

CUT IN REFUND IS SAID LIKELY

Committee Plans Settlement of Cases Originating Before 1922

WASHINGTON, July 26—(AP) Hope that settlement of cases originating before 1922 would bring a sharp decrease in the annual appropriations necessary for tax refunds was a member of a congressional committee on internal revenue taxation.

Pointing to an average rate of settlement of \$15,225,270 a month for the seven months between June 7 and December 31, 1928, the committee said that 42 per cent of these refunds was due to provisions of law which have not been applicable since 1922. Tax refund claims totalling \$1,000,000 are still on file with the bureau of internal revenue.

Eighty-nine per cent of the refunds and credits reported to the committee which passes upon those above \$75,000, were for the years preceding 1922, and it pointed to this as offering the "hope" that with the final settlement of excess profits tax years, the annual amount required for the payment of taxes erroneously collected will be very substantially reduced.

The three provisions which the committee said accounted for 42 per cent of the refunds were taxes on invested capital, special assessments and amortization. These have not been in force since 1921.

The report said "the most troublesome provision in our present revenue act are those necessitating the valuation of estates; the consolidation of returns for affiliated companies, the determination of depreciation, obsolescence, and depletion; the valuation of inventories, and valuations for determining gain and loss."

The filers now are earning \$112 an hour between them by staying aloft. Their earnings since breaking the endurance record, had reached nearly \$9,000 tonight.

Among messages taken up to the fliers today was a telegram of congratulation from Governor Henry S. Caulfield of Missouri, and a message from Secretary Christopher of the contest committee of the National Aeronautics Association from New York saying: "Hope you stay up over 400 hours."

Jackson and O'Brine attributed some of their good spirits to their adherence to the rule not to "turn native" in the air. Water is lowered to them from the refueling plane each day and they take sponge baths and always present shaven faces to their "callers." Also they have quit coffee and drink large quantities of milk. Their meals are carefully prepared.

Fifty-nine contacts have been made with the endurance plane by its refueling plane for fuel, food and other supplies.

LOCAL AVIATOR IS INJURED IN SMASH

(Continued from Page 1.) ered in front of the Hobi hangar, and it seems only miraculous that no one but the aviator was injured. Air derby officials at the time were at various points on the field and might have been hurt even though the plane did not fall into the crowd.

Fall Sensational thousands of spectators as the monoplane, one of Eyerly's own making, turned and flashed downward with its motor roaring at full speed. It was a moment before those witnessing the mishap realized they had actually seen an airplane accident, and then there was a great movement toward the demolished plane.

Attendees at the air derby ordered the spectators back to their seats, however, and the Hood River band at a word from its director struck up a march, and order was restored. The crowd sat hushed as Eyerly was taken from the wreck on a stretcher and placed in an ambulance. The demolished plane was lifted from the field by a score of men, and the air derby went on, but not with the spirit that had been manifest prior to the accident.

Veteran of Second Oregon Infantry and Pioneer of Silverton Passes July 19

William S. McKinley, a resident of Silverton during the '90s, died July 19 in Castle Rock, Wash., friends here have received word. McKinley was a member of company K of the old second Oregon, enlisting in that regiment at Salem.

William S. McKinley was born on December 3, 1879, in Norton county, Kansas. From Norton he moved, with his parents, to Smith county, Kansas, where they resided until 1891, when they moved to Silverton. Here they remained until the Spanish American War, in 1898. Upon enlistment he was sent to Camp Presidio, at San Francisco, and was put aboard the U. S. China transport for Manila, Philippine Islands. He landed on Thanksgiving Day, 1898, and then was attached to Second Oregon, regiment, Company K in which he was enlisted as a recruit on the second call for volunteers in which he joined his brother Charles in company K, and remained in Manila on guard duty until February 4, 1899, when the Filipino insurrection broke out, and he was called to the field. He participated in 33 battles and skirmishes, from the city water works north of Malabon, at the extreme north side of Luzon island. On June 17, 1899, he was ordered back to Manila to embark for San Francisco to be mustered out of service. His regiment was mustered out August 9, 1899. He then returned to his home at Silverton.

