Two Tax Relief Plans Coming Before Legislators This Week

Governor, Group Of Bipartisans Present Programs

By STATE SEN. PHILIP B. LOWRY

Salem — Two very different tax plans designed to relieve Oregon's harassed taxpayers in different ways and degrees are certain to have a head-on collision at Salem early this week.

Sen. Lowry

One plan is that of the Governor, which would have the taxpayer compute his income tax based on the built in 51 per cent surtax passed by the 1957 regular session and then permit the taxpayer to deduct 10 per cent of the tax so computed. This plan has already been passed by the house and is under consideration by the Senate Taxation committee, of which I am one of the members.

Members Disagree

The majority of the Senate Taxation committee members disagrees with the Governor's proposal and have offered what has become known as the "bipartisan plan." The bipartisan plan is a combination of the ideas of both Republicans and Democrats of both the House and the Senate. The plan arose from a conference last Wednesday between Senator Boivin, Democrat, Klamath Falls; Senator Musa, Democrat, The Dalles; Senator Ohmart, Republican, Salem; and myself. The four of us sat down together for the purpose of seeing if it wouldn't be possible to propose a sound plan to take Oregon's tax mess out of politics.

The bipartisan plan would do these things:

(1) Tax rates would be lowered just as closely as possible to the 1953 level by repealing the 45 per cent surtax of the 1955 session, and the 1957 tax increases. This simply carries out the promise, made to voters last November at election time, to repeal the surtax.

(2) Dependency credits and personal exemptions would remain at $600.

(3) Taxpayers over age 65; who are blind; or handicapped so that they cannot be gainfully employed, would receive a double exemption. This would approximate the Federal exemption.

Would Pay No Tax

(4) Taxpayers over age 65 who do not have an adjusted gross income in excess of $2,400 would pay no tax. Taxpayers over age 65 and earning in excess of $2,400 would receive a tax cut of $6 on a separate return and $12 on a joint return. This is for the purpose of giving some relief where it is most needed and to a class of citizens who have been most hurt by inflation.

(5) Taxpayers who are subject to withholding and have no outside income in excess of $100 would be relieved from filing a return.

(6) Tax rates would be subject to an escaltor clause. This provides that if the income tax receipts drop below $60,000,000 in any one year, each bracket rate would automatically increase by 1 per cent. This will insure absolute fiscal responsibility. If tax receipts fall below a safe level, rates would be adjusted upward. Taxes would not vary with poorly predicted estimates of surplus but with actual accounting of receipts. Even a 1 per cent escalator increase would be far below the present rates.

Permanent Reduction

The bi-partisan plan proposes a permanent rate reduction in contrast to the Governor's plan which would be only a "one shot" percentage reduction and leave the high rates in effect.

The bi-partisan plan would reduce personal income taxes by at least $55,000,000 or approximately 30 per cent. It would still leave an adequate surplus based upon the Governor's figures.

As committee hearings are held on the bi-partisan plan, it may be necessary to make some minor adjustments to the plan.

There is very strong opposition by the Governor and many of the members of his party to the bi-partisan plan. To understand this objection, it must be pointed out that the surplus which we are discussing will largely be built by continuing the present high rates in effect. When the Legislature adjourned it was generally agreed that about $9,000,000 would be a safe surplus. Now, five months later, the Governor argues that we should keep the rates at a high level to make sure that we build a surplus of not less than $50,000,000 to be spent in the 1959-61 biennium. This is necessary, the Governor says, because he proposes to increase the budget from $272,000,000 to about $332,000,000 in 1959 and he doesn't want to raise taxes at that time.

Think Governor Wrong

The bi-partisans think the Governor is wrong. They believe it is not wise to purposely plan and build a tremendous surplus. Besides taking the funds out of circulation, the bi-partisans contend that a large surplus can lead to governmental extravagances and that each Legislature should balance receipts and expenditures as closely as possible. It can, therefore, be seen that the real issue of the session is how big a surplus is going to be built by keeping the present high rates in effect. Past sessions have ended up with a large surplus but it resulted from miscalculations and not planning.

The Governor says permanent tax relief should await more detailed study. From three sessions' experience on the Senate Tax committee, I know this to be fallacy. We have studied tax relief in Oregon for years. The result is that Oregon now has the highest and severest income tax program in the United States (see figures of Commerce Clearing House which show Oregon way out in front and leading their closest competitor, New York, by almost 10 per cent).

For two regular sessions I have been in the minority in resisting tax increases when I didn't think they were necessary. The only way to accomplish tax relief is simply by doing it and not talking about it as a vague proposal for the future.

It is my opinion that we should start to do something now about more jobs for Oregonians so everybody can afford to pay a reasonable tax. There is a real relationship between taxes and jobs as witness Oregon's depressed and undiversified economy. Business makes jobs and reasonable taxes encourage business. We should not be ashamed to admit that. Most of the proposals which would ecourage business are dead and buried in the House Taxation committee.

As we consider the proposals further, I would appreciate receiving the views of Jackson County citizens.

