

Basis for timber taxation unfair

The timber of the nation is rapidly becoming an industrial product and not a harvested natural resource, but the tax treatment of timber at all levels of government is out of step with business-economic and social-environment facts, according to Richard Lindholm.

Lindholm, professor of finance in the University's College of Business Administration Graduate School of Management and Business, has made an in-depth study of wood fiber production in Oregon and requirements for equitable taxation of the industry. His recommendations are based on the conclusion that taxation of timber resources should be based on the consideration of the tree as a wood fiber machine rather than a natural resource.

Given the concept that a tree is a manufacturing unit that allocates its gross output to further production and to inventory, it follows that a portion of the growth is capital investment and a portion is accumulation of inventory.

Taxation of the wood fiber production should be treated the same as production of a chemical product, Lindholm claims. Otherwise, there is a violation of basic horizontal equality (equal treatment of equals), resulting in equitable tax practice.

The current federal and state corporate income tax practice of not treating the increase in wood fiber as reinvested earnings and the Oregon practice of exempting trees from the property tax until

they are of marketable size, sharply reduces the wood fiber machine tax burden below that of other machines in the private sector, Lindholm said.

Machines of other industries are subject to the personal property tax rate applied to assessed values. Funds invested in machines, above the depreciation allowance, are taxed as corporate profits and perhaps as personal income.

The tree is a unique type of machine. It is a unit of production and is also a procedure for accumulating and holding inventory. As long as the wood fiber production of a tree is increasing year by year, the owner is making an additional investment in productive equipment. When wood fiber production starts to decline, the tree becomes more and more a method of holding inventory and less and less a production unit.

According to Lindholm, the basic economic element that should determine cutting and planting policy in respect to timber is the speed of wood fiber production from a given area of land. The decision to cut is determined by the value of the tree as a production unit and the same consideration leads to rapid restocking of the land, taxed separately, with producers of wood fiber (seedlings).

The right decisions are encouraged by taxing the value of growth as it occurs and in deducting restocking costs from current income. This tax policy maximizes the production use of land space occupied by a tree. It is basically, Lindholm claims, the same tax procedure applied to other industries.

He says the time has come, in other words, for taxing wood fiber production very largely as production of other products and not as a natural resource.

Lindholm's study also covers the problems of cutting and growing of timber on public lands. Here again the emphasis is on high levels of production of a marketable product.

The pattern for each batik is always drawn in wax with the lightest colors in the design dyed first, Gehring noted.

Batik takes from three to five months to make completely. The number of colors that are used will usually make a difference on the time, Gehring said.

Talking on the cultures and life of the Balinese, Gehring stated that festivals and dedications to the gods are a very important part of life.

The Bali people are Hindu in religion, and everything from eating to sleeping is done in daily praise before their many gods.

Household gods receive offerings daily and food is even put outside the homes. According to Gehring, this keeps the evil spirits from entering their homes.

Gehring also pointed out that the Balinese celebrate almost everything including birthdays, weddings and cremations. Most of the celebrations last about ten days.

Cremations are a very happy affair in Bali, Gehring noted. The body of the deceased is carried to the burial grounds and is followed by all the people of the town or village. After the cremation, the ashes are put into special containers and put in a lake. All this is connected with the Balinese belief in reincarnation, Gehring stated.

Although education is developing in Bali, most of the students have to go to Java to attend schools and universities, Gehring commented.

Incidental Fee Committee to decide on budget

The time has come for the Incidental Fee Committee (IFC) to make its decision.

The committee finished its second round of hearings last week, a round in which programs appealed budget recommendations of the last ASUO executive. One last round remains, in which the programs may appeal the IFC recommendations.

After that third round, the committee recommendations will be handed to the new ASUO executives, Greg Leo and Deborah Barnett, to veto

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any or all of the recommendations. Vetos can be overridden with a 4-1 vote of the fee committee.

The finalized budget will then be sent to President Clark, who will pass it on to the State Board of Higher Education.

But before all that happens, the IFC must make its own decision. It will be a decision influenced by executive pressure to keep the incidental fee from increasing more than \$1.50 per student per term. It will also be influenced by a dominating EMU budget and a sizeable athletic department allocation. Other factors to consider are rising costs, inflation and higher salaries, as well as petitions to the IFC, signed by hundreds of students attesting almost every program deserves ASUO funding.

