

STATE CHRISTIAN ENDEAVOR TO MEET

One of Oldest Incorporated Cities West of Rocky Mountains Chosen

The coming State Christian Endeavor convention to be held in Oregon City April 21-24, 1927, is looked forward to by many young people as an event of great importance.

Oregon City is an interesting and historic place. It is said to be the oldest incorporated city west of the Rocky mountains.

Oregon City residents are making ready to welcome the hosts of Christian Endeavors who will come to the convention, which begins on Thursday evening.

Other speakers include: Mrs. Charles W. Williams of Portland, Dr. Norman K. Tully of Salem.

The Marion Automobile Co. The Studebaker, the world's greatest automobile.

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INCOME TAX MEASURE UPHELD BY PATTERSON

measures which are on the ballot to be voted on at the special election on June 28th—the income tax measure and the constitutional amendment providing for the change in the tax base upon which the State Tax Commission determines its levy each succeeding year.

"In 1922 the State Tax Commission was levying, directly against property, taxes which produced revenue in the sum of \$3,500,000.00. This was the general property tax, exclusive of millage taxes which had been voted directly by the people and have been regarded as not being within the six per cent limitation provision of the constitution.

"Unless specifically authorized by a majority of the legal voters voting upon the question, neither the state nor any county, municipality, district, or body to which the power to levy a tax shall have been delegated, shall, in any year, so exercise that power as to raise a greater amount of revenue for purposes other than the payment of bonded indebtedness or interest thereon, than the total amount levied by it in the year immediately preceding for purposes other than the payment of bonded indebtedness or interest thereon, plus six per centum thereof.

"The legislative session of 1923, as you know, enacted an income tax measure which was sustained by vote of the people. It was enacted for the purpose of reducing the direct tax against property. The revenue from the operation of this income tax resulted in a very much lower general property tax

for the year 1924. In 1925, after the repeal of the income tax, the State Tax Commission failed to restore the former general property tax base, even though there was no tax against incomes to make up the deficiency. In fact, the general property tax for 1925, in the sum of \$1,900,000.00, did not represent, by some fifty thousand dollars, the constitutional increase of six per cent over the general property tax during 1924, when revenues were available from the operation of the income tax.

"As a result of this reduction in the tax base, the state tax commission, in December, 1926, found itself able to levy for the expenses of the year 1927, only \$2,160,000.00, or \$1,400,000.00 less than was levied in 1922. In the face of the cost of actual operating expenses of around \$800,000.00 more than could be provided by the tax levying body, you will agree that we can not reasonably expect the activities of the state to function properly in the year 1927 on less, by \$1,400,000.00 than was required in the year 1922.

"If you heard or read the special message to the legislature on the subjects of taxation and finance, which I delivered on February 2nd, you will remember that I reviewed the financial condition of the state and arrived at the conclusion that necessary state activities required, including this deficiency in actual operating expenses, about \$3,000,000 more than could, under the existing law, be provided for by levy by the state tax commission. State revenues from sources other than direct taxes have been considered in arriving at the deficit with which the state was confronted on January first of this year.

"Having in mind that the state required \$3,000,000 more than could be raised without vote of the people, I suggested to the legislature the income tax and the thing bill, hoping that the income tax would produce about \$2,000,000 and the thing bill something less than \$1,000,000. The income tax was passed. The thing bill was defeated by the legislature. Appropriations were made aggregating approximately \$4,000,000 in excess of available state revenue, of which appropriations I vetoed bills providing for \$1,300,000, in leaving a deficit of over \$2,900,000 for the current biennium.

"Section 44 of the income tax measure provides that the revenues derived from the income tax law, up to and including \$2,000,000 may be used to meet the larger portion of this deficiency in state revenues. While the section mentioned provides that the state tax commission may levy for the year of 1928, \$2,000,000 in excess of the amount levied for the year 1927, it will not be so levied unless the income tax measure is passed by vote of the people, and if it so passed, I apprehend that the income tax revenues will approximate the \$2,000,000 additional tax levy necessary to avoid a deficit for this biennium.

"In order that we may not again face such a deficiency in this state and have to call upon the people to authorize an increased levy, such as will be authorized if the income tax measure is endorsed, a constitutional amendment raising the tax base to \$3,500,000 after 1928 has been prepared for your approval at the special election on June 28th. This amendment will serve to restore the tax base to approximately what it was before it was cut down in 1923, when the previous income tax measure was in effect. I wish to assure you that while I am a member of the state tax commission, it will be my endeavor to levy for more than is actual requirements of the state, and I promise you that if a levy of less than \$3,500,000 will suffice for the actual needs of the state, the tax levy for such years will be reduced.

"By the way, this proposed constitutional amendment will clear up the question of which state tax levies actually come within the six per cent limitation of the constitution and which do not. A reading of the constitutional amendment will disclose to you that the millage taxes voted by the people are not within the six per cent limitation, and those levies made directly by the state tax commission will be within the six per cent limitation. You will also not from reading the income tax bill, as well as the constitutional amendment, that the income tax, after the first year of its operation, will come within the six per cent limitation and will be used to reduce the general property tax.

