

CONGRESSMEN TIRED

Undoubtedly many Congressmen are anxious to get away from Washington, where the heat bothers them, and are willing, if necessary, to have a special session of Congress in the fall to take care of the tax program. The House showed strong sentiment to this end last week, even if the vote was overwhelmingly against adjournment. The matter rests with the Progressives in the Senate, who have an agreement with Senator Harrison providing for an opportunity to vote on the new tax levies before the session ends.

PRESIDENT'S ATTITUDE

It is said that the President is not against the plan, even if the tax program is put off until next January but he wants a definite understanding to this effect. In fact, reports are clear that the Chief Executive is a bit anxious to get rid of the idea he is a task-master holding Congressmen on the job. He also dislikes very much the "must" list appellation that is currently used in the press. Some say he is ready to accept whatever the two houses do on the holding company bill, the Social Security proposals, the TVA and AAA amendments.

UP TO PROGRESSIVES

In the Senate, however, one finds a group of Progressives, led by Senators Norris and LaFollette, who insist upon action on the tax bill. When this group served notice some weeks ago that they would tie-in the new tax levies with the bill extending the "nuisance" taxes, which had to be passed immediately to avoid a lapse, the Democratic leaders promised that a vote would be allowed on the new taxes before adjournment if the nuisance bill was not disturbed. Senator Harrison, who made the agreement, has the reputation of keeping his word and is, for this very reason, one of the best "horse traders" in the senate.

LEGAL ENTANGLEMENTS

Legal entanglements are encountered by the administration in many areas since the Courts have shown an increasing tendency to strictly construe the powers of the Federal government. Federal Housing projects have been tied up in some areas, the processing taxes are steadily being enjoined and competent opinion holds that the AAA and TVA amendments are unconstitutional. The President, in asking the House to pass the Guffey coal bill, regardless of doubts as to its constitutionality, charted the course of the administration. It will pass laws and let the courts throw them out if it is necessary.

Much criticism has been directed toward this attitude, some going so far as to say that it is a violation of the oath of office, involving the pledge to uphold the constitution. The argument is that Congressmen should vote against any measure that is doubtful and that the President should veto it, rather than put the Court in the position of thwarting the popular will. This was the position taken by President Taft, in 1913, in vetoing the Webb-Kenyon act. However, it also illustrates the danger of trying to assume the Court's function. When Mr. Taft vetoed the measure in vigorous language Congress passed it over his veto, and the Supreme Court sustained it.

LIBERTY LEAGUE ACTIVE

It is becoming more and more evident that the American Liberty League, ostensibly organized as a non-partisan affair, is leading the attack on the present administration, and taking the place of a well-rounded opposition, which is almost absent from the political arena. The league has an abundance of money, being backed by many wealthy sponsors, keeps a smart research bureau, sends out speakers and demands radio time for the exposition of its views. In short, the league will soon be generally recognized as one of the President's most dangerous antagonists.

FORESEE NEW COLLAPSE

Adversaries of the President insist that failure will result from his efforts and that when the collapse comes the condition of the nation will be worse than ever. They declare that his relief expenditures and farm policy are but stops to the mass, which must be halted if the nation is not to become bankrupt. Moreover, they insist that many people are convinced, more than ever, that it will be necessary to go back to the old method to secure normal business conditions. They point to Democrats who are displeased with the New Deal and cite them as evidence that the party will

Coinage Of Less Than Pennies Is Strongly Fought

Fair Tax Association Executive Secretary Is Emphatic In Opposition In Letter To Rep. Doughton

WOULD STAMP GOODS

Proposed Issuance Of Less Than 1-Cent Pieces Would Be For Benefit Of States Having Sales Tax

Statesville, July 23.—The North Carolina Fair Tax Association has voiced strong opposition to coinage of money in denomination of less than one cent for the convenience of states levying the sales tax on the grounds that it would aid those who seek to shift the burden of taxes upon the masses.

J. Paul Leonard, executive secretary of the fair tax group, today made public a letter he had forwarded to Robert L. Doughton, chairman of the House Ways and Means committee, protesting adoption of the suggestion. "As much as I would like to see the buying public in these states have any advantage of savings that the use of tokens or mills might give them, I believe that when the danger involved is considered from the standpoint of ultimate results, the public at large will agree that issuance of the proposed new coins should be resisted," Mr. Leonard wrote.