Chamber Tourist Program Discussed at Roundtable

About 80 cents out of each tourist dollar goes to a wayside industry, Ron Gandee told the Jackson County Chamber of Commerce roundtable meeting Monday.

Gandee said that although the wayside industries are receiving more than 80 per cent of the tourist money, they are contributing only 30 per cent of the chamber's advertising funds which are designed to attract tourists.

Few wayside industry officials and owners attended the meeting, according to Don McNeil, secretary of the chamber. The meeting was scheduled for this type of business and special invitations were sent to all owners, he added.

Motel Owners

Motel owners present agreed with the chamber that motels should take a more active part in the chamber's tourist program, but added that strong competition among motels in the Rogue Valley area have made profits small. They urged the chamber to help them in a drive to forbid "bait" signs from being posted along the highway.

McNeil said the chamber's $8,000 per year to spend on tourist promotion is centered on pamphlets. The pamphlets are divided into three classes, he said.

About $425 per year is spent on an invitational type folder which is in color. This type of folder is sent to people asking about the area and to outdoor and travel shows in the United States.

Another $285 per year is spent on a folder which describes a number of things to do and see in the area. It is used for convention promotion, he said.

Tourists Items

Pamphlets that center on one or a few tourist items for Jackson county visitors make up the largest amount of money spent, McNeil said. A facts and figures pamphlet cost $150 per year, the pamphlet for parking meter tickets for tourist cars parked overtime costs $75 per year, the Jacksonville historical folder costs $225 per year, tourist guide sign program costs $150 per year, a visitor's guide folder costs $50 per year and a visitor's mailing packet costs $162 per year, he said.

The rest of the expense is made up by cost of mailing, handling and secretaries, McNeil said. He said the chamber has had success with space advertising during the past few years but money is lacking to put the plan into the current program, he added.

Gandee said he is planning to ask the tourist advisory committee, of which he is a member, what plans they have for southern Oregon during the 1959 centennial.

Portland Gasoline Dealer Harassed

Portland—(UP)—Alphonse Vanbellinghen, operator of a gasoline station here, said several dealers harassed him Monday night by buying 10 cents worth of gasoline and demanding full service.

Vanbellinghen said he was charging three cents under a price of 33.9 for regular and 37.9 for premium. He said prices were down to 28.9 cents and lower until a gas war ended and "I thought this jump was big enough."

Some half a dozen cars pulled into his station and demanded air, water, oil, battery and windshield service after buying 10 cents worth of gas, Vanbellinghen said.

EX-NEWS OFFICIAL DIES

Philadelphia — (UP) — George M. Neil, 50, former general manager of the Philadelphia Inquirer, was found dead in bed Monday at his home in suburban SynWyd. Neil, a lawyer, was general manager of the newspaper from Jan. 1, 1951, until last June, when he resigned to resume his law practice.

Lost Woman Found On Ridge Ten Miles From Hunting Camp

Pendleton —(UP)— Mrs. Marguerite Walker, 48-year-old woman hunter from Newberg who disappeared from a camp deep in the Wallowa National forest last Thursday, was found alive and in "good condition" by two volunteer searchers.

John Kucera, forest service officer and leader of the search partly, said two mounted volunteers, Pete Peterson and Benny Van Winkle, 27, of Weston, found the woman two miles north of the south fork of the Wenaha river at 2 p.m. Monday, four miles from where she vanished.

Reports Delayed

Reports that the woman had been found were delayed while the horsemen rode to a radio communications center at Lookout Mountain.

Mrs. Walker hiked into the rugged eastern Oregon rimrock country to hunt elk with her husband Marvin, and another Newberg couple, Mr. and Mrs. Warren Wright.

Van Winkle said "I found her on a ridge about 10 miles northeast of their original camp where the north and south forks of the Wenaha river meet. She started waving her arms when she saw me. She had a fire built on the top of the ridge and was walking around it. It was cold. She had her rifle with her but no shells. She was dressed warm.

Ate Saturday Morning

"I asked her if she was hurt or hungry. She said no, she didn't feel cold, but the last food she had was Saturday morning. I told her a search party was looking for her and she said she'd like to get back to her original camp and her husband.

"So I put her on my horse and carried her back to her camp at Trapper Creek, and her husband and son.

"When she first saw me, she said she was never so glad to see anybody in her whole life."

Graham Returns from Portland Hospital

Pat Graham, Disabled American Veterans service officer, returned to Medford Friday after convalescing in Portland following surgery. The DAV office, formerly at 1515 North Riverside ave., will reopen for business at the Graham residence, 175 Jeanette st., telephone SPring 2-4192.

Graham announced that the DAV and auxiliary meetings will be held on the second and fourth Fridays of each month instead of Tuesdays. The first meeting will be held Friday, Nov. 8 in the Red Cross building on Hawthorne st. and will begin at 6:30 p.m. with a spaghetti supper.

The DAV talent program will be held Dec. 6 in the Medford High school auditorium. The program, open to children of the area, will include amateur theatrical acts. Four categories and a miscellaneous group will be held with prizes being awarded in each category and a grand prize for the best in the show.

