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TVA TAX PROGRAM TO BENEFIT REGION

The Tennessee Valley Authority wants to pay taxes—or a remarkable facsimile thereof!

In 1944, it made payments of more than \$2,000,000 to six states and 126 counties.

In a special report to Congress this week the TVA recommended that its in-lieu-of-tax payments should be continued on the ground that they are a reasonable cost of the power program.

These payments by TVA to state and county governments protect the local governments against losses in tax revenues anticipated prior to the enactment of the amended section 13 of the Tennessee Valley Authority Act which specifies the amounts and manner of payment. The amended act, broadening the base of in-lieu payments, was enacted in 1940 following recommendations of the TVA directors, with the support of state and local officials.

"Schools generally receive the largest share of the TVA payments to counties, followed in order by general purposes debt service, and roads," according to the report.

TVA payments in lieu of taxes in 1944 were greater than former ad valorem taxes on all property purchased; including land allocated to purposes other than power, by \$790,311, an over-all gain of nearly 37 per cent, the report states.

The TVA report discloses that in-lieu payments by TVA alone have increased from \$1,499,417 in 1941 to \$2,168,824 in 1944. TVA's percentage rate of payments to state and county governments is graduated downward from 10 per cent of gross power proceeds of the preceding year paid in 1941 to 5 per cent payable in 1949 and each year after that. The 45 per cent increase in money payments by TVA, the report states, "reflects gains in power revenues that more than offset decreases in the percentage rate of payment. In-lieu payments have exceeded the minimum payment, measured by former property taxes on purchased power property including the portion of reservoir lands allocated to power, by from 44 per cent in 1941 to 80 per cent in 1944."

The report shows, however, that payments are not the only benefits received by local governments as a result of TVA's operations. The total tax equivalents and taxes set aside by the 83 municipal and 45 co-operative systems distributing TVA power, for the fiscal year 1943, amounted to \$1,957,614, or 5.6 per cent of their aggregate gross revenues; these payments exceeded about \$400,000 the former ad valorem taxes. (Continued on last page)

Report Shows Big Role Played By TVA In Supplying Power And Materials For War Work

The Tennessee Valley Authority reported today a net of \$14,116,000 on power operations in the 1944 fiscal year, and an increased war effort. In its annual report to Congress and President Roosevelt, covering the 12 months ended last June 30, the agency gave its gross revenues from power as \$35,429,000.

It said the number of TVA employees dropped from 28,400 to 21,000 with nearly 3,000 departing for military service.

The report also cited these accomplishments: Generation of more than 10,000,000 kilowatt hours of electricity, three quarters of which went for war purposes.

For Synthetic Rubber
Production of more than 100,000 tons of calcium carbide for synthetic rubber manufacture and 130,000 tons of ammonium nitrate for fertilizers; an increase in the production of elemental phosphorus, a vital war material, by 30 per cent.

Extension of the navigation channel the full 650-mile length of the Tennessee River to permit a record 12-month freight traffic of 208,000,000 tons miles.

Preparation of topographic maps of foreign areas for the use of Allied armies, providing ammonium nitrate and phosphate fertilizers for war use, and designs and specifications for 11 powerhouses for the Russian Government, through Lend-Lease.

Providing technical advice on military and civilian food consumption; aid to the lumber industry in increasing output; production of 9,000 tons of dicacium phosphate for use in mixed stock feeds to help replace bone meal imports cut off by war.

129 Towns Served
Supplying 3,362,000,000 KWH of power to 129 municipalities and co-operative electric systems which, in distributing electricity to 550,000 consumers, earned a combined net income of \$6,363,000.

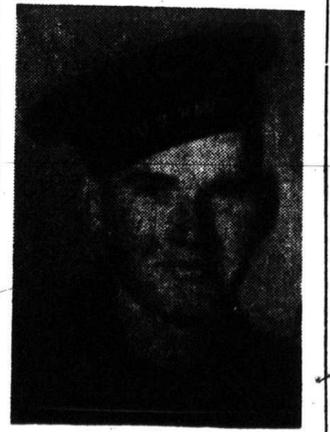
Discussing its commercial fertilizer operations, the TVA said its test-demonstration farms had greatly increased sales and that in many instances, use of the fertilizers had doubled the value of farms.

