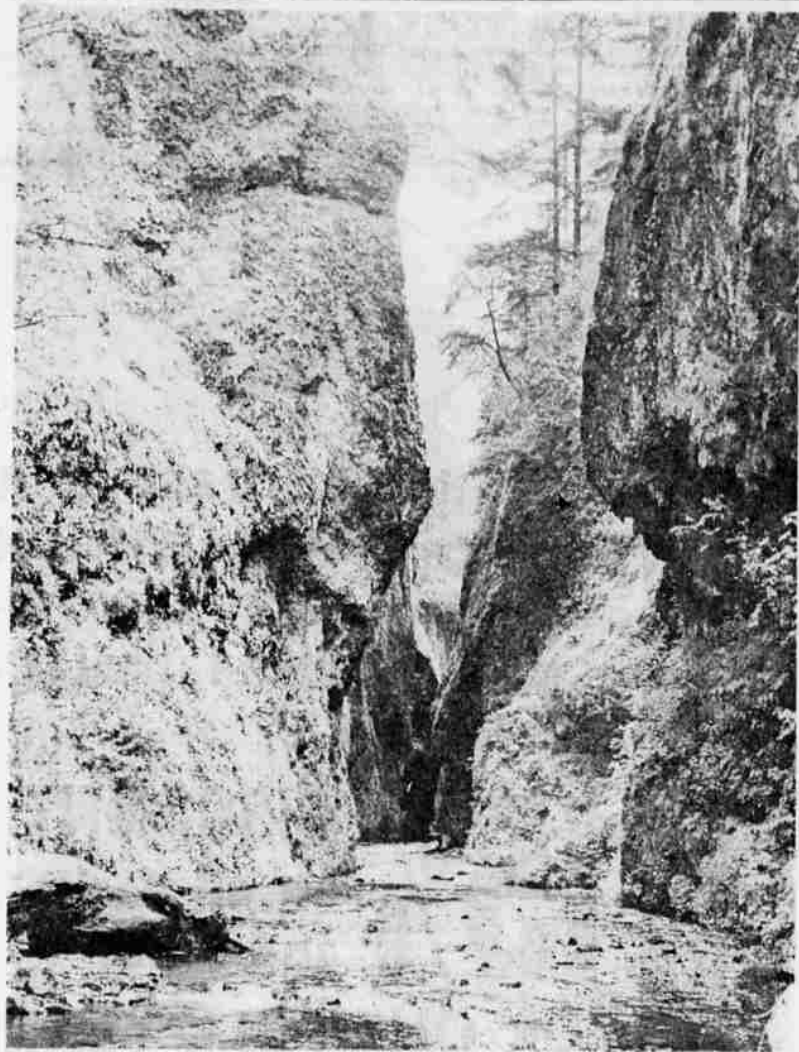


Interest Tax Withholding Proposal Killed

The Beauties of Scenic Oregon

(Oregon State Highway Commission Photo)



Oneonta Gorge is bordered by moss-covered cliffs near Oregon's Columbia river highway, Highway 30 (scenic route).

Senate Committee Ballots 10 to 5 To Reject Plan

Decision Follows Closed Meeting

Washington—UPI—The Senate Finance committee today voted 10-5 to kill the administration's plan for compulsory withholding of income tax on income from dividends and interest.

Chairman Harry F. Byrd (D-Va.), who opposed the withholding proposal, announced the decision after a two-hour closed committee meeting. The senators are working on the administration's over-all tax revision bill.

The withholding feature was a key part of the administration's measure and also the most controversial. It would have required 20 per cent of all dividends and interest to be withheld from income tax at time of payment. It was defeated by a combination of five Democrats and five Republicans.

Compromise Scuttled

Administration backers had hoped to salvage it through a compromise offered by Sen. Robert S. Kerr (D-Okla.). It would have exempted low-income groups from withholding, cut by two-thirds the number of refund claims and provided a system of instant refunds for others.

But the committee acted without even considering Kerr's plan. The committee did unanimously adopt a provision to require corporations and savings institutions to notify the government of all dividends and interest paid in excess of \$10.

Sympathy Told

Senate Democratic Whip Hubert H. Humphrey (D-Minn.) told newsmen after a White House leadership meeting Tuesday that the administration was "more sympathetic than ever" to an income tax reduction.

He emphasized, however, that it would defer a final decision for about another month, and this should in no way delay finance committee action on the pending tax revision bill.

The Kerr compromise, introduced late Tuesday, represented a major administration drive to make progress on its hotly disputed plan to impose a 20 per cent withholding tax on income from dividends and interest.

Treasury officials estimate that the tax would bring in from \$700 to \$800 million a year in revenues now escaping taxation.

