The Evening Herald

P. R. SOULES..Editor and Publisher
H. R. HILL.....City Editor
F. C. NICKLE Advertising Manager

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FRIDAY, DECEMBER 29, 1922

TIMBER TAXATION

WHILE Governor-elect Pierce is formulating his plans for a severance tax on national forest timber, we wonder if he is giving any thought to the matter of taxation on privately owned timber, asks the Bend Bulletin? Here is a big subject. Properly worked out it should be a great aid to the lumber industry and, at the same time, help to secure to the country a timber supply for the future.

Today timber in Oregon pays an annual tax just as does real estate or any other property. Timber is essentially a crop which returns nothing until it is harvested and sold. Faced with annual payments while no return is being realized, the owner must meet those payments from other sources or turn his crop into cash. We have no definite information on the subject, but we think it safe to assert that this feature of annual taxation has much to do with the plans of any owner to erect a mill and begin cutting. Whenever this feature controls, as it undoubtedly does in many cases, timber is cut when it should not be cut and the supply is becoming exhausted sooner than it should be.

Then, too, with the timber once cut there is no incentive for growing another crop. In fact the owner cannot afford the annual cost of interest, taxes and fire protection. By the time another crop had grown, his investment would be more than the value of the trees.

Recognition of the situation has given rise to a proposal for the abandonment of an annual tax on standing timber and the substitution therefor of a yield tax to be paid when the crop is harvested. Such a tax would tend to encourage the perpetuation of forests; it would take from the question of harvest the element of taxation, it should tend to stabilize the industry. We would like to see the question given serious consideration here in Oregon.

The National Lumber Bulletin has the following to say on the subject as dealt with in the Massachusetts forest tax law:

"A crop of corn takes 80 days to mature. If the corn crop were taxed every day it would amount to the same burden on the owner as the present method of taxing forest land every year," says the Massachusetts department of conservation, division of forestry, in contrasting the previous tax system on forest property with the recent Massachusetts forest tax law by which the standing growth shall be free of tax until cut, or until it has reached a specified average yield per acre. Concerning the effect of the previous tax system the department of conservation says:

"Under the general property tax, taxation of forest land is based on the value of the land and the standing growth combined. Until recently the annual tax levied on such property holders was not a serious burden because forest land was usually much undervalued. Of late, however, although stumpage values have risen, timber land valuations have risen still more. The injustice and poor business of taxing annually a crop that can only be realized on at long intervals of years is beginning to be acutely felt."

The new law proposes that young timber shall be taxed on the valuation of the land alone and the standing growth shall be free of tax until cut, or until it has reached a specified average yield per acre, when the owner will pay a tax of 6 per cent on the stumpage value of the trees.

Commenting upon this Massachusetts forest tax act, Louis S. Murphy, timber land tax expert of the United States forest service, says it is an improvement in many ways over similar optional yield tax acts in force in other states. He continues:

"This particular type of law should work in Massachusetts, where there has been going on for the past 25 years or more a consistent agitation in favor of the better care and improvement of the forest land areas of the state. As a result many people have been interested in undertaking to put forestry into practice on their own land either by planting or through general cultural methods.

"The yield tax is an ideal plan from the timber land owners' point of view for the reason that the bulk of the tax on his forest property is cut; at that time the product is sold and the income made available to him out of which to pay these taxes.

"On the other hand, the local communities in forested sections, many of them dependent to a very large extent on taxes realized from forest property must have a more or less stable annual income with which to carry on community functions.

"It is this adjustment of the two diametrically opposite interests of the timber land owner and the local communities which more than any other one thing has been the stumbling block to the incorporation of the yield tax into the general revenue system of the states.

"The forest service recognizes that so long as the forest fire and taxation problems remain unsolved, forest conservation and reforestation are practically out of the question."

TOM SIMS SAYS

Discretion is the bitter part of valor.

Absence of presents doesn't make the heart grow any fonder.

Women have the most sense, but it takes a man to marry one.

You often find a hard-boiled egg not what he is cracked up to be.

The trouble with being a flyweight chap is you may get swatted.

Naturally, a hen-pecked man feels like a worm.

Get on your ear and someone will step in your face.

Speaking of full measure, many a pint bottle holds a barrel of talk.

Marriages are made in heaven and delivered under the mistletoe.

All people acting foolish are not acting.

All work and no play shows Jack a blame fool.

You hear arguments over football for 1923, but nobody cares who college presidents are.

Pedestrians are getting so particular they want to be run over by an expensive car, not a cheap car.

This may be an awful country; but in Persia, it is considered effeminate to laugh.

Weep and the world weeps with you, laugh and they think you have coal in your cellar.

Over in Ireland, Dublin will be called Bail Eatha Oliath, but conditions there are much better than this sounds.

The nicest part about going home Christmas is you can tell all kinds of crazy things about where you have been.

The Walla Walla (Wash.) man cutting his third set of teeth will wear them out saying where he lives.

It takes one to start a fight, which is always the other one.

What the King Said a Hundred Years Ago

LONDON, Dec. 29.—The pomp and ceremony attending the opening of parliament probably attracts more attention in the house of lords than do the words of the king's speech, but the last address from George V, delivered a few days ago, contained no interpolation such as was once made in a speech from the throne of George IV.

It is asserted that when he was regent, George IV made a bet with Richard Sheridan, the dramatist, that so little attention would be paid to the reading of his speech that he could interpolate any nonsense he liked without anyone showing surprise.

The bet was accepted. The regent paused in the course of his address and said distinctly, "Baa, baa, black sheep," and then went on. No one took notice of the strange words. Chagrined at the loss of his wager, Sheridan asked George Canning, the premier, if he had noticed anything strange.