Domestic use of electricity under TVA rates increased from 1,598 to 1,707 KWH per customer, the report said, while the average rate declined from 1.96 cents per KWH to 1.88 cents per KWH. The TVA said the average domestic consumer in the nation used 1,117 KWH and paid an average price of 3.55 cents.

Central Jackson Singing Convention To Be Held January 7 At Webster Baptist Church

The Central Jackson Singing Convention will be held on the first Sunday in January at the Webster Baptist Church. It will start at 2 o'clock and all of the public is cordially invited to attend.

IN SOUTH PACIFIC



Mack Johnson Stewart S. 1-c, son of Mr. and Mrs. Deck H. Stewart of Norton, was inducted into service on October 20, 1943, at Camp Croft, S. C. He took his boot training at the U. S. N. Training Station at Great Lakes, Ill. He took further training at Shoemaker, California, and at Yosemite. He is now stationed somewhere in the South Pacific.

WHY NAZIS GAMBLE IN DRIVE



MILITARY OBSERVERS ABROAD are of the opinion that the explanation of the present German counter-offensive lies in the east. Russian railway construction and concentration of supplies have reached tremendous proportions now that the ground has hardened. General Von Rundstedt, fearful of being caught between grand scale offensives on two fronts, appears to have started his present drive in the west to destroy the huge amount of Allied supplies there before the Soviet forces are able to attack him in the east. Achievement of this aim would give him time to swing his forces to the east while Allied armies would be stalled by heavy losses of men and equipment. Arrows show the direction of the Nazi attack and probable route of Red Drive.

MEMORIAL SERVICES TO BE HELD FOR CPL. HARRY A. KIRSCH



Memorial services for Cpl. Harry A. Kirsch, who died in Germany Nov. 15, husband of Hazel Allison Kirsch, will be held Sunday afternoon, Jan. 7, at 3 o'clock at the First Lutheran Church in Asheville.

Cpl. Kirsch had been in service for two years and overseas for two and a half months. He received his training at Fort Benning and Camp Gordon, Ga. He was connected with General Patton's 3rd Army, being a member of the 10th Armored Division, known as the Tiger Tenth. This division had the distinction of being the first armored division to enter Germany. He was a driver of a combat half-truck.

Surviving are the widow, his mother, Mrs. Rosa Kirsch, of Asheville, his father, E. H. Kirsch, Hollyhill, Fla., two sisters, Mrs. Jack Pursifull, Asheville, and Mrs. Lynn Myers, Harrisburg, Penn., two brothers, Lester Kirsch, Red Bud, Ill., and Norman Kirsch of the Merchant Marines, Tampa, Fla.

Funeral Services Held For Aaron Hooper December 29

Funeral services for Aaron Hooper, 72, were held at the East LePorte Methodist church on Friday morning at 11 o'clock with the Rev. Johnathan Brown officiating. Burial followed in the Moses Creek cemetery. He died following an illness of several weeks.

Mr. Hooper was a life-long resident of Jackson County, a public spirited citizen, serving his community and county in every worthwhile undertaking. He served as chairman of the election board of Jackson county for a number of years. Surviving are three daughters; Mrs. J. B. Arrington of Asheville; Mrs. R. N. Carey of Sioux City, Iowa; and Lucile Hooper of Cowarts; four sons: Pfc. Glenn Hooper, Ray Hooper of Brevard; Cpl. Warren Hooper and Lt. Lyle Hooper; one sister, Mrs. Leah Parker, of California; two grand children: Sgt. J. B. Arrington and Mary Anna Hooper. Pallbearers were: Adam Moses, Griffin Middleton, Dan Allison, Leonard Holden, John Candler Brown, Walter Ashe and John Hooper.

February 1 is the final date for filing requests for "new grower" tobacco allotments for 1945, say AAA

Pvt. Carden Spends First Christmas At Home In Three Years

Pvt. Floyd E. Carden spent the Christmas holidays with his parents, Mr. and Mrs. Floyd C. Carden, and his brother, Bruce.

This is the first Christmas that Pvt. Carden has spent at home in three years. He has served overseas for two years. He returned to Washington on December 27.

