

State Not Liable for Federal Tax on Liquor, Neuner Holds

Would Oregon have to pay upwards of \$6,000,000 a year in federal income tax on its liquor revenue if the revenue no longer was earmarked for public welfare?

That was the question posed this week to the senate alcoholic control committee which has been considering the house-approved measure placing all liquor revenue in the general fund.

The committee had its answer Friday from Attorney General George Neuner — "no, the state wouldn't."

But it was known, too, that a still further investigation of the problem was under way. Committee Chairman Sen. Eugene Marsh did not say when his group would report out the bill for formal senate action.

The question was brought in the open, it was disclosed Friday, by Wilbur Henderson of Portland, attorney for the state liquor commission, who wrote Marsh a letter and enclosed an opinion of the commissioner of internal revenue. Neuner, in arriving at his decision, said the memorandum itself "answers this question without further authority." He quoted the memorandum as saying that "if

the federal government imposed a tax (38 per cent) on such profits, it would in effect result in the imposition of a tax upon the property of the state and would burden the state in the exercise of its governmental functions."

Neuner also pointed to court decisions in similar instances, such as in Wyoming, and said "the crux of the situation resolves itself into the query: Is the state of Oregon engaged in a business enterprise in competition with its common citizens, or is it engaged in the exercise of a governmental function in the administration of the Oregon liquor control act?"

He said a New York case, where in the state was required to pay tax on mineral water it bottled from Saratoga Springs, differed from Oregon's situation because New York was competing in the soft drink market.

Neuner also commented that in Oregon "the revenues derived (from liquor) are merely incidental to the main purpose of the (liquor) act, which is to control the liquor traffic of the state." It would be immaterial where the profits or revenue which flow from the administration thereof are placed.

Stock Market Ends Lower

NEW YORK, Feb. 25 (AP)—A midday rally in stocks blew up today and the market finished lower for the sixth session in a row. The market on the average was at a low since last March.

Closing prices disclosed a clean-cut majority of losses running from fractions to a point or more. A fair number of issues managed to salvage part of earlier gains but improvement was mostly fractional. New lows for a year or more were posted for 84 issues. Business was sluggish on the way up and on the way down. Turnover of 830,000 shares compared with 880,000 yesterday.

The Associated Press average of 60 stocks dipped 2 of one point to 61.4, the lowest since 61.2 was touched on March 18 last year. The rail component declined only .1 of one point but at 33.5 was at a new 1948-49 low.

Of the 981 issues which changed hands, 420 dropped and 292 advanced.

NOTICE TO CREDITORS
Notice is hereby given that the undersigned has been appointed as Executor of the last will and testament and estate of Jacob Schindler, deceased, by the Circuit Court of the State of Oregon, for the County of Marion, setting in probate, and has duly qualified as such Executor, all persons having claims against the estate of said deceased are hereby notified to present the same, duly verified, as by law required, to the undersigned, 205 Oregon Building, Salem, Oregon, within six months of first date of publication of this notice.

Dated at Salem, Oregon, this 5th day of February, 1949.

EDWARD K. PIASECKI, Executor of the estate of Jacob Schindler, deceased.

Ronald C. Glover, Attorney for Executor
205 Oregon Building
Salem, Oregon F-12-19-26-M-5

NOTICE
No. 13,703
In the Circuit Court of the State of Oregon, for Marion County, IN THE MATTER OF THE APPLICATION FOR CHANGE OF NAME OF

J. J. KREITZER to **J. J. Purdy**.
Notice is hereby given that J. J. Kreitzer has petitioned the Circuit Court of the State of Oregon, for Marion County, for change of his name from J. J. Kreitzer to J. J. Purdy.

All persons may offer and show cause, if any there be, why said petitioner should not be granted an order of this court, changing his name as petitioned.

Notice is further given that any objections shall be presented to the Court on or before the 10th day of March, 1949.

This notice is given pursuant to an order of the above entitled Court, made and entered February 25th, 1949.

J. J. KREITZER, Petitioner.
Edward K. Piasecki, Attorney for petitioner. F-26

HOLLYWOOD
Dors Open 1:00 p.m. for Hollywood Kids Club

Program — Prizes
2 Cartoons — Serial
Special Matinee Feature:
"The Big Noise"
With Laurel and Hardy

Also—
Benson's Birthday Cake
for—
Gary Graham, Larry Ped, Jerry Grabel, Roy Warren, Carolyn Warden, Glen Chambers, Ronald Jones, Donna Stanton, Julia Sliimak, Eddy Orr, Cass Hershfield, Roger Ayres, Wayne Olson.