Persons interested in participating in the talent program are asked to contact Graham at SPring 2-4192.

Labor Group Boycotts United Fund Dinner

Portland —(UP)— The Portland Central Labor Council voted Monday night to boycott the victory dinner of United Fund organizations because the affair will be held in a non-union hotel.

Glenn Blake, president of the council, said the United Fund should have scheduled its dinner for the Columbia Athletic club, which is serviced by union personnel, rather than in the non-union Multnomah hotel.

Blake said union members who worked in the UF campaign may attend the dinner as individuals but that the Council will not be represented.

With a few exceptions, mammals have seven bones in their necks.

Quiz Now Planned On Manpower Total For Science Needs

Washington — (UP) — Congressional investigators will question top military manpower officials this week on whether the U.S. missile program has been hurt by any waste of scientific talent.

The House manpower subcommittee, which has been conducting a preliminary inquiry into the matter, was set to open Monday the first public congressional investigation into the U. S. missile effort since Sputnik.

A subcommittee source said the group has received reports that competition for scientific and technical personnel in the entire military research and development field is "running wild."

Some agencies have gobbled up so many scientists and engineers that they have been assigned to ordinary administrative work, the source said, while other agencies have been suffering shortage.

Release Report

In another development, a special Presidential Committee on Scientists and Engineers released a previously secret report showing that Russia has surpassed the United States in total number of scientists.

The report, prepared by Dr. Herbert Scoville Jr., assistant director of the Central Intelligence Agency, showed that Russia now has 1,500,000 scientists compared with 1,300,000 in the United States.

Increased Evidence

A committee spokesman said U. S. intelligence reports show that Sputnik was not the isolated result of a Soviet "crash" program, but rather increased evidence of a broad scientific advance by the Russians.

The subject of U. S. scientific progress will be voiced Nov. 13 by President Eisenhower. Eisenhower announced Friday he would make the first of several "chins up" addresses at Oklahoma City Nov. 13 to strengthen America's confidence in its scientific and economic power.

Westfir Man Killed In Logging Accident

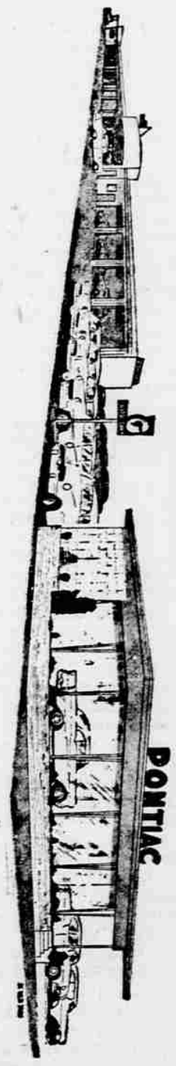
Westfir—(UP)—James W. Ames, 26, Westfir, was killed at the Hines Lumber Co. logging operation here Monday when a log slipped off a truck, crushing him. Ames, a head-loader, had been putting binder chains on a truckload of logs when the accident occurred.

He is survived by a wife and three children.

The surface of Lake Superior lies about 602 feet above sea level.

Three
Evangelistic Services
Tuesday – Wednesday – Thursday
November 5th—6th—7th — 8 P.M.
Evangelist Allen L. Crabtree
of Seattle, Washington
APOSTOLIC FAITH CHURCH
No. Central at 3rd St. — Medford

"A NEW KIND of CAR IS BORN!"
Dean - Taylor - 9th Nov.



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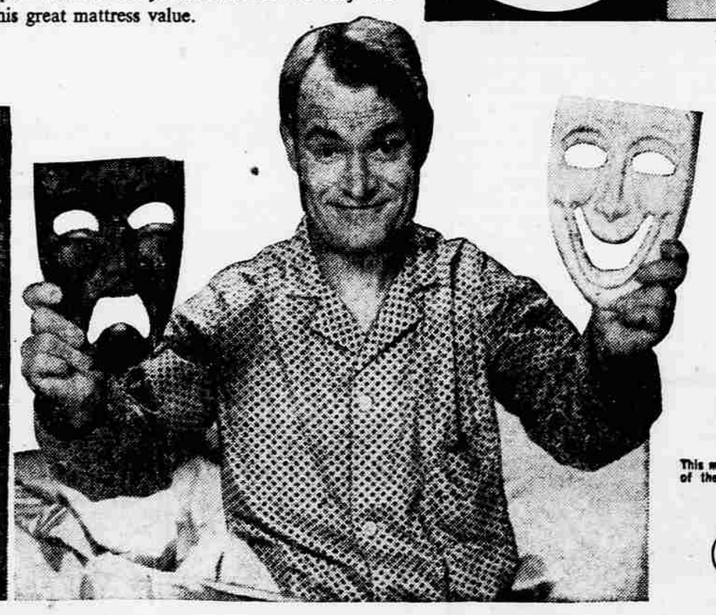
At full body weight, ribbons of steel in Sertaliner Construction give firmness to the innersprings—distribute your body weight as many doctors advise, for sag-free posture and refreshing sleep.



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