In 1903 he went to Castle Rock, Wash., where he lived until his death. After living in Castle Rock a year, he married Miss Grace Merrill. To this union was born two children, William Erle and Alice Mae, Erle died nine years ago. He is survived by a wife and daughter in Castle Rock, his father, Brice McKinley, of Silverton, six brothers: Fred of Silverton, Charles of Salem, Ray of Williams, George of Richmond, Calif., Richard of Oakland, Calif., and Otis of Myrtle Creek; also three sisters: Mrs. Margaret Robinson, of Portland, Mrs. Gertrude Botenburgh, of McMinnville, and Mrs. Minnie Pendergast of Chicago, Illinois. He was a member of Roosevelt Camp No. 32, U. S. W. V., and he was called to the field. He

one of the northwest's best known dirt track racers. He is president of the Eyerly Aircraft corporation, which has its plant near Salem's new airport, and the plane in which he cracked up was the first built by his concern.

Only a short time before the accident, Eyerly arrived at the airport from Portland to win the race for planes with OX-5 motors, 110 displacement.

ORGANIZATION OF FIRM SUGGESTED

(Continued from Page 1.) clations handling wheat at country elevators, wheat pools operating on state lines, and terminal cooperative sales agencies operating in central markets.

In the press statement it was pointed out that upwards of 40 per cent of all grain marketed in the country is marketed cooperatively at country elevators. "The federal farm board believes," the statement read, "that one of its jobs under the agricultural marketing act is to develop and strengthen the farmer-owned and farmer-controlled cooperative institutions for marketing the farmer's crops, and that it is the province of the board to use the funds and authority delegated to it for this purpose. The board there proposed to the representatives of the farmer-owned grain associations and pools that, as part of a long time program for the development of agriculture, all of them join in the creation of a sales corporation with an ultimate paid up capital of not less than \$20,000,000. This corporation would operate for all grain cooperatives in all markets of the United States and foreign countries for the collective selling of such portion of the grain crops as are now, or may hereafter be marketed cooperatively at country points."

Today's meeting was the first the farm board has held outside of Washington. The sessions will be continued tomorrow after which a few members of the board will return to the national capital, the remainder joining Secretary of Agriculture Arthur M. Hyde, an ex-officio member of the board, at Baton Rouge, La., where the American institute of cooperation holds its annual meeting next week.

Those who will go to the Louisiana capital include Chairman Alexander Legge; Carl Williams and C. C. Teague.

Grange to Meet in Salem Today For Big Session

Salem grange No. 17 will hold its regular meeting in McCornack hall today, beginning at 10 o'clock. Miss Frances West will receive the first and second degrees and the third and fourth degrees will be conferred upon Mrs. Virginia C. Bacon, Frank M. McFarland, Mrs. Louise Wampler and Mr. and Mrs. E. O. Buckley.

Two applications for membership are to be considered and other business transacted. A basket dinner will be served at noon. In the afternoon L. H. Metzger of Wenatchee, Washington, will speak on cooperation as it concerns the farmer. The subject of farm relief will

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With each \$1 Cash Purchase as a Special Friday & Saturday Only
Domestic Lemon Castile Soap 29c
CANDY SPECIAL—1 1/2 Lb. Barrel of Satin Finish Hard Candy 49c
Carson Pharmacy
Corner of Court and High Tel. 233
Senator Hotel Bldg.

