

OREGON TAX SYSTEM HELD 1780 MODEL

SALEM, Ore. (UP)—It's time that Oregon's state tax system be brought up to date. Collections are being made on a model 1780 plan.

Such is the contention of State Corporation Commissioner James W. Mett. He believes concrete action for modernization of the state taxation system is at hand.

Time for Promise
"The promise of a state tax on real property next year should be made a promise for all time," Mett told United Press.

The time has arrived for a constitutional amendment to prohibit ad valorem taxes on real and tangible property for state purposes. "Conditions have changed since 1859 when the country's taxation policy was evolved. Real property is no longer a fair criterion of wealth. It is almost a liability rather than an income source."

Originally Equitable
"Originally a property tax was equitable. In general, both distribution and extreme wealth were unknown. Real property formed the basis of most fortunes. Later with development of commercial and financial enterprises the distribution of wealth progressively became more and more lopsided. Now, statisticians figure, nearly 90 per cent of wealth is in hands of some 10 per cent of the people."

"That wealth is being taxed comparatively little. In Oregon as in most states, about two-thirds of the monied element is in intangibles and one-third in land."

City Example
"Intangibles pay to a maximum of 5 per cent on net income, land 10 times as much. For instance, a farmer in Yamhill county I know has a \$50,000 farm and \$50,000 invested in intangible securities. Last year he paid more than \$900 taxes on the land, and only \$45 on his securities income."

Building is being discouraged by the excessive tax burden. In Salem, the largest structure in town is fully occupied, rents are high, yet the \$300,000 investment brings a net return of practically nothing after the inroads of heavy tax."

Economy Stressed
"At present governmental economy is being stressed as never before. Yet costs are high as the complexity of our directive machinery cannot be maintained below a certain minimum not much below the present figure. "The remedy lies not in lower taxes nearly as much as in equitable distribution of the entire burden. Elimination of the real property tax next year is made possible through shift to personal income, corporation excises and intangibles returns. They are the sources best able to pay."

Suggests Changes
"With constitutional amendment prohibiting real property taxation for state purposes, eventually those best able to bear it will take the burden. Consider school levies. Education is not a local matter, yet is a local tax. "We rear children for citizens of the state and nation, not for a county. If the legislature after passage of the proposed amendment were to enact a measure making the school tax a state rather than local issue, the educational burden would be carried by all beneficiaries. Those with income would pay the costs which funds were originally derived from land, intangibles, speculation or commercial enterprises."

OFFICIALS REGARD PAYMENT DOUBTFUL

Copyright 1931, by United Press
BASTIA, Sardinia, Dec. 16. (UP)—The world bank authorities fear Germany must abandon payment of both conditional and unconditional reparations under the Young plan.

Although it had been generally conceded recognition of payment of conditional reparations was doubtful, the possibility of complete cessation did not become evident until the Young plan advisory committee heard the report today of Director of German Railways Dr. Homberger.

The Homberger report and other data before the committee presented the following reasons for cessation of payment.
1. Twenty-eight percent decline in the German railway budget since 1925. The budget will show a deficit for 1931 in the railroad system, which is the Reich's greatest security for payment of reparations.
2. An 80 per cent decrease in corporation income taxes, which presumably makes it impossible to collect a scheduled contribution of some 200,000,000 marks (about \$75,000,000) to conditional annuities.
3. A deficit in the German budget for 1931-32.

Bootlegger Dies As Police Enter Home

INDIANAPOLIS, Ind., Dec. 16. (UP)—Homer Ingersoll, a "righteous bootlegger," fell dead today of heart disease after police went to his home to "talk over" complaints that he had been selling liquor.

When they discovered a gallon of whiskey, he collapsed, striking his head on a toy police star and blackjack with which his son, Edward, 9, had been playing. Police said they had no warrant and had not planned to arrest him.

NEW BOAT ORDERED
PORTLAND, Ore., Dec. 16. (UP)—The Conquillo coast guard station will receive a new motor lifeboat, 24 feet or more long, within three weeks. The Journal was informed by its Washington correspondent today.

At The Pine Tree



Phillips Holmes in "An American Tragedy," opening today at Pine Tree theatre

PLANE DIVE KILLS TWO IN BAY CRASH

OAKLAND, Calif., Dec. 16. (UP)—When a pilot lost control of a training plane over Oakland airport today the craft dove to the ground, killing him and his passenger.

Lawrence Detting, 27, the pilot, was killed instantly. His companion, Everett Carr, 25, died in an ambulance on the way to the hospital.

Witnesses said Detting had put the plane into a spin twice and successfully righted it. The third time it began a dive from an altitude of 500 feet and crashed.

Carr was a traffic manager for an air transport company and Detting did part-time work in the same office at the airport.

They borrowed the plane during the noon hour for a short flight.

