



# Henderson Daily Dispatch

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## Entire Russian Front Aflame

### MINIMUM INCOME TAX IS PROPOSED

SEES DAUGHTER FOR FIRST TIME



—Phonephoto.

Frank Kubiak of Detroit, Mich., who has been blind for eight years as the result of an accident to his eyes from flying splinters, sees his daughter for the first time. Kubiak's sight was restored when a motorist blew his horn causing him to stumble over a curbstone. He kept the secret for three days, before telling his wife and daughter about it. Jeanette is enjoying the experience of showing her father some pictures.

### All Transportation May Be Rationed

Congressional Circles Forecast Drastic Measures; Extension of Gasoline Rationing After July 1 Predicted.

Washington, May 14.—(AP)—National rationing of transportation was forecast in congressional circles today and some informed legislators said there were strong indications that the rationing of gasoline in 17 eastern states might be extended to include the whole country after July 1.

As to those easterners formed long lines around registration places for the third day to obtain ration cards that expire June 30, Senator Aiken, Republican, Vermont, said he believed that before that date arrived plans would have been worked out to limit the use of domestic transportation systems.

He predicted that government control of the movement of all products carried by rail and water would be reflected in the rationing of gasoline on a nationwide basis, a development which Senator Downey, Democrat, California, predicted would come in any event.

Downey said he looked for a continued decline in gasoline and fuel oil reserves on the eastern seaboard, despite efforts to patch together a

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### Nazis Counter Anti-War Talk

Moscow, May 14.—(AP)—Tass, official Soviet news agency, reported today that 19 persons were executed in Hamburg May 7, "for expressing anti-war defeatist views," and that numerous others were being arrested in Hannover, Schwerin, Braunschweig and elsewhere "for voicing discontent at the war."

Tass said that, according to Stockholm reports from the German frontier, German storm troopers were being called home from the front and new units were being formed and given intensive training in street fighting because of Nazi fear of serious internal disturbances.

It said these forces back in Germany were placed at 1,500,000 men but actually were believed to be even more numerous. They are being issued new armament, including large numbers of machine guns, the re-

port continued.

### Ickes Says Rationing Here To Stay

Washington, May 14.—(AP)—Petroleum Coordinator Ickes said today that any expansion of gasoline rationing areas generally would depend on whether the government decided to use this means of saving rubber and that there was no need now for broadening restricted areas "from a petroleum point of view."

He told his press conference that the construction of a 1,500-mile pipeline from Texas to the New York-Philadelphia area was the "only sure solution I can see at the moment" for the eastern petroleum shortage and announced a new application for steel for such a line would be sent forthwith to the war production board.

Asked how long he thought gasoline rationing would last, Ickes responded "how long do you think the war will last?" and added:

"The best we can do is accept the fact we have rationing, and we have to go along with it, perhaps indefinitely."

### GREYHOUND ASKS TO SERVE CAMP

Raleigh, May 14.—(AP)—The State Utilities Commission today conducted a hearing on an application of the Atlantic Greyhound Lines to operate bus service between Creedmoor and Camp Butler. The application was opposed by the Durham Transportation Co. of Durham.

### JAP MERCHANT SHIP SUNK BY SUBMARINE

Tokyo (From Japanese Broadcasts), May 14.—(AP)—A large Japanese merchant vessel has been torpedoed and sunk in the eastern part of the South China sea by an enemy submarine but the submarine itself is believed to have been sunk, an official announcement said today.

The war and navy ministries said the merchant ship was under naval escort when attacked on May 8.

Many persons perished, since darkness and high seas made rescue operations difficult, the announcement said.

### Legality Of Measure Is Studied

Secretary Morgenthau Advocates That All Who File Income Tax Returns Should Pay At Least Some Minimum Amount.

Washington, May 14.—(AP)—Secretary of the Treasury Morgenthau today advocated a minimum tax of "several dollars" on every one who files an income tax return.

Under existing laws, millions of people whose personal exemptions and other deductions exceed their income pay no tax at all, even though they have to file returns.

Morgenthau said experts were studying the constitutionality of the proposal and if they found a legal method of having such a minimum, he would ask Congress to enact it.

Later, Randolph Paul, top Treasury tax expert, sent word to the press that there was "no question but what such a proposal would be constitutional." Paul said questions of legality could be avoided by calling the special minimum tax an "excise" instead of an "income" tax.

The secretary pointed out that a similar tax has been proposed by Senator George, Democrat, Georgia, chairman of the Senate finance committee, who called it an "examination tax," because it would reimburse the Treasury for the expense of examining otherwise non-taxable returns.

At one point in the press conference in which he revealed the proposal, Morgenthau suggested \$3 as a suitable minimum, and estimated that the Treasury could collect \$100,000,000 a year through this method.

"That's a tidy sum and we can use it," he commented.

On Capitol Hill, strong behind-the-scenes administration pressure was reported against a general sales tax and ways and means committee who previously had indicated sentiment for such a levy were reported changing over.

