

# TAX PROGRAM HAS DEDUCTION CURBS

Regional Edition

## MEDFORD



## TRIBUNE

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No. 264

### Higher Education Budget Unpadded Legislators Told

#### Board President Emphasizes Points

Salem—UPI—"We aren't coming in here with any idea our budget can be cut," Higher Education Board President William E. Walsh said Wednesday to the education subcommittee of the Joint Ways and Means Committee.

Walsh, a Coos Bay attorney, pounded the table with his fist, and poked his eye-glasses toward legislators as he barked "This is our budget. It is not a rubber stamp for educators."

#### Wants Report

The colorful appearance marked the opening of the subcommittee's orientation on higher education needs. "I want a report between this committee and our board. We have felt in the past that the legislature has been critical of our staff, and that we have been less than honest."

Walsh, speaking in a loud and gruff voice, looked bodily at the subcommittee members as he pounded the table and snapped "This budget is not padded."

#### Problems Known

"I know what you are up against. When we are through we want you to know what we are up against," he said. Rep. Stafford Hansell (R-Hermiston) asked Walsh's views on one board to handle both higher and lower education.

Walsh replied, "All we can do to handle higher education. One board is all right if you want to delegate authority to staff people."

Chancellor Roy E. Lieualen outlined how student enrollment was expected to increase by 55 per cent, but that budget requests were up only 29.6 per cent.

Rep. John D. Mosser (R-Beaverton) asked "who are we providing education for?" and asked the board to prepare a census of each institution showing how many out-of-state students are enrolled.

#### Wants Full Study

Chairman Daniel A. Thiel (D-Astoria) said the subcommittee wants a full study on out-of-state enrollments. Sen. Alfred H. Corbett (D-Portland) added "We are supporting education for groups from 13 or 14 states."

Lieualen told subcommittee members the board Tuesday had upped tuition fees for out-of-state students, and planned a series of \$60 a year increases in the fees to bring the charges up to the actual cost of instruction.

### Kennedy To Meet Chief Executives

Washington—UPI—The White House announced today President Kennedy will meet at San Jose, Costa Rica, March 18-20 with the chief executives of six Central American countries.

Kennedy will confer for three days with the presidents of Costa Rica, Guatemala, El Salvador, Honduras, Nicaragua and Panama.

The purpose of the meeting, according to the White House, will be to review problems and progress under the U. S. Alliance for Progress program, with particular attention to a movement toward economic integration of Central America.

### ECM DOOR LEFT OPEN FOR BRITAIN

Paris—UPI—France left the way open today for Britain to enter the European Common Market.

French Foreign Minister Maurice Couve de Murville said "The door has not been slammed against Great Britain" in its bid to enter. France has demanded that Britain enter without any special arrangements to protect its domestic agriculture and commonwealth trade.

### ATTEMPT TO BLOCK NEGRO PRESSED

Columbia, S.C.—UPI—Fiery state Rep. Red Bethes said he would make a final effort in the General Assembly today to push through resolutions that could block the admission of Negro Harvey Gantt to all-white Clemson College.

### MEREDITH SILENT ON RETURN TO SCHOOL

Jackson, Miss.—UPI—Negro James H. Meredith settled with his family in a new apartment Wednesday but he refused to say whether he intends to return to the University of Mississippi.



RECEIVES JAYCEE AWARD - In recognition of his years of service to Medford, the Medford Junior Chamber of Commerce last night presented a plaque to former Mayor John W. Snider, making him an honorary life-time member of the organization. Here, Jaycee President Richard Frey, left, hands the plaque to Snider and congratulates him on the unprecedented honor. The event was the highlight of the group's annual "Bosses' Night" banquet at the Rogue Valley Country club. Knackstedt Photo

### John Snider Made Honorary Member Of Medford Jaycees

A surprised John W. Snider last night was presented a plaque making him an honorary life-time member of the Medford Junior Chamber of Commerce, the first time such an award has been made by the organization.