Thornton Avoids Ruling on Prison

Salem—UPI—Atty. Gen. Robert V. Thornton said today it is not in the province of his office to determine validity of the 1961 law requiring state Emergency Board approval before construction of the state women's prison.

In an opinion requested by House Speaker Robert B. Duncan (D-Medford) Thornton said that is up to the courts.

Duncan asked Thornton for an opinion on constitutionality of the 1961 law after the state Board of Control announced several weeks ago it planned to ignore the emergency board, and the law, describing it as unconstitutional.

The Board of Control ordered a go ahead on the women's prison project, and preliminary work has begun.

Warning of Estes Abuse Said Given

Washington—UPI—A witness told Senate investigators today that an official who died under mysterious circumstances had warned a Texas Agriculture committee that Billie Sol Estes was abusing the cotton allotment transfer program.

The testimony concerning the late Henry C. Marshall came from Baldwin P. Davenport, former chairman of the Texas Agriculture Stabilization and Conservation committee from January 1960, to March, 1961.

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WILLIAM SINGLER Announces Candidacy

Singler to Seek Mayor Election

William A. Singler, 35, Medford city councilman from Ward 1, today announced his candidacy for the office of mayor.

He is the second person to file for the office James J. Dunlevy, a member of the Medford city council for six years, announced his intention to run for the office Friday.

Singler has served two years on the council, and in 1960 he was a member of the parks and recreation commission. He has also been a member of several civic organizations, including Kiwanis club.

He has lived in Medford all his life. During the past 15 years he has owned and operated his own business here.

He now owns Singler Auto Supply, 220 East Jackson st. He and his wife, Suzanne, have four children, Billy, 9; Tiffany, 6; Shelly, 5; and Eddie, 2. They live at 124 Verdona pl.

Election Slated On Water Project

Talent—A special election on a proposed water development project for the city of Talent has been scheduled Aug. 30.

City voters will be asked to approve bonded indebtedness of up to \$185,000 to finance construction of facilities to take city water out of Wagner creek.

At present, city water comes entirely from wells. This source of supply has become inadequate, especially during the summer months, city officials noted.

Specifically the measure on the Aug. 30 ballot will be a proposed amendment to the city charter to authorize bonds to finance construction of new water facilities.

The facilities will include a treatment plant, reservoir and pipe lines.

The polls will be open at the city hall from 8 a.m. to 8 p.m.

Public hearings will be scheduled during the next month and a half to allow residents an opportunity to let councilmen know whether they would like the project financed through a boost in water rates, an increase in taxes, or both.

Underground Explosion Chars Nevada Desert

Nevada Test Site—UPI—The delay-plagued backyard nuclear testing program boomed back into gear today with an underground shot which charred a desert crater and sent debris and a fireball high into the sky.

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Regional Edition

MEDFORD TRIBUNE

24 Pages Two Sections

MEDFORD, OREGON, WEDNESDAY, JULY 11, 1962

No. 96

City Prepares to Talk to Officials In Alba, Italy

Telstar Program Set for July 24

Medford city officials today are collecting pictures and background information of the city and Mayor John W. Snider in preparation for the July 24 communications experiment via the satellite Telstar.

Medford's part in the experiment was confirmed Tuesday in a telephone call from the United States Information Agency in Washington, D.C. Mayor Snider said today that arrangements have been under way for about a week. He is expected to talk with the mayor of Alba, Italy, Medford's sister city, via Telstar, for four minutes.

The mayor said Medford, the only northwestern city chosen to participate, is one of 20 cities in the United States selected to talk with their sister cities in various parts of the world.

Head of Program

It is believed that Oregon's intensive participation in the sister city program was why Medford was selected. Mayor Snider is head of the state sister city program. Because of Mayor Snider's activities as head of the Oregon sister program, he has been invited to address the American Municipal Congress in Philadelphia in August.

So far 300 feet of black and white film and several travel folders have been sent to the USA in connection with the experiment. Mayor Snider said it was his understanding the folders will be used in displays throughout Europe to promote the July 24 program.

Other requests have included aerial pictures of Medford showing the mountains, a story of Medford's affiliation with Alba, Italy, pictures of the Medford visitors to Alba, and a biography of Mayor Snider.

The agency explained that the material was needed for the Embassy in Rome so stories may be published in Italy prior to July 24.

McGahuey Being Returned to Salem

Leeroy Sanford McGahuey, 43, of Central Point, is being returned to the Oregon state prison at Salem today by Jackson county sheriff's deputies.

He is scheduled to die in the prison gas chamber Aug. 20 for the first degree murder of a Central Point infant, Rodney Cameron Holt, Feb. 14, 1961.

Circuit Judge James M. Main set the execution date Monday morning as McGahuey appeared in court to hear the execution date as required by law.

