

SALES TAX SAVES CALIFORNIA FROM SEA OF RED INK

Burden of School Costs Removed by State From Shoulders Property Owner—Returns Are Surprising

SACRAMENTO, Cal., Nov. 17.—(UP)—California's retail sales tax, in operation since August 1, is generally regarded by state officials as the one major means of balancing the state budget and pulling the treasury out of the "red."

When the state legislature held its midsummer session, the biennial budget was described as falling between \$120,000,000 and \$130,000,000 short of what was required to operate all state departments from then until July 1, 1935.

The largest item of expense resulted from the state assuming the cost of the public schools. It was estimated this alone would cost the state \$70,000,000 in two years.

Only Logical Method. The sales tax, made possible by the Riley-Stewart tax plan, approved at a special election June 27, was looked upon as the only logical method of balancing the budget.

The legislature fought vigorously on the sales tax, with one faction advocating a 3 per cent tax and another a 2 per cent tax plus an income tax. A compromise of 2 1/2 per cent was reached, and Gov. James Rolph vetoed an income tax bill.

Returns Surprise. A 3 per cent tax, it was felt, would have taken care of the deficit. A 2 1/2 per cent tax, however, was not expected to raise more than \$40,000,000 in the biennium—still \$40,000,000 short of the budget.

The legislature adjourned without suggesting a method of raising the remainder. It killed a bill setting up a schedule of taxes on liquor.

On the basis of returns for the first short quarter—August and September—it became apparent the sales tax might return \$100,000,000 instead of \$80,000,000. More than \$20,000,000 was collected in the first two months.

A more comprehensive picture was expected to be available in January, when second quarter returns are in. Grows in Favor.

There was widespread feeling against the tax the first two months or so, but reports from throughout the state indicate that feeling is dying largely because common property owners, relieved of the school property tax, are finding their property taxes considerably lower than they were in the past.

In addition, publicity given the tax and the benefits which may be derived, coupled with frank stories concerning the condition of the state treasury and pointing out the dire necessity of the tax as a means of forestalling possible bankruptcy, have had their share in quieting agitation almost everywhere excepting southern California.

Finance leaders believe taxes on liquor, tobacco products, cosmetics, musical instruments and other "luxuries," and an increase from \$5 to \$8 in the automobile registration fee may be imposed, and that those revenues, combined with the sales tax, would balance the budget handily.

There is some agitation for exemption of foodstuffs from the sales tax, but no action in that respect is expected before next summer.

May Exempt Food. Some tax experts believe a modified form of sales tax, possibly 2 per cent, with food exempt, may become a permanent revenue producer in California.

They point to a general sales tax tendency sweeping over the nation, and insist it is logical because it is the only method of taxation which forces everybody to share in the expense of state government.

The present system will continue until July 1, 1935, unless recalled by popular vote, and may be extended if more is needed.

Highlights of the sales tax: Rate 2 1/2 per cent (includes practically all sales).

Estimated revenue per biennium when bill was drawn—\$80,000,000. Amount returned first two months—\$8,000,000 plus.

Present estimated total return in biennium—\$100,000,000. Total amount needed to balance budget—\$125,000,000 (estimated).

It lowered common property taxes when state assumed expenses of public school system (\$70,000,000 per biennium).

It was extremely unpopular during first few months, but feeling against it seems to be dying.

Experts predict a form of the sales tax will become permanent as a revenue producer in California.

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Society and Clubs Edited by Eva Nealon Hamilton

Eks' Dance Will Be Thanksgiving Eve

A change in the date of the Eks' annual Thanksgiving dance was announced today, following last night's meeting. The holiday party will be held on Thanksgiving eve, November 23, instead of Thanksgiving night, as previously planned.

The change in date has been made because of the annual firemen's ball to be held Thanksgiving in this city. Elaborate plans are being made for the Eks' dance, to which lodge members and their friends are invited.

Next Thursday, November 23, will be past exalted rulers' night at the Eks' temple, and plans are being made for a large attendance as the annual Thanksgiving party will be held on the same night, with traditional stunts, preceding the holiday.

The evening will be open with "free feed and beer" at 6:30 o'clock. Lewis Ulrich will preside at the lodge session and initiation will be held. The district deputy grand exalted ruler for Oregon south, O. L. McDonald, will be present from Salem.

Oregon State College Club Meets Monday

The Oregon State College club will meet next Monday evening at the court house auditorium at 8 o'clock. It was announced yesterday, and plans are being made by the committee for the evening to entertain a large attendance.

On the committee are: Dr. and Mrs. L. L. Sanders, Miss Lora Mitchell, Mrs. L. Moe and Mr. and Mrs. R. G. Fowler. An invitation is extended to all Oregon State alumni and former students.