The presentation was made by Jaycee President Richard Frey at the annual "Bosses' Night" banquet at the Rogue Valley Country club. Snider had been invited to the dinner on the pretext of introducing the featured speaker of the evening, Dr. Edwin R. Durno.

The plaque was given to Snider because of his "tremendous dedication and outstanding success in civic leadership" during the last several years. Snider recently retired from city government after completing three terms as mayor and nearly six years as city councilman.

#### Awards Presented

Jaycee State Vice President Terry Green presented Jaycee of the Month awards to Fred Holmes, Everett Peyton, Bob Burton and Frank Grimes.

"Exhausted Rooster" awards were given to Kenn Knackstedt, Henry Haydal and Larry Allen in recognition of their years of service to the organization.

State Sen. Lynn W. Newbry made a special trip down from Salem to attend the banquet. He praised Snider as one who commanded "continuing admiration and respect during his years as mayor."

#### Letter from Hatfield

Hugh Jennings read a congratulatory letter to Snider from Gov. Mark Hatfield, who sent his "regrets" at not being able to attend in person because of a prior commitment. Hatfield lauded Snider as a "sound counselor, chairman of the state board of aeronautics and as a goodwill ambassador in the Sister City program."

Dr. Durno was introduced to the group by Mayor James Dunlevy, who described him

### Flemming Against Merger of Boards

Eugene—UPI—President Arthur S. Flemming of the University of Oregon today said he would not favor a merger of the Boards of Education and Higher Education in Oregon.

Such a merger was proposed by Gov. Mark Hatfield to the 1963 Legislature.

Flemming said he was brought up under the New York State system in which both boards are joined under a Board of Regents. He said New York state was not known for excellence in higher education.

While he does not favor a merger, Flemming said, "I see the existence of the problems which the governor outlined. But I think these problems can be resolved between the existing boards."

### Haworth Attends Committee Meeting

Medford Park and Recreation Director Robert Haworth attended a meeting of the Planning committee of the Pacific Northwest Park and Recreation conference in Eugene Wednesday.

Plans were made for the program of the annual conference of the organization, which will be held in Eugene this year from April 22 to 24, Haworth said.

Last year's conference was held in Vancouver, Wash., and was attended by about 800 delegates, he said.

Washington—UPI—Mrs. Robert F. Kennedy, wife of the attorney general, is expected her eighth child in June.

### TEXAS MAN ARRESTED

State police here reported the arrest this morning of Clyde Eugene Laughard, 33, Dumas, Tex. They reported that he is wanted by the sheriff's office at Bakersfield, Calif., on child abandonment charges. Laughard was placed in the Jackson county jail.

### Hornbrook Fire Destroys Landmark

Hornbrook—Fire of undetermined origin destroyed an old landmark here this morning, when the home of Mr. and Mrs. Frank Suetta burned.

Located on Cottonwood Creek rd. opposite the quarantine station, the home was recently purchased by the Suettas from the Robert L. Cummins family which lived there for many years. The Suettas moved to Hornbrook from Vacaville less than a year ago.

The barn and other farm buildings were threatened as the blaze raged the two story house. Firemen were still at the scene at 10:30 o'clock this morning.

### Branchfield Offers Bill on Liquor Cards

Salem—UPI—Rep. Edward Branchfield (R-Medford) today introduced a bill to lighten the regulation concerning the use of liquor identification cards by persons under 26 years of age.

The measure forbids lending cards and makes it a misdemeanor to give false information when applying for one.

### Monmouth Students Face Fire Charges

Monmouth—UPI—Nine Oregon College of Education students today face charges of destruction of public property as a result of a series of fires in a men's dormitory, a college official said today.

Dean of Men Dr. Donald Duncan said Polk county authorities probably will file misdemeanor charges Friday.

The State Police arson division was called in for investigation when college authorities were unable to solve the case.

Dr. Duncan said several small fires had occurred at the college in the last few years. The latest started when students set fire to rags and paper and kicked them under a door at Maaske Hall, a men's dormitory, he said.

### Board of Health Sets Medford Hearing

Portland—UPI—The State Board of Health said today hearings will be held in seven Oregon cities next month on proposed revisions of administrative rules concerning nursing homes.

