

Dillon Discloses Examples of Items Deducted on Taxes

Washington—UPI—A corporation president has been taking friends on a hunting trip to Wyoming every year. A manufacturer has been paying \$1,800 a month rent for a hunting lodge. A beverage maker spent more than \$10,000 entertaining customers and their wives at the Kentucky Derby.

There is a businessman's club in which every member is supposed to give a big party once a year for the others. A dairy owner took his wife with him on an African hunting safari. An undertaker bought a yacht on which he entertained visiting clergymen and other undertakers.

It cost a manufacturing firm \$127,067 a year to maintain a private club house and entertain customers there. A corporation executive spent \$1,500 for a 12-day vacation trip to Las Vegas for himself, his wife, a customer and the customer's wife.

Tax-deductible Expenses
All of this "luxury spending" had at least two things in common:

—In each case the federal Treasury "subsidized" the cost. Under existing law the taxpayer—or his employer if he footed the bill—was allowed to deduct all, or most, of the expense from taxable income. A dollar of "deductible" entertainment costs a corporation 48 cents and the Treasury 52 cents.

—In each case such deductions for "luxury spending" would be barred or sharply curtailed by changes President Kennedy wants Congress to make in tax rules governing business entertainment and expense account spending. No longer could taxpayers charge off on their tax returns the cost of buying yachts.

Without naming names, Treasury Secretary Douglas

Dillon presented about 50 examples of tax-deductible "luxury spending" to the House Ways and Means committee Wednesday and outlined the administration's plan for putting an arbitrary stop to it.

Part of the Tax Program
The plan is just one part of a seven-point tax revision program the administration is trying to push through Congress. The overall proposal would grant \$1.7 billion a year in tax relief to business to encourage economic expansion and impose a slightly heavier tax burden on other taxpayers.

The administration's tough rules on business expense, if enacted, would bring an estimated \$250 million into the treasury, and force some change in the American way of business.

Yacht Costs Out
Businessmen would be barred from taking any tax deductions for the cost of buying or maintaining yachts, hunting lodges or swimming pools, or for the cost of entertaining at parties, night clubs, theatres, country clubs and fishing trips. Deductions for country club dues would be barred.

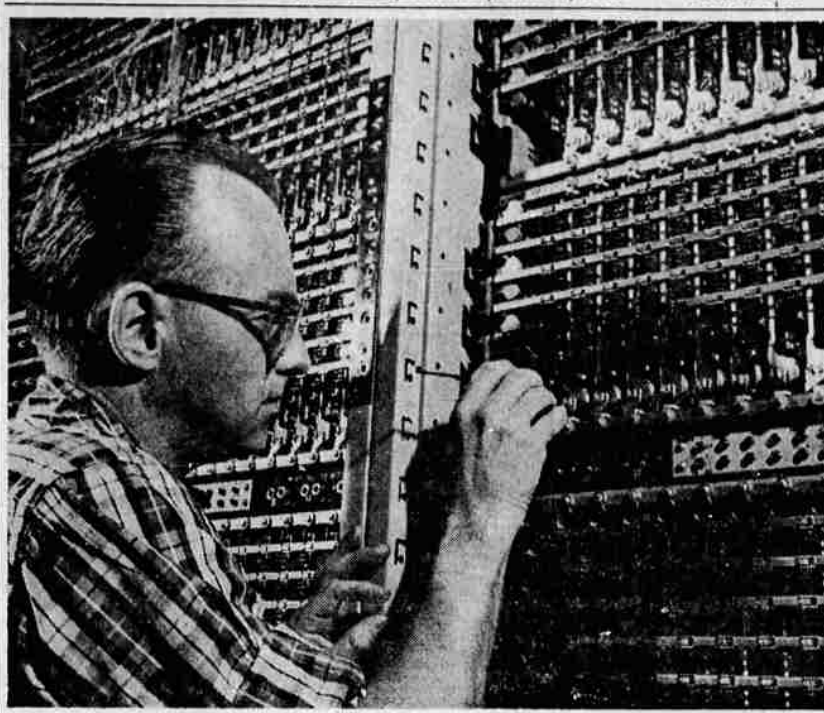
Tax deductions would be limited to \$10 a year for gifts to any one individual and to \$30 a day for food and lodging expenses on business trips. A business couldn't deduct a food and drink check totaling more than \$7 a day for any one customer or business associate.

