

HUGE TAX PAYMENT MIGHT BRING CUTS IN PROPOSED LEVY

Congress Displays Unprecedented Interest In Income Tax Rush Throughout Nation

SOME ESTIMATES UP TO HALF A BILLION

Treasury Expects Receipts To Run Much Higher Than Modest Figures Put Out; Many Legislators Anxious To Make New Tax Levy as Small as Possible

Washington, March 16.—(AP)—Congress displayed unprecedented interest in the annual income tax rush today as citizens throughout the country hastened to get their returns in before the deadline at midnight tonight.

Many legislators hoped the returns would be much larger than estimated. In that case, some of them believed, Congress might scale down the new \$792,000,000 tax program advocated by President Roosevelt to finance the farm aid act and part of the bonus cost.

Because of the approaching campaign, many legislators have indicated they want to make the tax program as small as possible.

The Treasury was optimistic about the income tax returns. In the official budget calculations, the department's experts estimated that a minimum of \$438,000,000 would be received this month, compared to \$321,907,000 last March, and \$228,525,000 in March, 1934.

Unofficially, however, the Treasury expected the collections to run higher than the official estimates. Most observers looked for a total of at least \$450,000,000, with some placing the figure as high as \$500,000,000.

A House tax sub-committee proceeded today with its efforts to draw up legislation in response to President Roosevelt's request.

A tentative agreement to lay a tax ranging from 15 to 55 per cent on corporation net income not handed out in dividends has been reached in the tax sub-committee.

Man Jailed For Hutton Kidnap Act

Manchester, England, March 16.—(AP)—Alfred Molyneux, 31, of Lancashire, was jailed today on a charge of attempting to extort 200 pounds (\$1,900) from Countess Barbara Hutton Haugwitz-Reventlow by pretending to reveal a plot to kidnap her newborn son.

Police said that Molyneux had admitted writing a letter "during moments of depression" offering "to disclose the plot." He was remanded in custody for a week.

The prisoner was trapped by police when he went to keep a rendezvous with a "messenger from the countess." He told the police that no kidnap plot existed.

Detective Inspector Forster testified that a letter was received at the Haugwitz-Reventlow residence on March 7, reading:

"Dear Countess: I have read of your having a charming little son. Now don't get panicky.

"You should know that two men have left Manchester to kidnap this son, and you'd be surprised to hear what elaborate plans have been made for his confinement while they wait for the ransom they intend to demand from you."

If you would learn of these plans, please send me one to meet me in Manchester at once, and I will let you know what I know."

McDonald Candidacy Shows No "Machines" In State Now

Had There Been, It Would Have Blocked College Professor Before Now; Ehringhaus Doesn't Use Even What Influence He Has, Observers Think

Daily Dispatch Bureau, In The Sir Walter Hotel, By J. C. BASKERVILLE

Raleigh, March 16.—Although the so-called Democratic "machine" in North Carolina is one of the biggest issues in the present campaign for the Democratic nomination for governor, there is actually no such thing as a Democratic "machine." The very fact that Dr. Ralph W. McDonald is a candidate for governor and has become a real threat to the nomination is regarded by many as conclusive proof that there is no Democratic "machine" any more, despite the fact that McDonald is directing a major portion of his campaign against this so-called "machine" and is maintaining that it is supporting what he calls the "other two major candidates."

Infant of Three Survives Storm

Two Buttes, Col., March 16 (AP)—Three-year-old Steve Benson walked into a farm house today after spending the night lost in one of the worst dust storms ever to strike this area.

More than 500 persons were searching for the boy, expecting to find him smothered or frozen to death. When he reached the farm home of Dewey Fetters, six miles from where he disappeared yesterday afternoon, he said: "I slept out. Saw the cows."

Almost immediately, he fell asleep. Doctors examined him and said his condition was "exceptionally good."

