Stock Exchange Again Ponders Move As New York Talks Taxes

By ELMER C. WALZER
UPI Financial Editor

New York—(UPI)—New York could lose its place as the world's financial center in the twinkling of an eye by the simple expedient of taxing itself out of business.


Elmer Walzer

But it looks as if it is to be saved that ordeal this time since the State of New York isn't going to permit the City of New York to tax stock transfers or bank checks.

The New York Stock Exchange and the American Stock Exchange were outspoken in threats to move the exchanges to a neighboring state if the stock transfer tax were adopted. That neighboring state would have been New Jersey just across the Hudson river.

Such a move might have been costly but the market men said it would be made up in tax saving and in the saving of their business which they feared would have been driven to other exchanges had the taxes been adopted.

New Jersey's Gain

Just as fast as New York would lose its place as the world's money capital, New Jersey would gain that place if a move were made.

A tax on bank checks would hit big corporations, especially those with large numbers of stockholders who receive quarterly checks, interim reports, and annual reports.

If such a tax had been invoked, the corporations might well have switched their banking operations elsewhere, perhaps to adjoining Westchester county which has high taxes, but none of the nuisance variety that single out corporations as such for a tax bite.

Transfer offices would follow the stock markets in event of a move and that would mean new losses in New York's money operations. Big corporations might move their eastern — often main — offices to the site of the stock markets.

A similar situation developed 26 years ago when the City of New York proposed stock transfer taxes. At that time, the New York Stock Exchange purchased property in Newark, N. J., and was ready to move the instant the tax was adopted.

When the mayor found the Stock Exchange wasn't fooling, he vetoed the measure. And since then the market has lived without the bonus of a New York City levy on trading – a levy that would hit everyone who did stock market business through New York City. The exchange eventually sold its Newark property.

When it appeared as if New York would try again with a transfer tax, the exchange appointed a committee to explore for a new site across the river. That committee still is in operation, and there are reports the exchange may invest in property in New Jersey just in case the tax comes up again.

Stock transfers are taxed twice now – once by the federal government and again by New York State. Addition of a city levy would make it triple taxation and most of it would be borne by people living in other parts of the nation who would be helping New York City support its myriad ventures.

New York State currently collects an estimated $40 million in stock transfers from New York Stock Exchange member firms. The city levy, if it had been accepted, would have brought that total to $60 million. No other state besides New York has a stock transfer tax.

Other Tax Advantages

Market men point out that New Jersey would give the exchange and its members many other tax advantages besides the transfer tax. Those who live in New Jersey and work at the stock exchange would save the State of New York income tax they now pay. New Jersey has no state income tax but its citizens working in adjoining New York State must pay the latter's income tax which is deducted from their salaries.

New York's high taxes have been driving many businesses away from the city. Many have moved into Westchester county which is eager to get them.

While the exchange may be considering the prospect of a move despite the elimination of the tax problem at this time, there is the tradition of New York that its members hate to see go by the board. They'd like to stay in New York which they have helped grow in stature as the world's biggest money market.

Should the exchange ever decide to move, taking corporation offices and some banking with it, New York might as well rebuild the wall along Wall Street and hole up in the little space between that wall and New York Bay.

Quotes From the News

By UNITED PRESS INTERNATIONAL

Washington—Irish President Sean O'Kelly lauding President Eisenhower at a St. Patrick's day dinner:

"He probably is the most important statesman in the world today."

Hollywood—Eddie Fisher, on the closing of his TV show after six years and 484 shows:

"It is the end of something. I'm a little bit sad and a little bit relieved."

Milan, Italy—Leading Italian designer Simonetta commenting on the expulsion of five foreign fashion models for not having work permits:

"I'm furious. It's those monsters in Italy who cannot find work who started this."

Havana—Miguel Duque de Estrada, judge advocate at Cubana Fortress, on the arrest of several United States citizens on suspicion of smuggling:

"Any American coming here with nothing to hide need not fear for his freedom."

Springfield, Ill.—Sen. Hubert H. Humphrey (D.-Minn.) promising farmers that Congress would not let the Republican administration cut price supports to zero:

"You can count on that, you can bank on it, you can bet your economic lives on it."

Russian Vessels Said 'Snooping' In Pacific Waters

Honolulu —(UPI)— Rear Adm. Benjamin E. Moore revealed today that Russian submarines and surface ships have been "snooping" along the Navy's Pacific barrier between Midway and the Aleutians.

Moore commands the 1,500-mile electronics fence whose ships and radar planes extend the DEW (distant early warning) system to the mid-Pacific.

Numerous Contacts

The admiral said Navy radar constellations and destroyer pickets have made numerous contacts with Soviet naval units all along the Pacific barrier area.