JUST IN TIME

Philadelphia—UPI—Mrs. Dorothy Woods, a juror in a civil case, leaped to her feet in court Thursday and announced that her roast pork was still cooking. Court Tipstaff Louis Levens went to the Woods' home and turned the oven off.

MEDFORD TRIBUNE

SECTION B MEDFORD, OREGON, FRIDAY, MAY 5, 1961 PAGES 1 to



CHECKS SYSTEM—Western Electric Installer Dick Gallant checks the heart of Ashland's new dial telephone system, the gleaming banks of crossbar switches. Med-

Pacific Telephone To Use New Ashland Equipment Saturday

Pacific Telephone Northwest's \$730,000 telephone improvement project for Ashland will start serving customers at 11 p.m. tomorrow.

For Medford telephone users calling Ashland it will mean:

1) Checking the telephone directory for every Ashland listings, since every telephone there has a new seven-digit number beginning with 482. The last four digits are also

new. A typical number will be 482-0010.

2) A different set of sounds will be heard while dialing Ashland numbers. After dial tone and the click of the first digit (4), the next sound will be that of the Ashland phone ringing. This "silent" dialing is the result of the new crossbar switching equipment in the Ashland central office.

Take Couple of Minutes
The actual change from the old to the new phone equipment will take a couple of minutes. But preparations and final tests will be in progress all day Saturday.

Protective fuses will be pulled in the old central office building at 111 Oak st. which will "kill" the service from that location.

At the same time, technicians in the new building at East Main and Sixth sts. will pull blocking devices out of the dial switches and the gleaming banks of equipment will "click to life" in tune with the dialing habits of Ashland telephone users.

Call Emergency Agencies

As soon as the new dial system is activated, calls will be made to all emergency agencies to make sure their phones are operating. Tests will also be made in the central office to see that all subscriber lines are working.

It will take only a few minutes to accomplish the changeover. But it has taken several years of planning and work to bring the improvement into being.

After the Saturday switch-over, Western Electric employees will start removing the equipment from the old central office building. This should be accomplished within a month, according to Dave Rittenhouse, Western Electric supervisor for the Ashland project.

Castro Said To See Revolution in West

Washington—UPI—Premier Fidel Castro looks on his success in turning Cuba into a Communist camp as the beginning of a red revolution in the entire Western Hemisphere, the National Press Club was told Thursday.

United Press International correspondent Henry Raymond, who recently returned from six days in a Cuban prison, said Castro is convinced that "there will be a Communist revolution in the United States before he is ousted from the Caribbean."

Raymond, speaking before about 400 persons at a luncheon, also said Castro was not taking orders from Moscow on how to run things in this hemisphere. He said Castro now was advising Russia on how to spread Communism in the Americas.

Gary Cooner Enjoys Hearing Messages

Hollywood—UPI—"I know that what is happening is God's will. I am not afraid of the future. Please make sure everyone knows how much their messages have meant."

That simple statement was issued Thursday from the bedside of actor Gary Cooner who is reported dying of cancer.

Cooner said that his wife, Rocky, "reads many of them (the messages) to me and they have added greatly to my peace of mind."

Dr. Rexford Kenamer said there has been no significant change this week in Cooner's condition.

Cooner will be 60 years old Sunday.

Funds To Beat Russia To Moon Nearly Tripled

Washington—UPI—The House Space Committee has added \$126.6 million to President Kennedy's space budget and nearly tripled funds for America's attempt to beat Russian cosmonauts to the moon.

The committee Thursday formally increased by \$37.9 million the \$88.7 million increase in the space budget that it had tentatively approved Wednesday.

The largest boost—\$50.2 million—was for the Apollo spacecraft. Apollo is designed to carry three U.S. astronauts around the moon. The trip, now scheduled for 1967, would have to precede an actual landing of the moon's surface.

Booster Research
The committee also granted \$38.5 million more for research on two space boosters powered by nuclear fuel and solid propellants. Kennedy indicated at a recent news conference that those boosters might offer America's best chance to surpass Russia in the space race.

Chairman Overton Brooks (D-La.) said the money hikes were designed to instill a sense of urgency into the U.S. space program.

