

HOUSE FAVORS HIGHER TAX ON INHERITANCE

15 per cent top; Companion Gift tax Measure Also Is Given Approval

Only Small Loan Bill That Passed is Postponed; Declared Unfair

Hardworked members of the state house of representatives ground through a three-hour night session yesterday, the principal item of legislation passed being an increased inheritance tax bill sponsored by Representative McAlear.

Principal objector to the bill was Representative Hilton who favored higher rates. House bill 375, also sponsored by McAlear, to levy gift taxes as a means of preventing avoidance of inheritance taxes, also was passed by the house.

The bill provides for a 4 per cent charge up to \$10,000; 9 per cent up to \$20,000; progressively increasing to a maximum limit of 25 per cent on \$1,000,000.

Income Tax Return Bill Re-Deferred House bill 432, written by the taxation committee, was referred again to the sponsoring committee for clarification of language. The measure according to its reading would have required every Oregon resident and fiduciary to file an income tax return, subject to the regulations of the state tax commission. Objection was raised that the measure might be construed to mean that every person, regardless of income would be forced to make a statement to the tax collectors.

Representative Deich, included among the objectors, pointed out that a possibility existed that an army of clerks might be hired by the state tax commission to make out needless returns. Needless annoyances might also result to Oregon residents, it was suggested.

Small Loan Bill Held Unfair Alone House bill 25, the only one of five small loan measures passed by the house, was indefinitely postponed. Representative Dickson, sponsor of the measure, moved that the bill to limit pawnbrokers loans to 2 1/2 per cent be also cast into discard as a matter of fairness to the small loans operators who would have been restricted by the law while competitors in other lines were not regulated.

The branch banking bill, senate bill 57, was made a special order of business for the house at 11 o'clock this morning. The timber yield or severance measure, house bill 20, will come as a special order of business at 2:30 today.

Senate bill 143, relating to workmen's compensation laws, was passed by the house and will go to the governor. Bill 98, sponsored by Senator Duncan, providing that county warrants may be used for payment of taxes was re-referred to the committee on taxation and revenue. Objection was raised that the measure would benefit only a small class of persons now able to buy warrants at large discounts.

Highest Rate on Cent Rates on the new inheritance tax bill are divided as in the present law, between bequests to lineal relatives and to brothers, uncles and aunts and non-related inheritors. Rates to lineal descendants under the new bill are: \$10,000 to \$25,000, one per cent; \$25,000 to \$50,000, one and one-half per cent; \$50,000 to \$75,000, two per cent; \$75,000 to \$100,000, three per cent; \$100,000 to \$300,000 five per cent; \$300,000 to \$500,000, seven per cent; \$500,000 to \$1,000,000, 10 per cent; \$1,000,000 to \$1,500,000, 13 per cent; \$1,500,000 and up, 15 per cent. The old rates ran from one to 10 per cent, the last scale being applied on inheritances of more than \$1,000,000. The new rates for brothers, sisters, uncles and aunts and non-related inheritors range from one per cent up to \$3000 to 20 per cent on bequests of more than \$100,000. The old rates ranged from one to 15 per cent, the latter being applicable on bequests of more than \$50,000.

Fish Wheel Program Dead for this Term After Senate Debate

Christman Bill Tabled by 20 to 10 Vote With Astoria Faction Again Winner; Eastern Oregon Solons Claim "Politics"

THE state senate Wednesday afternoon killed the Christman fish wheel bill, previously carried through the house, by the decisive vote of 20 against the bill to 10 for it. The debate came up on a divided committee report, the minority favoring the bill's passage and the majority opposing it. The bill, if it had become law, would have opened the upper Columbia river to fish wheels which have been banned since early in 1927.

Senator Upton made both the opening and closing argument in favor of the bill and against the majority report. He said the restoration of fish wheels would not prove detrimental to the fishermen on the lower Columbia river nor would their operation decrease materially the number of salmon in the stream.