HAIGLER PASSES AT HAYESVILLE HOME

Many people of Jackson county, especially members of the Masonic and Eastern Star organizations, will regret to hear of the death of G. H. Haigler, who died at the age of 89 at his home in Hayesville Sunday night. Burial was in Hayesville on Tuesday afternoon.

Mr. Haigler was Master of the Hayesville Masonic lodge for 26 years, and the first Worthy Grand Patron of the Order of the Eastern Star of North Carolina.

Mr. and Mrs. Haigler had been married 64 years. He is survived by his widow and eight children, 16 grandchildren and four great grandchildren.

Funeral Services Were Held For Sallie Moss At Pine Creek Cemetery On Saturday

Sallie Moss, aged 79 years, two months and 23 days, died at the home of her granddaughter, Mrs. Lee Houston on December 22, 1944.

She was a member of the Yellow Mountain Baptist Church. Funeral services were held at the Pine Creek at 2 o'clock Saturday afternoon with the Rev. C. C. Hooper officiating.

She is survived by six children: Grover, Furber, Thermon, Burl Govan and Mrs. Clara Jennings, a number of grandchildren, nieces and nephews, one brother Govan Stewart; three sisters: Laura Bumgarner, of Speedwell, Mandy Evitt, of Gastonia, and Etta McCoy, of Erastus.

SMOKY MOUNTAIN SCOUT COURT OF HONOR OF DANIEL BOONE COUNCIL HELD AT WHITTIER

The Smoky Mountain Court of Honor for the Daniel Boone Council Boy Scouts of America, held its January meeting at the Whittier Methodist church Monday night at 8 o'clock. The court was led by the New Advancement Chairman, Mr. John F. Corbin, of Sylva. The pledge to the Flag, led by Scout Frank Gossoway, Troop 16, Whittier was given. The invocation was by Rev. C. O. Newell of the Bryson City Methodist Church. Scout Alden Childers of Whittier was the court clerk.

The Tenderfoot Candlelight investiture ceremony was presided over by Francis V. Smith, Assistant Executive of Daniel Boone Council, from Asheville.

Tenderfoot awards were made to: Howard Reese, John Zachary, and Burton Leach, of Franklin troop No. 1, John H. Robinson, Jr., Clarence H. Dillard, Rufus Dillard, Homer Ray Davis, Joe Wilde and Harold Morgan, Sylva No. 1.

Second Class awards were presented by Herbert Gibson of Sylva to Neil Wilson and G. C. Bradley, Troop

WAC RECRUITING WILL CONTINUE ARMY SAYS

Captain Chapman Home From Overseas

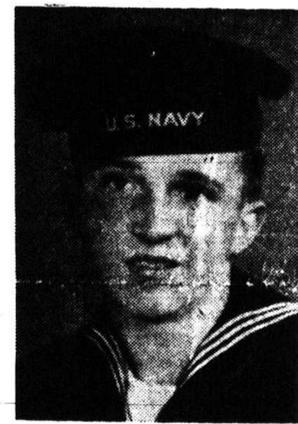
Captain W. Kermit Chapman, D. C., attached to the U. S. Army Air Corp., is spending three weeks leave with his family in Sylva. After 12 months overseas service he was sent home on the rotation plan. Upon completion of his leave he will report to Miami Beach for re-assignment.

Baldrige And Henson Are Prisoners Of War

Mrs. Ed Baldrige has received a telegram from the War Department on Monday stating that her husband, Pfc. Ed Baldrige, who has been missing in action since Sept. 22, is now a prisoner of war.

Mrs. Jack Henson received a telegram from the War Department stating that her husband, Pfc. Jack Henson, is now a prisoner of war. He had been previously reported missing in action since last Oct.

CARL CAGLE HOME FROM EUROPEAN THEATRE



Carl Cagle, Jr., S. 2-c, son of Mr. and Mrs. Carl Cagle, Greens Creek, has just returned from the European Theatre and spent two days at Christmas with his parents.

S. Cagle has seen eight months service. He is now serving as signal man on his ship. He has a brother-in-law, Lyle D. Hall, also serving in the armed forces, stationed at Camp Blanding, Fla.

COY ROGERS RETURNS TO HOSPITAL

Coy Rogers left Thursday for McCleskey General Hospital, Temple, Texas, where he has been stationed for several months. He spent the Christmas holidays with his parents, Mr. and Mrs. G. T. Rogers, and a few days with his brothers and sisters in Winston-Salem. He will arrive at the hospital Sunday night.