Veteran residents of the southeastern Colorado "dust bowl" were amazed that the child lived through the night. The temperature dropped to below freezing and the boy was clad only in overalls.

TOBACCO COMPACT WILL PASS EASILY, BAILEY PREDICTS

Senator Pledges Every Possible Cooperation To Ehringhaus Effort for the Farmers

SENATE WILL GIVE SPEEDY ATTENTION

Bill Is Simply A Measure Giving Force and Authority to Several States for Acreage Control, Senator Explains; States Back Governor's Move

Raleigh, March 16 (AP)—Senator Bailey, Democrat, North Carolina, at home here over the week-end, predicted the tobacco compact bill would have easy sailing in Congress.

"The Senate is in a position to consider the bill immediately, and I anticipate nothing to interrupt its progress through the Senate or the House."

The bill is simply a measure giving force and authority to the compact of the several states involved to meet their own problem.

The legislation is sought to permit the flue-cured tobacco states—Virginia, the Carolinas and Georgia—to enter into compact to control acreage.

Bailey said he would give Governor Ehringhaus "every cooperation in his

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Calls Are Issued For Bank Reports On Mar. 4 Status

Washington, March 16 (AP)—The comptroller of the currency issued a call today for the condition of all national banks at the close of business Wednesday, March 4.

CALL BY STATE

Raleigh, March 16 (AP)—Gurney P. Hood, State bank commissioner today issued a call for a report on the condition of all banks as of the close of business on Wednesday, March 4.

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TAX DRAFTERS MAY RESORT TO PROCESS LEVIES FOR MONEY

May Be Necessary To Get the \$792,000,000 Revenue Asked by President Roosevelt

HOPE INCOME TAX MAY AVERT ACTION

Seek for \$100,000,000 in Windfall Taxes, Which Would Help Some; Not Too Hopeful of Getting 150 Millions Even If Highest Legal Tax Is Imposed

Washington, March 16.—(AP)—A possibility that congressional tax drafters may have to resort to processing taxes to fill out President Roosevelt's \$792,000,000 revenue program appeared today, despite a desire among both Democrats and Republicans to avoid such election year levies.

"We don't have to go to processing taxes, but we shall have to go somewhere to get the \$792,000,000," Chairman Samuel B. Hill, Democrat, Washington, of the House Ways and Means tax sub-committee, said.

"Of course, if the March 15 income tax returns show a very great increase over estimates, that would help a lot."

The sub-committee, he told reporters, spent two hours this morning struggling over the question of how to collect income taxes from foreigners on their dividends on stock in American corporations. No decision was reached. He added that the sub-committee expected to conclude its revenue hearings this week.

Hill said estimates for the windfall tax yield varied and "if we get \$100,000,000, it will help some." The sub-committee is not "too optimistic," he said, about getting as much as \$150,000,000, even if the highest legal tax is imposed to recapture refunded or unpaid processing taxes.

Tar Heel Delegation For Pacts

Washington, March 16 (AP)—The North Carolina congressional delegation met today to frame an answer to Governor Ehringhaus's telegram in which the State executive asked support of a proposal that President Roosevelt allocate \$50,000,000 for the tobacco program under the new soil conservation act.

Every member of the delegation with the exception of Representative A. L. Bulwinkle, of Gastonia, N. C., who has been ill, was present at the session, called by Representative Robert L. Doughton, the delegation's dean.

Two members, Representatives J. Walter Lambeth, of Thomasville, and John H. Kerr, of Warrenton, in individual replies, already have said the delegation on March 2 made a similar request of the President.

Kerr suggested the governor should call a special session of the State legislature to consider compact legislation for regulation of tobacco production.

