

No Definite Date Forecast For Adoption of Tax Cut

By VINCENT J. BURKE, United Press International
Washington - When will some version of the big income tax cut that President Kennedy wants start moving through Congress?
"The tax cut," said a veteran congressional tax writer "is like an airplane at a fogged-in airport. You know that the fog eventually will lift and the plane eventually will take off. But nobody can say exactly when."
The "airport" is the big meeting room of the house ways and means committee across the street from the U.S. capitol.
The committee, which originates all tax legislation, received Kennedy's tax message Jan. 24. It got the details from Treasury Secretary Douglas Dillon Feb. 6.
The plan called for rate cuts and tax-tightening revisions that would result in a net reduction of \$10.3 billion in revenues, with reductions staged over three years.
Hear 200 Testify
The committee subsequently heard 200 witnesses during six weeks of public hearings.

Since then, it has questioned treasury officials behind closed doors for five weeks.
The pilot who is at the controls has displayed little enthusiasm for the take-off. He is the committee's politically cautious and fiscally conservative chairman - Rep. Wilbur D. Mills, a Democrat from Kensett, Ark.
However, Mills says he expects to bring a tax-cutting bill out of the committee next month. The rest of the journey to the White House could take an additional four months.
Conditions for passage are likely to be better next month than now, for two reasons:
-First, Congress by then will have had a chance to make more reductions in Kennedy's record high \$98.8 billion spending budget. The reductions thus far are unimpressive.
-Second, efforts of a new group of 300 business leaders organized to rally nationwide support for a tax cut this year may bear some fruit by then. The group, whose support was welcomed by Kennedy, wants a \$10 billion tax cut

without any of the tax-tightening revisions proposed by the President.
The average voter is not clamoring for a tax cut. Some citizens are hostile. They believe there is something immoral about cutting income taxes when the government is running a big budget deficit.
"The Puritan Ethic" is the phrase used by Walter Heller to describe this phenomenon. Heller is chairman of the President's Council of Economic Advisers. Most economists share his view that the country needs an income tax

cut to encourage economic growth.
But Congress would not be considering a tax cut now if it were not for the strong stand taken by Kennedy. Tax reduction is the legislation Kennedy wants most this year.
Last summer the President became persuaded that present tax rates produce unemployment by restricting economic growth. His political advisers shudder when they ponder how the odds would change on Kennedy's reelection prospects if the number

of unemployed Americans rose sharply next year over the present figure of 4 million.
Outlook Brighter
Dillon acknowledged recently that the business outlook now seems a little brighter than Kennedy anticipated when he sent his tax message to Congress.
This has neither cooled Kennedy's ardor for tax reduction nor dimmed chances that one will be enacted. But it may influence the distribution of tax relief.
If a recession were under

way or imminent, Congress probably would be more responsive to the demands of organized labor than any reshaping of Kennedy's tax program should increase - not reduce - the percentage of tax relief earmarked for taxpayers with modest incomes. Most of these would spend it quickly.
Businessmen have insisted that Kennedy's program is too consumer-oriented already. They believe a bigger share of the proposed relief should go to persons with high incomes to provide more "risk

capital" needed for long-term economic growth. However, faced with a recession, even some conservative lawmakers would hesitate to insist on this.
Lower Taxes
Along with reductions in corporate tax rates, Kennedy's program would ultimately reduce individual income tax rates to a 14 to 65 per cent range from the present 20 to 91 per cent.
Structural revisions included in Kennedy's program would provide additional tax breaks for some low-income

taxpayers. But they impose new tax loads on others, particularly those with medium and high incomes.
Before a tax-cutting bill wins committee approval, most of the hotly disputed revenue-producing revisions will be jettisoned. To offset this loss of revenue, the committee then will have to moderate the steep rate cuts proposed by Kennedy.
In fact, the committee probably will decide to hold the revenue loss below the \$10.3 billion recommended by Kennedy. This would mean a fur-

ther moderation of the rate cuts. It is in the designing of a new rate structure that the division of the tax-reducing pie will largely be made.
The revenue-producing revisions were included by Kennedy largely to placate Mills, who told the President last December that tax reforms must be included in any tax-cutting bill. Mills now is trying to salvage in compromise and less controversial form some tax-tightening provisions so the final product can be advertised as a "tax reform" measure.



POSTURE CONTESTANTS-A pair of Hotel Sahara showgirls at Las Vegas, Nev., use a plumb bob to check their stance as they prepare for the Miss Nevada Better Posture Contest. The professional dancers are Dorothy Donnelly, formerly of Cincinnati, Ohio, left, and Toni Madsen, formerly of Provo, Utah. (UPI).

4-H Club News

West Side Rabbits
The West Side Rabbits 4-H club held their meeting recently at the home of Mrs. Caldwell in Central Point.
President Ron Smith gave the dates of the coming pre-fairs and the county fair.
We discussed an overnight campout, the girls in one area and the boys in another. Committees were chosen to decide where and when to go. Then the meeting was adjourned for a lesson on showmanship.
Don Plinkham, Reporter.

Westside Home Improvement
The Westside Home Improvement 4-H club met recently at the home of Wren Winniford. Refreshments were served.

The business meeting was dismissed this time as Mrs. Kay was there to show us how to do dry flower arrangements. Mrs. Kay first gave us a talk on the different ways to arrange the dry flowers and then how to make the flowers look as though they were freshly picked. Then we all were able to make our own arrangements.

Earlier the club met at the home of Conny Varner, 2240 Table Rock rd. Mrs. Ricks, our leader, brought some articles and we practiced judging them. After judging them, we gave our reasons for placing them in the order we did. Mrs. Ricks then explained why they were placed in the order she had listed.
Sandra Mayfield, Reporter

Milk Pail Wranglers
The meeting of the Milk

Pail Wranglers 4-H club was held at the home of Mr. and Mrs. Tony White. We had three new members, who are Lettie and Roger Welbun and Don Enloe.

We judged four cows which Mr. White was kind enough to let us use. Mr. Cahal gave us our scores on the Hoards Dairyman's judging contest.

He also told us the importance of Saturday's dairy show. The meeting was adjourned and refreshments were served by Mrs. White. Our next meeting will be held at the home of Mr. and Mrs. Summers.

Louise Herzog, Reporter

Festival Is Subject Of Magazine Article

The Shakespearean Festival, which opens for the 1963 season July 24, is subject of a two-page article in the current issue of PPG Products, the magazine published by Pittsburgh Plate Glass company.

One page is devoted entirely to color photographs of the festival and the second page continues the illustration through more than half of the space. Copy accompanied the illustrations.

"The Play's Still the Thing," at the festival, the article points out, while the festival also has the "Feast of Will," scholarship funds, an institute for college drama and the history of the festival's development.

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