"You are not going to preserve fish in the Columbia river by restricting the catch," Upton declared. "This can be done only through the proper operation of the hatcheries and scientific propagation. Unless the fishermen on the lower Columbia river can show that these fish wheels will (Turn to page 2, col. 5)

JUDGE M. C. GEORGE DIES; WAS PIONEER

Willamette Grad was Last Living Member of 47th Congress, Claimed

PORTLAND, Ore., Feb. 22.—(AP)—Judge M. C. George, 84, Portland attorney and understood to be the last surviving member of the 47th congress, died at his home here today. He had been ill for four years, for the last two of which he had been confined almost continuously to his home.

Judge George came to Oregon with his family by covered wagon when he was two years old. They settled on a homestead near the present site of Lebanon. He was born in Noble county, Ohio, May 13, 1849. He attended Santiam academy and later Willamette university at Salem. After studying law in Portland he was admitted to the bar in 1875.

A year later Judge George was elected to the state senate and four years later he was chosen as Oregon's one representative in the 47th congress. He also served in the 48th congress, but declined to run to succeed himself again. Returning to Portland, Judge George resumed his law practice. For five years he was on the school board here. In 1897 he became a judge of the circuit court, continuing in that capacity for 16 years.

Since his retirement he had centered his interest in fruit raising, spending a great deal of his time on his small orchard near The Dalles. He was prominent in the Oregon Pioneers' association and in fraternal circles. Judge George is survived by his widow, Mary E. George, and three daughters, Miss Florence George, Miss Edna George and Mrs. G. William G. Jones, all of Portland.

HITLER TO FAVOR TOTAL DISARMING Copyright, 1932, The Associated Press BERLIN, Feb. 22—Chancellor Adolf Hitler, whom political opponents depict as a sabre-rattling believer in big armies and navies, committed himself unequivocally today to a policy of universal and complete disarmament.

"We are willing to go to any lengths to further the ideal of disarmament," the chancellor told the Associated Press. Then, raising his voice passionately and giving a punch to every word with an emphatic gesture or a vigorous nod of his head, he continued: "But we insist that the same standards shall apply for all. Do away altogether with armies if you please and Germany will gladly scrap hers also."

MARIE UNDER KNIFE NEW YORK, Feb. 22.—(AP)—Marie Dressler, the comedienne, was "resting comfortably" tonight after a minor operation, her physician, Dr. J. Willis Amey, said.

POLICE GUM UP RELEASE MOVE FOR BOETTCHER

Father of Kidnaped man is Trailed to Rendezvous, Gives up Attempt

Attorney Says he Receives Telephone Plea That he Act as Intermediary

DENVER, Feb. 22.—(AP)—Thwarted by police in his first actual attempt to keep a rendezvous with the kidnapers of his son, Charles Boettcher, II, wealthy investment broker, Claude K. Boettcher, Colorado multi-millionaire, moved more secretly tonight to avoid interference if he is again summoned by the abductors.

Steadfast in his determination to carry on negotiations independently of authorities, the multi-millionaire abandoned his attempt to meet the kidnapers near Derby, Colo., last night when two detectives, J. S. Turner and M. D. Corney, trailed him almost to the designated spot. There Boettcher wheeled, demanded the detectives allow him to "handle this case my own way," and then returned home.

Boettcher's insistence that the kidnapers name an "agent" to negotiate with him in the payment of the \$60,000 ransom bore fruit, police believe, in the story of I. E. Anderson, Colorado Springs attorney, who said unidentified persons had requested him to act as an intermediary.

Way Anderson story, which flung the kidnaping investigating into feverish activities, revealed he had received numerous telephone calls from persons whom police believe were the actual kidnapers. The last call came this morning, Anderson said, and asked him to reconsider his decision of refusing to act as a go-between. The police, Anderson said, asked him to "insert in a Denver newspaper his decision. Anderson asked a Denver lawyer friend to insert the ad: "Sorry, I am unable to act."

