

Net Receipts Income Tax Proposal Runs Into Opposition

Senate Taxation Committee Hears Loud Objections

Salem — UPI — Vigorous opposition to the House-approved modified net receipts-income tax proposal was expressed Monday before the Senate Taxation committee.

The opposition came from the Portland Chamber of Commerce, Associated Oregon Industries, the AFL-CIO, Oregon Tax Research, and a private tax attorney.

After almost two hours of opposition testimony, Sen. Walter Pearson (D-Portland) commented: "Maybe we should invite Mr. Eymann to testify."

Main Opposition
Rep. Richard Eymann (D-Marcus) is chairman of the House Tax committee which drafted the proposal to raise an additional \$35 million a biennium.

Main opposition was to the net receipts feature, and the elimination of the federal income tax deduction.

While the Senate committee made no comment, it seemed likely the Senate would strip the net receipts feature, restore deductions for federal income taxes, adjust the rates, and then send it to the floor.

If the Senate were to pass such a bill, it would then have to go to a conference committee.

Rate 'Too High'
Richard Brown and Robert Hall of the Portland Chamber of Commerce argued the House bill's rate structure was too high, and said a proposed \$22 tax credit could not expand the tax base.

Hall said the major share of the state's income taxes now were paid by 25 per cent of the taxpayers, and that the House measure would increase their tax burden.

"You can't expect 25 per cent of the families to educate everyone else's children," he said.

The chamber proposes a 2 1/2 per cent net receipts tax, with expanded capital gains relief and reduced property taxes.

Opposed by Labor
Tom Scanlon, AFL-CIO, said organized labor opposed the House bill primarily because of the "gross income tax," his term for the net receipts proposal. He said labor favored eliminating the federal deduction.

Scanlon commented that eliminating the federal deduction would raise \$80 million a biennium.

Portland Tax Attorney David Patullo said high bracket taxpayers were leaving Oregon because of the tax structure. He said eliminating the federal deduction would send more high bracket taxpayers out of state.

Giles French Sells Sherman County Paper
More, Ore. — UPI — The Sherman County Journal, a weekly newspaper here, has been sold by Giles French to Daniel Bartlett.

French, a former state representative, was owner and publisher of the paper since 1931. Bartlett is the former owner and publisher of the weekly Hermiston Herald. He sold it several years ago.

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Foreign Briefs

NEGOTIATORS HOPE FOR NEW SOVIET INSTRUCTIONS
Geneva — UPI — Western disarmament negotiators were hopeful today that a May Day recess would result in new instructions for the Soviet delegation on the recent Anglo-American nuclear initiative.

The 17-nation disarmament conference recessed Monday until Friday to allow the five Communist delegations to return home for traditional May Day celebrations starting Wednesday.

TURKISH OFFICERS DETAINED IN REVOLT PLOT
Ankara, Turkey — UPI — Defense Minister Ilhami Sancar told Parliament Monday night that 12 officers had been detained in connection with the alleged distribution of a leaflet inciting the armed forces to revolt.

The names were not disclosed but Sancar said there were five from the navy and seven from the army.

AUSTRIANS PUSHED TO SPEED DESTALINIZATION
Vienna — UPI — Informed Czech sources here said today Soviet First Deputy Premier Anastas Mikoyan made a secret visit to Prague last month to speed up a drive to abolish the remnants of Stalinism.

Communists affairs experts believe the Czechs may announce full or partial "rehabilitation" of victims of Stalinist terror in the next few days.

HALT OF RACIALISM IN AFRICA URGED
Belgrade, Southern Rhodesia — UPI — Federal Rhodesian Premier Sir Roy Welensky said today that unless the progress of racialism is halted in Africa the continent will be plunged into war.

BOMB FOUND IN BUENOS AIRES SYNAGOGUE
Buenos Aires — UPI — A homemade bomb planted at the entrance of the La Paz synagogue here was discovered Monday by police experts and detonated harmlessly on the outskirts of the city.

Police said terrorists had wedged a dynamite-loaded pipe, about an inch in diameter and four inches long, into a crack near the door of the Jewish temple.

Stocks Irregular; Chemicals Ease As Oils Decline

New York — UPI — Stocks were irregular today.

Steels and autos were mixed. Chemicals eased slightly with Eastman Kodak continuing to react to sharply lower earnings. Oils were mostly lower, while rails held at around Monday's levels.

South Puerto Rico Sugar rose more than 1, reflecting sharply higher world sugar prices. Gulf Oil was a late opener rising a small fraction.

Virginia Electric Power picked up more than a point in a mixed utilities section while Philip Morris shed around 1 in the tobaccos.

Foster-Wheeler, Merck, Schlumberger and Southern Indiana Gas were among the point-sized losers.

DOW JONES AVERAGES
New York — UPI — Dow Jones final stock averages: 30 industrials 715.11, off 2.05; 20 railroads 182.24, unchanged; 15 utilities 138.80, up 0.92, and 85 stocks 253.19, off 0.40. Sales Monday were about 3.88 million shares compared with 4.49 million shares Friday.