As an alternative, Mr. Leonard said:

"If those states which have stooped to the disgrace of levying sales taxes want to give the buying public the benefits of amounts less than one cent, a system of stamping merchandise that will meet federal requirements can undoubtedly be worked out."

Mr. Leonard's letter follows: "Dear Mr. Doughton:

"Nothing should be done to encourage perpetuation of the sales tax in states where this sinful method of extracting revenue from the masses has already been adopted, neither should Congress do anything that will encourage other states to adopt such an unfair policy of taxation; or to encourage the federal government to resort to the retail sales tax. I sincerely hope, therefore, that you and your colleagues in Congress will use your influence against any movement to have our national legislative body authorize the coinage of one-mill pieces to accommodate sales tax states.

"According to an Associated Press dispatch published in North Carolina papers, treasury officials have under consideration a plan for the coinage of money in denominations less than one cent, to meet the demands of states levying sales taxes, which cannot issue tokens because of federal statutes to the contrary. As

(continued on back page)

Introducing - - - The Story Of The Constitution

Starting in this issue of THE TIMES, readers who are interested in the affairs of government and in the details and underlying principles of the foundation of all government and laws in the United States, will have an opportunity to read from time to time salient facts about the national constitution in "The Story Of The Constitution," to be published serially in this newspaper.

Right now, with the constitution having been in the headlines of the nation's newspapers for the past several weeks, in connection with the NRA supreme court decision and other decisions of the high court as to the constitutionality of various laws enacted by Congress, is a good time for the average citizen to familiarize himself or herself with the provisions of this famous old document, the bedrock of our national governmental system.

Turn now to page 3 and read the first installment of this educational and interesting series of articles.

Revenue Officers Active This Week In Alleghany Co.

U. S. Revenue officers, who have been active in Alleghany county this week, have destroyed a number of "stills," confiscated an automobile and other property and arrested two men.

One of the largest "stills" ever found in the county was destroyed Tuesday by Investigators Roup, Fortner and Jones. The plant, which was located near Rich Hill school, had a capacity of 100 gallons. In addition to destroying the "still," 1,500 gallons of beer were poured out and 1,200 pounds of meal was confiscated for sale by the revenue department.

Deputy Marshall Jones arrested Romas Billings and a Mr. Bumgarner Tuesday and, finding that Billings' car contained equipment for the manufacture of liquor, seized it also.

On the same day Sheriff Walter M. Irwin destroyed a "still" in the Bull Head section.

Another Judge Rules Against Process Levy

Alabama Judge Is In Concurrence With Boston Court. Calls Tax 'Clearly Unconstitutional'

Birmingham, Ala., July 23.—Federal Judge Charles B. Kennamer ruled late Thursday that collection of processing taxes by the agricultural adjustment administration is unconstitutional.

The judge said he would enjoin Harwell G. Davis, collector of internal revenue, from collecting processing taxes from six companies in Alabama.

Judge Kennamer indicated earlier in the day that his ruling would concur with that of a Boston circuit court, which held AAA unconstitutional.

District Attorney J. C. Smith, representing AAA, had argued that the ruling of the Boston court was not unanimous, and furthermore not binding upon the present case, whereupon Judge Kennamer replied: "I'd like to remark that the Boston case is nevertheless persuasive."

Kennamer was presiding in the absence of, and at the request of, Federal Judge W. I. Grubb, who had declared the Tennessee Valley Authority act unconstitutional. "The act is clearly unconstitutional, as it is not a revenue producing measure and because it is purely an attempt to regulate crops and production," the judge said.

He explained that his decision was not yet formal, and that a formal decision of the court would be issued tomorrow when he enjoins collection of processing taxes.

Firms which filed the suits include Alabama Mills, Inc., and Alabama Packing Company, of Birmingham; Profile Cotton Mills, of Florence, and Anniston Cotton Manufacturing Company, and the Adelaide Cotton Mills of Anniston.

