

TAX BILL PASSES HOUSE BY HUGE MARGINS

MEASURE SENT ON TO SENATE, WHERE HEARING IS BEGUN

Secretary Morgenthau Will Be First Witness Tomorrow Before Finance Committee

LEVY ON WITHHELD EARNINGS FEATURE

Normal Four Percent Income Tax Dividends Remains; Expected To Yield Total of \$803,000,000 for Bonus and Farm Adjustment Payments Soon Due

Washington, April 29.—(AP)—The administration's \$803,000,000 tax bill was passed by the heavily Democratic House today over opposition votes of the Republican minority.

Speaker Byrns announced the vote was 267 to 3. The bulky measure, designed to raise funds to meet the bonus and farm relief costs, and embracing a complete revision of the corporate tax system, now goes to the Senate, where the finance committee already has begun its consideration.

Tomorrow Secretary Morgenthau will testify before the committee at its first public hearing.

The major feature of the bill was a tax on corporation income graduated on the basis of earnings withheld from distribution to stockholders.

Linked with application of the normal four percent income tax on dividends, it is expected to bring in \$623,000,000 additional to help meet President Roosevelt's requests for farm and bonus funds.

The vote on passage along party lines was a mere formality which sealed the tentative approval given the bill yesterday.

In addition to the revenue to be produced from the new corporate tax plan, \$200,000,000 is expected from an 80 percent "windfall" levy on processors who did not pay AAA processing taxes, and \$83,000,000 from temporary continuation of excess profits and capital stock taxes.

TO APPEAL RULING ON SCRAP TOBACCO

Attorney General Seawell Says Judge Daniels' Decision To Go to Supreme Court

Raleigh, April 29.—(AP)—Attorney General A. F. Seawell said today a decision declaring North Carolina's scrap tobacco law unconstitutional would be appealed to the Supreme Court.

Judge Frank A. Daniels, of Goldsboro, ruled the law invalid in finding J. F. Morrison, of Lumberton, innocent of charges of selling scrap tobacco without paying a \$1,000 tax as a feeder.

Asks Board To Probe In Air Crashes

Air Bureau Official Cites Recent Accidents, Exonerating Government

Washington, April 29.—(AP)—Creation of an independent accident board to investigate the nation's air crashes was recommended to the Senate air safety committee today by Eugene L. Vidal, director of the Air Commerce Bureau.

Citing the accidents which killed Senator Bronson Cutting, of New Mexico, and four others in Missouri, May 6, 1935, and the subsequent controversy over responsibility, Vidal testified:

"I do feel that a precedent is now being established with this one accident, which will result in its being inadvisable in the future for bureau personnel to investigate probable cause of accidents.

"I personally hope that your committee will suggest for the future an accident board consisting of other than bureau personnel."

He made a defense of the bureau's ground aids to air navigation, which have been criticized by various witnesses before the committee.

Referring to analysis of accidents that have occurred during the past two years, he stated:

"It cannot be shown in any one that the aids to navigation provided by the government were even contributory causes to any of these accidents."



The outboard hydroplane operated by Andy Gantner, holder of a number of amateur racing records is shown refueling from a plane on Lake Michigan, with Chicago's imposing skyline in the background. Gantner expects to refuel in this manner in his attempt to lower the Chicago-Milwaukee record. Plane and boat are speeding at fifty miles an hour. (Central Press)

Roosevelt's Supporters Pleased With Primaries In Two Eastern States

Landon and Borah Backers Also Pleased With Showing by These Republican Candidates; President Continues Heavy Margin in Pennsylvania Returns

Washington, April 29.—(AP)—Supporters for President Roosevelt for re-election and Governor Landon of Kansas and Senator Borah of Idaho to oppose him in November drew satisfaction today from the Pennsylvania and Massachusetts primaries.

Overwhelming Colonel Henry Breckinridge, his first primary opponent, the President accumulated a total in Pennsylvania that spoke for itself. Additional delegates from both states brought those listed for him to 442, or all of those so far selected of the 1,100 to be seated at Philadelphia.

Primary Not Binding. Because neither primary was binding on the delegates chosen, Repub-

ROOSEVELT URGES COAL AGREEMENT

Advices Anthracite Meet In New York He Hopes Strike Won't Come

Washington, April 29.—(AP)—President Roosevelt sent word to the anthracite wage conference in New York today that he hoped a new wage and hour agreement could be reached without a strike.

The present five-year agreement covering the wages and hours of about 150,000 hard coal miners in Pennsylvania expires tomorrow at midnight. Three months of negotiations between the operators and the United Mine Workers have failed to produce a new contract.

The miners demand a wage increase a shorter work week and deduction of union dues from pay envelopes. The operators, complaining that the industry has been hard hit by competitive fuels, demand a wage cut.

Mr. Roosevelt has kept in close touch with the progress of the negotiations for the last week through the Labor Department. He sent his message to the conference through that department.