A new suspect was added to the list of those held in connection with the case today while the two men and woman arrested yesterday and last night made efforts to act as a go-between. The police, P. A. Tyson, a Denver salesman, was arrested at his office this afternoon, but Chief Clark refused to say what connection they suspected him of having with the case other than that he bore a resemblance to one of the kidnapers.

TWO BEING HELD IN BALLOT THEFT CASE MEDFORD, Ore., Feb. 22.—(AP)—Two men were being held here today, police said, for questioning in connection with the theft and destruction of approximately 10,000 ballots cast by voters in the November election. The ballots were stolen sometime Monday night.

Police expressed the belief that the theft from the vault in the Jackson county courthouse here was "an inside job." County officials said they were searching for a third man whom they described as a "persistent loiterer." At latest reports they had been unable to find him. The ballots were stolen and burned in the courthouse furnace the night before they were to be counted in an attempt to settle the controversy over the election of the Jackson county sheriff. Former Sheriff Ralph Jennings, on the grounds that there had been errors in counting, had contested Sheriff Schermerhorn's election, and a recount was ordered.

Cermak Said Near Crisis; Wound Heals

MIAMI, Fla., Feb. 22.—(AP)—Dr. Frank Jirka announced at 3:15 a. m. that Mayor Cermak's temperature was 98 degrees, his pulse rate 108 and his respiration 20. The mayor was sleeping lightly, Dr. Jirka's bulletin said, and his condition was unchanged.

MIAMI, Fla., Feb. 22.—(Thursday)—(AP)—Dr. J. W. Snyder stated at 2:15 a. m. the condition of Mayor Cermak seemed improved from that described in a report issued earlier.

"He is resting comfortably and seems generally improved," Dr. Snyder said. "The wound is a thing of the past." He gave no temperature, pulse or respiration readings. Dr. Snyder elaborated upon his statement that Cermak's wound is a thing of the past by stating that the colitis condition is paramount and that it and not the wound brought Cermak's condition to its present point.

The mayor, who had been sleeping lightly through the early morning, awoke in great pain at 2:40 a. m. Dr. Snyder entered the room but returned and said Cermak's pain was eased.

"We cannot say how long it will be before the condition is altered," Dr. Snyder concluded. The mayor slept "rather well" through the night, receiving a light sedative at one time, Snyder said.

PROVIDENCE GUIDED WASHINGTON, CLAIM

Almost Miraculous Events Abetted Career, Doney Says in Lecture

Depicting George Washington as "trained from youth to be in every peril in his country sufficient to his country's need," Dr. Carl Gregg Doney, president of Willamette university, last night proceeded in his pleasing, scholarly manner of address to outline the many ways in which he believed the career of the nation's first president was "ruled by a providence."

The lecture, fourth of a series sponsored by the university faculty, elicited high compliment from the audience, which nearly filled the auditor hall additum. Preceding the address, Miss Lois Plummer, guest organist, was presented in recital, playing well-received classics and concluding with "America Triumphant" by Dunn, in honor of George Washington.

As evidence of providential intervention, Dr. Doney pointed out the well-known cases in which the life of Washington was miraculously spared, including recovery from a severe case of smallpox, safety throughout skirmishes with the Indians, and so.

The Day in Washington By the Associated Press Federal authorities sought sender of explosive apparatus found in mails addressed to Franklin D. Roosevelt. Senate increased to \$1,100,000 funds in independent offices supply bill for federal trade commission. House agriculture committee reported senate approved Smith bill for government cotton pool with participating farmers curtailing production. Senate foreign relations committee approved St. Lawrence waterway treaty which leaders agreed could not be acted on this session. House coinage committee approved measure for treasury purchase of \$250,000,000 in silver bullion.

CABINET NAMES FOR ROOSEVELT REGIME LISTED

Only two Official so far But Others Certain of Appointment, Word

Norman H. Davis to Remain As Head of Delegation At Geneva, Stated

(Copyright, 1932, The Associated Press.) WASHINGTON, Feb. 22.—(AP)—Heralding the imminence of a new administration, it was authoritatively revealed today that President-elect Roosevelt had just completed a cabinet of national pattern and turned to other major appointments.