Outlook For Legislature Now Waning

Governor Launches New Tobacco Control Plan Without Compacts by States

Daily Dispatch Bureau, In The Sir Walter Hotel, By J. C. BASKERVILLE

Raleigh, March 16.—The outlook for a special session of the General Assembly is fading rapidly as a result of the new move made by Governor J. C. Ehringhaus to bring about control of the 1936 tobacco crop without resort to a State compact plan or special State legislation. Details of this plan have not yet been revealed, but it is expected Governor Ehringhaus will give a general outline of the plan in the "fireside" radio talk he will make to the people of the State tonight from Station WPTF here in Raleigh, in which he will again attempt to further outline the tobacco situation by radio.

Voluntary Sign-Up.

As a result of the telegram which Governor Ehringhaus has already sent to President Roosevelt, members of the North Carolina delegation in Congress and the governors of the tobacco growing states, asking their co-

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Hitler Is Granted Equality But Peace Plan Is Rejected

JUST A WHEEL OR TWO LEFT—BUT DRIVER NOT KILLED



Lucky—to escape from this! Ben Tarczawski, 22, of Parma, O., driver of a WPA truck, is a lucky person. A fast passenger train demolished his truck at a grade crossing on the outskirts of Cleveland, as you can see—but Ben escaped with a fractured back. P. S. Not everybody is so lucky.

Holding Company Appeal Taken To Supreme Court

Campaign On Drivers Is Started

Raleigh, March 16 (AP)—The intensive drive to enforce the State drivers' license law started this morning by the State Highway Patrol, with the result that drivers in all sections of the State can expect to be stopped at any time by patrolmen and asked to show their driving permits. Patrolmen will also test the cars for faulty brakes, lights and other equipment.

Arrests Not Planned Now The purpose of this check-up, however, is not to arrest drivers, but to require all drivers who do not yet have their driving licenses to get them without further delay, Commissioner of Revenue A. J. Maxwell pointed out today. Nor have those drivers who have already applied for licenses but who have not yet received them, have any cause to worry. All patrolmen will be supplied with blank affidavits and cars and all persons who do not have a driving permit, but has already applied for one, will have to do so to sign an affidavit to the effect that he or she has applied for a permit but not yet received it. The patrolman will then take place of a driving permit until it is received, Commissioner Maxwell said.

OUR WEATHER MAN

FOR NORTH CAROLINA. Cloudy, occasional rain tonight, probably clearing Tuesday morning; colder Tuesday and in west portion tonight.

FRANCE ACCLAIMS LEAGUE DECISION AS FULL VICTORY

Council Refuses Flatly To Obligate Itself to Discuss Hitler's Peace Proposal

SIX NATIONS TAKE OPPOSITION STAND

Council Agreed Germany Is Entitled To Sit in on Sessions on Equal Basis, But Without Right To Vote; League May Now Condemn German Course

London, March 16.—(AP)—The League of Nations Council, in secret session, agreed today to Reichfuhrer Hitler's demand for equality, but flatly rejected his condition that the Council must discuss his peace proposals.

Hitler had offered to send a representative to the Council's deliberations on Germany's remilitarization of the Rhineland only on a basis of full equality in the conference, and with the understanding that his recent offer of new peace pacts would be considered.

Six nations headed by France opposed Hitler's insistence on bringing his peace proposals up simultaneously with the discussion of the Rhineland occupation.

The Council then voted unanimously to accept Hitler's first condition and to reject the second.

The vote was interpreted as tantamount to a qualified refusal of Hitler's conditions.

The Council was agreed that Germany was entitled to sit in the Council on an equal footing with the other League powers—that is, without the right to vote.

It was stated that, owing to their status as interested parties in the Locarno pact, France and Belgium, as well as Germany, would not be entitled to vote in the League Council meeting.

The French delegates said they regarded the verdict of the secret session as a decisive victory for France.

A French spokesman predicted that the League now would condemn Germany, since Great Britain and Italy have given France their assurances that for them the Locarno pact still exists.

Peace May Hang Upon One Word

London, March 16 (AP)—The fate of the present negotiations concerning the critical relations of Germany with the rest of Europe may hang on the translation of a German word.