OUR WEATHER MAN

FOR NORTH CAROLINA. Mostly cloudy tonight and Thursday; scattered showers in southwest and in extreme west portion; no decided change in temperature.

GRAHAM PROPOSES LEAVING COUNTIES LIQUOR REVENUES

Would Have Statewide Control Law Uniform as to All Local Units Having Stores

COUNTY OPTION IS HIS PROGRAM NOW

Favors Complete Repeal of Turlington Act, However; Says Law Is Only as Good As Support Given It By People; Hoey and McDonald Are Not Specific

Daily Dispatch Bureau, In The Sir Walter Hotel, Raleigh, April 29.—Liquor and how to control it in North Carolina is back in the political spotlight again as an issue in the present campaign for the Democratic nomination for governor as the result of the elaboration and clarification of his position with regard to liquor control as outlined by Lieutenant Governor A. H. (Sandy) Graham in his speech in Spring Hope last night. Graham is the only one of the three leading candidates who has consistently advocated some form of Statewide liquor control, although he has at no time advocated taking away the revenue of the stores from the counties which now have such stores. Some have gotten the impression that such was the case, believing that State control automatically meant for the State to get all the revenue from liquor sales. But in his speech last night Graham made it clear that while he advocates a single, uniform State law to govern the sale of liquor in those

STATE OFFICIALS ARE NOW JITTERY

They Are Afraid McDonald May Try To Oust Them In The Primary

Daily Dispatch Bureau, In The Sir Walter Hotel, Raleigh, April 29.—Some of the elective State officials, in addition to those who are appointed, are getting jittery not only at the progress which Dr. Ralph W. McDonald seems to be making in his race for the Democratic nomination for governor, but for fear he may carry his promise to "open the windows and clean out the present appointive State officials" may be extended to the elective officials as well. They are worried for fear Dr. McDonald will try to persuade his supporters to "go down the line" against all the present State elective officials and make the house-cleaning complete, if during the last weeks of the campaign McDonald appears of have enough support to risk his own nomination by taking sides for and against other candidates.

It is already known that Dr. McDonald is

\$50,000 Bail Is Fixed For 1 Kidnaper

Harry Weiss, Brooklyn Taxi Driver, Admits His Part In Wendel Snatching

Brooklyn, N. Y., April 29 (AP)—Harry Weiss, 28-year-old Brooklyn taxicab driver, was held in \$50,000 bail today on an indictment charging kidnap and assault of Paul H. Wendel, disabled Trenton attorney, whose "confession" to the Lindbergh kidnaping delayed the execution of Bruno Richard Hauptmann for three days.

Weiss, arrested yesterday in Youngs

Farm Groups Press Demands For Extra Session Despite Ehringhaus Radio Address

Rain Halts Operations By The Italian Army On South Line In Ethiopia

But Northern Motorized Column Continues Along Imperial Highway to Addis Ababa

SOCIALIST MIGHT BE PREMIER IN FRANCE

Result of Sunday's Elections May Put Leon Blum Into Power; Austrian Troops on Move Toward German Border, But Significance Is Being Minimized

(By The Associated Press) The Italian army campaigning against the southern Ethiopian city of Sasa Baneh was temporarily halted in its operations by tropical rains today as the northern motorized columns continued along the imperial highway to Addis Ababa.

Dispatches from the southern front said the ground around Sasa Baneh had been turned into a sea of mud by the steady downpour of the last few days, and the armies attacking the Ethiopian positions from three sides were ordered to remain in the points already occupied.

The ideal weather north of the Addis Ababa-Djibouti railway allowed the motorized column under Marshal Pietro Badoglio to continue forward meeting little opposition from the native defenders.

Reports circulated in Paris political circles that Leon Blum, Socialist leader, would be asked to form a new cabinet when the Chamber of Deputies meets after next Sunday's run-off voting.

The left majority expected in the new parliament, in supporting Blum's premiership, would install the first regular Socialist to head the French government.

As the Egyptians mourned the passing of their ruler, the late King Fuad, the new monarch, 18-year-old Farouk, planned to leave England for his native land.

Austrian Troops Move. Austrian troop movements toward western provinces and to the region opposite German Bavaria were observed in Vienna. The government explained the operations as merely Alpine training for the soldiers.

WADE IS EXPECTED TO PULL THROUGH

George Pou Slated To Beat Baxter Durham Also for State Auditor

Daily Dispatch Bureau, In The Sir Walter Hotel, Raleigh, April 29.—"I don't know how the race for the nomination for governor is getting along, but I do know that what the State needs is a good secretary of state—and that I expect to be renominated," Secretary of State Stacey W. Wade said today, when asked by a group what he thought of the gubernatorial campaign.

