

Capital Journal

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"Without or with offense to friends or foes
I sketch your world exactly as it goes."—BYRON.

Surtaxes and the Exempts

Publication of income tax reports shows that many of our wealthiest people pay little or nothing to the government. That is because, in a majority of instances, the income is derived from investments in tax-exempt securities, such as those issued by states, districts and cities, which cannot be taxed without constitutional amendment. There are from twelve to fifteen billions of such securities issued, mostly in the hands of wealthy people.

These securities bear lower interest than industrial or other investments, but many times the loss in interest is saved in income taxation, which through surtaxes, take as high as half the income. As a consequence, capital that should be invested in industry and development is withdrawn for exempt securities.

In this way the high surtax defeats its purpose, for the government is by it, losing the revenue it would otherwise have which would reduce taxation. The direct effect of pinching the rich has been to scatter and conceal wealth, with the result that there are fewer big taxpayers, each year, despite the increase in wealth.

The Treasury's policy is to diminish the surtax to such an extent that it will not make deductions for taxes more than two percent, so that a six percent investment, when the tax is paid, will be equivalent to a four percent tax-exempt investment instead of less than three percent as at present. This would assist business development by attracting capital from the exempt securities.

These publications of the income tax payments are convincing argument that a state income tax will not reach the tax-dodgers but increase them, for the income tax does not hit the idle rich, who escape via the exempts, but industry and development, which already, bearing most of the property and personal tax, are doubly penalized, not only in taxation, but in obtaining necessary capital.

Bryan No Kluxer

No sooner was William Jennings Bryan dead than Ku Klux Klan services for the purposes of memorializing him were held throughout the east advertising what was claimed to be his association with the organization. On the day of the funeral, fiery crosses were burned in many sections as a tribute to his memory as "a great Klansman," a monster floral tribute received for the interment at Washington and a little later a wreath was laid on his grave at Arlington during the big Klan demonstration.

As a result of these Klan claims and of inquiries by followers, flat denials have been issued by the son and widow of the Commoner that the late William Jennings Bryan was a member of the Ku Klux Klan at the time of his death or at any other time, or in any way associated with the order.

It is a mean advantage to take of the helpless dead, to slander them for advertising purposes, but in keeping with Klan propaganda to impress the boobs. Mr. Bryan was not the only victim, for when President Harding died, Klan lecturers made the public statement that a Klan initiation had lately taken place in the White House itself, adding "you know what that means." Flat denial was made at the time that any such ceremony had taken place or that Mr. Harding was a member of the order.

The Husband Tamer

By Violet Dare

A FLATTERING WELCOME
Patricia and Isabel left the club in Isabel's roadster half an hour later. Isabel exerted herself to be especially charming, but rather over-did it. She murmured lavish praises of Carol. "Such a dear, motherly thing, she's become, hasn't she? Really, she's so sweet about the baby—just can't talk about anything else! And so devoted to Keith. I tell him that he's the luckiest man in the world, having such a sweet, motherly little wife. She's a perfect home body, isn't she?"

"She hasn't always been," replied Patricia. "Carol was the most popular debutante of the season the year she came out; she never stayed home till she married Keith. She's greatly changed. She used to be so beautiful, so vivacious and alert—"

"Ah, well, she's a perfect wife for Keith," Isabel exclaimed. "I think she's perfectly wonderful. She makes a perfect home for him—I'm so grateful to her for letting me come there so often. I'm such a lonely thing, no home, no people of my own—just nothing. I mean a great deal to me to be so welcomed at Carol's. I often tell Keith that I simply don't know what I'd do without him and Carol."

She lifted her large blue eyes at Patricia's, and Patricia smiled, a smile that was meaningless, empty. Patricia was wondering if Isabel talked that way to Keith, and told herself that probably she did. Keith would like that. Probably she told Keith that he was a wonderful, big, strong man, just like a dear older brother to her.

"Her technique's crude, but she could get away with murder with those eyes," Patricia told herself. "A blonde can do anything. Oh, I could throttle Keith! He's taken all the life and sparkle out of Carol and made her a middle-aged house wife, and then he amuses himself with this woman! Getting up at six o'clock to play golf with her!"

As soon as they reached town she took leave of Isabel, and made her way to a public telephone. Gregory Hewitt's secretary informed her over the telephone that he was out but would probably be in

his office for a short time in about half an hour. "He's very busy, though," the girl added, "and he has a number of appointments; I doubt whether he can see you. If you'll give me your message—"

"It's a personal matter; I'll have to see him myself," Patricia told her. "I'll come in."

It was harder to do than she had expected. She had something to say to her husband's office, but that had been different—she had been expected, had been welcome. Would Hewitt want her coming to his office? Wouldn't he feel that she was trespassing on the slender rights of their first acquaintance by interrupting him when he was busy? He had urged her to call him up and have luncheon with him, to be sure, but she had seen enough of men to put slight stock in such invitations.

And what would he say when she told him that she had told Keith of his plans? She turned cold at the thought. Perhaps she'd made him a lot of trouble, lost him a lot of money?

The suite of offices was in one of Chicago's newest and most pretentious skyscrapers. A magnificent building facing Lake Michigan, she entered the reception room, gave her name to the girl at the switchboard, and sat down, too nervous to look about her. There were several men waiting, men who looked as if they were not accustomed to waiting for anyone. The girl at the switchboard was quiet, poised, well-groomed—a superior sort of person, who looked Patricia over appreciatively as she took her name.

"Is Mr. Hewitt expecting you, Mrs. Cleve?" she asked.

"He—yes, he is," Patricia stammered; what was a fib when she simply had to see him?

