

OREGON ASSOCIATION OPPOSES NEW TAX

State's Financial Situation Said to be Better Than Reports Show.

The Executive Committee of the Greater Oregon Association has authorized the following statement for release to the press, in opposition to the Income Tax bill which will appear on the special election ballot June 28th:

The excuse for the proposed income tax bill is that there might be a deficit in state finances a year hence. Governor Patterson recommended this tax because of the prospective deficit; the Legislature adopted it and referred it to the vote of the people for the same reason.

That there is a shortage of current revenue to cover all the 1927-28 appropriations there is no question, but that this amounts to a serious emergency is very questionable. There is a great difference between deficits.

There may be a deficit in estimates; Oregon has had deficits in bookkeeping estimates for years, but the State has always kept on operating. There may be a deficit in revenue, because the legislature appropriated more money than there is in sight, but it does not have to be spent. There is no deficit in funds, because the state has millions on hand. These millions represent collections from the people of the state. This money is out of the hands of individual citizens, and is deposited in banks to the credit of the state treasury. With all this money on hand, there is no excuse for a deficit in funds from which bankruptcy might result.

In 1925 Governor Pierce told the legislature, and the people, that the state was in a bad way financially; the estimated deficit amounting to more than \$1,500,000; he urged that the state enact an income tax, a tobacco tax and a titling bill to avoid bankruptcy. But this was just a estimate. None of the proposed revenue measures passed, and when the 1927 Legislature met, the estimated deficit was only \$431,000! No deficit in funds existed, and none exists now. The financial situation is by no means as serious as it has been represented to be.

There is need for certain tax reforms in Oregon, just as in other states, and the signers of this argument are deeply sensible to the necessity for bringing about these reforms, but preceding these reforms we solemnly make the following declarations, which we believe to be true:

1. That partisan politics have figured very largely in the formation and promotion of the present income tax bill.

We have always condemned the use of tax matters and financial problems for political purposes, and we condemn the present income tax upon that ground.

2. That if the present income tax bill is based solely upon a financial emergency, which it is claimed to be, why should a permanent tax be imposed upon Oregon citizens to cover a temporary emergency?

We believe the adoption of such a policy would be a serious blunder, the effects of which would be far-reaching.

3. That urging the present income tax upon the people because it is alleged it will equalize taxes is in opposition to the facts.

The manufacturing industry and growers of big Oregon products like wheat and fruit find the property tax steadily mounting and the income tax simply piles up an additional heavy burden upon them without furnishing any appreciable relief upon the property tax.

4. That hundreds of thousands of dollars are spent annually by public organizations to bring payroll industries to Oregon and to attract investors to the great resources of Oregon,

and this development should not be handicapped.

The presence of an income tax drives away business, diverts and retards the investment of outside capital, slows up production and gives the state a reputation of instability in solving her own financial problems.

5. That the proposed state income tax has been recommended because it is a "mild" tax, and it is alleged will fall but lightly upon any single taxpayer.

The signers of this argument have every reason to believe upon creditable information that if this tax should pass amendments will quickly be proposed through the initiative.

The rates may be debilitated or trebled, and probably the exemptions will be raised. This move is contemplated not in a spirit of earnestly seeking to solve Oregon's tax problems, but in the selfish interests of those whose ideas inspire them to make a raid upon the industries whose payrolls are supporting the state, under the guise of distributing more evenly the burden of taxes.

6. That economy in public expenditures must be brought about in Oregon.

The small book-keeping deficit now existing, and even the tax for state purposes itself, shrinks into insignificance when compared with the tremendous sum being paid for Federal, state and local government in Oregon. This amounts to nearly \$100,000,000, and instead of seeking new taxes and piling up new burdens, the people of Oregon must realize that the spending limit has been reached.

and that retrenchment in every department of public operation is necessary under present conditions.

7. That there is intense competition among the states of the West, and particularly those of the Pacific Coast, to attract investors to sell and develop their lands and turn their latent resources into the commodity markets of the world.

As long as our immediate neighbors, Washington and California, do not have an income tax, it would be folly for Oregon to impose this handicap upon her selling arguments, and thereby fall further behind than the low place she now occupies in the race for Pacific Coast supremacy.

8. That when the states amended the Federal Constitution to permit the enactment of an income tax, while not specifically stated, it was understood that this field of taxation was ceded to the Federal Government. We believe it to be unwise and against good business judgment for the states to tap the same source of revenue, and duplicate the inquisitorial machinery of the Federal Government with the additional cost of administering the state law.

The reduction of property tax is always promised and much figuring is done to show the taxpayer that his taxes will be reduced, but it never works out that way. The taxpayer finds his property tax bill going higher and higher. The only limit to his taxes is when taxpayers themselves feel the burden so heavily that they vote down additional taxes. But the income tax opens up a

source of "easy money." Property taxes will be kept as high as taxpayers will endure, and the income tax simply means more money to spend. With this easy money in sight there is no limit to what taxes may be voted. The manufacturing industries are so apprehensive over the prospect that many of them are seriously considering removal to other states, or make their expansion in other states. A new kind of tax always means easy money. It means additional money to spend.

State income tax has been submitted to the people of Oregon time after time and defeated. In the interest of Oregon development and Oregon prosperity we therefore urge the people of Oregon to reject the proposed state income tax at the polls, and to

vote NO at the June 28 election. GREATER OREGON ASSOCIATION, By J. O. ELROD, Chairman, H. J. FRANK, Treasurer, R. L. MACLEAY, IRA F. POWERS, JOHN B. YEON, JOHN H. BURGARD, W. S. BABSON, Executive Committee L. B. SMITH, Secretary.

