

MANY LEGISLATORS LIKE IT

Dooley's Tax Plan Would Net \$5 Million Over Ceiling

By JAMES D. OLSON
Capital Journal Writer
Speaker of the House Pat Dooley estimates that his proposed tax plan will bring in close to 270 million dollars, which is 5 million more than the budget ceiling of 265 million set by Democratic leaders.

The Speaker's plan, which has had general acceptance by many of the legislators, proposes an increase in rates for taxpayers earning between \$4,000 and \$10,000. Present graduated income tax rates start at 2 per cent of the taxable income up to \$500 and go up to 8 per cent for a taxable income in excess of \$8,000.

When the 45 per cent surtax was added by the 1955 Legislature, the rates rose from about 3 per cent to 11 per cent.

5 Per Cent on 1st \$1,000
Under Speaker Dooley's plan, the first \$1,000 of taxable income would carry a levy of 5 per cent. There would be a 6 per cent rate for the next \$1,000, 8 per cent for the next \$2,000 and 10 per cent for taxable income in excess of \$4,000.

Personal exemption and dependency credits under Dooley's plan would be increased from \$500 to \$600, just as it was before the changes made in the tax rates by the 1955 Legislature.

A blanket 10 per cent or \$1,000, whichever is lesser, is allowed the taxpayer to cover all exemptions. Thus, persons with extremely low income will either pay nothing or pay just what they are paying under existing rates.

The persons with incomes ranging from \$4,000 to \$10,000, however, would pay more than they do now, while those above \$10,000 would pay slightly less.

This is based on combined state and federal taxes, Dooley says. That generally families with from \$4,000 to \$10,000 income would pay more to the state and less to the federal government. Families with more than \$10,000 income would pay less to the state and more to the federal government.

Dooley's theory is that the tax increases must be made in the categories where the largest number of taxpayers are situated. The 1955 state income records show that of the total 442,693 returns made, 418,239 were made by those families earning \$10,000 or less.

Calls for Offset Elimination
In the corporate income tax field, Dooley's plan calls for the elimination of the offset now allowed for personal taxes paid up to 50 per cent on corporate tax payments.

Dooley's plan will likely be amended somewhat, particularly if the Ways and Means Committee calls for expenditures much in excess of 265 million dollars. It will be a number of weeks before the Ways and Means Committee's final work is completed.

FOR COUPLE, 2 CHILDREN

Tax Rate Comparison

Table with columns: Present Income Taxes, Proposed Income Taxes, Total Tax. Rows show income brackets from 1,000 to 100,000.

The above tax tables compare the federal and state income tax, including the surtax, now paid, compared to the rates which would be in effect if the proposal of State House Speaker Pat Dooley is approved.

1—Tax computed on total income less the following: Personal exemption and dependency credit, 10 percent of total income or \$1,000 whichever is lesser and accrued Federal income taxes.

2—Tax computed on total income less the following: Personal exemption and dependency credit, 10 percent of total income or \$1,000 whichever is lesser and accrued state income taxes.

3—Tax computed on total income less the following: Personal exemption and dependency credit, 10 percent of total income or \$1,000 whichever is lesser and accrued state income taxes.

4—Tax computed on total income less the following: Personal exemption and dependency credit, 10 percent of total income or \$1,000 whichever is lesser and accrued state income taxes.

5—Tax computed on total income less the following: Personal exemption and dependency credit, 10 percent of total income or \$1,000 whichever is lesser and accrued state income taxes.

Portland Vice Charge Pleas Due April 12

PORTLAND (AP)—A number of persons under indictment by Multnomah County's vice-prosecutor grand jury are scheduled to enter pleas April 12.

They include Terry Schunk, Portland mayor charged with accepting a bribe and with perjury; Joseph P. McLaughlin and Thomas E. Maloney, both of Seattle; and several Portland pinball industry men.

McLaughlin and Maloney are accused, among other things, of conspiring with Clyde C. Crosby, top Teamster official in Oregon, to profit from selection of a site for Portland's proposed eight-million-dollar sports center.

Crosby, formerly a member of the site-selecting committee, also is under indictment on the matter.