"New Income Tax "As to the income tax—in the past the income tax measures which have been placed on the ballot in Oregon have met opposition because they aroused an element of antagonism of one class of property owner against another. Their opponents saw in them a desire to place the burden of taxation on one class of property owner only. I do not favor imposing upon the incomes of Oregon a tax greater than is actually required for a proper reduction of general property taxes. I do not wish to be a party to the introduction of a tax measure which will impose an unfair burden upon any business or upon any individual, and would oppose any income tax which would not produce a lower general property tax. The income tax must be regarded as a measure for removing the present state deficit and for equalizing the

"BRING BACK CLOVER." DUGHT TO BE A SLOGAN FOR SALEM DISTRICT

An Expert Tells How This May Be Done, and He Is Not Guessing—Out of Over 75 Soil Samples From the Valley Floor and Our Hill Section, 95 Per Cent Show Acidity Reaction—These Soils Must Have Lime to Make Them Sweet

(By Ivan Stewart)

Why is it so hard to get and maintain a good stand of red clover? Red clover does not grow so well in the Willamette valley as it did 20 or 30 years ago.

Exemptions Provided "Under the proposed law, exemptions are provided in the sum of \$1000. for unmarried persons and \$2000 for married persons or heads of families. An exemption of \$400 is allowed for each dependent.

The Need of Lime Within the past six weeks the writer has taken over 75 soil samples from the valley floor as well as from the hill sections throughout Marion county, and 95 per cent of the samples have shown an acidity reaction.

Must Have Sweet Soils We know positively that the crops require a sweet instead of an acid soil for proper growth, and therefore if the major portion of our soils are acid, there is but one thing to do, and that is to correct the acidity by the use of ground limestone, which is available at the penitentiary at \$4.75 per ton in bulk, or \$5.50 sacked.

Other Exemptions "Exemptions provided by the law, other than for dependents, are fair and equitable. Deductions may be made from the gross income, in order to ascertain the taxable net income, as follows: (a) Expenses for doing business, including a fair compensation for personal services.

Confidence in People "I have always held to the theory that a very large majority of the people in the state will pass intelligently upon any governmental matter, when all the facts are fairly understood by the public. I believe, also, that a very large majority of the people are not

ette valley, and the corner stone of successful farming, we must follow certain guide posts. We know, without the question of a doubt, that the first great guide post points out the immediate need for every farmer to make plans and preparations for the application of some lime to his land.

(Mr. Stewart, writer of the above, is in charge of the information department of the Charles R. Archerd Implement company, Salem. He is a real expert. The work he is doing is equal to that of a good county agent. It is certain to be worth scores of thousands of dollars annually to the Salem district.—Ed.)

Cobbs & Mitchell Co., lumber and building materials for every purpose. Get estimates, look at quality of material, then you will order, 349 S. 12th St. (X)

STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, ETC. REQUIRED BY THE ACT OF CONGRESS OF AUGUST 21, 1914. OF THE OREGON STATESMAN, published weekly at Salem, Oregon, for April 1, 1927.

Department of soils, University of Missouri, 3-25-27: "I might say, briefly, that we have a good deal of difficulty growing clovers in this state without liming. This includes the majority of our soils. With lime, however, and especially with lime and phosphate, we can grow clover on practically any of our cultivated lands."

Department of soils, Ohio State University, 3-25-27: "Replying to your letter of March 19th, will say that in about two-thirds of the state of Ohio, the use of lime in some form is necessary in order to grow satisfactory crops of red clover, alfalfa, or sweet clover."

University of Wisconsin: "Lime phosphate and manure, make red clover truly sure on most fields where it is now a failure." Soil department, University of Illinois: "To the lack of limestone in the soil are probably due more failures in clover growing than can be attributed to any other soil condition. The shortage of phosphorus is another cause, and the lack of organic matter is a third. In the 30 or 40 counties of southern Illinois, the growing of clover is practically impossible without limestone. With limestone, clover can be grown successfully in a large majority of cases. As the soil acidity is corrected, less and less difficulty is experienced."

Soil department, University of Michigan: "The two great causes of clover failures in Michigan during the past few years have been the planting of unadapted seed, and adverse soil conditions such as soil acidity, lack of organic matter in the soil, depleted fertility and drought." Agronomy department, University of Kentucky: "No fact has been more clearly established or is more fully accepted by farmers in Kentucky than the need for, and the profitability of lime or nearly all of the soils of the state."

The failure to satisfactorily grow clover in a section is but a prophecy of the early failure of other leading crops in that particular section. Therefore, in order to bring back clover, the great pioneer crop of the Willamette valley, and the corner stone of successful farming, we must follow certain guide posts. We know, without the question of a doubt, that the first great guide post points out the immediate need for every farmer to make plans and preparations for the application of some lime to his land.

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