The increases were part of a bill raising the money authorized for the National Aeronautics and Space Administration for the fiscal year starting July 1 from the \$1.23 billion Kennedy requested to \$1.36 billion. The actual money would have to be approved in a separate appropriations measure.

Domestic Farm Food Prices Rise

Washington—UPI—The Agriculture Department said today retail prices of domestic farm foods during January-March were 4 per cent higher than during the same period a year ago.

The department said the increase resulted from a 6 per cent rise in farmers' prices for these food products and a 3 per cent rise in charges for marketing them.

A moderate rise in marketing charges is likely in the months ahead, the department said in its publication, "The Marketing and Transportation Situation."

The marketing charges in the first three months of this year averaged about the same as in the last quarter of 1960.

St. Helens Fisherman Drowns in Columbia

St. Helens—UPI—Bill Hawkins, 24, St. Helens, drowned in a Columbia river slough in a fishing accident about five miles south of here Thursday.

Hawkins fell into the water when a 14-foot boat capsized and drowned as he attempted to swim to shore.

His body was not recovered.

Hatfield Will Attend Governors' Conference

SALEM—UPI—Gov. Mark Hatfield leaves for the Western Governors' Conference in Salt Lake City May 14. He will discuss the Boardman industrial park as an example of how Oregon is working to build its economy.

Hatfield will bring up the Boardman project May 16 during a panel on economic development. He is chairman.

Hatfield is expected to make suggestions for developing a Western states economic data processing center.

Mother's Day Cards
MAY 14TH
Swem's
217 E. Main St. — Medford

70 Attend Special IRL Reception for Foreign Students

About 70 persons participated in the special International Relations League's reception for foreign students and installation of 1961-62 officers this week at Medford High school.

The event, the first of its kind held by the high school organization, drew internationally-minded students from Hedrick and McLoughlin Junior High schools, Medford High school, and representatives of local civic groups. Represented at the reception were local chapters of the American Field service, the American Association for the United Nations, Rotary International, and Altrusa club.

President Diane Lewis welcomed guests, and John Alansky outlined the goals and objectives of the IRL. During the ceremonies, Alansky presented the local club president with several books the Medford club earned by placing third in state-wide com-

petition at the state IRL conference earlier this year. Alansky was elected president of all Oregon IRL's at the annual meeting at the University of Oregon.

Introduced at Reception
Introduced at the reception were Don Kondo and Jill Ducroz, AFS foreign exchange students from Japan and England, who are now completing their school at Medford High. During the evening the two students answered questions and visited those attending.

Installed as Medford IRL officers for 1961-62 were Carl Washburn, president; Joel Gregory, first vice president; Jim Albright, second vice president; Ruth Milligan, secretary; Jim Tungate, treasurer; and Jill Barnes, historian.

Club member Marsha Belknap presented corsages to the club's advisers, Mrs. Justin Smith and Miss Dee Barrell.

President Diane Lewis explained that the evening reception was designed to both honor the foreign students and to introduce the International Relations League to the public, as well as install the newly-elected officers.

Sponsors Activities
Throughout the year, the Medford High IRL sponsors school and community projects concerned with international affairs. Programs during the past few years have included cooperation with the American Field Service program, holding magazine, book and clothing drives for persons abroad, encouraging pen pals with foreign students, providing a scholarship for the AFS summer-exchange student, sponsoring special films, lectures, and panel discussions on foreign affairs, helping to create IRL's in other southern Oregon high schools, and playing a leading role in extra-curricular activities at MHS.



CAPTURED—James Scott Stephens, 16, above, was captured as he hitchhiked near Kadoka, S. D., and confessed he shot and killed two young girls on a flower-picking outing near Holland, Mich. (UPI Telephoto)

VARIETY OF CROPS
Washington—A American farmers grow about 200 kinds of plants while farmers around the world raise 2,000 species.