One informal poll showed that a once substantial majority for either a retail or manufacturer's sales tax had disappeared and that the present lineup was 13-to-12 against such a levy.

### Teacher Pay Differential To Be Reduced

Raleigh, May 14.—(AP)—Approximately \$250,000 will be available next year for narrowing the differential between the pay of Negro and white teachers in State-supported schools, the State School Commission learned at its meeting here today.

Nathan Yelton, secretary of the commission, said the matter was referred to the salary committee, which is meeting here this afternoon, with the definite understanding that the money will be used for the purpose of slashing the differential, which has caused a great deal of controversy.

### STURDY CARGO SHIP SURVIVES TORPEDOES

New Orleans, May 14.—(AP)—A sturdy medium-sized cargo ship survived three torpedoes and a prolonged shelling from an axis submarine and was safe in a Gulf of Mexico port today with loss of one life.

The ship had gained torpedo holes in its side and at least 225 men were killed.

### YANKEE FLIERS WHITTLE DOWN JAP AIR POWER

Turned Down X Card



C. P. Phonephoto

Senator Harold H. Burton, of Ohio, holds his gasoline ration card up for the cameraman. Although entitled to an unlimited X card he took one in the lower category because he lives close to the senate. It was reported that only about one in twenty senators and representatives took A or B cards.

### Sea Battle Predicted

American Military Experts See Another Japanese Assault in South Pacific.

Washington, May 14.—(AP)—American military experts, intrigued by Tokyo's solemn but hollow claims of a resounding Coral sea victory, concluded today that such boasts could only drive the Japanese army to a grand scale assault on the approaches to Australia in an effort to save face.

These claims have become so extravagant in the last few days, it was said, that the Japanese may be compelled to try to make good on them soon by a new foray in tremendous force. Hence, authorities believed another big battle is in the making—a battle in which the enemy might throw some of his heavier fleet units.

Other elements in the present strategic situation also impel the Japanese toward a large scale naval attack. One is that the enemy's fleet strength has not been visibly impaired by the Coral sea engagement, disastrous as it was.

If Admiral Yamamoto wants to cut the supply line to Australia, therefore, he has only to call up reinforcements and try again in the same theatre, in some other area leading to the continent or else along

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### Norris Blocks Resolution

Washington, May 14.—(AP)—An objection by Senator Norris, independent, Nebraska, blocked Senate consideration today of a resolution by Senator Downey, Democrat, California, declaring that members would not seek special privileges in the use of rationed gasoline.

Senator Barkley of Kentucky, the Democratic leader, led a vigorous fight against consideration of the measure, asserting that it was offered because a "tea pot explosion" had been caused by the issuance of "X" cards to some members of Congress entitling them to unlimited access to gasoline for their cars.

Norris, who had sat silent during nearly two hours of debate while a half-dozen senators roundly denounced the resolution, rose to object quietly to consideration of the measure after demands had been made for a record vote.

Norris' objection automatically prevented immediate action on the resolution and it was placed on the senate calendar for possible later consideration.

American Pilots Operating From Secret Bases in India Make Daring Raids on Japanese Bases in Burma and Indo-China.

New Delhi, May 14.—(AP)—While veteran Chinese troops fought desperately to check Japanese forces pushing up the Burma Road into Yunnan province, American pilots were reported today to be whittling down the invaders' air power by daring raids on their vital bases in both Burma and Indo-China.

Striking from secret air fields in India, big United States Army bombers, in their ninth attack in the Burma theatre, raided the Japanese airbase at Myitkyina in far northern Burma and set fire to many grounded planes, Major General Lewis H. Brereton's headquarters announced.

The RAF announced a successful bombing and machine gun attack on a paddle steamer and barges the Japanese were moving in the Chindwin river and said that further details in a raid on Akyab airbase yesterday showed bomb hits on runways and among dispersed Japanese planes.

Simultaneously a communique released in Chungking disclosed that Flying Tigers of the American Volunteer Group had reached out a long arm to pound the important Japanese air base at Hanoi in Indo-China, more than 650 miles southeast of Myitkyina.

Fifteen Japanese planes, including bombers, one large transport, and two-seaters and single-seated fighters, were burned on the ground," said the Chungking announcement, issued by AVG headquarters.

At least 25 other Japanese planes were reported damaged and direct hits were scored on airbase buildings.

Both these raids were carried out Tuesday, the official bulletin said. Only one American plane—one of the pilots participating in the Hanoi raid—was reported lost.

In Chungking a Chinese military spokesman also reported today the Chinese have destroyed the bridges across the upper Salween river, called the La in China, and are holding the east bank against Japanese vanguards.

### U. S. Flier Fires Ship

Little Rock, Ark., Pilot at Controls of RAF Plane Scoring on Nazi Vessels.

London, May 14.—(AP)—RAF Officer Mark Dennett, from Little Rock, Ark., was at the controls of one of two Hudson planes which bombed a pair of enemy vessels last night off the Norwegian coast, leaving one afire and the other a total wreck.