A man came from an inner room and informed one of those who were waiting that Mr. Hewitt would not be able to see her, but would be talking to San Francisco a little later and would take the matter up then. Another disappeared into an adjoining office. The elevator discharged two newcomers, just as Hewitt came out and hurried to Patricia.

GRESHAM FILES ON WATER RIGHT

The city of Gresham has applied to the state engineering department for authority to appropriate water from Helmsy spring and seep age from gulch tributary to the Willamette river for a municipal water supply at an estimated cost of \$15,000. Gresham is in Multnomah county. This is one of 41 applications for water rights that have been filed with the department since August 15. Among other applications are:

B. F. Felger of Dallas, water from two unnamed streams for the irrigation of 10 acres and domestic purposes in Lincoln county.

F. A. Garde of Aumsville, water from South Beaver creek for irrigation of 33 acres in Marion county.

Charles Grover of Sheridan, water from Meadow creek for irrigation of 2 acres, domestic use and for fish pond in Polk county.

School District No. 74 of Melama, water from an unnamed spring for domestic supply for school, in Marion county.

Charles Grover of Sheridan, water from Meadow creek for irrigation of 2 acres, domestic use and for fish pond in Polk county.

THREE FROM CREW OF DUPONT YACHT DROWN

Have De Grace, Mr., Sept. 10.—(A. P.)—Three members of the crew of T. Coleman Dupont's yacht, lying in the Susquehanna river off this place, were drowned early today by the capsizing of a small boat.

A fourth member of the party was rescued by Jess Poplar, an aged riverman.

Cosmopolitan Chain Stores Open Branch Here Next Saturday

The local branch of the Cosmopolitan chain stores, established in Salem on North Liberty street in the location of the old Liberty theater, will hold its grand opening on Saturday, September 12, according to announcement made yesterday by Harold Grady, general manager of the company.

Stock for the new store has been shipped in for a period of several weeks, counters now being filled with the numerous kinds of merchandise which the store carries. The stock includes wares from Japan, brooms from the Oregon Institute for the blind at Portland, toys from Germany, linare from New York, prunes put up at Salem and any number of other articles gathered from nearly every corner of the earth. The Cosmopolitan company uses water transportation almost entirely, goods coming as far as Portland by ocean steamer and from Portland to Salem by the river boat line.

"What we intend to do," says Mr. Grady, "is to make our opening Saturday the biggest store opening that Salem has ever seen." Special sale articles have been prepared in nearly every department, he states, as an attraction for the crowd.

The grocery department has been completely stocked except for such perishable goods as bread, cheese, etc., which will be placed in stock before Saturday's opening. Windows were trimmed last night.

A feature of the store will be a series of black panels running along the walls. The panels are used for the display of goods, articles being pinned to the panels in original designs.

A special Cosmopolitan brand of prunes has been put up by a local concern. A special Cosmopolitan brand of coffee will also be sold. The company plans eventually to have Cosmopolitan canned beans, corn and other products, according to Grady.

The store sells its products at prices ranging up as high as one dollar each.

The grocery department is in the rear of the store and is operated on a cafeteria basis. There will be clerks employed to sell the goods in every other department.

BOY CHOOSES HOP FIELD TO SCHOOL

Dallas, Or., Sept. 10.—Returning to Portland and school after spending the summer on a Polk county ranch proved too much of a test for Richard Myers, 13-year-old son of Mrs. Mary Myers of Portland. Richard started last week-end on his bicycle from the William Cooks place in McMinnons valley, where he had spent the summer.

Mrs. Myers became uneasy Sunday and got in touch with Sheriff Holker. Richard was located later at the Smith brothers hop yard near Falls City. He had met some neighbors enroute to the hop fields after he started home and the pull was too strong to resist. The boy remained in Dallas until Wednesday when his brother Frank came after him.

UNIVERSITY EXPECTS RECORD ENROLLMENT

University of Oregon, Eugene, Sept. 10.—(Special)—One thousand and ninety-six new students have applied for admission to the University of Oregon for the fall term, a total of 144 in excess of the number who applied for the fall term a year ago, and exceeding the 1923 record by 344, according to Carlton E. Spencer, registrar. The number of applications and acceptances indicate that total university enrollment for 1925-26 will be above 3000, creating a new registration record.

As applications of new students will be accepted until registration

Simple Mixture Best For Constipation

Simple buckthorn bark, magnesium sulph. c. c., glycerine, etc., as mixed in Adierka, is excellent for constipation. It often works in one hour or less and never grips. The pleasant and QUICK action of this efficient intestinal evacuant will surprise you. Adierka helps in any case gas on the stomach unless due to deep seated cause. Often removes matter you never thought was in your system. J. C. Perry, druggist, 115 S. Commercial street—Adv.

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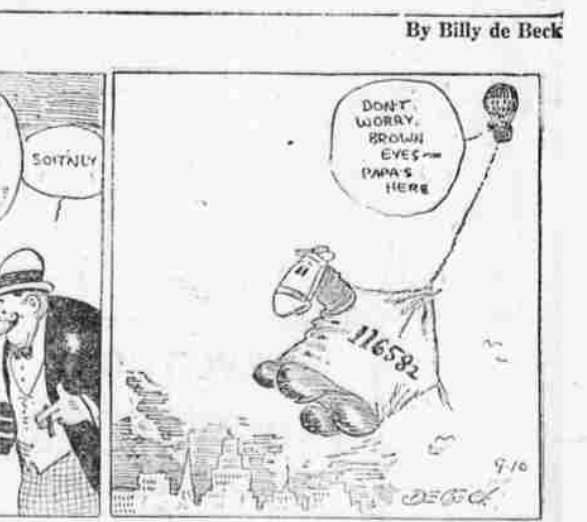
By Chick Young



BRINGING UP FATHER



BARNEY GOOGLE



MUTT AND JEFF