Eve Show Starts at 5:00 p.m. Ends Today!

Mary O'Hara's **GREEN GRASS OF WYOMING** **TECHNICOLOR** 20
Second Feature "The Counterfeiters"

Starts Tomorrow - Cont. 1:45
As delightful, As different As **PEGGY-HERSELF!**
JEANNE CHAIN WILLIAM HOLDEN
Apartment for Peggy **TECHNICOLOR**
Second Feature "Mary Lou"

Mrs. Stanfield, Widow of Former U.S. Senator, Dies

Mrs. Robert N. Stanfield, widow of the former U. S. senator from Oregon, died in Scarsdale, N. Y., Friday, a sister, Mrs. W. H. Lytle was notified here. Mrs. Stanfield was also a sister of the late Dr. David B. Hill, Salem.

Born Inez E. Hill in Nashfield, Tenn., she was educated in schools at Pendleton and married Stanfield in 1897. Funeral services will be held in Pendleton, with the time to be announced later.

Surviving besides Mrs. Lytle are a daughter, Mrs. Henry Dunn, Scarsdale, N. Y.; grandchildren, Henrietta, Terry and Josephine Dunn, all of Scarsdale; brothers, Henry T. Hill, La Grande, James Hill, Pendleton, and Thomas Hill, Ontario; sisters, Mrs. Ralph Stanfield, Pendleton, and Mrs. Howard Gattie, Portland.

Sen Stanfield served from 1921 to 1927.

Truman Plan For Backward Areas Pushed

LAKE SUCCESS, Feb. 25 (AP)—President Truman's "bold new program" was laid before the United Nations today with an American proposal that aid to backward areas be financed mainly by international action.

Some delegates hailed the program with words such as "magnificent" and "inspiring."

The program was outlined in the U. N. economic and social council by Assistant Secretary of State Willard L. Thorp.

What disappointed some delegates was that the United States offered no concrete plan to finance the scheme or any U. S. funds to start it.

Thorp outlined three specific proposals designed to implement the Truman program:

1. That Secretary - General Trygve Lie be asked to prepare for the summer session of the council a program for enlarging the activities of the U. N. and technical assistance.

2. That the report cover ways for arranging financial backing for such projects with the understanding that no one country should be expected to assume all or most of the financial burden.

3. That the report also include recommendations for the coordination of work among all the agencies involved.

Thefts Laid To Juveniles

City police blamed neighborhood juveniles Friday for the triple theft at the residence of Mrs. Floyd Query, 1615 Nebraska st.

Mrs. Query told detectives that a pair of white women's boots had been stolen from a front hall closet at her home about a week ago. Three days ago an umbrella was taken from the same place, she said. Thursday night her purse containing glasses, identification papers and about \$6 was taken from the house.

Division Street Bridge Backed By Planning Board Engineer

Construction of a Division street bridge over the Willamette river rather than a Marion street crossing was urged Friday by C. A. McClure, engineer of the Salem long range planning commission.

McClure, speaking at the Salem Board of Realtors' luncheon meeting in the Marion hotel, also expressed doubts about a proposed system of one-way streets in Salem.

Both the Marion street bridge crossing and the one-way grid system are contained in a proposal of State Highway Engineer R. H. Baldock for Salem traffic changes. McClure stressed Friday he was voicing his own personal opinions and not "necessarily those of the long range planning commission."

A four-lane two-way bridge at Division streets is the most practical, said McClure, because it would not dump cross-river traffic into the heart of Salem's business district.

Such a bridge also would permit traffic to skirt the congested business district in West Salem going to and from the bridge. Baldock proposes two one-way bridges at Center and Marion streets.

By reaching grade at North Liberty street from a Division bridge and by extending Fairgrounds road to connect with North Liberty and North Commercial streets, an even flow of north city traffic could come into the downtown area via Commercial street without hampering bridge traffic, the engineer stated.

McClure admitted that the four-lane Division street crossing would cost about \$650,000 more than the two-lane Marion street bridge. "But," he pointed out, "for the added cost we get two extra lanes which the city may need for future traffic volumes."

Stating that Eugene adopted a grid or one-way system for its streets because of their narrowness McClure indicated that Salem streets did not require such measures. In Eugene, he said, it met with "reasonable" success. "Salem streets are twice as wide as Eugene's," he declared. Traffic in Salem is not of such volume as to require a one-way program.