McGahuey told newsmen following his court appearance that he wished to be executed on the date of the murder since it would bring him closer to the infant, and Mrs. Loris Mae Holt, who was also killed in the Central Point apartment. However, Judge Main refused to hear McGahuey's request in chambers as he had asked.

Association Asks Letter of Court

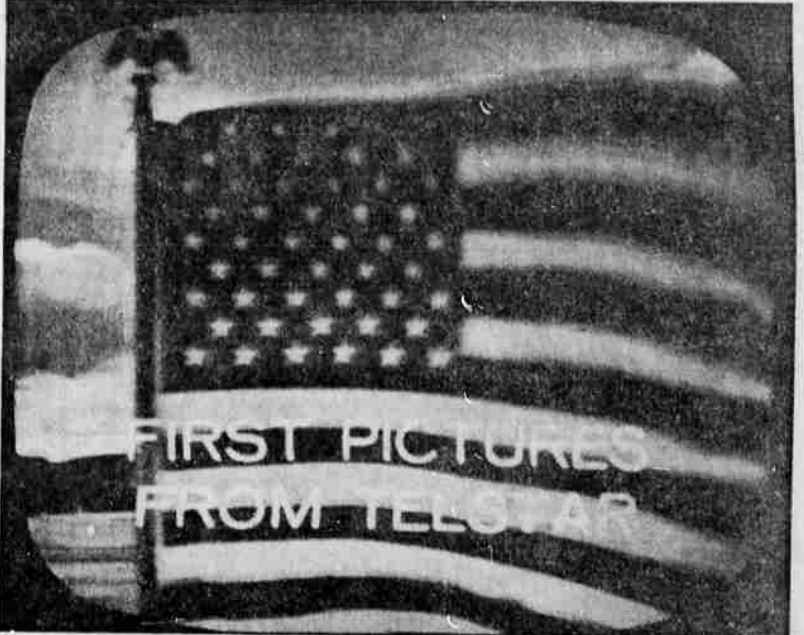
The Rogue Basin Flood Control and Water Resources association's board has requested a letter from the Jackson county court stating approval of the proposed dams.

The association is preparing a brochure of the project to be presented congressional committees considering the basin project.

Purpose of the brochure is to show that the Army Corps of Engineers' plan is supported by all interests in the basin. The court's letter will be enclosed in the brochure and is needed by July 15, Ben Hilton, association president wrote.

FUND SWELLS

Salem—UPI—The Oregon judges' retirement fund has increased by \$54,523 compared to \$36,823 a year ago, State Treasurer Howard C. Nelson said today.



FLAG PICTURE RELAYED—This amazingly clear picture of the American flag was the first picture to be relayed by the Telstar communications satellite Tuesday. The scene was the first experimental picture to be received and relayed by the satellite as it whirled over the United States on its sixth orbit. This is how the reception looked to television viewers throughout the United States. Other Telstar satellite pictures are on page 2A. (UPI)

Television Reception From Telstar Heartens Scientists

Andover, Me.—UPI—Heartened by unexpected success in sending the first live television to Europe Tuesday night, American scientists announced they will try to bring the first European video to American sets tonight about 5 p.m.

The three networks, ABC, NBC and CBS, announced they will "stand by" to relay coast to coast a test telecast from the French space television station at Pleumeur-Bodou, Brittany.

France was first to pick up the intercontinental television signal from the U.S. satellite "Telstar" Tuesday night.

Americans might see the 1964 Olympics from Japan on television sets in their homes, and viewers in Calcutta, India, on the other side of the globe from New York, may watch the 1964-65 World's Fair, scientists believed.

Technicians said 20 to 25 satellites orbiting the earth as the Telstar is doing today would be sufficient to establish a global network. They speculated that this could be expected within three years.

The reception Tuesday night of pictures relayed by the Telstar at stations in Goochilly, England, and Pleumeur-Bodou, France, was regarded as a communications feat rivaling the development of the telephone.

It came as a surprise and a delight to scientists at "Space Hill" in Andover, Me., who were already ecstatic over the letter-perfect launch from Cape Canaveral and the tiny sphere's performance in relaying telephone conversations and a television program back to the United States.

Possibly millions of Americans listened to "The Star Spangled Banner" and saw the American flag framed against the 18 story communications dome at Andover on their television sets in the first TV transmission relayed from space.

The impulses, sent from Andover and amplified 10 billion times inside the instrument-packed ball circling the earth, appeared clear and vivid when they came back to earth. The 50 stars of the flag were clearly seen.

Scientists called the venture the most successful thus far in the American space program. Each earlier project has evidenced some "bugs" which needed correction.

But the early morning launch from Cape Canaveral, under power of a Thor-Delta rocket, and the sphere's performance in space were perfect beyond the highest expectations of scientists.

Reception in France and England was an unexpected bonus. The French tracking station reported that the image was as clear as though it had been sent from 20 to 25 miles away. The sound also was clearly received. The French received portions of the 15 minute program broadcast to millions of American homes.