Monday's prices on selected stocks:

Alcoa	50
Allied Chemical	38 1/2
Armco	38 1/2
American Air Lines	21 1/4
American Can	44 1/2
American Motors	19 1/2
A. T. & T.	123 1/2
American Tobacco	21 1/2
Ansoconda Copper	47 1/2
Armed	34
American Standard	10 1/4
Bendix Corp.	33 1/2
Bethlehem Steel	31 1/2
Boeing	37
Brunkwick	15 1/2
Caterpillar Corp.	37 1/2
Chrysler Corp.	10 1/4
Coca Cola	92 1/2
C.R.S.	55 1/2
Columbia Gas	29 1/2
Continental Can	43 1/2
Crown Zellerbach	36 1/2
Crucible Steel	29 1/2
Curtis Wright	20 1/2
Dow Chemical	65
Du Pont	24 1/2

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AWARDS PRESENTED—The 1963 "Great Living American" awards of the United States Chamber of Commerce for unique and creative contributions to human progress and the American way of life were presented at a leadership recognition dinner in Washington Monday night. From left are former Rep. Walter H. Judd; William M. Martin Jr., chairman of the Federal Reserve Board; Ladd Plumley, president of the U.S. Chamber, who presented the awards; and Sen. John L. McClellan (D-Ark.). (UPI)

Italian Communist Leader Predicts Downfall of Fanfani's Government

Rome — UPI — The powerful Communist party polled one out of every four votes in Italy's crucial national elections and today served notice that this country should chart a "new political course."

Communist party leader Palmiro Togliatti, in a post-election statement, indicated that the Reds would pull the political rug out from under Christian Democratic Premier Amintore Fanfani and his center-left government.

New High for Reds
The Communists have recorded a gain in every Italian election, and the 25.7 per cent they picked up in the latest parliamentary voting Sunday and Monday carried them to a new high.

Togliatti promptly used the gain as a lever to hint that five years of political instability possibly lie ahead for the country, because even though the Christian Democrats emerged as the largest single party their total was not enough to permit them to govern alone.

The Red boss hinted that his party's victory should bring the Socialists back to the Communist fold. The Socialists headed by Pietro Nenni have been supporting Fanfani's coalition regime.

Could Make Decisions
Togliatti hinted that the Communists and Socialists, who between them carry nearly 40 per cent of the votes in Parliament, could decide what road this country should follow in the next five years.

"It seems to me certain that a new political course has been opened in Italy," Togliatti said, "in which the initiative of our party and of left-wing democratic forces if united could have a decisive part."

His statement added that "our party has obtained a great victory."

Togliatti's words carried the threat of political instability for this NATO member nation. If the Communists and Socialists team up, as they did in the "People's Front" in 1948, they could cause endless trouble in parliament.

Christian Democrats Down
With five-sixths of the vote counted, the Christian Democrats polled 37.2 per cent of the vote, down from their 1958 figure of 42.4 per cent.

At this point, the Socialists also were running behind their 1958 figures. They polled 13.8 per cent of the vote this time, compared with 14.2 per cent in 1958.

The Neo-Fascists went up to 5.8 per cent from 4.8 per cent, Social Democrats 6 per cent from 4.5 per cent, Liberals 6.9 per cent from 3.5 per cent, while the Monarchists dropped to 1.8 per cent from 4.8 per cent five years ago. The Republicans polled the same 1.4 per cent they did in the last elections, while all others fell from a total of 1.7 per cent five years ago to 1.4 per cent at present.

Most Votes Counted
With only three of the country's 60,472 precincts still to be heard from, the final results of the popular vote for the Senate appeared to be: Christian Democrat and Republicans 133 seats against 123 in 1958; Communists 85 seats, up from 62; Nenni Socialists 44, formerly 35; and Liberals jumping to 19 from 4. Remaining seats were split among smaller parties.

Tabulations for the Chamber of Deputies still were un-

der way. But with nearly half the vote counted the balloting ran: Christian Democrats, 37 per cent against 42.4 per cent in 1958; Communists 25.1 per cent, up from 22.7; Nenni Socialists 14.7 per cent against 14.2; and the Liberals 7.4 per cent against 3.5 per cent five years ago.

California Kills Attempt To Restore Crossfiling System

Sacramento — UPI — A bill to restore California's unique crossfiling system in primary elections is dead for another session of the legislature.

But its author, Assemblyman Jack Schrade (R-Del Mar) promised today he would try again any time he gets a chance, including at next year's budget session, if possible.

On a strictly nonpartisan vote, the Senate Monday defeated the bill, 20 to 19. It needed 21 votes for passage to the Assembly, where its chances were dim anyway.

Schrade characterized crossfiling, abolished by the Democratic-controlled 1959 legislature, "the American system of voting" and pushed it as a means of eliminating election frauds.