Because the IFC has only about \$950,000 to work with, and because almost \$650,000 of that will go into EMU and athletic department coffers, some programs will be cut. Some of them will be cut completely.

If community-oriented programs fall, it will not be so much because the IFC does not think they are worthwhile. Rather it will be because the IFC has to put its priorities on the student-serving programs simply because student money is being spent.

Jeff Jefferson, an IFC member, says that the first priorities should be for programs serving the most students for the least money.

Committee member Gail Hoffnagle would like to see all salaries cut in favor of token honorariums given to program directors. Her philosophy is that once the ASUO starts funding salaries for a program, that program's budget mushrooms, and incidental fees begin to create jobs rather than service.

Committee member Manuel Hernandez feels

that salaries are necessary to pay individuals for the time they put in the programs.

The other two committee members, Gloria Gonzalez and Randy Shilts, tend to lie somewhere in the center of the extremists.

However, do not expect the IFC's guidelines to be much short of drastic. It has already voted to cut all assistant directors', consultants' and part-time help's salaries. Instead, it will allot each program a \$2000 salary reserve, available by going to the IFC as the need arises. The IFC has already voted to make all directors' salaries \$105 a month, and all non-work study secretaries' salaries \$40 a month.

Still, there are those programs which were cut altogether in the executive recommendation: Illahe School, KWAX, Grower's Market, University Theater, Migrant Labor Project, Handicapped Students, Day Care Center, Action Now, and Canterbury Center. Each has a good argument for student funding. The ones that have been cut because they are too community-oriented are accusing the University of not realizing it is a part of the community, of shutting itself off from the "real world." Most of the IFC members have said the

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did not think that the executive recommendations were as "culturally conscious" as they should have been.

But some programs will be cut because they simply came too far down the priority list. They will be victims of the EMU addition, inflation and athletics.

A few programs will have to fold altogether because they had to have student funds. And inevitably there will be people crying that the decisions were unfair. They will be right. Any decision which excludes valuable programs, be they community-oriented or not, will be in a sense unfair. It will not be the fee committee's fault. It will only be the fault of too many programs and not enough money.

And finally, an additional note of warning in the "you-think-it's-bad-this-year-department:" EMU director Dick Reynolds projects that the EMU budget for the 1982-83 school year will approximate \$600,000. Pity the poor folks who are left to figure out that year's budget.

Miserable record

Voter registration blamed for poor election turnouts

This country has a miserable record of voter participation. Even in presidential elections, a 60 per cent turnout of eligible voters would be considered a record showing.

One reason given for the average American's apathy towards the election process is the difficult registration process: what is meant by that is you actually have to make an effort to become a registered voter and that effort is just too much for many people.

What effort is involved? You simply sign your name on a card and fill in your address. You are then a certified, registered voter in the state of Oregon, eligible to vote in local, state and national elections.

The only requirement is that you be 18. You can register the moment you arrive in Oregon as there are no longer any residency requirements.

You can fill out this card at the following places: the Lane County Court House, any city fire station up to 8 p.m., any Eugene, Bethel or Springfield school, all branches of the U.S. National Bank, the Portland Federal Savings and Loan Office, the Saturday Market, Lane Community College, and at the University.

The League of Women Voters conducts a registration drive now and then and you'll probably notice booths in the EMU or in the Co-op on occasion.

In other words, you don't have

to go very far out of your way to register.

One catch is that you have to register 31 days before a scheduled election to vote in that election. This information is for those who may be moved by a particular issue only to find it is too late to register.

You also must re-register if you move, change your name, or your party. All you have to do is phone the Lane County Election office and they will mail you a card which you simply fill out and mail back. You don't have to appear in person unless you change parties.

That's it. It's a very simple, uncomplicated process...but it does take some effort. You have to pick up a pen and sign your name.

Professor explains Balinese art, lifestyle

Balinese and Javanese cultures, histories and textiles were presented through slides and a lecture by Jane Gehring at Lawrence Hall Friday.

Gehring, an associate professor of art and art education at the University, spoke mostly on the life and culture of the people of Java and Bali. Textiles and clothing from these islands were also presented during the talk.

Gehring stressed the importance of the batiks (ba-tiques) in the everyday lives of the people. Batiks are handmade, multi-colored cloths of different designs which resemble tapestries. They serve purposes ranging from clothing to wall decorations.

