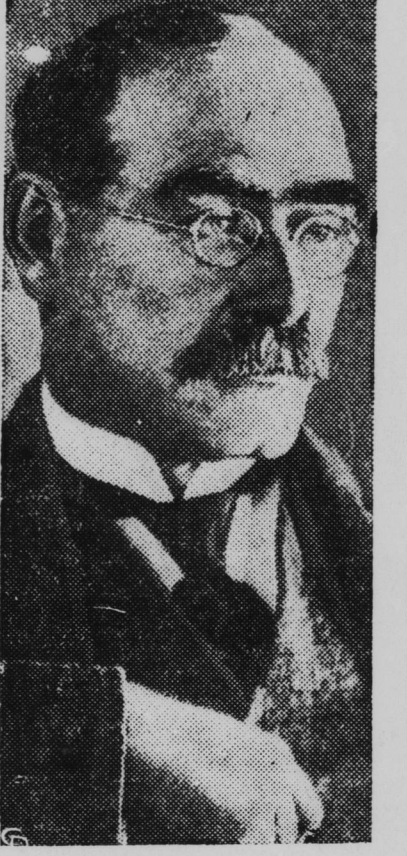
13 Persons Burned To Death as Plane Falls in Bolivia

LaPaz, Bolivia, Jan. 18 (AP)—An eye witness reported to authorities here today that 13 persons were burned to death in the crash on an airplane at the small town of Challavinto, near Cocha Bamba, yesterday.

The plane, bound from Cocha Bamba on the plain at the foot of the Andes mountains, to LaPaz, fell in a region surrounded by flood waters, and a relief party was reported experiencing difficulty in getting to the scene.

The dead included the ten passengers, pilot and two mechanics—all those aboard.

Kipling Is Dead



London, Jan. 18.—(AP)—Rudyard Kipling, Great Britain's famous poet, died early today in the Middlesex hospital at the age of 70, and his body was taken to the hospital chapel to await cremation.

The family announced the body would be cremated at a time and place to be set later.

Whether the noted author eventually would be buried in Westminster Abbey, last resting place of so many of Great Britain's famous sons, did not immediately become known.

His body was taken to the chapel from the simple bed in a private room in the hospital, which he had occupied since he underwent an emergency operation last Monday for a perforated stomach ulcer.

Sandringham, England, Jan. 18.—(AP)—A crisis in the condition of 70-year-old King George V, seriously ill from a bronchial ailment, may be expected in about 48 hours, it was learned from a high source here tonight.

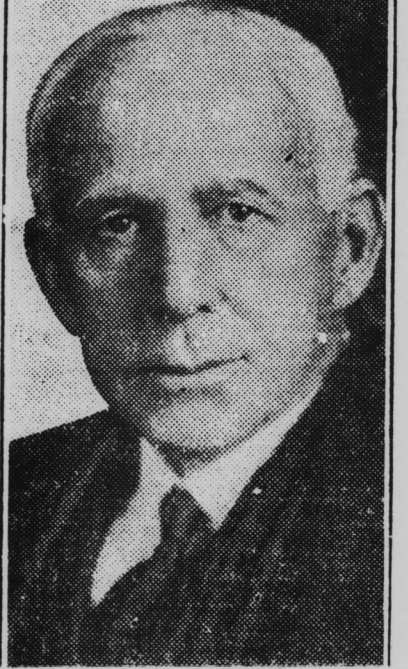
Sandringham Palace, England, Jan. 18.—(AP)—Seventy-year old King George V, ill of a bronchial ailment, suffered further symptoms of a heart attack this afternoon, increasing anxiety over his condition.

A bulletin posted at the gate of Sandringham House, the royal residence, at 3:30 this afternoon, said:

"His Majesty the king has had some hours of restful sleep."

The cardiac weakness and embarrassment of circulation has slightly increased, gives cause for anxiety.

Resignation Hinted



Justice VanDevanter If rumored resignation of Justice Willis VanDevanter from Supreme Court becomes fact, President Roosevelt will have his first chance to appoint a member to the bench. (Central Press)

NEXT LEGISLATURE MAY COVER UP ITS STATE SALES TAX

Present Levy May Be Repealed But Then Later Re-Enacted in Some Invisible Form

WOULD YIELD JUST ABOUT SAME MONEY

Number of Other States Have "Invisible" Sales Taxes and Public Pays Without Being Constantly Reminded of the Tax and Without Any Grumbling

Daily Dispatch Bureau, In The Sir Walter Hotel, Raleigh, N. C.