The air ministry news service said that Dennett's bombs struck a large supply ship which had run ashore near Vaagso and set it on fire.

Another Hudson reported setting fire to a heavily-laden supply ship was pulled out of Aalsund. The news service said this plane went down almost to sea level in the darkness and "leap frogged" over the ship.

Looking back, the crew saw bombs explode on the ship near the stern, the account said. "Debris flew in all directions and thick oily smoke rose and spread until the ship's outline was almost hidden."

The air ministry counted this vessel a total wreck.

### WEATHER

FOR NORTH CAROLINA  
Little change in temperature with showers this afternoon and tonight.

Tells of Secret Gas



C. P. Phonephoto

If Hitler plans to introduce gas in the present war, Uncle Sam is ready to retaliate with Lewisite, says its inventor, Prof. W. Lee Lewis of Evanston, Ill. Lewisite gas has been in the hands of our War Department for twenty-five years, Lewis adds that his gas is more humane than mustard gas because it is more deadly and acts more quickly.

### Eight Firms Are Indicted

Federal Grand Jury Charges Corporations and 20 Officials With Conspiracy.

Washington, May 14.—(AP)—The Justice department announced today that a federal grand jury at Trenton, N. J., had indicted eight corporations and 20 of their officials on a charge of worldwide conspiracy to monopolize the manufacture and sales of dyestuffs.

The actual defendants, topped by the giant E. I. du Pont de Nemours and Co., are Americans, but the indictments named as co-conspirators the leading chemical companies in Germany, France, Great Britain, Switzerland and Japan, along with some satellite corporations in South America and Canada.

Thurman Arnold, Justice department anti-trust chief, said that a worldwide cartel had "not only resulted in high prices to the American consumer but also had restricted the full development of the chemical industry which is essential to our war effort."

"One of the principal means of the conspiracy," Arnold said, "has been restricting production of chemical intermediates from which dyestuffs are made and from which important munitions, particularly explosives and plastics, could be made."

Other officials said that the case, an outgrowth of the exhaustive inquiry into patents and chemicals, was the most far flung anti-trust action thus far and rivaled in importance the Standard Oil Co. (N. J.) case which was settled recently by a consent decree freeing thousands of patents for general use during the war.

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### Red Troops Storm Gates Of Kharkov

Russians Admit Yielding Some Ground in Crimea, But Deny German Claims; Soviet Offensives Launched Elsewhere.

(By The Associated Press)  
Russia declared today that her armies were storming at the gates of Kharkov, the "Pittsburgh" of the Ukraine, and other Soviet offensives were reported rolling against the Germans in the vital sectors of Leningrad, Novgorod, Staraya Russa and Moscow.

In the Crimea, the Russians acknowledged yielding some ground in the six-day old battle of Kerch peninsula but disputed the Hitler high command's claim of decisive victory.

Latest Soviet dispatches said the Russians were now holding a new line in good order, inflicting heavy casualties on the Germans.

The Soviet radio reported that Marshal Semyon Timoshenko's Ukraine armies had smashed the German first line defenses before Kharkov and were advancing on the city itself, imminently threatening the key Nazi stronghold.

All winter, Kharkov has been a major obstacle in the path of Soviet counter drives.

The Russians said masses of Red army reserves had gone into action for the first time against Kharkov, and declared:

"Everything is being abandoned by the Germans in great quantities on the field of action."

Heavy fighting was also reported raging on the Leningrad front, where the Germans were said to have thrown new six-inch anti-tank guns into action in a vain attempt to stop the monster Soviet tanks.

On the basis of all these reports, it appeared that the whole 1,200-mile battle line from Leningrad to the Black sea was aflame in a series of gigantic battles which may decide the war in Europe.

Adolf Hitler's field headquarters asserted that German troops in the Crimea had won a smashing victory on the Kerch peninsula and were now relentlessly pursuing the "defeated" Russian army.

The Nazi command said German bombers were pounding the port of Kerch and blasting Soviet ships in the adjacent waters.

Kerch lies across a narrow strait from the great Caucasus oil fields.

The Vichy (French) news agency also reported that axis troops had thrust to the end of the eastern Crimea, seizing two key towns and occupying almost the entire coastline facing the Caucasus.

Developments on other worldwide fronts:

### Battle of Australia—General Douglas MacArthur's headquarters reported that allied bombers lashing out at the western flank of Japanese invasion bases

### Warships At Martinique Are Being Immobilized

Washington, May 14.—(AP)—French warships at Martinique are being immobilized, it was authoritatively disclosed today.

The immobilization is being carried out in cooperation between French and American naval and other officials on the spot.

Other important details of a comprehensive solution of the problem of French possessions in the Caribbean are still being discussed, it was said.

Responsible sources emphasized that these negotiations are being carried out directly with Admiral Georges Robert, French high commissioner of Martinique, and that the United States is not in any sense dealing with or looking to the Vichy government in this matter.

Warships affected by the immobilization agreement include, it is understood, the aircraft carrier Bearn and the cruiser Ducloux, both of which