In opening the plaintiff's case, Chief Counsel John B. Hill read from New York newspapers an account of the Boston decision.

He stressed that the Eastern court held collection of the levies, revenues from which go to pay benefits to farmers co-operating with the AAA crop control program, constitutes "an unlawful invasion of state's rights."

The suits were similar to scores of others filed in scattered sections of the nation by packing firms and cotton manufacturers.

ELK CREEK CEMETERY TO BE CLEANED FRI., AUG. 2

It is planned to clean Elk Creek cemetery on Friday morning, August 2, and all persons who are interested in the care and upkeep of this cemetery are requested to assist in the work.

Those who go are also asked to take with them necessary tools, such as scythes, pitch forks and rakes.

HOPKINS PROMISES TO RID RELIEF OF "LOAFERS"

Washington, July 23.—Relief Administrator Hopkins tonight promised to purge relief rolls throughout the country of all "loafers."

Early Start On Smoky Park Is Seen In Capital

Ickes To Hold Up Link Of Road From Va. Line To Roaring Gap Until Rights-Of-Way Are Delivered

Washington, July 22.—Following a long conference with Secretary Ickes today, Representatives Doughton and Weaver expressed themselves as highly gratified and entirely satisfied over prospects for an early start on the Great Smoky Mountain National Parkway.

However, Secretary Ickes maintained that he would have to follow the advice of his legal department and hold up the 12-mile link from the Virginia line to Roaring Gap, which was advertised for letting last month, until the rights of way are delivered to him by the state of North Carolina. The state has taken steps to condemn that portion of the right of way which could not be purchased but no information is available here as to when titles will be delivered.

The secretary agreed to hasten construction on that portion of the parkway through federal forest lines already owned by the government.

The refusal of the Cherokee tribal council to agree to the proposed route through the Cherokee Indian reservation may result in a rerouting of that portion of the parkway.

Washington, July 22.—Almost a million dollars for the physical improvement of Great Smoky Mountains National Park in North Carolina alone, and for Guilford Court House National Memorial Park, is included in a request for an allotment of \$2,585,820 today, sent to the works program by the National Park Service.

Under the proposed allotment, the Smoky Park probably would benefit more than any other park in the nation in actual cash spent. Newest of the large national recreational areas, this move is interpreted as a declaration of intention on the part of the National Park Service to put Great Smoky Mountains National Park on a par, so far as development goes, with the older and longer established park areas.

North Carolina's share of the requested sum is listed at \$1,018,000, with the remainder to be divided among 58 other areas in 27 other states. The only other area in North Carolina to benefit under the allotment, according to plans, is Kill Devil Hill monument, to which it is proposed to add land valued at \$130,000.

Ernest L. Bailey In Race For Gov. Of West Virginia

Bluefield, W. Va., July 23.—The fact that State Road Commissioner Ernest L. Bailey parted from the state administration Friday in Charleston, after being asked to resign by Governor Kump, is believed by politicians in this end of the state to have been precipitated by Bailey's projected candidacy for the governorship. However, there had been intimations among political writers at the state house that relations were becoming strained between Commissioner Bailey and Governor Kump, although there was no inkling of the imminence of such a serious break.

Mr. Bailey is a native of Mingo, Mercer county, in which Bluefield is situated, and is widely connected in this county.

STATE RECEIVES BIDS FOR CASTOR OIL, EPSOM SALTS

Raleigh, July 23.—Bids were received today by the state of North Carolina for 2,000 gallons of castor oil and 5,000 pounds of epsom salts, which, it is said, will stock the state's medicine chest for its charges in the various institutions within its territory.

WORK ON GALAX FEDERAL BUILDING SHOWS PROGRESS

Foundation work on the new Federal building in Galax has been completed and the brick walls have been started, as has the main steel framework for the building.

Tax Bill Takes Middle Course In Congress

Republicans Vainly Continue To Insist That Legislators End Session And Go Home

Washington, July 23.—The president's tax bill began definitely to take a middle-of-the-road course today amid new Republican insistence that Congress adjourn without voting any wealth levies.