It developed today that the League of Nations Council may seek from Reichfuhrer Hitler a clarification of his reply to an invitation to attend the Council session.

The clarification, it was said, would be to clear up just what was meant by the word "alsald," contained in the telegram Joseph Avenol, secretary general of the League, received from Hitler last night.

The German Embassy in London, while the British cabinet was considering the situation, informed the foreign office that the correct translation of the word is "in due course," instead of "forthwith," as the Council secretariat officially translated it.

The new translation puts a modified interpretation on Hitler's condition for sending a representative to the Council's session.

Hitler's reply originally was interpreted to mean that he demanded the negotiation of his peace proposals simultaneously with the discussion of his denunciation of the Locarno pact.

The new translation might mean that consideration of his proposals could come at a later date, which might be acceptable to the French. Last night, the French denounced Hitler's reply as impossible.

Germany's position now is understood to be that she will attend the Council session on a footing of equality if assured that the powers concerned are prepared to enter into negotiations in due course with regard to the German proposals.

French sources indicated that this change made the situation more hopeful, although Foreign Minister, Laniel and Joseph Paul-Boncour, his minister of state, refused to comment.

RHINE EVENTS ARE GREATLY CURTAILED

Celebration of Army Day and Hitler's Speech Have Nation Keyed Up

Frankforton-the-Maine, Germany, March 16 (AP)—The tightened international situation applied a dampening influence to the Rhineland celebration of Germany's "army day" today, all ostentatious military display being banned in the crisis.

What was to have been a day of great military parades, culminating in a celebration of the Reich "symbolic" reoccupation of the demilitarized zone was cancelled while the League of Nations deliberated at London on the treaty violations.

Instead, there was a quiet inspection of the troops in their barracks. Tonight, however, after the troop inspection by War Minister Werner von Blomberg, there will be military music in the opera square, and later Reichfuhrer Adolf Hitler himself will speak.

The city was gaily decorated in honor of Der Fuehrer's coming, and widespread anxiety over the situation raised to fever pitch popular interest in what Hitler would say.

FDR'S POPULARITY AGAIN INCREASING

Al Smith and Borah, If Beaten, As They Will Be, May Both Bolt

By CHARLES P. STEWART
Central Press Staff Writer

Washington, March 16.—Rooseveltians profess to think, and undoubtedly do think that the present White House tenant's popularity is increasing again.

Increasing "again" is the correct way to put it.

The President's supporters admit now, though they didn't at the time, that there was a while, following about mid-term of the current administration, when they were conscious of a rapid decline in their favorite's prestige with the public.

But they say the tide has turned since then, today it is rising, that it is not yet as high as it was earlier in his regime but may get there.

REPUBLICAN VIEW

What is more, there are Republicans candid enough to agree with them.

The Republicans are much dissatisfied with Colonel Henry Breckinridge, an anti-New Deal Democratic rival of President Roosevelt. Of course, they are entitled to no voice in anti-New Deal Democratic councils, but they do believe that the Democratic "antis" might have hit on a more appealing leader than the colonel.

Al Smith's nomination on a bolting Democratic ticket is what best would please the Republican managers. They reckon that Al might draw sufficiently from Roosevelt's strength at the polls, not to be elected, but to permit the G. O. P. candidate to win by a plurality, not a majority, as McKinley did against Bryan and Palmer and Euckner and as Wilson did against Taft and Theodore Roosevelt.

Secretary of State Cordell Hull has said that the United States now is ready to discuss currency stabilization. He pointed out that a stable cur-

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STABILIZATION OF CURRENCY TALKED

Hull's Proposal of More Import Than Tax or Scare in Europe

By LESLIE EICHEL
Central Press Staff Writer

New York, March 16.—Hitler's moves abroad and President Roosevelt's proposal for a tax on undistributed earnings (which will be put through Congress easily, as it appeals to the mass of people), have overshadowed a more important move.

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