"Oh, yes," said Canning, "I heard the prince say 'Baa, baa, black sheep,' but as he was looking straight at you at the time, I took it for a personal allusion."

Advertising pays. Try it and see.

Spanish Prince a Corporal

The heir to the Spanish throne, the Prince of Astrias, is shown here (left, front rank) marching in the corporal's position in the Royal Regiment. This photo was snapped as the regiment passed the Royal Palace in Madrid after returning from battle maneuvers.

Personal Mention

A. B. Gravestein is a business visitor here this week from Berkeley.

Harold Nichols made a trip into Klamath Falls yesterday from his home at the fort.

Mr. and Mrs. Chester DeLap spent the day in town from their ranch home at Round Lake.

Vernie Arant, who resides on a ranch south of town, was transacting business with local merchants.

Frank Hibberts was in the county seat yesterday afternoon attending to legal matters at the courthouse.

Mr. and Mrs. George Wright were in town this morning from Chiloquin transacting business with local merchants.

George Watt arrived here last night from San Francisco and will spend the next few days here looking after his business interests.

Miss Dolly Harris, who spent Christmas with her parents in Corning, California, has returned here and is again at her desk in the county's clerk's office.

Mr. and Mrs. N. W. Field are registered at the White Pelican hotel from Medford. Field is connected with the California Oregon Power company.

Miss Octavia DeLap is here from Turlock, California, to spend the holidays with her parents. Miss Ruth DeLap is also home from Eugene, where she is attending the state university.

Joseph Drobshoff was in town yesterday from his ranch near Olene. He brought several coyote hides in and collected the bounty from the county clerk. S. Rodin accompanied Drobshoff into town.

W. B. Parker, of the Klamath Development company, arrived in town from San Francisco yesterday and will be here for the next few weeks looking after company business.

Carl Newbury, who has been here for the past few days with his mother, Mrs. W. A. Jones, left this morning for Eugene. From there he expects to go on to Seattle and will enter the University of Washington for the winter term.

New Constitution Before Texas Assembly

AUSTIN, Tex., Dec. 28.—A constitutional convention, radical changes in state tax laws and the educational system, reclamation and flood control, alteration of highway laws and relocation of the state prison, are among the matters that will come before the Texas legislature at its January meeting, according to statements from leaders of the two branches.

The attorney general already has prepared a measure for the creation of a new constitution, designed to replace the present one written in 1876.

Proposed changes in the tsate tax laws are due to a deficiency in the general revenue fund this year at times amounting to more than two million dollars. Many Texas schools may be forced to close early next spring because of the shortage of state funds. An emergency appropriation and an increase in state allotment for the schools are advocated.

Separation of the state banking and insurance departments has been endorsed by the state bankers association and other statewide bodies. Flood control measures are advised by Governor Neff, who recently led a movement to work out such proposals.

There also is some agitation for the presentation of a soldiers bonus measure.

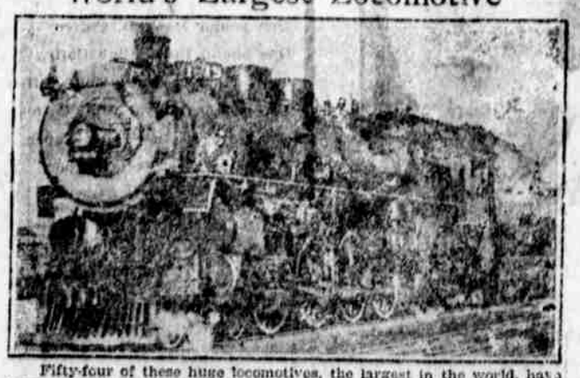
COMING EVENTS

Dec. 29.—Christmas tree at Odd Fellow Hall.
Dec. 29.—Dance at White Pelican Hotel.
Dec. 31. and Jan. 1—Elks' watch night party.
Jan. 1.—Mask ball, Scandinavian hall.
Jan. 3.—Chamber of Commerce Forum.
Jan. 5.—Meeting of Directors Women's Relief Corps.
Jan. 8.—Regular meeting of Klamath Sportsmen's Association, Chamber of Commerce rooms.

Have you tried the new salads at the Bon Ton? 29-30

Get results by using class ads.

World's Largest Locomotive



Fifty-four of these huge locomotives, the largest in the world, have been ordered for the Union Pacific system. They are neary 100 feet long, stand 15 feet, 10 inches from rail to smokestack, weigh over 291 tons, and have drive wheels six feet in diameter.

NEW TODAY

FOR SALE—One 5-room, one 4-room and one 3-room house. All modern, all new, all close in. Very easy terms. 743 N. 11th St. 29

LOST—A Brown kid glove, left hand. Call 230-R. 29

FOR RENT—4-room furnished house, modern. Inquire Davenports Jewelry Store. 29tf

FOR SALE—90 tons of wild hay. Can feed it out. D. P. Shook Ranch, Dairy, Oregon. Phone 10-F-13. 29-3

WANT TO HEAR from owner having farm for sale; give particulars and lowest price. John J. Black, Chippewa Falls, Wisconsin. 29-30*

FIRST HALF DOZEN applicants desiring the unusual milk of the Spring Lake Dairy will be considered if your residence is favorably located. Those appreciating opportunity may get in touch by some customer or mail note to H. L. Martin, Route No. 1. 29-2*

LOST—Yellow and white collie dog, brass trimmed collar. Reward. Call 237-W. 29-30*

Hot rolls for lunch every day at the Bon Ton. 29-30

Herald classified ads pay you.