

## CONTENDS SUPPLY WILL MAKE PRICE

Hyman H. Cohen Stresses Point In Comparing Production for 1929-30.

The Press desires to publish for information of wheat growers every angle pertaining to marketing of wheat under present conditions and what may be the ultimate result in marketing under the new cooperative plan. The following article, explanatory of the basis of supply and demand as the regulative factor of the selling market of wheat, is from the pen of Hyman H. Cohen, market editor of the Portland Journal:

If the United States will produce but 600,000,000 bushels of wheat there appears little doubt that the price can be sent upward to reasonable limits. If the United States produces as much wheat as it did in 1929—the totals being around 800,000,000 bushels—then the producer must accept what the world is willing to pay for supplies. A crop of close to 600,000,000 bushels can be consumed at home, therefore any surplus above that will be affected by foreign conditions. In turn, this would to a degree affect the domestic price. If the United States government is willing to accept a loss on these odd 200,000,000 bushels or so, then the producer can secure a higher price than the world's basis. There is no magic in these figures. Some-

one must pay the difference between what the world is willing to give for wheat and whatever higher price the United States farm bureau quotes. At the present time the price of wheat in the United States is above what the world generally will pay for wheat. This has resulted in an unusually small export movement.

If the supply of wheat is curtailed in the United States through any agreement the farm board may make with producers, this is not likely to solve the price problem unless this production is just sufficient to take care of the home demand. If the United States farm board is successful in curtailing the domestic planting of wheat, it does not mean that the world is going to be without its accustomed supply of cereals. Usually if one country curtails its acreage, another increases its quota. The result is that, barring accidents to the crop by reason of adverse planting conditions or the weather, the world as a whole will continue its liberal output.

The United States has the experience of other countries in their attempt to manufacture prices on commodities. Supply and demand eventually make prices, but in the meantime if a country has a long enough purse it can affect values. For instance, it took many years for the Brazilian government to understand that it could not overturn supply and demand except at enormous expense. Brazil nearly bankrupted itself in its effort to continue an artificially high price for coffee in the face of liberal production. A few years ago England discovered its error in trying to establish an artificially high price on rubber. Everyone knows what happened to the British rubber trust and what eventually happened to the price.

## FAIR AND SIMPLE SAYS COMMISSION

Intangibles Tax Said To Be Not Complicated As the Name Implies.

Salem.—The intangibles tax is not the complicated affair that its name might imply, according to a statement issued here by the state tax commission in an effort to explain the new tax law and its operations. It is simply a tax of 5 per cent on gross interest and dividends in excess of \$200 received by resident individuals and estates and does not apply to any other income such as profits from business, sale of securities, rentals or salaries.

"The first taxable year is 1929," the statement pointed out. "Only interest earned since December 31, 1928, and received in 1929, is required to be included in the 1929 returns. Interest on bond coupons is considered as received when due and payable. Dividends declared after December 31, 1928, are taxable in the year paid. "Interest on Liberty bonds and all other obligations of the federal government are exempt from the tax. Interest on state, county and municipal bonds and on all notes, secured or unsecured, is taxable under the law. "Proceeds of life insurance policies, payable on death of the insured, are not taxable. Dividends on insurance policies, payable during the life of the insured, will not be treated as taxable until the insured has been fully reimbursed for all premiums paid. "Income from building and loan and savings and loan investments are considered taxable when the contracts mature. The amount received in excess of the amount paid in represents interest, and only such interest accrued in 1929 should be reported on the 1929 return. "The intangibles tax is imposed upon individuals without respect to marital status. Joint returns are not permitted, but if savings accounts or securities are jointly owned by husband and wife, separate returns may be filed and each may claim the full exemption of \$200. No return is required if the individual interest and dividends does not exceed \$200. "The payment of the intangibles tax relieves the taxpayer from any liability for property taxes on the money and credits from which the interest and dividends are received. Under the former law, money, municipal bonds and other securities were taxable at the general property rates. Little property of this kind was actually found by the assessor but when it was assessed the tax absorbed all or a large portion of the income. The new law takes only one-twentieth of the income in excess of the exemption. This is equivalent to a rate of 3 mills on a 6 per cent security. "The intangibles tax is not an additional tax. It provides no more spending power for the spending agency. Under special provision of the act every dollar collected from intangibles must be used to reduce the state levy on property. Some criticism is being waged against the new law on the ground that it takes the bread and butter from some retired people who depend on interest and dividends for their sole support. That is regrettable, of course, but the criticism is largely exaggerated. Under the present intangibles tax law an old couple may own jointly 5 per cent securities up to \$8000 without paying any tax whatever. If the couple have \$12,000 invested in such securities, the total tax thereon would be only \$10. "It must be remembered that no consideration has ever been given to the old people who happen to have their life savings invested in real estate. Surely an aged couple can pay a \$10 tax on a security of \$12,000 with as little discomfort as they could pay \$200 on a similar investment in real property. Furthermore, the property tax permits of no deductions for indebtedness. "It was the purpose of the legislature in passing the intangibles act to substitute a practical, low-rate tax on money and credits for the obsolete general property rates and provide corresponding relief for property taxation."