Appearing on a sodomy charge was T. A. Brewster, Salem route 3, who pleaded innocent. His case was continued to March 1 for preliminary examination. He posted \$3,500 bail.

Man Held after Wreck With Parked Auto
Charles Temby Zander, Jr., 16, N. 17th st., was held in the city jail Friday night in lieu of \$250 bail on a charge of driving while intoxicated after his car struck a parked car on Mission street Friday afternoon.

Mrs. Jack Eyerly, Salem route 3, was seated in the parked vehicle. Both cars were damaged by the collision, police reported.

NOTICE OF INTENTION TO IMPROVE BELLEVUE STREET FROM CAPITOL STREET TO UNIVERSITY STREET.
Notice hereby is given that the common council of the city of Salem, Oregon, deems it necessary and expedient and hereby declares its purpose and intention to improve Bellevue street from the west line of Capitol street to the east line of University street, in the city of Salem, Marion County, Oregon, at the expense of the abutting and adjacent property, except the street and alley intersections the expense of which will be assumed by the city of Salem, by bringing said portion of said street to the established grade, constructing concrete curbs, and paving said portion of said street with a 2 1/2-inch asphaltic concrete pavement thirty feet wide in accordance with the plans and specifications therefor which were adopted by the common council February 14, 1949, which are now on file in the office of the city recorder and which by this reference thereto are made a part hereof.

The common council hereby declares its purpose and intention to make the above described improvement by and through the street improvement department.

ALFRED MUNDT, City Recorder
Date of first publication hereof is February 17, 1949.
F-17,18,19,20,22,23,24,25,26,27,M,1-1949

Complete Owl Show Tonite After 10:20 P. M.

GRAND STARTS TODAY!
Phone 3-3467 • Matinee Daily From 1 P. M. •

A LETTER TO THREE WIVES
Jeanne Crain, Linda Darnell, Ann Sothern
Kirk DOUGLAS, Paul DOUGLAS, Jeffrey LYNN, Barbara LAWRENCE
Co-Hit! A New, Nameless Terror Stalks The Screen!

Added! Cartoon "BAND MASTER"
Airmail Fox Movietone News!

THE MAN OF BEAST? THE CREEPER

THE KISSING BANDIT
Frank Sinatra, Kathryn Grayson
J. CAROL NAISH • MILDRED HATWICK
MIKHAIL BASUMNY • BILLY GILBERT
SONO OSATO
with dance specialties by RICARDO MONTALBAN • ANN MILLER • CYD CHARISSE

8 GREAT SONGS!
including
"If I Stood A Minute"
"What's Wrong With Me"
"Sonatina"
"Siesta"
"Love Is Where You Find It"
"Tomorrow Means Romance"
*Available on 8-4-8 Records

Laugh-Loaded Co-Hit! "JIGGS AND MAGGIE IN SOCIETY"

DISASTER
A Paramount Picture with RICHARD DEXTER and TRUDY MARSHALL
Also—Latest Warner News

THE THREE MUSKETEERS
color by Technicolor
STARRING LANA TURNER
as Lady de Winter
GENE KELLY
as D'Artagnan
JUNE ALLYSON
as Constance
VAN HEFLIN
as Athos
ANGELA LANSBURY
as Queen Anne
FRANK KEARN • JOHN WYNN • VICTORY PRICE • GIG SUTTON • YOUNG

2 Alternates Move to Farm Winners List

KLAMATH FALLS, Feb. 25 (AP)—The bureau of reclamation dispatched good news telegrams to 86 World War II veterans today. The telegrams advised them that their names were drawn from among nearly 5,000 applicants to receive an irrigated homestead farm in northern California.

Two of the winners, however, will not be able to claim their homesteads. One man died after making application; another is missing on a January 29 plane flight in California.

The first two alternates—Derral J. Thomas, Oregon State college student from Halfway, Ore., and William L. Akers, Ferris, Calif.—will be moved up into the winners' list.

The homestead drawing was held at Tullake, Calif., Wednesday.

Operations at Airport Tower Start Monday
The control tower at Salem airport will go into operation at 8 a.m. Monday, it was announced Friday by Stanley Dilatush, chief controller here for the civil aeronautics administration.

Dilatush said the operation for the present will be by a colored light system, as radio equipment needed for radio control from the tower has been slow in arriving.

Both airliners and small planes will be subject to the red and green light control which will be explained to flying service operators, students and private fliers at a meeting Monday at 11 a.m. in the United Air Lines waiting room.

A red light signal will mean the signaled plane must circle the field or remain on the ground, while a green light gives the signal authorizing landing or take-off.