REALTORS END MEETING HERE

Bellingham Man is Elected Head of Association for Next Year

(Continued from Page 1.) lation, the convention authorized that each state executive of the group be requested to send the real estate commissioner to the legislative conference to be held in Yreka, Calif., August 9-10. Resolutions adopted included recommendation that committees be appointed to make surveys of the state license laws; that Phoenix, Ariz., be given the vote for the mid-winter meeting; and that the three-way principle of membership be adopted. Regret at losing services of T. W. Zimmerman, executive secretary for the past seven years, and of William E. Herren of the national association was expressed in resolutions. E. L. Hopkins of Olympia was chairman of the committee on resolutions. La Grande Awarded Attendance Prize Attendance award went to La Grande, H. D. Lassell of Aberdeen, chairman of the attendance committee, reported at the last business session. Four of La Grande's seven active members traveled a total of 1360 miles for a rating of slightly more than 194. La Grande has won the attendance trophy the past two years and now becomes permanent possessor. Olympia placed second and Longview third in attendance, rated on distance traveled and proportion of members at the meeting.

The morning was devoted largely to conferences of the city, farm and industrial groups, leading realtors conducting discussions of problems pertinent to divisions, and to the appraisal demonstration conducted by Lee Marks of Portland. Glenn D. Willaman of California gave the principal address of the morning, praising the hospitality of Salem, its fitness for a convention city and its attractions, both as a business city and home city. The crying need of the realty business is unity, he said.

CHEMEKETANS PLAN CLIMB UP MT. HOOD

Gene Dahling of Portland will lead the Mt. Hood climb of the Salem Chemeketans August 3 and 4. The party of at least 30 persons, under present indications, will leave the Y. M. C. A. at 2 o'clock August 3 to go to Government camp.

The climb will start from Timberline at 2:30 or 3 o'clock the morning of August 4. The summit will be reached by noon and the return to Government camp made by mid-afternoon. After a dinner there the party will return to Salem. This will be the third climb to be made in as many years by parties from Salem. The two previous ones have been under the direction of the Y. M. C. A. The Chemeketan club had its origin in the 1928 climb, charter members of the club all being members of the party. Plenty of parking space for cars is available at Government camp and a watch is maintained over cars left there by climbers. Beds and breakfast will be available at Timberline where the party will have a bonfire and rest for several hours before beginning the ascent.

FINKE EXAMINED FOR SECOND TIME

PORTLAND, Ore., July 26—(AP)—Walter J. Finke, 16, charged with slaying his rival in love, Herbert Beem, 17, high school youth, will be given a supplementary hearing to satisfy certain legal requirements, previously overlooked, Tuesday afternoon. Judge Gilbert announced his intention at a hearing three weeks ago demanding young Finke to circuit court for trial on a murder charge. The order will be before him Tuesday for his signature.

Immense Liquor Plant Is Found

PORTLAND, Ore., July 26—(AP)—An elaborate liquor brewing and distributing unit was uncovered by police here today on First street. Charles Heglund, alleged operator, was arrested and 500 gallons of moonshine, 1,000 quarts of beer and large quantities of mash were confiscated. Eight officers beat down three doors with axes to get to the room.

Chronic Escape Arrives Again

John Tuol, who has escaped five times from the Oregon state penitentiary, was "dressed in" at the institution Friday to serve a life term under the habitual criminal act. He was received from Malheur county. Tuol also served terms in reformatories, and is a deserter from the United States army.

HOLLYWOOD
Home of the 25c Talks
Milton Sills in "THE BARKER"
A First National Vitaphone Talking Picture
Matinee 2:00 P. M. LAST TIMES TODAY