Behind locked doors, and with the Republicans excluded, House ways and means committee Democrats agreed that the new inheritance taxes should bear less heavily on widows, sons, daughters, adopted children, grandchildren, brothers, sisters and parents than on others.

They decided, in fact, that the close-of-kin enumerated should be allowed to inherit \$50,000 without paying any tax. But they agreed that the exemption to others should be only \$10,000. Then they accepted a rate schedule estimated to raise \$100,000,000 on inheritances annually.

At almost the same moment that agreement was being reached, Senator Hastings (R., Del.), introduced a resolution for a final adjournment of the session on August 10. He let the resolution lie on the vice-president's table for action later.

Hastings issued no public statement about his resolution, but he was one of the Republican leaders who frequently had advocated that Congress adjourn now and reconvene in November or next January to pass the tax bill.

There was no indication that Democratic leaders would agree with him. On the contrary, new deal chiefs predicted freely, if privately, that when his adjournment resolution was called up it would be defeated.

Price Announces As Candidate For Va. Governorship

Richmond, July 23.—Lieutenant Governor James H. Price yesterday announced his candidacy for governor of Virginia subject to the 1937 Democratic primary.

In making his announcement, Mr. Price made no statement of platform policies but promised to make known his views on public problems "at the proper time."

Political observers professed to see a keen political fight in prospect with Price aligned against the state Democratic organization's candidate. Congressman Thomas G. Burch, of Martinsville, has been mentioned in well informed quarters as the possible organization choice but he has not announced.

MAYOR IS FINED FOR USING CITY GASOLINE

Wilmington, July 23.—Mayor Walter H. Blair today was fined \$100 for using city gasoline in his private automobile.

The fine was imposed after Judge J. Paul Frizzelle had taken the case under advisement when hearing of evidence was completed yesterday. The mayor admitted the use of the gasoline, but asserted that the city council had authorized it.

THOUSANDS OF PERSONS TAKEN FROM RELIEF ROLLS

Pierre, S. D., July 22.—Nineteen thousand heads of families were removed from South Dakota relief rolls tonight in a drastic move to force them to seek employment in the harvest fields.

Spurred by farmers' complaints that dole recipients had declined to go to work gathering grain, officials ordered a suspension of all state and federal relief until the shortage of farm labor is fully supplied.

FILLING STATIONS GIVEN EXTRA TIME TO PAY TAX

Raleigh, July 23.—Payment of the new state chain-filling station tax may be made until August 15 without penalty. A. J. Maxwell, revenue commissioner, announced today.

The new levy was voted by the last legislature and was to have gone into effect June 1, with penalty for non-payment of the tax to begin July 1.

Announces New Salary Schedule For N. C. Employees

Raleigh, July 23.—New salary schedules for all state employees, representing an aggregate 20 per cent increase in the cost of personal services to the state, were announced yesterday by Frank Dunlap, assistant director of the budget.

The increase was voted by the 1935 legislature and appropriations were provided to take care of the additional cost.

The rates became effective July 1 and will be evidenced in pay checks issued July 25.

The new schedule does not mean a blanket 20 per cent raise for every state employee, Dunlap pointed out.

"Some employees will get practically no raise at all and some will get above 20 per cent," he said. "Most of the increases though will be approximately 20 per cent."

Double-Deck Load Of Lambs Shipped From Alleghany

County Agent Black Requests Tobacco Growers To Mark Ballots Not Later Than Sat., July 27

Another double-deck of Alleghany county lambs was shipped to the Eastern Livestock Co-operative Marketing association last week. The "red circle" lambs were sold for \$8.95. The farmers, according to R. E. Black, farm agent, should be well pleased with this price, in view of the fact that the same grade of lambs sold for \$8.75 earlier in the week. Mr. Shelburn, Christiansburg, Va., did the grading.

The Alleghany pooled lambs were weighed last week, and lambs weighing more than 18,000 pounds were sold through the pool for 29 cents per pound.

Farmers should not keep sheep which produce black or gray wool, according to Mr. Black, as this type of wool has to go as "reject" wool, which is not worth as much as the white fleeces. Mr. Black advises every farmer who has black or partly black sheep to either market or slaughter them before another shearing season and replace them with good white ewes.