## Athena Splits 50-50 in Pilot Rock Doubleheader, Games Lost To Adams

The Athena boys won their game handily from Pilot Rock high school on the local court Friday evening, 36-10, but Athena girls lost by one point 23-22. Coincidentally the local girl team lost to the Pilot Rock girls three weeks ago at that place by the same score.

The Athena girls led through the game until the very end. With two minutes to go and the score, Athena 22, the Rock 21, one of the visiting forwards looped in a basket from a difficult angle, that decided the contest. Three of the Athena girl players played under a handicap as the result of illness.

Athena 22 23 Pilot Rock  
Myrick 5.....F.....13 Smith  
Campbell 11.....F.....10 Humphrey  
Miller 6.....C..... Wallace  
Douglas.....C..... Douglas  
M. Montgomery.....G..... Whitacker  
L. Montgomery.....G..... Folsom  
Tompkins.....S..... Oliver  
Barrett.....S

Boys Game  
"Pike" Miller's Athena high quintet again proved to be masters of the Pilot Rock lads in all departments of the game, taking the second contest of the season by the one-sided score of 36 to 10 in easy fashion.

The coach left his first string in for the greater part of the contest, giving them the benefit of playing to harden them for the coming district tournament.

Athena 36 10 Pilot Rock  
Myrick 16.....F.....5 Hempbell  
Jenkins 10.....F.....2 Massey  
Rogers 3.....C.....1 Bracher  
Huffman 1.....G.....1 Mitchell  
Crowley 4.....G..... Shopshir  
Hansell 2.....S..... Boyd  
Reeder.....S.....1 Byrd  
Wilson.....S

Athena second stringers went to Umapine Saturday night, where the boys won 17 to 6, and the girls lost 24 to 15. Athena rooters made a hit with Umapine by their impartial cheering of the players. Umapine will play here February 22.

Adams Takes Doubleheader  
In a doubleheader tilt with Adams high school at Adams Tuesday evening, Athena high lost both games by close scores. The girls' game went to Adams, 12 to 10, and the Athena boys dropped theirs 16-18.

Both games were well played and developed into thrilling contests, with exceptional good refereeing on the part of Eddie Buck. Athena seemed to be handicapped to some extent in both games by the players being not used to a slippery court. At times the girls' game showed roughness in spots, while the contest between the boys went over fast in clean-breaking team work throughout both halves. The lineups:

Girls Game  
Campbell 3.....F.....4 A. Kirby  
Myrick 7.....F.....8 Thomas  
Miller.....C.....J. Kirby.....  
Douglas.....C.....La Fave  
L. Montgomery.....G..... Kimbler  
M. Montgomery.....G..... E. Kirby  
Hiteman.....S..... Allen  
Tompkins.....S..... Du Puis  
Barrett.....S

Boys Game  
Myrick 7.....F.....5 J. Hodgen  
Jenkins 5.....F.....3 B. Hodgen  
Rogers.....C..... Forrest  
Hansell 2.....G.....5 LaCourse  
Huffman.....G..... Murry  
Crowley 2.....S.....2 Hall

## Athena Takes Second Game From Weston

Athena town basketball team added another victory to their list by defeating Weston 24 to 19, on the Weston floor, Monday night.