Despite the fact that the gubernatorial campaign is tending to overshadow the campaign for the various other State offices, the candidates for these offices are becoming increasingly active and sending out scores of thousands of letters. In spite of the intensive campaigns which both Thad Eure and M. E. Dunnagan are making for secretary of state against Wade, the belief in most circles here is that Eure and Dunnagan are splitting the opposition, with the result that Wade is regarded as having an excellent chance to win the nomination again. The fact that he last week kissed goodbye to any hope for any support from Governor J. C. B. Ehringhaus and told the 6,000 farmers here at the mass meeting demanding a special session that if he was governor he would "call a special session in 15 minutes," has helped Wade

Roper's Opponent



Lewis H. Brown (above), president of the Johns-Manville Corporation, will address the annual meeting of the United States Chamber of Commerce on "Increasing Employment by Private Enterprise," will virtually be a debate opponent of Secretary of Commerce Roper, also slated to speak. (Central Press)

20 Billions Expended In Employment

Business Dug Into Reserve That Far To Sustain Jobs, Chamber Is Told

Washington, April 29.—(AP)—The convention of the Chamber of Commerce of the United States was told today that American business spent \$20,000,000,000 from its past savings to maintain employment during the depression.

William L. Sweet, Rhode Island manufacturer, said this huge sum was paid out "in providing work and wages beyond the amounts warranted by the current volume of business."

This, he said, was a denial of charges by some that employers were "ruthless exploiters of labor." The convention had just heard Fred H. Clausen, Wisconsin manufacturer, and Roy C. Osgood, Chicago banker, contend that the administration tax program will hinder such savings.

They demanded a tax reform as a measure of stimulating reemployment. Adding further to a day critical of the New Deal, Silas Strawn, Chicago lawyer and former Chamber president, labeled current legislation "vote-fetching."

"Business men," Strawn said, "who can remain sane and normal under the strain of the experimental and 'vote-fetching' legislation that has been introduced in Congress, and especially during the last three years, are gifted by nature with unusually strong mentalities."

Sweet, without mentioning President Roosevelt by name, noted the President's recent statement that employment is lagging behind recovery in production. "Calling names," he said, "or distorting facts will not put a single unemployed worker back in gainful employment. Only through cooperative action and mutual understanding of all the elements making up our economic and political life can we hope to resolve the perplexing unemployment problem."

GOVERNOR CLAIMS KERR CONTROL ACT IS WITHOUT TEETH

Cross - the - Line Marketing Not Guarded Against, Ehringhaus Claims In Speech

SUGGESTS NAMING OF STATE BOARDS

They Would Begin Work at Once To Map Program Of Cooperation for Tobacco States for 1937 Crop; Urges Growers To Accept Soil Program As Aid

Raleigh, April 29.—(AP)—Leaders of organized farm groups today continued their campaign to have tobacco control legislation enacted, but Governor Ehringhaus clung to his view that the 1936 crop could not be controlled through legislation.

The governor, who reviewed the tobacco situation on a radio speech last night, said the Kerr tobacco control act passed by Congress, permitting the states to enter compacts to curb acreage, lacked teeth.

"It is one thing for Congress to give the states permission to enter into a compact," he said. "It is another and a more vital and necessary thing to give the states so compacting protection against cross-the-line marketing. Without such protection compacts are useless and no control is possible."

Suggests Commission. The governor suggested that commissions be appointed in the four states producing flue-cured tobacco—Virginia, the Carolinas and Georgia—to work out a means of curbing next year's acreage. He suggested small and large growers participate in the soil conservation program and farm organizations be represented.

Meantime, the governor would have all growers participate in the soil conservation program and reduce their tobacco acreage in accordance with this retirement program.

SAYS NEGRO TOLD OF KILLING CHIEF

Negro Witness Gives Damaging Testimony Against Accused Black at Scotland Neck

Halifax, April 29 (AP)—Evans (Snooks) Macklin, 25-year-old Negro charged with killing Chief of Police A. P. Moore, of Scotland Neck, was asserted by a witness in his trial today to have admitted the slaying.

Thurston Auburn, Negro, testified that Macklin told him two days after the police was found shot to death in front of a Scotland Neck bank early the morning of February 18 that he did the shooting.

Macklin pleaded innocent when arraigned at the opening of court this morning.

COTTON FIRMS NOT CONNIVING AT ALL

Witness Says Houston and Philadelphia Concerns Similar, However

Washington, April 29.—(AP)—A denial of collusion between the cotton merchandising firms of Anderson, Clayton & Company, Houston, Texas, and George H. McFadden & Brothers, of Philadelphia, was made today by John H. McFadden, head of the latter company.

Appearing before the Senate Agriculture Committee's cotton trading investigation to answer the accusation of Louis Brooks, New York cotton broker, McFadden said the fact the firms had held identical positions in the market in no way "intimates collusion."

"We are governed by the same economic principles, our information comes from the same sources, we buy cotton in the same territories and we sell it in the same countries," McFadden said.

"It would be strange indeed, therefore, to suggest that we are colluding."