Morton B. Lamb, assistant to State Health Officer Richard H. Wilcox, will be hearings officer.

Hearings will be held at: Pendleton Feb. 6, Bend Feb. 8, Eugene Feb. 11, Coquille Feb. 13, Medford Feb. 15, Salem Feb. 18, and Portland Feb. 20.

### Year-Round Trout Fishing Planned

Emigrant lake will be open to year-round trout fishing when new angling regulations set by the Oregon state game commission go into effect Feb. 9, according to Neil Ledward, Jackson county parks and recreation director.

Ledward received a letter from P. W. Schneider, director of the state game department.

The parks and recreation commission had requested the lake be open year-round for trout fishing since people may now fish for catfish, bluegill and bass in the lake. When a trout was caught, it was explained, it had to be returned with the chance that it might die.

Oregon state police noted today that catching and keeping trout is illegal now. State police have received several calls about a possible change in the trout fishing season dates. So far, police said no information to change the trout season from the present has been received.

### Strike Against Boeing Ordered For Saturday

Seattle—UPI—The Executive Board of the International Association of Machinists today called a strike against the Boeing company at 12:01 a.m. local time Saturday.

However, President Kennedy already has taken steps to invoke the Taft-Hartley Act. The President named a special board of inquiry Wednesday to investigate the dispute.

The naming of a board of inquiry under the Taft-Hartley Act serves as a prelude to the Justice Department seeking of a federal court injunction to provide an 80-day cooling-off period.

#### Threat To Nation

Kennedy said he acted because "any interruption of the production of aircraft, missile or space craft at the Boeing company would be a serious threat to this nation's defense effort."

Boeing produces the Minuteman intercontinental ballistic missile regarded as the nation's prime nuclear weapon.

Members of the Aero Mechanics Union voted 18,884-3,590 Wednesday to reject the firm's final contract offer.

The dispute affects about 40,000 workers at seven major Boeing sites throughout the country from Cape Canaveral, Fla., to Seattle.

#### Key Issue

A union shop clause is the key issue in the dispute over a new contract. A union shop was recommended by a presidential panel appointed to assist in the negotiations.

The offer turned down by union members included an hourly wage boost of from 22 to 32 cents over the next three years and increased pension benefits.

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### Italian Government Approves Proposal

Rome—UPI—The government today gave its approval to a new atomic strategy believed to be the withdrawal of land-based U.S. Jupiter missiles from Italy and their replacement with Polaris missile submarines.

The decision was contained in a communique which said Premier Amintore Fanfani's government had approved "the proposed criteria for the modernization of the arms of the NATO alliance."

The communique was issued following a cabinet session. It did not go into further detail.

But it was clear it referred to the long-suspected withdrawal of Jupiter missiles from Italian soil and their replacement with the sea-based Polaris missiles.

### Malaya Tells Indonesia: 'Leave Malaysia Alone'

Kuala Lumpur, Malaya—UPI—The Malayan premier, Tengku Abdul Rahman, renewed today his warning to Indonesia to "keep your hands off Malaysia."

In an exclusive interview with UPI at the premier's attractive hilltop residence, he said frankly he is bewildered at the growing trouble between Indonesia and this

### Surprise Element In Long-Awaited Kennedy Proposal

Washington—UPI—President Kennedy asked Congress today to recapture about a fifth of his proposed \$11 billion tax cut for individuals by clamping drastic limits on deductions.

His proposal would limit deductions for such things as home mortgage interest, contributions, medical expenses and local taxes. Only that portion of the total amount which exceeds 5 per cent of the taxpayer's income could be deducted.

The sweeping nature of the plan was the surprise element in a 9,000-word message in which Kennedy spelled out his anxiously awaited request for a three-step reduction in personal and corporate tax rates.

His blueprint also called for new tax preferences for most persons over 65, for many working mothers and for professional athletes, authors and others whose earnings fluctuate widely. He urged tougher tax treatment for the oil and gas industry, stock dividends and stock options enjoyed by some corporation executives.