EXPLOSION TAKES LIFE OF WORKMAN

LAS VEGAS, Nev., Dec. 16. (UP)—A premature explosion at the site of Hoover dam today killed one man and injured two others.

M. J. Skidmore, 37, was killed; Frank Manning, 37, was expected to die, and Forest Weathers, 32, was badly injured in the blast.

The accident occurred while the men were lighting fuses to blast holes for anchor bolts in a suspension bridge. Skidmore was killed instantly and Manning incurred a fractured skull. Weathers, shift foreman, was blown off a ledge and slid 90 feet down the side of a cliff.

Skidmore is survived by his widow, living in San Francisco.

AUTO EXPLODES
LAS VEGAS, Nev., Dec. 15. (UP)—A mysterious explosion demolished an automobile and killed a man on a highway nine miles from Las Vegas tonight. The man was blown to pieces and authorities were unable to identify him, although they said he might be E. A. Wright, a name found among pieces of the wreckage of the car.

Masons Guests of Malin Lodge

SHASTA VIEW—The Masonic lodge of Lakeview entertained members of the Klamath Falls and Lakeview lodges, Saturday evening. Despite the heavy fog there were 75 present.



What Men Like For Breakfast

- Real Country Pork Sausage
- Buckwheat Cakes
- and
- Genuine New Orleans Molasses

50c Lunch

- Soup—Salad
- Turkey
- Potatoes—Vegetable
- Hot Rolls
- Dessert—Drinks

PELICAN GRILLE

722 Main. Phone 517.

OPTIMISM NOTED IN LUMBER TRADE

PORTLAND, Ore., Dec. 16. (UP)—Reopening of some northern mills, and rehiring of crews lent a slight tone of optimism to the labor situation in lumbering today.

One hundred men went back to work at the Booth-Kelly sawmill at Springfield after being idle since July. Other men will be given employment by rotation, it was indicated.

The Hubbs-Kettering mill at Reader started again after being idle since Thanksgiving. The same crew was reemployed. Wheels will turn in the Lewis shingle mill at Wheeler February 1.

A dry kilo, destroyed by fire sometime ago, is being rebuilt.

Markham and Callow logging co. announced employment of 40 additional men in the woods near Wheeler. Logs are being rafted over the Nehalem bar to coast points and also sold to near mills.

"John Kitzmiller" Arrested in North

WALLA WALLA, Wash., Dec. 16. (UP)—Among the many aliases used by a man arrested here as "Mike Bass" is that of "John Kitzmiller," officers revealed after the man was sentenced to jail for petty larceny. "Mike Bass" borrowed the name of the former University of Oregon grid star when arrested at Twin Falls, Idaho, and Lewiston, Idaho.

The cabinet, first to be formed under constitutional government since 1923, was drawn chiefly from the left wing under dominance of the Socialists party because the Radicals blocked earlier efforts to form a coalition of all Republican and Socialist factions.

The cabinet will be formally presented to the president at 4:30 p. m. tomorrow and will be presented for a vote of confidence in the parliament on Thursday.

MERRILL, Ore. — Saturday night, Mesdames H. L. Dalton, Ray Merrill, H. O. Cox, F. W. Brown and A. L. Book acted as hostesses for a card party as a benefit to the library club.

Bridge and pinocle were in play with Mrs. Tom Chaburn and Otto Ellis receiving high scores for bridge. Mrs. Otto Ellis and R. L. Dalton, high for pinocle.

TUNIS, Algeria, Dec. 15. (UP)—Many persons were believed dead as a result of a flood in the river Mejerda which forced many farmers to take refuge on roof tops.

VERDIGRE, Neb., Dec. 16. (UP)—A plea for money and foodstuffs, necessary to prevent added deaths from starvation and intense suffering among farmers of northern Nebraska, was broadcast tonight.

With the deaths of two little Indian girls, Lavern Trudell and Lura Rouillard, the acuteness of the situation became understood. Suffering centers in seven counties bordering South Dakota. It was in these counties that the grasshopper plague descended last summer, destroying all crops. A long drought added its scourge.

This winter, severe storms lashed the section. Suffering became more acute.

N. J. McCoy Tuesday night reported the theft of his car, a 1929 sedan, from in front of his residence, 1940 Portland. The theft was reported to police headquarters at 8:25 p. m.