"Their surface ships," the admiral said, "have patrolled the length of our Pacific barrier, and we've spotted Red submarines snooping in the area."

The Barbers Point based admiral said because of security reasons, it was impossible to specify the times, locations or further identify the Soviet ships.

Patrol in Operation

A spokesman for the 4,000-man naval command said continuous round the clock sea and air patrols are now being run the entire length of the north Pacific where Japan sent its undetected task force to attack Pearl Harbor on Dec. 7, 1941. High altitude winds of more than 150 miles an hour bring northwestern American and Canadian cities within four hours jet flying time of Russian airfields that dot the Kamchatka Peninsula. Heavy overcasts along the route have made this a built-in avenue to the Americas for any sneak attack launched by Russia.

Admiral Moore told UPI he was certain the Russians were aware that the barrier planes and ships had now reached a fully operational stage.

BUILDING GOING UP

New York—(UPI)—Expenditures for new construction will rise 50 to 60 per cent in the next decade to a total of more than 600 billion dollars, according to architect Charles Luckman.

LAWYER-PRIEST

Melrose, Mass.—(UPI)—The Rev. George B. Gray, 44-year-old lawyer-priest, has been admitted to practice before the U.S. Supreme Court. Father Gray, a curate at St. Mary's Roman Catholic church here, says he uses his legal knowledge "for the glory of God." He serves as counsel for the needy and never charges a fee.

Strauss Choice For Commerce Post Snagged

Washington —(UPI)— President Eisenhower's nomination of Adm. Lewis L. Strauss as secretary of commerce was snagged today in a set of issues ranging from last year's nuclear program to next year's census.

Strauss, who would like his tentative appointment to the Cabinet made definite, returned for his second day of testimony before the Senate Commerce committee. Indications were that the hearings would continue for at least several weeks.

Views Wanted

Chairman Warren G. Magnuson (D-Wash.), said he expected to question Strauss today on merchant marine matters, plans for conducting the 1960 population census, and the Coast and Geodetic survey. He said these were among "public policy matters" on which the committee wanted the former Atomic Energy Commission chairman's views.

"We want to get these policy items out of the way before we get into personal matters," Magnuson said.

Personal matters included opposition to the Straus nomination already announced by Sens. Estes Kefauver (D-Tenn.) and Eugene J. McCarthy (D-Minn.), because of events and policies during the AEC chairmanship he vacated last year.

Recess Appointment

Strauss has been serving as commerce secretary since November under a recess appointment. He volunteered on Tuesday to testify every day next week to hasten completion of the hearings. But Magnuson said the committee had other business.

The senator said he expected to recess the hearings after today's session and return early in April, after the Senate's Easter recess.

Pickin' Pears
News and Notes From Camp White

By SID HOLLINSWORTH

One of the most significant contributions to the program at the VA domiciliary, designed to help the veterans overcome the effects of age in addition to disability, is the work of the newly organized "Fifty Plus" clubs.

Rita Holmes is the volunteer in charge of this program. Not only has she established one of the most active of the clubs at Camp White but she has been active herself in pioneering the movement throughout the Rogue River valley.

Fifty Plus is the name adopted for this special social organization whose members are 50 years or older. The membership here at its inception last summer was about 40. It is slightly under this figure now but the enthusiasm has not diminished among those who participate in its activities.

These include arrangement for a business meeting and a social meeting each month. The Medford group is host for one meeting and the Camp White group for the next.

"The idea of the club is to enable this age group to work and play together, to enable them to become integrated in the community and become a part of the stream of life," Mrs. Holmes states.

"Every community," she emphasizes, "has the responsibility of providing satisfying leisure time activities for the aged as well as for youth."

The Fifty Plus clubs are self supporting and provide their own interests and entertainment. Music, cards, games, dances and refreshments are offered at the meetings.

Everyone participates and the six committees (greeting, program, refreshments, collection, cleanup and arrangements) function on a rotation plan so that no one can sit back and refuse to join in the work as well as the fun.

It is a revelation to attend one of these meetings to note the plan and spontaneity of the group, some members reaching into the octogenarian bracket for age.

The name "Fifty Plus" came about by design. No one minds being 50 or older. It was first considered that 65 should be the figure used. But this was considered too much in line with retirement and pension.

One Camp White member in his application to join, gave as his answer to the question of what the club should do: "Spend part of the fifty."

Rita Holmes is the mother of Enid Holmes, domiciliary librarian. She has engaged in various forms of social work for 26 years in various parts of the country.

She handled community organization and recreation in Illinois, and coordinating councils of community service in San Diego. She is acquainted with all fields of life and has assisted in industrial as well as Indian welfare.

She worked with the CCC boys in Wisconsin and undertook to stop a Kentucky feud in that state. Moonshiners from the Kentucky hills had gone there to get away from the "revenuers" and then renewed their feud when they became settled.