Barring an unexpected shift at the last minute, three of those to sit around the White House council table with the next chief executive will be from the east, three from the south, two from the mid-west and two from the west.

Of the ten, but one name had remained a secret until now—that of Daniel C. Roper, of South Carolina, as secretary of commerce. Homer Cummings, of Connecticut, is understood to be slated for governor-general of the Philippines, putting at rest reports that Mr. Roosevelt intended to leave in that high post, for the time being at least, his distant relative, Theodore Roosevelt, Jr.

Norman H. Davis, by invitation of the president-elect in New York today, will remain as head of the American delegation to the Geneva arms conference, assuring continuity of this country's policy there. Although only the first two of the ten have been formally announced, the cabinet set-up is accepted in Washington to be: State—Cordell Hull of Tennessee.

Treasury—William H. Woodin of Pennsylvania and New York. War—George H. Dern of Utah. Justice—Thomas J. Walsh of Montana. Postoffice—James A. Farley of New York. Navy—Claude A. Swanson of Virginia. Interior—Harold Ickes of Illinois. (Turn to page 2, col. 1)

TOLL BRIDGE BILL IS GIVEN SUPPORT

A favorable report will be made to the legislature, probably today, by the house committee on counties and cities on senate bill 277, providing that an incorporated city may construct a toll bridge without any statutory limitation being placed on the amount of bonds that may be issued.

The bill introduced by Senators Upton and Hazlett, is primarily intended to make possible construction of a toll bridge over the Columbia river at The Dalles. Cost of the \$500,000 bridge is hoped to be financed from the federal Reconstruction Finance corporation funds through sale of The Dalles city bonds.

Although already passed by the house, the addition of an emergency clause by the house committee will necessitate the bill again going to the upper chamber.

FORESTERS CONVENE CORVALLIS, Ore., Feb. 22.—(AP)—Approximately 250 forestry men from all parts of the state gathered at Oregon State college tonight for the sixth annual "fern-hoppers" banquet. Xi Sigma Phi, honor forestry fraternity, utilized the occasion to present nine new pledges, including Robert Auferheide of Salem.

WORLD FLAREUP THREATENED BY JAPAN'S POLICY

Tokyo Warning of Probable Need to Protect Nationals In Peiping and Tientsin Opens up Grave Danger of International Complications in Which United States Will Have Share; Jehol Only Territory Sought

Chinese Irregulars Announce Readiness to Accept Food And Employment and Quit Fighting; First Casualty On Japanese Side Reported; Chinchow-Peipao Road Entirely in Nipponese Hands now

TOKYO, Feb. 22.—(AP)—A government spokesman said today there was "real danger" that Japan would be compelled to take steps to protect Japanese nationals in Peiping and Tientsin endangered by the impending military campaign to conquer the province of Jehol to the north. The government intends soon to inform the ambassadors of the principal powers interested in China of the policy it will pursue concerning the Peiping-Tientsin area. These ambassadors (one of whom naturally would be the American representative) will be told, the spokesman said, that the army has no plan to carry the Jehol operations south of the Great Wall of China.

"However, there is real danger," he asserted, "that a backwash from Jehol campaign will result in a Chinese attack on our garrison at Tientsin or in a massacre of Japanese at Peiping, in which event the army would be compelled to move to protect them. Barring such unfortunate developments, the fighting will be confined to Jehol."

(A Washington dispatch said that international complications of grave nature were feared in the event the fighting spread south of the Great Wall into the Peiping-Tientsin area. The United States is one of the several nations maintaining garrisons in that area as a result of the boxer uprising of 30 years ago.)

MUKDEN, Manchuria, Feb. 22.—Thursday (AP)—Groups of irregular Chinese fighters announced today they were ready to accept Japanese offers of food, clothing and employment, and would submit to the government of Manchukuo.