Also arraigned and scheduled to enter their pleas next Friday are Stan Terry, Lou Dunis and Alvin Brown, all of whom once were in the pinball business here.

They are accused of law violation in connection with their business dealings. Meanwhile, the grand jury, which is winding up its business, asked Dep. Dist. Atty. Oscar D. Howlett to appear.

But Howlett could not be located. Dist. Atty. William Langley, who is under indictment on charges of neglecting his duty and permitting gambling, said he did not know where Howlett was.

Langley's trial is scheduled to open Monday.

Foreign Aid Questions Lie Like Boulders on Many Capital Desks

Editor's Note—Bitter congressional hearings are brewing over President Eisenhower's request for \$4,400,000,000 for foreign aid. This is the first of five articles of U.S. foreign aid programs as a background for the coming debate.

By RELMAN MORIN
WASHINGTON (AP)—Take a \$20 bill, three singles, a nickel and two pennies.

This is what the United States foreign aid programs cost you last year. It is the "per capita" figure. In effect, it means that helping other nations took from every American—man, woman and child—\$23.07.

Did you get your money's worth? Did the dollars hit the targets overseas? Merely nick the edges? Or miss completely?

Will the same portion of your taxes be taken this year and sent abroad? How long does this have to go on? Indefinitely? Or can Congress cut back now, and eventually stop the programs entirely?

They lie like boulders on many desks in Washington today. Thousands of people have written their representatives. Some were angry, some merely puzzled. Their communications have come from all parts of the country, blurring the old boundaries between "isolation-

ist" and "internationalist" sections. Many of these say, "Cut back!" Some say, "Stop the whole thing."

Meanwhile, teams of analysts, specialists, business heads and military men have put the intricate problems under microscopes. Most of them say, "Don't cut back now." Some recommend, "Stop up the nose."

President Eisenhower's own view: "I believe it is one of the cheapest ways we have of insuring the position in the world we want to maintain."

He has asked for \$4,400,000,000 for foreign aid programs for the coming fiscal year. Congress isn't ready to vote on that yet. Right now, it is taking testimony from key witnesses. Soon the sparks will be flying from a red-hot story.

At this moment, the mood of Congress appears to be for a cut in the \$4,400,000,000. Perhaps to the bone. Some legislators talk of a one-billion-dollar cut. Others would go even deeper.

Some argue that the program hasn't attained its goals. Others say the present approach is outdated. Still others believe it's a good thing as it stands. In short, there are very mixed feelings about it today on Capitol Hill.

Here are some reflections—"Insofar as winning friends or

battling the Russians, our foreign aid program has been an abysmal failure," says Sen. Ellender (D-La.). He traveled in 23 countries last year and submitted a 525-page report to the Senate.

"It's a good program," says Sen. Cooper (R-Ky.), former ambassador to India. "Nations in the Middle East and Asia that have recently become independent, and are trying to establish a stable economy, have great needs. We can't determine where they're going to land. But if we're trying to establish the right kind of feeling, we must help them."

A lot of technical assistance has been baloney," says Congressman Taber (R-N.Y.), veteran member of the House Appropriations Committee. He said he believed the administration of the International Cooperation Administration has improved, but added, "There are still many people in it with nothing but political qualifications for their jobs."

Tomorrow: Atlas After 10 Years

Dean Takes Command
TAIPEI, Formosa (AP)—Brig. Gen. Fred M. Dean assumed command today of the U. S. air task force in Formosa. He took over from Brig. Gen. Benjamin O. Davis Jr., who is returning to Washington. Dean has been commander of the Flying Training Air Force at Waco, Tex.

Lloyd Asserts Right to Differ

LONDON (AP)—Foreign Secretary Selwyn Lloyd said last night Britain claims the right to differ on occasion from "its closest friends and allies" and proposed to "retain a spirit of robust independence."

"We do not wish to be the satellite of any country," Lloyd told a British-American audience at a dinner given by the Pilgrim Society to welcome U. S. Ambassador John Hay Whitney.

He emphasized what he called the differences that still persist between Britain and America although an open breach over Britain's invasion of Egypt has been patched up.