#### Cancels \$2.3 Billion

The President said his proposed "reform" in deductions would cancel out \$2.3 billion on the \$11 billion tax cut he wants to give individuals to pump more purchasing power into the economy and revitalize business.

He said it also would mean that some 6.1 million of the 25 million taxpayers who now itemize deductions would find it more, or equally, profitable to take the standard 10 per cent deduction and file a short return.

However, Kennedy's tax blueprint would give low-income groups a better break on deductions than they get now. It would establish for the first time a minimum deduction — \$300 for a single person or married couple plus \$100 for each dependent. Everyone would get that much regardless of deductible expenses or income.

As a result, between 750,000 and 1,000,000 low-income taxpayers would be removed from the tax rolls. This would be in addition to certain old people who would be relieved of tax liability under other rule changes.

### Raises Problems

Obviously aware that the deduction proposal will face trouble in Congress, Kennedy said "the present practice of allowing taxpayers to deduct certain expenses in full . . . raises difficult problems of equality, taxpayer compliance and tax administration and enforcement."

As for proposals that he cut his record \$98.8 billion budget to clear the way for tax relief, Kennedy said he had proposed spending the minimum needed for national security and the Soviet challenge in space. He said it would be "a grave mistake" to cut it.

Democratic leaders believe all advance signs indicate that Congress will wind up voting a tax cut this year. But they believe Kennedy will get few of the revenue-boosting "reforms" he wants.

### Three Annual Steps

As previously revealed, Kennedy's plan would reduce individual income tax rates in three annual steps from the present 20 to 91 per cent to a new range of 14 to 85 per cent.

Other major points: Individual Withholding—To reflect lower tax rates that would apply to 1963 income, the withholding rate would be cut almost 14 per cent, effective July 1. Since Congress is not likely to complete action on any tax legislation before late summer, the Treasury anticipates it will have to refund unusually large amounts when taxpayers compute their final 1963 tax bill. Tax rates would be lower still on 1964 income and again on 1965 income.

### Would Drop

Corporations—They now pay 30 per cent in taxes on the first \$25,000 in earnings. This would drop to 22 per cent on 1963 income. Earnings above \$25,000 now are taxed at 52 per cent. This would be cut to 47 per cent over a two-year period, starting next Jan. 1. Kennedy said the biggest percentage cut would go to the 450,000 corporations which earn \$25,000 or less rather than to the 135,000 larger corporations.

(Continued on Page 2A)

## Russian Buildup Said Proceeding in Cuba

### Subcommittee To Receive Briefing On Situation

#### Sen. Morse Asks For Information

Washington—UPI—State Department officials will brief the Senate Latin American affairs subcommittee Friday on reports of a new Soviet military buildup in Cuba.

Sen. Wayne Morse (D-Ore.) asked the State Department to provide information Wednesday amid Republican demands for a new Senate investigation of the abortive 1961 invasion of Cuba.

Sen. Kenneth Keating (R-N.Y.) said he had evidence that the military buildup in Cuba is 10 times greater than it was last July prior to the missile crisis.

"Tanks, guns, MIG fighters and other arms are continuing to pour into Cuba," Keating told a reporter. He said his information was based on reports from Cuban refugees.

He said he thought the reported buildup posed a "very serious situation" for the United States. Keating said it is much more important at this time than the question of the cause of the failure of the Bay of Pigs invasion in April, 1961.

He said he was not opposed to an investigation as proposed by other Republican senators into the invasion fiasco but he thought senators should be cornered first with what he said was the current military threat.

Democratic foreign policy experts objected to a Republican demand for a new Senate investigation of the Bay of Pigs invasion.

"The Bay of Pigs incident was terrible," said Sen. John J. Sparkman (D-Ala.), "but I don't believe any further investigation would serve the national interest."

Sen. Barry Goldwater (R-Ariz.) raised a new cry for an inquiry Wednesday. He proposed a full investigation of the Bay of Pigs incident by the Senate Armed Services committee of which he is a member.

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