Mrs. Bonney Honored At Lovely Shower

A lovely evening of the week was the shower given yesterday afternoon complimenting Mrs. Curtis Bonney, a recent bride. Mrs. Van Gilbert, mother of Mr. Bonney, was hostess for the affair and was assisted in entertaining by Mrs. Vernon Turpin.

Twenty guests called during the afternoon and many gifts were received by the honor guest. Rooms were decorated in bronze chrysantheums for the occasion.

Ashland Post Invites Medfordites To Dance

The Medford post of the Legion and the Auxiliary have been invited to a program and dance to be given by the Ashland post Saturday, November 18, at the Bellevue Grange hall, two miles south of Ashland. The program will begin at 8:30 o'clock and all members of the local post and auxiliary are urged to attend if possible.

Grants Pass Invites Legion to Dinner

An invitation from the Grants Pass post of the Legion and units to a covered dish dinner has been received by the Medford post and Auxiliary. The dinner is to be held Monday evening, November 20 at 6:30 in the evening, at Evergreen hall. A social time will be enjoyed afterward. For further information call Mrs. Cole Holmes, 1194-Y.

Mrs. O'Connor Hostess To Bridge Club

Members of the Building Bridge club enjoyed a pleasant afternoon yesterday at the home of Mrs. O'Connor on Park avenue. There were four tables of cards in play and presiding at the tea table were Mrs. Barnum and Mrs. Rose Scheffelin. Mrs. O'Connor was assisted by her mother, Mrs. Percy.

Bunches Return From Week End in Portland

Dr. and Mrs. F. G. Bunch are among the local people who spent the past week end in Portland, attending the Oregon-Oregon State game and social events accompanying it. Mrs. Bunch stopped in Salem on return south to be guest for a short while of Mrs. Phil Singleton.

Crater Lake Guild Meets, Wilson Home

Mrs. B. C. Wilson will be hostess at her home, 63 West Fourth street, to members of Crater Lake guild of the Presbyterian church Monday evening at 8 o'clock.

Miss Gertrude Watling and Mrs. H. M. Wetshaar will assist the hostess.

Artisans Sponsor Social Evening

The Pythian hall was the scene of a jolly party last evening, when the Artisans entertained. A program of music, singing and tap-dancing was followed by games, dancing and refreshments.

Luy Students Dance In Ashland Sunday

Students of Miss Ruth Marie Luy will entertain Sunday evening at 9 o'clock between shows at the Vining theater in Ashland, it was announced yesterday. The dancers will feature "The Bowery," the title of the show playing at the theater.

Those to participate in the numbers are Nona Heyland, Dotty Terrett, Dorothy Jenkins, Jane McPherson, Isabell Crouch, Mary Jean Cusick, Frankie Rinabarger, Jane Antle, Jean Smith and Otta Jean Pruitt.

Miss Luy conducts classes in Ashland each Wednesday.

Mrs. Murdock Invites Friends to Bridge

Mrs. A. Murdock entertained today at 1 o'clock luncheon and bridge, inviting in a few of her friends for the afternoon.

COLONIAL CLUB, SOCIAL CENTER, OPEN SATURDAY

The opening of the "Colonial Club" at the corner of West Main and Holly streets, long anticipated in many circles, was announced today by G. E. Ferguson for Saturday, November 18.

The building, well known as the Vawter property, was recently vacated by the University club and has been completely redecorated, inside and out, for the occupancy of the new social club, memberships in which have been available for the past several weeks.

The building has also been refurbished upstairs and today offers an inviting interior to persons wishing to dine, dance, lounge or enjoy a game of bridge. The reception room has been arranged as a dance hall, adjoining the lounge room, furnished in deep upholstered davenport and chairs, especially designed for comfort.

The hallway, now attractively furnished, adjoins space reserved for an orchestra, and the furniture can easily be removed to accommodate larger dancing parties. The main dining room is also on the first floor and also has a cheery fireplace.

The culinary department, headed by Mrs. Alma Lee, who recently arrived in the city from the Pur, Fish and Game farm, is spacious but not too large for the success of home-cooking, which the club expects to constitute its greatest appeal to members.

Mrs. Lee's mother will join her in conducting this department in the near future. Private dining rooms are also furnished upstairs to increase the facilities of the club, that several groups may arrange for special dinners at the same time.

The club will be open to members only and memberships may be obtained from Mr. Ferguson and Wm. L. Vawter.

To contradict an opinion prevalent about the city, Mr. Ferguson announced today that the club will be a strictly social organization for men and women and will not be operated as a roadhouse or "speakeasy." Liquors will not be sold there, with the exception, of course, of legalized beer.

Mr. Ferguson is well known here through his affiliation for several years with the Pur, Fish and Game Farm, beyond Prospect.