Dilatush heads a six-man crew which mans the control tower which is being reactivated here. All members are CAA controllers who with their families have moved to Salem from similar CAA assignments. They are Robert J. Fisher, coming from Helena, Mont.; Charles F. Huggins, Helena; James H. Miller, Yakima; Robert F. Streit, Pendleton; and Walter L. Raglio. The latter is a Salem resident who recently was assigned to the Seattle air traffic control center.

Sheriff Marion L. Elliott suspended deputy Ard M. Pratt last month, charging him with neglect of duty. Pratt—who is nephew of Elliott's opponent in the November election—retorted that the dismissal was for political motives.

A series of witnesses testified before the civil service commission today about a party which Sheriff Elliott raided last month. It was an affair sponsored by the Footprinters club, an organization of policemen and business men.

One witness—the sheriff's brother-in-law, Bernard Naeger—declared he saw Ard Pratt playing a slot machine at the party. The sheriff had charged Pratt with not carrying out the anti-slot machine drive properly.

—Hurry! Ends Tonight!—
"THE BEST YEARS OF OUR LIVES"
•WARNERS•
ELSINORE
PHONE 3-5798 • SHOWPLACE OF WILLAMETTE VALLEY

• New Tomorrow! •

FRANK SINATRA KATHRYN GRAYSON
The **KISSING BANDIT**
J. CAROL NAISH • MILDRED HATWICK
MIKHAIL BASUMNY • BILLY GILBERT
SONO OSATO
with dance specialties by RICARDO MONTALBAN • ANN MILLER • CYD CHARISSE

8 GREAT SONGS!
including
"If I Stood A Minute"
"What's Wrong With Me"
"Sonatina"
"Siesta"
"Love Is Where You Find It"
"Tomorrow Means Romance"
*Available on 8-4-8 Records

Laugh-Loaded Co-Hit! "JIGGS AND MAGGIE IN SOCIETY"

DISASTER
A Paramount Picture with RICHARD DEXTER and TRUDY MARSHALL
Also—Latest Warner News

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Albany School Bids in Excess Of Estimates

ALBANY, Feb. 25 (Special)—The Albany school board failed to reach agreement with contractors on bids for new school construction in a four-hour session Friday night. They will meet again Wednesday night.

Eleven bids were opened this week for construction of three new grade schools, but the school board termed all the bids in excess of available funds.

It is expected that some cutting of specifications will be necessary before the project cost will come within the \$650,000 estimate.

The district recently voted to sell a \$650,000 bond issue and already has \$140,000 in a building fund, but other building expenditures will be required. The new structures planned are Sunrise, Waverly and Liberty grade schools.

Low bid was submitted by H. G. Carl of Salem, who quoted \$660,484 for all three buildings. He was low also on all separate bids except that for Sunrise school, on which Earl Hall of Lebanon was lowest.

Local bidders were Pacific Construction company, Vancouver; Donald M. Drake company, Bebe and Wechner, Bickford Construction company, Perrie L. Dolph, Peter Stuart, Ken Ward Construction company and Charles J. Johnson, all of Portland, and Knight Construction of Albany.

Board Hears Testimony in Ard Pratt Case

PORTLAND, Feb. 25 (AP)—The Multnomah county civil service commission took up the question today of whether the chief deputy of the sheriff's uniform division was dismissed because of politics or neglect of duty.

Sheriff Marion L. Elliott suspended deputy Ard M. Pratt last month, charging him with neglect of duty. Pratt—who is nephew of Elliott's opponent in the November election—retorted that the dismissal was for political motives.

A series of witnesses testified before the civil service commission today about a party which Sheriff Elliott raided last month. It was an affair sponsored by the Footprinters club, an organization of policemen and business men.

One witness—the sheriff's brother-in-law, Bernard Naeger—declared he saw Ard Pratt playing a slot machine at the party. The sheriff had charged Pratt with not carrying out the anti-slot machine drive properly.

Jefferson — Friends here have learned of the illness of Mrs. C. C. Miller of Albany. She is a sister-in-law of Mrs. Paul McKee. She will be bedfast for some time.

Salem's Top Show Value! CAPITOL
ENDS TONIGHT!
"Miss Tatlock's Millions"
"Night Has 1,000 Eyes"

NEW TOMORROW!
Another Mighty Double Hit Show Sensation!

LANA IS LIKE A DAGGER IN THE NIGHT!

THE THREE MUSKETEERS
color by Technicolor
STARRING LANA TURNER
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