(By assurances of work and protection, the Japanese command here expects to induce most of the so-called Chinese guerrillas to give up their sporadic attacks in Jehol and become citizens of the Japanese-sponsored Manchukuo state, to which the Japanese now are poised to add the Chinese Jehol province.)

Meanwhile, the death of a Japanese soldier, the first in the current assault on Jehol, was reported here. Corporal Misugami, a member of the Nishi command, was killed Wednesday near Peipao in a conflict between Japanese soldiers and Chinese irregulars.

Peipao, the terminus of the Chinchow-Peipao spur of the Peiping-Mukden railroad and designated as the jumping off place in the major Japanese offensive which will soon start in Jehol, was abandoned by the Chinese before the invaders arrived.

The occupation of the town, which is less than 200 miles from Jehol city, capital of the province, gave the Japanese virtual control of the railroad line over which to move troops.

First Chief of State Training School Called PORTLAND, Ore., Feb. 22.—(AP)—Branston J. Miles, 84, first superintendent of the Oregon reform school for boys, died yesterday in Portland.

Born November 26, 1848, in Dayton, O., he was a playmate of President Hoover's father. Devoting most of his life to boy training, he was for 30 years superintendent of the Iowa Industrial school.

Twenty years ago he was requested to come to Oregon to organize a reform school system for boys. He was also called to Washington, D. C., on a similar mission.

MORTGAGE RELIEF RESOLUTION VOTED

Against Public Policy to Foreclose if Debtors Make Real Effort

First tangible relief for mortgagors was passed in the legislative session Wednesday when the house gave unanimous approval to its joint resolution 18 which declares it is against public policy for courts to foreclose mortgages where debtors are making every effort to meet their obligations.

Several representatives said they heartily favored the resolution but declared additional and more binding legislation should be passed. The resolution, in part, follows: "Be it resolved by the legislative assembly of the state of Oregon, in session duly assembled, that it is inimical to the public interest and contrary to sound public policy that mortgages or conditional contracts of sale of real property be foreclosed during the present emergency where the mortgagor or purchaser is making honest, bona fide efforts to meet the terms specified in his mortgage or contract and is unable to meet such terms.

"Be it further resolved that it should be and hereby is recommended to courts of equity wherein foreclosures are sought, that the maxim that a plaintiff seeking the aid of equity should be required to do equity, be strictly regarded, and that "the court (Turn to page 2, col. 4)

War on Muskrat Encouraged but Whale Protected

Oregon's house of representatives favors unmitigated and wholesale warfare, "in any manner whatsoever" on the muskrats of Klamath county; but some members at least would see to it that whales could be hunted only by permit of the governor.

House bill 456 was passed last night to declare the open warfare on muskrats, one of the smallest of mammals. A little later the Deich-Wells sponsored measure to regulate whale hunting was introduced to first reading.

Another development of the representatives' day included reference to the judiciary committee of house bill 479, to create mosquito control districts.

They'll Figure in New Administration as Cabinet Members



CORDELL HULL State



WILLIAM H. WOODIN Treasury



GEORGE H. DERN War



THOMAS J. WALSH Justice



JAMES A. FARLEY Postoffice



HENRY A. WALLACE Agriculture

Chopping Cherry Tree Fatal for Modern 'George'

CLEVELAND, Feb. 22.—(AP)—Chopping down a cherry tree on Washington's birthday anniversary brought death today to Lloyd Kelley, 27. Companions of Kelly said he ran when the tree started to fall in his direction, but stumbled into a ditch and was struck by a branch when he attempted to arise. His neck was broken.

Butter Grading System Opposed

CORVALLIS, Ore., Feb. 22.—(AP)—The legislative committee of the Oregon Butter and Ice Cream Makers' association, in convention here last night, reported unfavorably on the pending uniform grading bill for farm products, now before the legislature.

H. C. Raven, chairman, said there is "dynamite" in the proposal to force all products under A, B and C grades.