The British station said that the wavering image of a man appeared on its receivers for about a minute.

A specific trans-Atlantic test had been scheduled for July 23, with the three American networks transmitting from this country, and a return 15 minute program being produced by the 18-nation European Broadcasting Union.

Test Next Week However, officials said Tuesday night that a test could be expected next week, following detailed checking of the satellite's complex operations.

Bond Issue Vote Set for Friday

White City—Voters in the White City Sanitary district will go to the polls Friday to consider a proposed \$125,000 bond issue for rehabilitation and additional construction on the district's sewer system.

The polls will be open from 8 a.m. to 8 p.m. at the Central Point Rural Fire department station at Avenue G and Agate rd.

Also on the ballot will be the district's proposed 1962-63 budget. Notices of the budget and bond issue have been posted at White City Realty, Super Save service station on Highway 22 and at the fire station.

Sewer District Talks Planned

The first telephone conversation relayed from outer space was held between Vice President Lyndon Johnson and Frederick R. Kappel, president of American Telephone and Telegraph, developers of the satellite.

The satellite, continued to orbit today at its regular interval of 158 minutes. Its apogee, or farthest point from earth, was 3,502 miles, and its perigee, or closest point, 593 miles.

A conference will be held in the near future on the proposed sewer district for the area southwest of Medford, County Judge Earl M. Miller said this morning.

He plans to invite the district sponsor, Elmer W. Luschen, 2325 Stewart ave., to discuss the proposal.

District Attorney Alan B. Holmes returned to the county court 26 petitions presented by Luschen recently. The petitions are improper and cannot be acted upon, he said. The petitions cover the area street by street, but set no perimeter boundaries for the proposed district.

Holmes suggested that the documents be returned to the petitioners so a boundary description could be prepared. Then the county clerk would determine if 60 per cent or more of the land-owners within the proposed district have signed petitions.

Alternatives to rectify the error in the petitions would be to adopt a resolution directing a public hearing be held for the sanitary district, or to ask for certification by the state sanitary authority that an emergency exists requiring formation of the district.

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Demo Chairman Rejects GOP Contention on Declaration

Salem—UPI—Oregon Democratic Chairman E. D. Spencer, Salem, today rejected a Republican contention that Democrats failed to follow a 1961 law at their state convention here last week.

Robert C. Ingalls, Corvallis publisher and chairman of a GOP committee that drew up the GOP statement of principles at Bend, charged Saturday that the Democrats drew

up a regular party platform at their convention four days earlier, rather than a statement of principles called for under the 1961 postprimary convention law.

"It is obvious," Spencer said, "that the Democratic Party has complied with the law. Our document not only states our principles, but goes on to provide the voter with a definite statement as to what the Democratic Party stands for or against."

Spencer looked up the word "platform" in the dictionary. Webster's New Collegiate dictionary, "platform—a declaration of the principles for

which a group of persons stand; especially, a declaration of principles and policies adopted by a political party."

"They called it a platform because that is exactly what it is and no amount of hind-sight or semantics search will change the fact nor their own label," he declared.

"Principles are something for which a person or a party stand irrevocably," Ingalls continued. "They are not something one changes like a dirty shirt."

Ingalls said it "seems strange they change these principles every five or six months because that is what they did between their January convention and their July convention." He cited such items as admission of Red China into the United Nations, and nuclear testing and disarmament.

The commission proposes to reconnect Agate rd. with Crater Lake highway and block the present connecting Agate rd. It also proposes to widen the existing highway and to pave the shoulders.

The county court requested County Engineer Robert Carstensen to study the proposal and make a recommendation. The court will send a letter to the commission either approving or disapproving the proposed project, County Judge Earl Miller said.

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NEWS BRIEFS

ITEMS FROM AROUND THE GLOBE

DEVICE EXPLODED OVER CHRISTMAS ISLANDS Washington—UPI—The United States today exploded a nuclear device equal to 1 million tons of TNT or more near Christmas Island in the Pacific. It was the 27th announced shot of the current series.

TITAN ROCKET LAUNCH SUCCESSFUL Cape Canaveral—UPI—The United States today launched giant Titan-2 rocket on a planned ocean-spanning flight today.

BEN BELLA RETURNS TO ALGERIA Algiers—UPI—Vice Premier Mohammed Ben Bella returned to Algeria for the first time in more than 10 years today for a warm welcome by the people and a possible showdown with Ben Youssef Ben Khedda.

RUSK SCHEDULES TALK WITH DOBRYNIN Washington—UPI—Secretary of State Dean Rusk has scheduled a meeting Thursday afternoon with Soviet Ambassador Anatoly F. Dobrynin in an effort to narrow East-West differences over the issue of Berlin.

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