RED MEN HOLD SESSIONS HERE

Portland Selected as Place to Meet in 1930; 60 Members on Hand

(Continued from Page 1.) of St. Helens, great junior Sagamore; Dr. Duane A. Fellows of Portland, great prophet; E. M. Wells of Portland, great chief of records; J. Hahn of Portland, great keeper of wampum; Dr. T. Karison of Salem, great Sanna; Dr. J. L. Bounds of Portland, great guard of wigwag; O. A. Hubbard of Medford, great guard of forest. The following committees were appointed by Great Sachem Henry Swift: Credentials, Fred Pardin, G. C. Layzell, E. Hahn. Distribution, U. C. A. Pohl, G. A. Abbott, J. L. Morgan. State of Order, J. L. Bounds, O. A. Hubbard, C. Gardner. Legislation, E. Hahn, George Layzell, C. E. Orr. Degree of Pocahontas, Fred Pardin, J. Jensen, J. L. Bounds. Memorial, J. V. Lankin, O. A. Hubbard. Ways and Means, E. T. Kertson, J. L. Bounds, G. A. Abbott. Standing committees include that on finance, O. L. Diekel, D. A. Fellows and C. E. Orr; the orphans' board, P. P. Fisher, Alvin Sievers and A. Johnson; board of appeals, U. C. A. Pohl and L. L. Jacobs.

VOLCANIC ERUPTION GOING FULL FORCE

VOLCANO HOUSE, Island of Hawaii, July 26—(AP)—The second major eruption in Halemaumau pit this year continued in full force tonight with the bottom of the 1300-foot deep crater already covered to an average depth of 45 feet. While stressing as always his inability to say how long the activity would continue, Director Thomas A. Jaggar, Jr., of the Kilaeua volcano observatory, said the eruption which started yesterday morning was comparable to the lava spurt of last February, and might end as suddenly. The February eruption lasted barely 48 hours. Crowds continued to throng to the fire pit today, fascinated by the lapping of the restless lava, the smoldering spectacle of the fountains of molten rock which continued to play on the Kau (larger western) side of the crater. Even larger crowds are expected tomorrow, a large shipment having sailed this afternoon for Hilo from Honolulu, island of Oahu. The eruption, which started yesterday, was not entirely unexpected. Lava has been absent from Halemaumau since 1923, except for very brief intervals, and under the cycle of activity recorded in Kilaeua's past performances it should return soon.

AFRICAN OFFICIAL TOURS THIS STATE

PORTLAND, Ore., July 26—(AP)—W. F. Murray, superintendent of roads and local works of the Orange Free State, South Africa, will be met at Grants Pass, Ore., today by T. M. Davis, highway engineer of the bureau of public works, who will direct the South African official on a tour of Oregon roads. Murray is interested in the low cost of road construction. The macadam construction south of Grants Pass will be shown. From Grants Pass the party will go via Ashland to Klamath Falls to examine the oil and surface treatment of the Dalles-California highway north of Klamath Falls.

Husband Slayer Freed of First Degree Murder

WEBB CITY, Mo., July 26—(AP)—Mrs. Flora Wallace, who shot and killed her husband, Pierre Wallace, at their home here July 15, today was freed of a first degree murder charge at a preliminary hearing before Justice E. D. Allen. Justice Allen pronounced the shooting "justifiable homicide." Wallace, for many years head of the Ku Klux Klan organization at Joplin, Mo., and formerly manager of the Joplin Tobacco company, was shot by his wife while he was beating their 17 year old son.

CAPITOL
LAST TIMES T-O-D-A-Y
Phyllis Haver in "Shady Lady"
A story of adventure in the fashionable circles and underworld haunts of Havana. With Talking and Sound Effects All Talking Comedy Vitaphone Acts Movietone news

CAPITOL
STARTS SUNDAY
SHOWS 2:00 4:20 7:00 9:00
5 Big Day: THE FIRST 100% NATURAL COLOR

ALL STAR CAST
An All-Talking, Dazzling, Singing, Dancing, Comedy, Musical, with ARTHUR LAKE, SALLY O'NEILL, JO ROUSTON and a chorus of 100 dancing beauties.
—Added—
VITAPHONE ACTS MOVIE TONE NEWS

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SCREEN FLAPPER TO APPEAR HERE TODAY

Opening today at the Elsinore and continuing for a four-day engagement is that dynamic flapper of the screen, Clara Bow, in her latest all-talkie comedy sensation, "Dangerous Curves." Miss Bow has been figuring in extensive publicity recently, as a result of her marriage to that famous Broadway stage favorite, Harry Richman. In "Dangerous Curves" Miss Bow interprets a very versatile role—that of a circus bare-back rider. Excellent support is given her by that popular male screen star, Richard Arlen, whom Paramount has been featuring in many outstanding pictures such as "The Man I Love" and others. Kay Francis, Anders Randolph and Jack Ludek are others in the cast.