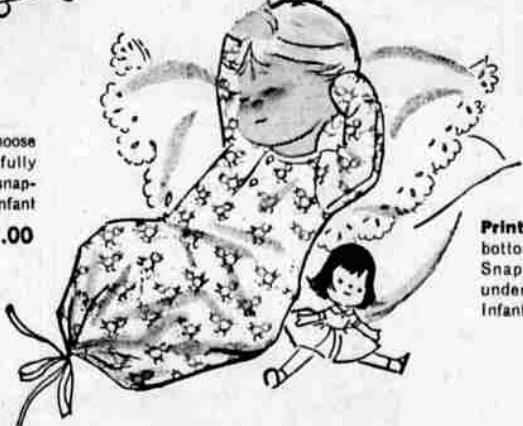
BABYWEAR BY HANES

Give them the tender loving wear of Hanes

Soft as a mother's touch...our babywear by Hanes. Beautifully made, Hanesknit of pure combed cotton. Shrink-resistant, colorfast, no ironing needed. Sized by weight and years. Choose now at thrifty prices.



Print Sacques. Gay prints to choose from, daintily smocked, beautifully trimmed. Raglan sleeves, bow snap-fasteners. Pink, blue or yellow. Infant size. \$1.00



Print Gowns. Charming, cozy. Tie-bottom, cuffs double as mittens. Snap-open neckline. Can't-bind underarms. Pink, blue or yellow. Infant size. \$1.49



Print Kimonos. Raglan sleeves, ribbon-bow snap-fasteners. Infant size. \$1.49

Short-sleeved Shirt. Self-closing neck, can't-bind underarms. Dry-shirt diaper tapes. Sizes 3 mos. to 3 yrs. 2 for \$1.19

Training Pants. Double panel front and back. Sizes 1 to 4 yrs 2 for \$1.19



Snap-side Shirt. Short sleeves, can't-bind underarms, no side seams, dry-shirt diaper tapes. Whiter-than-white. Sizes 3 mos. to 1 1/2 yrs. 2 for \$1.39

BIG Y SHOPPING CENTER TOT SHOP

Let's GO CRATER Lions SPORT & HOME SHOW! MEDFORD ARMORY TODAY!



Bob Taylor

"PICK-O-THE-LOT" WEEK END USED CAR BUYS!

"Dream of owning a better car? That dream can come true, and cost less than you'd think. It's just a matter of finding the right car at the right price. Our selection is big, the cars are sharp. So your search could begin and end right here! Come in tomorrow and see."

★ PONTIACS ★

- '60 PONTIAC 2-DOOR—R&H, Stick Shift!
- '59 PONTIAC CONVERTIBLE—Loaded!
- '58 PONTIAC CONVERTIBLE—Like New!
- '56 PONTIAC STAR CHIEF COUPE—Wow!
- '55 PONTIAC WAGON—Rare 2-Door!
- '55 PONTIAC HARDTOP—A Honey!

1960 Pontiac 2-Dr. \$2299
Stick Style—SPECIAL.....

★ CHEVYS ★

- '60 CHEV. IMPALA HARDTOP—Sharp!
- '59 CHEV. WAGON—Loaded!
- '58 CHEV. WAGON—Lots of Extras!
- '58 CHEV. DELIVERY 2-DOOR
- '57 CHEV. WAGON—Real Sharp!

★ FORDS ★

- '61 THUNDERBIRD—Immaculate!
- '60 THUNDERBIRD—Like New!
- '58 THUNDERBIRD—Like New!
- '56 FORD WAGON—Real Handy!
- '55 FORD WAGON—9-Passenger!
- '54 FORD SEDAN—Priced Rite!

EXTRA SPECIALS

This Weekend

- '57 CHEVROLET Sedan, Now only..... \$699⁹⁹
- '54 OLDSMOBILE "88" Priced to go..... \$399⁹⁹
- '51 CHEVROLET Sedan; Yours for..... \$99⁹⁹
- '50 PONTIAC Sedan; Price just..... \$89⁹⁹
- '46 FORD PICKUP New tires, and only..... \$199⁹⁹

★ IMPORTS ★

- '60 RENAULT DAUPHINE—Like New!
- '60 RENAULT—With Sunroof!
- '59 VOLVO—Family Sports Car!
- '59 RENAULT—Sunroof Fun!
- '58 SIMCA—Priced to Go Now!

★ PICKUPS ★

- '60 GMC 1/2 TON—It's Terrific!
- '56 CHEVROLET 4x4
- '57 FORD 1/2 TON—Try It!

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DEAN & TAYLOR PONTIAC-GMC

6th and Grape
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Browse around our lot this weekend. Feel free to test-drive any car!