Agreeing with Whitney that the recent Bermuda conference had restored the traditional alliance, Lloyd declared: "We must never again take friendship for granted. It is a living growth which needs constant care and attention."

Whitney told the society the British-U. S. alliance had been reformed as a "titanic force" for world peace.

N.Y. Man Dies in Double Hit-Run

NEW YORK (AP)—An unidentified man was killed Thursday night when struck almost simultaneously by two hit-and-run drivers on a Manhattan street.

A witness told police the driver of the first car didn't even slow down. The driver of the second car stopped sharply, got out, looked at the body, shouted to onlookers "It wasn't my fault," and drove on.

MacArthur Statue
SEOUL (AP)—The South Korean government will erect a bronze statue of Gen. Douglas MacArthur to commemorate his role in the Korean War, a Home Ministry source said today.

Favorite figureheads on American sailing ships included Abraham Lincoln, Benjamin Franklin and, of all people, Davy Crockett who probably never saw a larger body of water than a river he could swim.



Catholics Hit By NAE Aide

BUFFALO, N.Y. (AP)—An official of the National Assn. of Evangelicals says the Roman Catholic hierarchy in the United States is "a threat to our American way of life."

Clyde W. Taylor of Washington, D.C., secretary of public affairs for the NAE, said last night that Catholic leaders "are persistently and constantly driving toward the establishment of a Roman Catholic nation with a church-state union."

He gave the principal address on the last day of NAE's 15th annual convention. Dr. Paul P. Petticoat of Portland, Ore., was re-elected president.

Taylor said: "In general, Evangelicals have been alerted to use every loophole to advance the cause of their church."

He said the "loopholes" were used to "secure (federal) funds to put up hospitals, to buy land through the Federal Housing Administration, to get a 26-million-dollar gift through special legislation for their (Catholic) work in the Philippines, and to raid federal, state and local treasuries."

The association represents 40 theologically conservative Protestant denominations with about two million members.

At a business session Thursday the NAE passed a resolution that sharply criticized federal aid to education as tending "toward socialism, the first step toward totalitarianism."

WRONG SPOT FOR CYCLE
PORTLAND (AP)—John O'Day, 27, of Portland, picked the wrong place to try out a motorcycle. He lost control of the vehicle while trying it out on the roof parking lot of a supermarket. The bike struck a retaining wall and catapulted O'Day into the street below. He is in serious condition.

Advertisement for Hogg Bros furniture featuring a 24-hour ensemble sale. Includes images of a sofa, chair, and table. Text: \$80 worth of extra furniture at no extra cost. 24-Hour Ensemble. 4-BONUS SALE. All 9 Pieces at the Usual Cost of a Sofa Bed Alone.

ONLY 219.95 COMPLETE COORDINATED GROUP

Advertisement for Appliance Special: Westinghouse Wash 'N' Dry Laundromat. Price \$419.95. Reg. Price \$529.95. Save \$110.00.

Advertisement for Hogg Bros: Willamette Valley's Leading Appliance & Home Furnishers. Locations: Salem and Oregon City. Phone EM 3-9148.

Advertisement for All Wool Tweed: Fortified with Nylon for fabulous long wear. Regular Price \$9.95 Sq. Yd. Now Only 7.95 Sq. Yd. A large 12 ft. x 15 ft. rug with pad ONLY \$179.00.

Advertisement for All Wool Nordic Texture: Here is vibrant color and all wool texture, meant for today's informal pace. Regular Price \$12.95 Sq. Yd. Now Only 8.95 Sq. Yd. A 9 ft. x 12 ft. rug and pad ONLY \$119.80.

Advertisement for All Wool Nordic Texture: Extra heavy all wool pile has a deep plush look. Regular Price \$12.95 Sq. Yd. Now Only 10.95 Sq. Yd. A large 12 ft. x 15 ft. size rug and pad ONLY \$239.00.

Advertisement for Appliance Special: Westinghouse Laundry Twins. Save \$60.00. Laundromat Was 299.95 Now Only \$269.95. Dryer Was 229.95 Now Only \$199.95. Come in today and save while prices are low! TRADE-INS ACCEPTED.