Enlistment Requirements To Be Stricter; More Nurses Is Greatest Need Now

Spiking rumors that recruiting for the Women's Army Corps was discontinued as of the first of the year, Sergeant William D. Ashely, of the Asheville army recruiting office, in Sylva on Monday and Tuesday said that women to be trained as medical technicians for duty with the armed forces would be enlisted as long as the war against Germany and Japan continues.

"Enlistment requirements have been revised, however," the recruiting sergeant said, "and only those who possess a particular knowledge or skill which can be useful to the Army, or those who can qualify for special technical training, will be eligible for entrance into the Corps."

"At present," the sergeant continued, "the U.S. Army Nurse Corps is making an all-out drive to enlist registered nurses for assignment to the armed forces. A number of those seeking enlistment with the A.N.C., however, will not be accepted for duty with the nursing corps—and it is women such as these that we mean to enlist as WAC medical technicians. Requirements for a medical assignment with the Women's Army Corps are not as high as those for assignment with the Army Nurse Corps, and many who fail to meet the standards for one branch of the service will find that they are sorely needed for duty in another phase of the medical department of the Army."

Expressing the opinion that he certainly couldn't see how a woman who reads the casualty lists in the daily papers needed very much coaching to impress upon her just how badly she is needed by the medical service, Sgt. Ashely announced that new enlistment requirements make it necessary that enlistees possess a high school education or some technical knowledge in the medical field. "Red Cross nurses aides and doctor's assistants are among the women we need," the sergeant said, "and I mean to contact every one of these technically trained women in Jackson county."

Announcing that a new recruiting schedule would place a Women's Army Corps recruiter in Sylva every week, Sgt. Ashely appealed for women who possess the basic qualifications to contact their local postmaster for an appointment to discuss the prospects of enlistment.

COUNTY BOARD OF HEALTH TO MEET

There will be a meeting of the County Board of Health on Jan. 8, at 4 o'clock in the County Commissioners office to elect officers for the ensuing year. The board is constituted of the following members: T. W. Ashe, chmn. A. C. Moses, secretary; Dr. A. A. Nichols and Dr. Noracella McGuire.

FIRST BABY OF THE NEW YEAR

The first baby to be born in Jackson County this year arrived at 9:35 A. M. a son weighing 9 pounds and 13 ounces was born to Pfc. and Mrs. James Earwood of Cherokee. Pfc. Earwood is serving with the railroad division in France and has been overseas since last June. Mrs. Earwood is the former Miss Beatrice McDonald, daughter of Mr. and Mrs. O. D. McDonald, of Cherokee.

HAROLD STALLCUP PROMOTED TO CAPTAIN

Lt. Harold K. Stallcup, pilot on a B-17 in England, has been promoted to Captain. He holds the Air Medal and three Oak Leaf Clusters. One of the members of his crew holds the Silver Star, another member the D. F. C. and the Bombardier has been promoted to 1st Lieutenant.

Representative Allison Leaves For Raleigh

Dan Allison left Monday for Raleigh where he will represent Jackson county in the present session of the General Assembly.

S. HOOPER TO LEAVE THURSDAY FOR OGLETHORPE

Helen Allison Hooper will borrow for Fort Oglethorpe, Ga. her basic training in the

enlisting Mrs. Hooper was manager and news editor of the Herald. She is the daughter of Mrs. J. C. Allison, of Asheville, from whom she has made her home. Her husband, Lt. John L. Hooper, is now serving in the South Pacific area.

Frady Is With WAC

Frady is with WAC at Oglethorpe, Ga., Jan. 1. Frady's brother, Lt. R. G. Frady, of the 1st Army, is receiving basic training at the WAC Training Center at Oglethorpe.

Frady graduated from high school in Sylva where her parents, Mr. and Mrs. Robert Frady, reside. Frady is a member of the Baptist Church in Sylva and is the son of R. Higdon, attorneys

enlistment the WAC employed as supply clerk at the Supply Depot, Norfolk.

Whittier

Whittier, A.M.M. 2-c, is here in Sylva, spending a ten-day leave with his parents, Mr. and Mrs. W. H. Allman of Webster.