Raleigh, Jan. 18.—The 1937 General Assembly may repeal the sales tax and then turn around and re-enact it in an "invisible" form, so that the merchants cannot constantly remind the public of it and thus keep sentiment stirred up against it, it was intimated here today by a member of the 1935 General Assembly, who also expects to be a member of the 1937 body. For this reason, he asked that his name be not used. But he made it clear that a movement would undoubtedly be made in the next General Assembly first to abolish the sales tax and substitute for it a "privilege tax" on all retail merchants, based probably on three per cent on all their purchases from wholesalers and manufacturers, to be computed on the basis of their invoices. It would then be the privilege of the merchants to pass this tax on to their customers in any way they saw fit, just as they now pass the sales tax on to their customers, except that they would not be able to add "and three cents tax" when making a sale.

"A tax of this sort will yield approximately the same amount of money as the present sales tax."

THOMAS DISCOUNTS TOWNSEND'S PLAN

Socialist Leader Says It Is Pulling People Away From Real Aids

By LESLIE EICHEL, Central Press Staff Writer, New York, Jan. 18.—Norman Thomas, intellectual leader of the Socialists, gets around the country more consistently than anybody else—at least, so it seems. And, as an observer, he seems unbiased, for he can gain no office—nor will he be favored.

How far will Townsendism ascend? Thomas believes he can discern its peak. It may rise until it appears to have a majority in Congress. Then, it will descend.

"But suppose the plan should pass Congress. It would not work. Then it would fall anyway."

Children Of Gov. Hoffman Threatened, But He Presses Inquiry In Hauptmann Case

GOVERNOR'S HOME AT SOUTH AMBOY IS PUT UNDER GUARD

Letter to Mrs. Hoffman Says One of Their Three Children Is Marked for Reprisals

PLAINCLOTHESMEN FURNISH AN ESCORT

Unless Governor Drops His Interest in Hauptmann Case, One of Kiddies "Will Suffer Consequences", Warning Says; Hoffman Thinks Others in Murder Case

STURDY STATEMENT

Trenton, N. J., Jan. 18 (AP)—Attorney General David T. Wilentz and Colonel H. Norman Schwartzkopf, two leading figures in the case, conferred today at Perth Amboy to study the statement of Governor Harold G. Hoffman defending his reprieve of Bruno Hauptmann.

Close friends said that a decision was reached by them that "no good purpose would be served by entering into any controversy with the governor on theories and points of view."

These sources added that the two men felt that "if and when any new evidence is presented, that will be time enough for the prosecution to discuss the matter publicly."

The attorney general, who prosecuted Hauptmann, and the head of the State police, who was in charge of the gathering of evidence against Hauptmann, made no comment, but it was understood they analyzed the statement made by the governor yesterday most thoroughly.

Reports of a break in the prisoner's counsel met vigorous denial from C. Lloyd Fisher, chief of defense counsel, and Egbert Rosecrans, another defense attorney.

Southern Railway To Start Pick-Up Freight Service

Atlanta, Ga., Jan. 18.—(AP)—Officials of the Southern Railway announced today authorization of a plan for universal free pick-up and delivery service on less-than-carload merchandise traffic.

Application is being made to the Interstate Commerce Commission for authority to install the system February 1 on not more than ten days notice to the public.

TWO YOUTHS KILLED WHEN THROWN OFF MOTORCYCLE

Kernersville, Jan. 18.—Thrown from a motorcycle when it sideswiped truck, Garland Ballard, 20, of Kernersville, and Ralph Idol, of Bunker Hill section, were killed instantly near here last night.



RIVALS FOR YEARS, RIVALS NOW

Twenty years of personal and political rivalry culminated in the clash between Governor Harold G. Hoffman of New Jersey and Attorney General David T. Wilentz over Bruno Hauptmann's execution date. Since they were boys together, each has opposed the other and each has sought to surpass the other. Their stirring clash over the Hauptmann case promises not to be the last. Friends say Governor Hoffman, a Republican, possesses presidential ambitions and he hopes to enter the White House through the United States senate. And associates of Attorney General Wilentz, who is a Democrat, say he also is a senate aspirant, although he is barred by birth abroad from the presidency. As long as both live, they probably will remain political rivals—although each professes personal friendship for the other.

Wallace Thinks Public Won't Approve Refunds

Processing Taxes Already Passed on to Consumers, and \$200,000,000 Impounded Is Placed in Same Status as Billion Dollars Paid Into Treasury

Washington, Jan. 18.—(AP)—Secretary Wallace said today he believed public opinion "would not tolerate" the refund to manufacturers of one billion dollars paid in AAA processing taxes.