Athena scored first by dropping in a field goal, but Weston evened the count and then tried a flock of free throws which was good for one point. The first half was featured by long shots, with but few counters. The score at half time was Weston 16, Athena 9.

In the second half the locals changed to a short passing offense which was effective in getting the ball down the floor and in the basket. After Athena gained the lead there was no doubt as the outcome of the game.

## CLASSIFIED

\$165.00 cabinet phonograph—yours for only \$18.50 at Pendleton Music House.

Pendleton Music House offers a good used piano, \$15.00 down, \$8.00 per month.

Eggs For Hatching—Eggs for hatching, from the famous Joe Hanson strain of non-setting Rhode Island Reds, from \$1 to \$10 per setting of 16; from \$5 to \$10 per 100 for incubators. Cockerls, \$3 to \$5 each. John Ross, R1 Milton, Oregon. Phone 24P5. Apr. 4.

New Baby Upright Piano only \$295.00. Terms \$2.50 per week. Your old Piano accepted as part payment. —Pendleton Music House.

Victor Orthophonic—has been used as demonstrator—can be bought at large discount—selection of records free.—Pendleton Music House.

Reposessed Player Piano just like new with bench and large selection of Music rolls—Yours for the balance of Contract on easy terms.—Pendleton Music House.

Income from building and loan and savings and loan investments are considered taxable when the contracts mature. The amount received in excess of the amount paid in represents interest, and only such interest accrued in 1929 should be reported on the 1929 return.

The intangibles tax is imposed upon individuals without respect to marital status. Joint returns are not permitted, but if savings accounts or securities are jointly owned by husband and wife, separate returns may be filed and each may claim the full exemption of \$200. No return is required if the individual interest and dividends does not exceed \$200.

The payment of the intangibles tax relieves the taxpayer from any liability for property taxes on the money and credits from which the interest and dividends are received. Under the former law, money, municipal bonds and other securities were taxable at the general property rates. Little property of this kind was actually found by the assessor but when it was assessed the tax absorbed all or a large portion of the income. The new law takes only one-twentieth of the income in excess of the exemption. This is equivalent to a rate of 3 mills on a 6 per cent security.

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It was the purpose of the legislature in passing the intangibles act to substitute a practical, low-rate tax on money and credits for the obsolete general property rates and provide corresponding relief for property taxation.

Got His Grub Stake  
The State Game Commission says there should be no lack of food in the household of G. W. Ramsey of Estacada, for some time at least. Last week he reported at Oregon City with the pelts of twelve cougar which he had killed in the Clackamas River district above Estacada. There he claimed a county bounty of \$120. Then he sent proof of his kills to the state game commission and collected an additional \$300 in bounties. Incidentally his work with gun and dogs saved Oregon approximately 600 deer, for a full grown cougar will kill an average of one deer a week.

Small Interest In Rabbits  
Word comes from Hermiston to the effect that lax interest was manifested by project ranchers this winter in poisoning rabbits, with the result that only in sections were poison operations carried on. One farmer who put out poisoned bait, on the following day counted 180 dead rabbits. It is said rabbits are not as numerous as formerly on Hermiston lands.

# Tractor Gang Plows

Oliver 3 and 4-Bottom, 16 inch—the New No. 416-High Lift, giving plenty of Clearance.

P. & O. 3 and 4-Bottom, 16 inch, with High Lift and plenty of Clearance.

## Either Plow

can be operated by tractor driver from tractor seat  
Made to give Satisfaction.