COAST TO COAST FLIGHT PLANNED

SPOKANE, July 26—(AP)—Lieutenant M. B. Mamer today said he would attempt a coast to coast non-stop refueling flight as soon as he could get two planes ready. During the flight, which is to take him to St. Paul, Cleveland, New York, Washington, Omaha, Salt Lake City, San Francisco, Portland, Ore., and back to Spokane, a Ryan monoplane will fly

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New! Clara Bow Frocks \$7.95
Reg. \$14.75
A new sleeveless frock that has IT—Just Arrived—
Kay's Coat and Dress Shop 460 State St.

HOOVER TAKES FISHING JAUNT

Presidential Party Arrives at Virginia Camp for Week End

MADISON, Va., July 26—(AP)—President Hoover and his party arrived early tonight at his fishing camp near here to spend the week-end here on an uneventful trip from Washington. WASHINGTON, July 26—(AP)—President Hoover left late today for his camp in the Virginia Blue Ridge mountains where over the week-end he will consider the personnel of the commission to be created in the army general staff to study what economies may be effected in the military establishment. He took with him Secretary Good and Assistant Secretaries Hurley and Davison, of the war department; General Charles W. Sumner, chief of staff of the army, and Colonel Campbell Hodges, aide to the president, who also will participate in the conferences. Others in the party were Secretary Wilbur, Lieutenant Commander Joel T. Boone, physician to the president, and George Akerson, Mr. Hoover's secretary. While selection of the general staff commission will be the primary purpose of the conferences, there also will be a general discussion of possible ways and means for reducing army expenses without impairing national defense. Before the presidential party left the white house for the ninety miles' automobile ride, there were unofficial suggestions that Major General Frank McCoy might be considered for the chairmanship of the commission. General McCoy is not a member of the general staff, but is eligible for appointment and is expected to complete within a month his present special assignment as chairman of the Paraguay-Bolivia commission of conciliation. of Mr. and Mrs. S. D. McCarthy, was instantly killed at 9 a. m., in the freight elevator of an apartment building while helping Jack Pjetland, dairy driver, who had promised to take him to Tacoma field to see the take off scheduled for this morning.

Lincoln Splits Doubleheader With 14th Nine

Lincoln big boys took the first game of a doubleheader from Pocatello street 8 to 4 Friday on Olinger field. Fourth event evened the score by taking the second 7 to 6. The small boys postponed their game. Yew Park will meet Lincoln and Fourteenth this afternoon in a doubleheader on the Park diamond. The first game will begin at 1:30 o'clock. The small boys will play at Olinger field.

Paul Action Is Back In Salem After Vacation

Paul Acton, local representative of the Northwestern Mutual Life insurance company, returned Friday from a two weeks' trip to the east, where he attended the company convention at St. Paul, Minnesota, which began July 22, and lasted three days. One thousand agents were present and each paid their own way which indicates considerable interest on the part of the agents.

Tacoma Youth Dies in Effort To See Aviator

TACOMA, July 26—(AP)—A fourteen year old Tacoma boy sacrificed his life this morning in a vain effort to see Lieutenant Harold Bromley make a test flight in the "City of Tacoma." Clinton "Honey" McCarthy, son

THE EL SINORE

Starts Today — 4 Big Days!
PARAMOUNT presents
CLARA BOW in "DANGEROUS CURVES"
with RICHARD ARLEN
A romantic drama of circus life—Laughs Thrills Action
See the big top with a five ring show in full blast!
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