Sen. Thomas M. Rees (D-Los Angeles), however, said the vote system, first established by former Gov. Hiram Johnson, was designed to encourage "fuzzing" along party lines.

"I believe very firmly that good government is government where we have a strong party system," Rees said. "That is what we have had in California the past four years. It's been a responsible system."

Senate Leader High M. Burns, who won reelection through a primary written in 1962, was Schrade's major proponent in seeking approval of the bill.

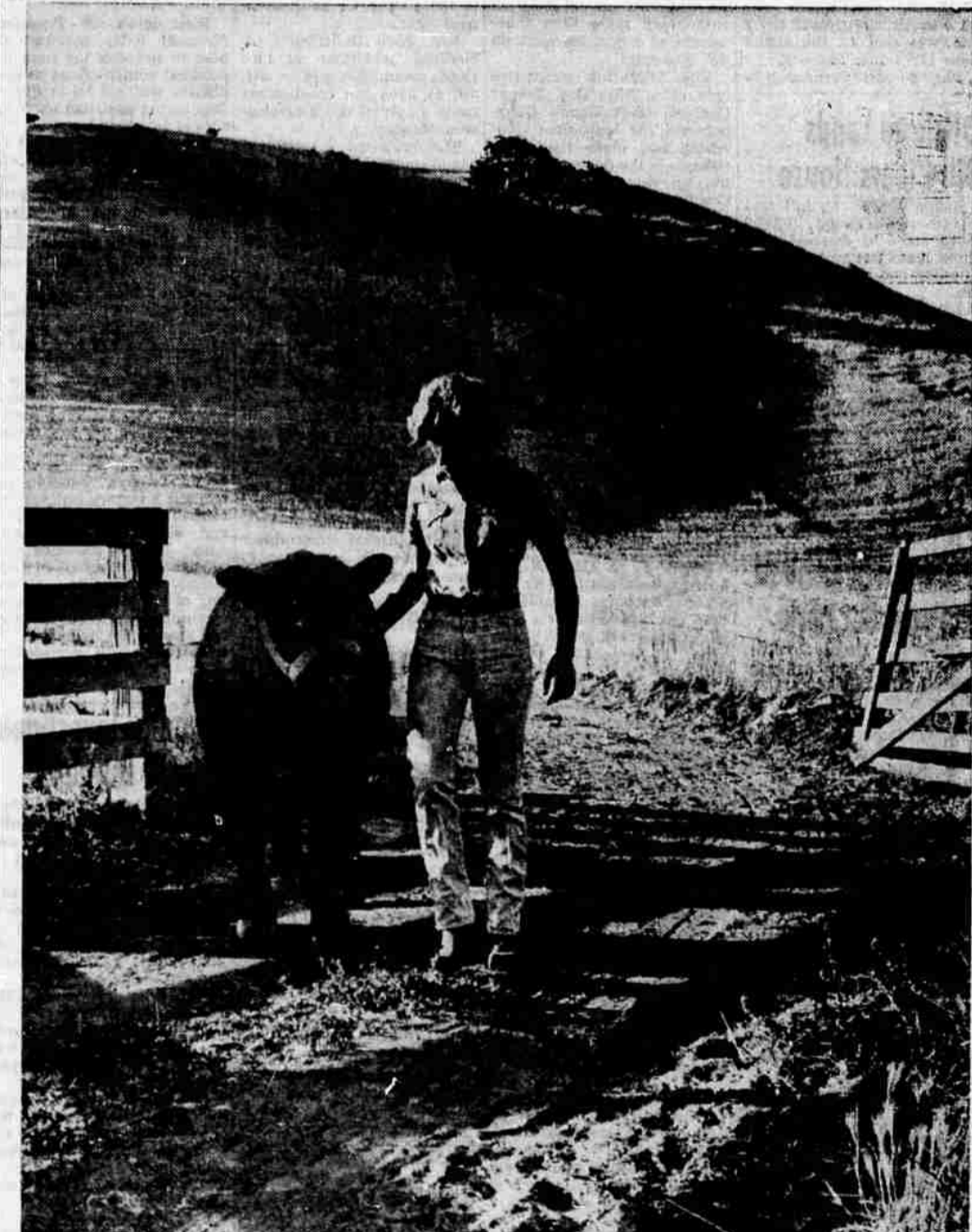
Strike Against Santa Fe Halted

Chicago — UPI — The dispute between the Santa Fe Railway and the Brotherhood of Railroad Trainmen over remaining work rule changes today awaited settlement of the nationwide rails dispute over featherbedding.

U.S. District Judge Julius J. Hoffman Monday tied the Santa Fe controversy to the nationwide dispute and halted any strike against the line until the national question is settled.

Hoffman granted a temporary injunction which in effect continued a temporary restraining order barring a strike by 3,000 members of the trainmen's brotherhood against the Santa Fe's eastern and western divisions.

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