The American Legion Auxiliary will hold a candy sale at the Chautauqua tent on Saturday afternoon. Will all the members please take their candy to Mrs. Ramsey's house sometime Friday afternoon?

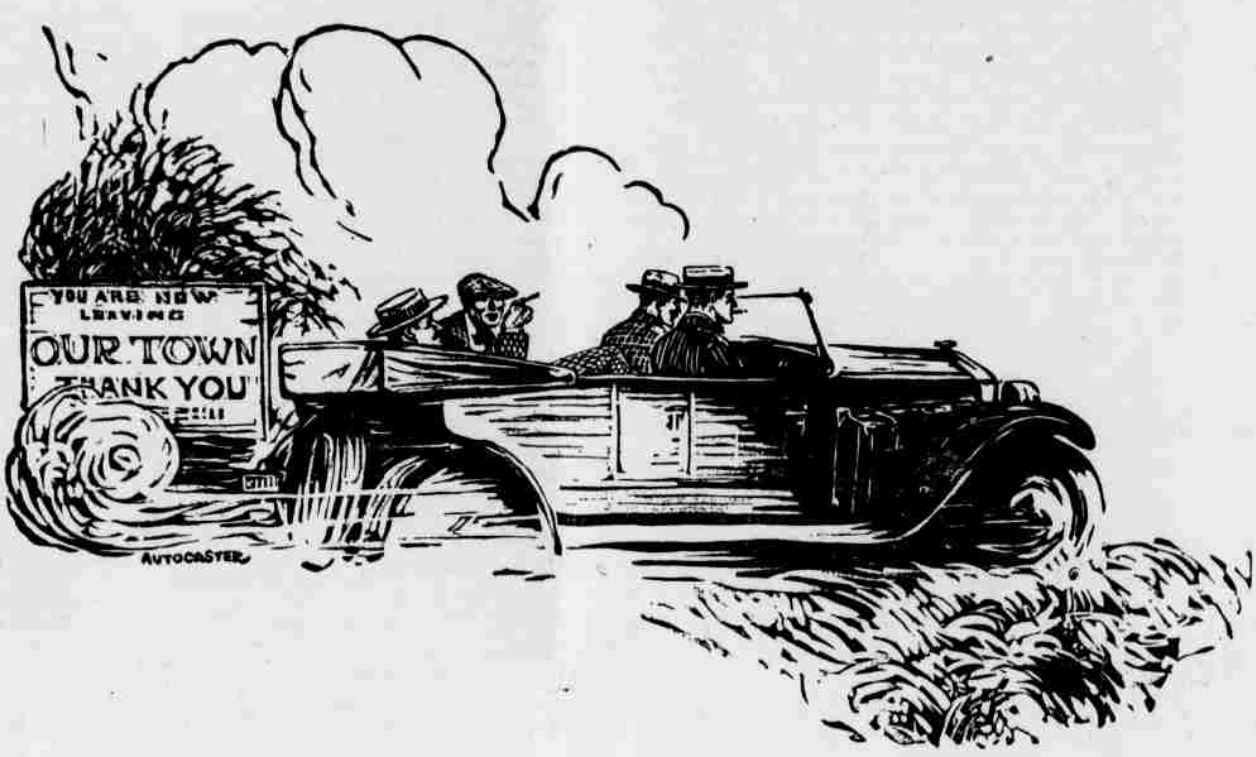
FOR SALE—An offering my residence property, also household goods at a sacrifice for quick sale. See me

at residence until June 20. Dan Rice.

NOTICE OF SALE OF ANIMALS. Notice is hereby given that by virtue of the laws of the State of Oregon, the undersigned have taken up the hereinafter described animals found running at large upon their premises in Morrow County, State of Oregon, and that they will on Saturday, the 25th day of June, 1927, at the hour of 10:00 o'clock in the forenoon of said day at their place 10 miles south of Hardman, Oregon, offer for sale and sell the said animals to the highest bidder for cash in hand, unless the same shall have been redeemed by the owner or owners thereof. Said animals are described as follows: One brown horse, about 4 years old, weight 1300; no visible marks or brands. One dark bay mare, weight 1200; branded 77 with quarter circle under on shoulder; age not known. One bay mare, weight 1150; branded quarter circle 11 on right hip. FLETCHER & WILCOX, Hardman, Oregon.

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In the language of the HOUSE, they call them "crews." The HOUSE is that manufacturer or jobber who, nine times out of ten, is dealing in inferior merchandise—shoddy materials—poorly made—and sold under questionable tactics, misrepresentation—and shady dealings. The crew is usually made up of misfits, glib talkers—long promisers and the criminally inclined who hate honest labor. The idea is to take shoddy merchandise into "hick" communities and by "high pressure" tactics, take the money AWAY.

We have seen them leaving Heppner on more than one occasion, the crew boss and his gang—not one of which very many of us would invite into our homes—and trust them there. Breezing out of town—on to the next "hick" village—we must seem awfully dumb and easy to them—as they divide the swag—a hundred, or two or three hundred dollars of our good money.

Compare this crowd with the merchants of Heppner. Which would you call on, expecting help, in time of trouble? You need not answer. We think we know. Likewise the mail order house which sends its bulky catalogue into this territory. How much LOCAL city, county, state tax does it pay? How much does it contribute to the upbuilding of this town and territory? Answer yourself a few of these questions—and we think you will add your mite to those of our loyal citizens who practice loyalty by supporting home industries, institutions and stores, and, who find that just as good merchandise at just as low price, with just as wide a range of selection is to be had right here AT HOME.

VAWTER CRAWFORD, Editor, Heppner Gazette Times.

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