All tobacco farmers of Alleghany have been mailed a ballot for the referendum on production adjustment control. It is requested by Mr. Black that every tobacco grower in the county mark his ballot and return to the county agent's office in Sparta not later than Saturday, July 27.

Long Expresses "Shame" Over Vote For AAA

Washington, July 23.—Casting his vote for the AAA amendments tonight, Senator Long, Democrat, of Louisiana, invoked a parliamentary inquiry to proclaim his "shame."

As the clerk called his name, the "Kingfish" addressed Vice-President Garner, asking:

"In voting aye, may I state in the record that I feel ashamed?"

Garner retorted: "The senator knows he may not interrupt a vote to make a speech and I think he also knows he may not utilize a parliamentary question to effect his purpose. Such remarks are subject to a motion to expunge."

With a grin, Long voted aye and sat down.

SPARTA PERSONS SPEND WEEK-END AT WHITE TOP

A group from Sparta spent the week-end camping at White Top mountain. The party was composed of Mr. and Mrs. R. E. Black, Dr. and Mrs. C. A. Thompson, Mr. and Mrs. Bill Chester, Mr. and Mrs. T. R. Burgess, Miss Lottie Teague, Miss Betty Fowler, Miss Grady Sue Spicer, Miss Mildred Holbrook, Miss Eva Greene, Ben Reeves, George Reeves, Wayne Spicer, Jimmy Doughton and Ralph Cheek.

AAA Bill Passed By Senate After Lengthy Debate

Program For Increasing Farm Prices Is Broadened And Bolstered. Changes Are Made In Measure

FINAL VOTE IS 64-15

Passage Of Legislation Clears Way For Senate Consideration Of Omnibus Banking Bill Soon

Washington, July 23.—Ending half-month of argument, the senate today passed the AAA amendment bill, much cut and patched, but broadening and bolstering the administration program for increasing farm prices.

As a last-minute gesture, the senate accepted a sweeping amendment requiring senate approval of higher salaried employes "under this or any other act of congress."

The vote for final passage of the bill was 64 to 15. It came after the senate had waded through a tangle of last minute amendments, throwing many aside but adopting some.

The bill had two main purposes—to arm the secretary of agriculture with new weapons to push farm prices up to a parity with prices of other commodities, either by the processing tax method or through marketing and crop control agreements; and, secondly, to prepare for the time when the supreme court will pass on the validity of the AAA program.

In anticipation of that date, and in an effort to prevent an upset, the amendment bill validated all processing taxes heretofore imposed and ratified them at their present levels.

The section validating the rates of the processing taxes heretofore applied by the secretary of agriculture was aimed at meeting arguments that they had been fixed under an unconstitutional delegation of authority.

The amendment read that "the taxes imposed under this title as determined, prescribed, proclaimed and made effective by the proclamation . . . of the secretary of agriculture or of the president . . . are hereby legalized and ratified and confirmed as fully to all intents and purposes as if each such tax had been made effective and the rate thereof fixed specifically by prior act of congress."

As a second bulwark, the bill legalized all benefit contracts under which farmers have been paid about \$700,000,000.

Third, the bill outlawed all suits against the government for recovery of processing taxes paid in the past unless the processor proves he has not shouldered them off upon the consumer or producer.

Passage of the AAA bill cleared the way for senate consideration of the omnibus bank bill. That measure was given first place on tomorrow's calendar. The farm bill, already passed by the house, must go back to that branch for consideration of senate changes. A senate-house conference probably will be necessary.

ALMANAC

WHY DON'T YOU SEE JONES - HE DOES EVERYTHING
NIX - HE'S ALWAYS TOO BUSY TO DO ANYTHING

"He who has many irons in the fire will let some of them burn."

JULY 23—Austria issues war-claim ultimatum to Serbia, 1914.

24—Salt Lake City, Utah, founded by Mormons, 1847.

25—Schneider patents the merry-go-round, 1871.

26—Franklin becomes Colonel Post Master General, 1776.

27—Japan implores the Emperor of Korea, 1894.

28—First railway mail car put in service, 1825.

29—South Tullahoma, Tenn., born at Indianapolis, 1893.