Two Industry Deaths

SALEM, Nov. 17.—(AP)—Lloyd Barger of San Diego, Cal., a pitman, and E. A. Burnett of Seaside, a rigger, were killed in Oregon industrial accidents the past week, the industrial accident commission announced. Reports of 421 other accidents were filed.

Pendleton, Ore., Nov. 17.—(AP)—Elmore Uke, 6, son of Eng Uke, well known Chinese here, was fatally injured yesterday when he was struck by a switch engine as he ran across the tracks.

Among the relics exhibited at the semi-centennial celebration in Rushton, Ia., recently was a pair of dogwood plow handles carved by hand in 1845.

Oregon Weather

Generally fair tonight and Saturday, but valley fog west portion; little change in temperature; gentle changeable winds offshore.

Intended Plot Victim



Officers at Winston-Salem, N. C., said John Lanier, jobless textile worker, confessed an extortion plot proposing the kidnaping of Mrs. R. J. Reynolds (above), society leader and wife of the tobacco heir. (Associated Press Photo)

SALEM, Nov. 17.—(AP)—Abolishment of all tax on distillate to aid farmers will be proposed at the special legislative session, a farm group announced here yesterday. Another proposal would eliminate all gasoline tax refunds.

EASTON, Pa., Nov. 17.—(AP)—General Harry C. Trexler, chairman of the board of the Portland Cement company and a widely known banker of Allentown, Pa., died in a hospital here today of injuries received in an automobile accident. He was 79.

LIBBEY LEAVING FOR WINTER DUTY

D. S. Libbey, park naturalist and assistant superintendent of Crater Lake national park will leave Saturday for Washington, D. C., where he will report for duty in the park service for the winter months. It was announced today.

Mr. Libbey's work in the capital will be with the emergency conservation and civil works administration, as concerns the national parks and monuments, he stated.

Mrs. Libbey and their son, Don Linden Libbey will accompany him to the eastern city. Mrs. Beiderlinden, Mrs. Libbey's mother who makes her home with them, will go to Columbia, Mo., to reside with her son, Captain William A. Beiderlinden during the winter. Captain Beiderlinden is with the University of Missouri and coach of the university polo team.

CHRISTMAS OPENING FEATURES DISCUSSED

A meeting of the entertainment committee for Christmas opening was held at the chamber of commerce last night with Jack Wurts as chairman. A number of entertaining features to be presented on the street, were announced, and arrangements are now underway to procure them.

There will be no candy and horns given away this year, as the committee considers such extravagance out of keeping with the time.

Band Box Opens Clearance Sale

Right at the peak of the fall and winter season, The Band Box and Shoe Box, at 223 East Sixth street, is

featuring a clearance of women's ready-to-wear and hats. The sale started this morning and especially good values will be offered Saturday. Coats, dresses, hats and shoes have been substantially reduced for this event carrying out Mr. and Mrs. U. J. Carpenter's policy indicated by their slogan, "The store that saves you money."

TURKEY SHOOT JACKSONVILLE SUNDAY 10 A. M. Is the Place and On And Is The Time—Meet At V. J. BEACH RANCH One-Half Mile North of Town on stage Road J'ville C. of C. is Running the Show

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M. M. DEPT. STORE Offers An Exceptionally Smart Showing of Lovely Fall COATS Wool Crepe and Wool Knit DRESSES \$17.75 and \$24.50 A Special Lot of Wool Crepe and Wool Knit DRESSES PRICED AS LOW AS \$5.95

BARGAIN BASEMENT A new shipment of Women's Sport Oxfords \$1.79 Women's Shoes \$1.98, \$2.98 Men's Work Shirts 79c Blankets 59c Outing Flannel 13c yard 2 yards for 25c Flannel Gowns \$1.19 Children's Pajamas 79c Cotton Crepes 49c yard Wool Crepe Bags \$1.95 Children's Pajamas \$1.39

Saturday Special An Old Favorite BECK'S ORIGINAL POTATO DONUTS 21c doz. At Your Favorite Food Store or BECK'S BAKERY

Alexander Grocery, Inc. Phone 143 FREE DELIVERY E. F. ALEXANDER, Gen. Mgr. Specials for Saturday 2 Large Pkg. Quick Quaker Oats 27c 5 Small Pkg. Quick Quaker Oats 29c Pt. Glass Jar Sweet Pickles 15c Bulk Sour Pickles, pint 5c Tomato Soup, 5 cans 29c Dash Washing Powder, Rubber apron free 29c Monarch Cocoa, lb. can 35c—35c bath towel free, 70c value, both 35c Candy Special, Bristol Diced Mints, reg. 35c. Special Sat. only, 2 glass jars 35c Budweiser Beer, case 2 doz. bottles, \$1.99 BATTLE CREEK HEALTH FOODS RICHLIEU CANNED GOODS

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