In his first press conference since the Supreme Court invalidated the AAA, Wallace said the processing taxes have been passed on to the consumers. He added that the \$200,000,000 impounded under court injunctions was in the same status as the one billion dollars paid into the Treasury.

MUNITIONS MAKERS MAY FACE COURTS

Over Score of Names of Manufacturers Submitted Attorney General

Washington, Jan. 18.—(AP)—Secretary Hull announced today he had submitted to Attorney General Cummings "for appropriate action" the names of more than a score of munitions manufacturing concerns which have failed to register with the State Department in compliance with the neutrality act.

POOR RADIO VOICE HANDICAPS LONDON

But His Chances for G.O.P. Nomination Appear In Ascendancy

By CHARLES P. STEWART, Central Press Staff Writer, Washington, Jan. 18.—When Governor Alf M. Landon of Kansas started recently to "go on the air" politicians agree that he put all his cards, as a Republican presidential possibility, on the table.

CLARK BARES OWN ANIMUS IN DEBATE ABOUT WORLD WAR

Nye's Partner on Munitions Committee Says Bryan Betrayed His Father at Baltimore

TAKES CRACK ALSO AT CARTER GLASS

Disclaims Any Animus Against Wilson, However; Thomas Predicts Printing Presses Will Start With Passage and Payment of Soldier's Bonus Shortly

Washington, Jan. 18 (AP)—As khaki clad veterans watched from the galleries, the Senate moved today toward the final passage of the coalition bill for full payment of the World War service bonus in a cashable bonds.

With restrictions on debate to become operative two hours after convening, administration leaders supporting the "baby bonds" measure looked for a favorable top-heavy majority on the last roll call before the week-end adjournment.

House acceptance of the bill was forecast. Senator Harrison, Democrat Mississippi, co-author of the bond proposal with Senators Byrnes, Democrat, South Carolina; Steiwer, Republican, Oregon; and Clark, Democrat, Missouri, has confidently predicted enactment "whether the President signs it or not."

Senator Thomas, Democrat, Oklahoma, opened the day's debate with an argument that the coalition bill may require at least three bond issues.

Counting estimated Federal deficits for this and next fiscal year's refunding operations, the bonus, relief and money to pay farmers and possibly processing tax payers, Thomas said the government "may have to issue \$15,000,000,000 in bonds in the next 17 months."

He estimated the bonds, bonus bill would require issuance of more than 45,000,000 bonds.

"That's printing press order No. 1," he added. "Printing press order No. 2 is to print bonds to raise the cash to buy up the baby bonds."

A third bond issue, he said, would be necessary to raise funds to pay the \$500,000,000 debt owed United States life insurance funds for bonus loans.

Thomas calculated the bill would require the printing of "over 100,000,000 pieces of paper."

"Then this ceases to become a bonus bill and becomes a relief bill," he asserted, referring to pulp manufacturers from whom "the paper would be bought."

Tornado In Alabama Is Fatal To 4

Fort Payne, Ala., Jan. 18.—(AP)—A tornado swept the prosperous farming section on the eastern slope of Sand Mountain, 16 miles west of here, today, killing at least four persons, injuring an undetermined number, and causing heavy property damage.

The storm, accompanied by torrential rains and pelting hail, swept out of the southwest, destroying the village of Rainsville and demolishing a number of houses at Fyffe, where the four known dead were.

Only one resident was left standing at Rainsville and an unconfirmed report from up the valley between Sand and Lookout mountains said there was further destruction.

Relief parties moved into the area to search debris of farm houses for any additional dead and injured.

BIDS CALLED FOR ON HIGHWAY RADIO

To Be Opened January 30 and Put Into Operation 60 Days Later

Daily Dispatch Bureau, In The Sir Walter Hotel, Raleigh, N. C., Bids for the radio equipment for the five highway patrol radio stations and for the patrol cars and motorcycles will be received and opened January 30 by the Division of Purchase and Contract, it was announced today. It is not known yet how much time will be required from the time the contracts are let until the Statewide short wave radio stations can be built and be ready for operation, but it is expected that from 60 to 90 days will be required to

WEATHER FOR NORTH CAROLINA

Rain, colder in southwest and warmer in extreme southeast portions tonight; Sunday, rain and colder possibly changing to snow in west portion; much colder in west portion.

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