### Rogers & Goodman

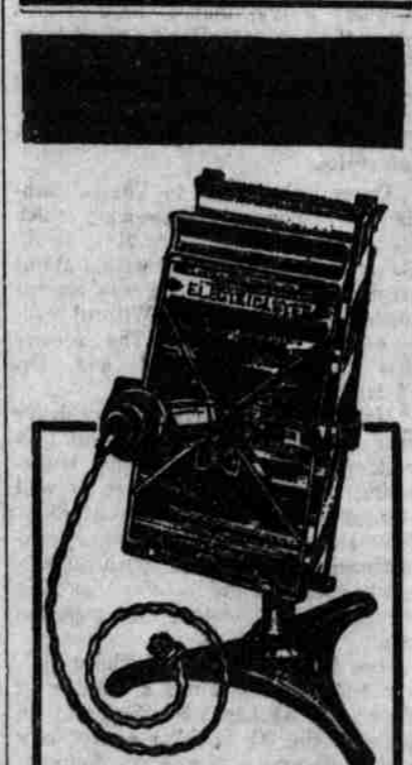
(A Mercantile Trust)

### Horses Shipped to Rogue

That the raising of heavy draft and farm horses in Rogue River valley is on the decline is evidenced by the auction sale of a carload of horses this week at Grants Pass shipped in from eastern Oregon and sold to the farmers and orchardists of Jackson and Josephine counties. The carload consisted of geldings and mares, 5 to 8 years old, weighing 1200 to 1700 pounds, low down block built, some well mated, well broken and gentle, all selling for fair prices.

### Gardner Wins

Tommy Gardner, favorite of local fight fans recently won a six-round bout from Johnny Gardeno, in a special six-round contest at the Hollywood Bowl, in Los Angeles.



## We Can Cast Your Plates

The installation of an Electricaster Stereotyping Machine makes it possible for us to accommodate our merchant advertisers and others in the matter of making printing plates from matrices. It means a valuable addition to our equipment in the matter of serving our patrons.

### Fire Destroys Building

A building in Walla Walla, belonging to Mrs. W. S. Clark and used by E. J. Mowrie as a cabinet making shop, was completely destroyed by fire Saturday night about 12:00. The fire started somewhere in the back of the shop and had spread throughout the one-story building before it was noticed and the alarm could be turned in to the fire station, according to the fire department.

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PHYSICIAN AND SURGEON  
Athena, Oregon

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Dentist  
Post Building, Athena, Phone 582

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## Jensens

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## Script Butter Wraps

## Announcement

THE FIRST NATIONAL BANK OF ATHENA, OREGON, Announces that it has completed the organization of a Trust Department and is qualified to act as Executor, Administrator, guardian, or in any other fiduciary capacity. Just think what 37 years of successful banking experience would mean to the executor or administrator of your estate.

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The Owner Serves. The Buyer Saves.

Courteous service, Quality Groceries, Lower Prices, Owner's service. These are the foundation of Red & White Service.

### SPECIALS FOR SATURDAY AND MONDAY

Serv-U's Coffee 1-lb. Glassine Bags 40c

Cigarettes—Lucky Strikes, Chesterfield, Camels, Old Golds, Carton \$1.25

Serv-U's Hominy 2 1/2s 3 for 47c

Sauer Kraut, Red & White 2 1/2s 3 for 37c

Shrimp, Blue & White 1s Med. 2 for 35c

Shrimp, Red & White, 1s Med. Peas, Extra Standard 3 for 47c

Blue and White Corn 3 for 47c

Toilet Paper—Red and White 3 for 23c

Nalleys Mayonnaise, Pts. 29c

Lux Toilet Soap 2 for 15c

Black Walnut Cake Special 49c

Rolled Oats, 10-lb. sks. 49c

Picnic Hams, per lb. 22c

**ED MONTAGUE**  
PHONE 171

## Goodyear Tires and Tubes

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