Drink your troubles in laughter and howl at *Palm Days*

THE EVENING HERALD, KLAMATH FALLS, OREGON

December 16, 1931

Buy Xmas Seals

GOLDEN RULE'S ANNUAL CHRISTMAS

HOSIERY

EVENT—Dec. 16th to 24th
4 NATIONALLY KNOWN BRANDS

EXCLUSIVE GIFTS for the Home
Rayon Spreads

A \$5.50 value one year ago. Made from a high grade rayon material. Size 86x105. Colors of blue, rose, gold, lavender and green. \$3.95

Shadow Warp Spreads
Shadow warp, pastel shades—designed to match any color in the bedroom. Size 90x108. \$5.25

Linen Lunch Sets
Pure Irish linen. Cloth 45x54—four napkins to match—in all desirable colors. \$1.50

Tea or Bridge Sets
All hand work embroidery—Cloth size 36x36 with 4 napkins to match—a useful practical set that can be used throughout the year. \$1.25

3-Piece Bath Sets
Beautiful cellophane wrapped sets including one large Bath Towel and 2 Wash Cloths. 89c

4-Piece Bath Sets
Practical and certain to please. Set consists of two large Bath Towels and two Wash Cloths. \$1.95

5-Piece Bath Sets
Extra quality—our most popular set—consists of two large Bath Towels, two Wash Cloths and one heavy Bath Mat. \$3.50

SALE—BETTER SHOES

This exclusive group includes ties, straps, pumps and oxfords—assorted heels, leather and colors.

You'll find this high-grade footwear suitable for the best of holiday occasions.

GROUP 1 \$8.45 Value \$6.85

GROUP 2 \$6.85 Value \$4.85

Shoes—Mezzanine

Golden Rule Stores

ECONOMISTS IN DISTRIBUTION THE NAME OUR POLICY

The following is a clipping from the Alturas Plaindealer—Friday, Dec. 11th—not Friday, the 18th:

"Children First" Helps To Hold Up Teachers' Pay

SACRAMENTO, Cal., Dec. 11. (UP)—Despite unfavorable economic conditions 42 California cities are operating their public schools with no reductions in teachers' salaries.

This is revealed in a survey just completed, the result of which has been filed with the state department of education.

According to the survey "57 per cent of the cities in the United States have been able to maintain their scheduled increases of teachers' salaries or to arrange new increases."

The fact is cited by educators as "encouraging to the profession" inasmuch as there is "a direct relation between teachers' salaries and the quality of their service to the children."

The following California cities have reported to The National Education association that they are maintaining their regular salary schedules for teachers in 1931-1932.

Group 1 (over 100,000 population), Long Beach, Oakland, San Diego, San Francisco.

Group 2 (50,000 to 100,000), Alameda, Berkeley, Fresno, Glendale, Pasadena, San Bernardino, San Jose, Santa Ana, Santa Barbara.

Group 3 (10,000 to 50,000), Alhambra, Bakersfield, Brawley, Eureka, Inglewood, Palo Alto, Redlands, San Mateo, Santa Rosa, South Pasadena.

Group 4 (5,000 to 10,000), Chico, Coronado, Daly City, Hayward, Lodi, National City, Orange, Oxnard, Piedmont, Roseville, San Gabriel, San Rafael, Santa Clara, Visalia, Watsonville.

Group 5 (2,500 to 5,000), Hollister, Needles and Red Bluff.

In the belief of the national association, the schools are to be congratulated because, "in a period of confusion and difficulty they have held firm to the ideal of 'children first'."

1. THEME
2. ROLLINS
3. MUNSING
4. HOLEPROOF

BUY IN BOX LOTS—HOLIDAY PACKED

HOLEPROOF—

The name alone implies quality of the highest—sheer beautiful hose—Paris created shades—Every pair full-fashioned—free from rings—perfect fitting and popular priced—Choice of silk-top or cotton hem.

HOLIDAY PACKED
Leading colors for winter—Zep, Aero, Sunlight, Clear, Silhouette, Dormius, etc.

Regular \$1.00 Grade Service Weight	Regular \$1.50 Grade Service Weight	Regular \$1.66 Grade Chiffon
3 Pairs \$2.75	3 Pairs \$4.00	3 Pairs \$4.50

ROLLINS—

A large percentage of women favor this hose because no runners caused from fasteners can pass the patented run-stop feature. Fine grade—pure silk—full-fashioned—popular colors of Gun Metal, Tan Blush, Smokestone, Dusky, etc.

HOLIDAY PACKED
Reg. \$1.00 Grade Chiffon Reg. \$1.50 Grade Service Reg. \$1.66 Grade Chiffon

3 Pairs \$2.75	3 Pairs \$4	3 Pairs \$5
----------------	-------------	-------------

MUNSING—

As a gift a box of this well known, high-grade hose will be the favored one—Every pair perfect—full-fashioned and styled to meet the demands of the most discriminating.

Colors of Smokestone, Matinee, Helge Clair Interlude, Revo, etc.

Reg. \$1.00 Grade Service or Chiffon	Reg. \$1.50 Grade Service for Chiffon	Reg. \$1.66 Grade Chiffon or Service
3 Pairs \$2.75	3 Pairs \$4	3 Pairs \$5

THEME—

For a durable and a hose for every purpose you may choose Theme with the greatest of confidence.

Reg. \$1.50 Grade Service Weight	Reg. \$2.00 Grade Chiffon
3 PAIR \$4	3 PAIR \$5



Hosiery Dept. Main Floor