Mrs. Holmes started with a school for the children. Then she had the wives meet regularly, after which the men were invited to join in social gatherings which were highly successful in restoring peace in their new home.

The program with the Indians was unique. Indians are not farmers and it is a mistake to train them in agriculture, Mrs. Holmes declares. She brought the Indians together and won them over by some research in their own tribal folk songs and dances.

They responded by reproducing the dances. This was a difficult assignment because the Eastern Indians have lost contact with their tribal origins.

In line with the Camp White domiciliary program of adopting new ideas for "planned living" the Fifty Plus club innovation is the first effort along this line in any VA installation, it is believed.

The need for this sort of interest at Camp White is apparent in the figures of the registrar's office which show more than 75 per cent of the men are 55 or older, while slightly less than 25 per cent are under 55 years of age.

Dr. Arthur Anderson, chief medical officer, estimates the average age of members of the domiciliary at 63, at the present time.

About a year ago, Kyle Smith, an enterprising photographer in Tacoma, Wash., sent one of his men here for an aerial scenic shot of the newly completed buildings and environs of Camp White.

S. T. Brannock has moved to the contact office in the post office building at Camp White from the VA headquarters in Medford. The two offices are now consolidated.

Brannock finds some inconveniences in the change over since the first of the year, but for the most part, outside calls by veterans are being made regularly.

Charles Cox, contact officer before the new arrangement, has been transferred to Portland.

Spring Term Night Classes Slated at Southern Oregon

Ashland — Spring term night classes at Southern Oregon college will begin on the evenings of March 23, 24, 25 and 26, Mrs. Mabel W. Winston, registrar, has announced.

Enrollment may take place during the first class meeting and not later than the second class meeting, Mrs. Winston said.

Classes beginning March 23 include: A 254 ceramics I, 2 credit hours, Britt center, room 103, Mondays 7-9 p.m.; Mus 296 orchestra, 1 credit hour, Band hall, Mondays 7:30 p.m.; Ed 476 school law and organization (C) 2 credit hours Churchill hall, room 100, Mondays 7-9 p.m.

Beginning March 24 are: A 316 sculpture (clay model), 2 credit hours, BC 103, Tuesdays 7-9 p.m.; A 318 painting, 2 credit hours, BC 111 Tuesdays 7-9 p.m.; PE 180 social dance, 1 credit hour, BC ballroom, Tuesdays 6:45 p.m.; PE 180 skate-dance, 1 credit hour, rink, Tuesdays 6:30-8:30; SP 493 principles and techniques of speech correction (g), 3 credit hours, speech clinic, Tuesdays 7-9:45 p.m.

Beginning March 25; Psy 412 psychology of adolescence (g), 3 credit hours, Churchill hall, room 203, Wednesdays 7-9:45 p.m.; PE 180 skating, 1 credit hour, rink, Wednesdays 6:30-8:30 p.m.

Principles and practices of curriculum development (G), Ed 472, 3 credit hours, will start on March 26 in Churchill hall, room 100, 7-9:45 p.m.

Offered on the campus through General Extension Division is Hst 466 Tudor England (G), 3 credit hours, library room 111, Thursdays, beginning March 31 from 7-9:45 p.m.

ENDING mystery of three-year-old hatchet slaying of Mrs. Helen Zubryd, Sewickley, Pa., widow, Charles, 11, her son, confesses crime.

CANADIAN OFFICIAL DIES

Ottawa, Ont.—(UPI)—Sidney E. Smith, secretary of state for external affairs, 62, died Tuesday in his apartment of a heart attack.

Jury Being Chosen In Love Slaying

Indianapolis, Ind. —(UPI)— Selection of a jury was expected to speed up today in the trial of Connie Nicholas whose back street romance of 15 years ended in the slaying of her married lover.

Six men and two women had been given preliminary approval by both the defense and prosecution and four new ones were to face extensive questioning at the start of today's trial.

The defense hammered at whether jurors would be prejudiced against Mrs. Nicholas on the murder charge because of the side moral issue of her affair with the victim, Forrest Teel, 54, vice president of the Ely Lilly Drug Co.

Prosecution attorneys were dismissing jurors who said they could not conscientiously give Mrs. Nicholas the death penalty if she is found guilty.

ESP VS. AT&T

Evansville, Ind. —(UPI)— The management of radio station WFOA here is conducting an experiment to see if listeners can communicate by extra-sensory perception. A spokesman said Tuesday night "it's still too early to tell whether ESP will replace AT&T."

FINANCE MINISTER DIES

Kingston, Jamaica, B.W.I.—(UPI)—Noel Newton Nethersole, 55, minister of finance, died Tuesday at his home of a heart attack.