

### CITY BRIEFS

**Guest Speaker** — at the next meeting of the Unitarian Fellowship of Klamath Falls Tuesday, January 5, at 8 p.m. will be the Rev. Marshall McKinnie, minister of the Congregational Church, who will speak on "Our Common Heritage." The meeting will be held at the Congregational Social Hall, 2154 Garden. The public is invited.

**Friends**—and relatives in Klamath Falls have received word of the birth of a son on New Year's Day to Mr. and Mrs. Mark Hattan, 15 Lower Circle, Carmel Valley, California. The Hattans and their daughter, Heidi, are former Klamath Falls residents. Grandparents are Mrs. Beth Williams and Mr. and Mrs. Al Hattan of this city.

**Fairhaven** — Home Extension Unit will have a meeting at Joan's Kitchen at the fairgrounds from 10:30 a.m. to 2:30 p.m. Friday, January 8. Mrs. Mildred Martin will have charge of the lesson and demonstration on soup making. Members and guests are welcome.

**Players Club**—will have its regular meeting at 7:45 p.m. Wednesday, January 6, in the city library. All members are urged to attend and bring a guest.

**St. Mary's** — Altar Society will elect officers Wednesday. A potluck luncheon will be served at noon.

**Great Books**—discussion group will meet at 8 p.m. Monday, January 11, in the city library. Topic for discussion will be Chaucer's "Canterbury Tales."

**OTI**—Student Wives will meet at 7:30 p.m. Wednesday, January 6, in the Y building on the campus. Please bring articles for the white elephant auction. Refreshments will be served.

**South District**—Camp Fire Girls leaders' group will meet at 10 a.m. Thursday, January 7, in the Peace Memorial Presbyterian Church. Mrs. French will speak on the Golden Jubilee.

**Keno PTA**—potluck and dance has been postponed until January 22.

**Buena Vista**—Extension Unit will meet at Joan's Kitchen at 10 a.m. Wednesday, January 6. Soups will be the project. There will be a small fee to help pay for supplies.

**Klamath Unit No. 8**—American Legion Auxiliary, will hold its regular meeting tonight at 8 o'clock in the American Legion Hall. There will be an executive meeting in the hall at 7:30. All officers are requested to be there.

**Girdles Away**—TOPS Club will have its regular meeting at 7:30 p.m. Wednesday, January 6, at the community lounge.

**Midland Grange**—will have its regular meeting at 8 p.m. Wednesday, January 6, in the grange hall. All members are urged to attend.

**Army**—Private Boyd W. Casper, son of Mrs. Lennie Casper of 615 California Avenue, and husband of Marietta Casper, 4906 Avalon Street, recently completed an eight week general supply course at Fort Ord. He entered the Army last September.

**Shasta View** — Building Association will sponsor a public pinocle party Saturday, January 9, at 8 p.m. in the community hall at the corner of Shasta Way and Madison Street.

**Chapter 467** — Women of the Moose will hold an enrollment meeting at 8 p.m. Tuesday, January 5. Jean Coles, chairman of the Child Care Committee, will have her chapter night program.

**The Annual**—Dad's Night for Parents and Patrons of Henley schools is planned for Thursday, January 7, starting with a potluck supper at 6:30 p.m. in the high school cafeteria. Everyone welcome. Take table service. Following the potluck, teachers and dads will play basketball.

**Honored** — Paul Crapo, former Klamath Falls resident, now living in San Bernardino, has reached the coveted one million dollar mark in the Equitable Life Assurance Company. Friends received word of his accomplishment this week. Mrs. Crapo is the former Caroline Daggett, also of Klamath Falls. The couple has three children.

**Crater Lake** — Chapter, Sweet Adelines will meet tonight at 8 o'clock at the Willard Hotel. Visitors will be welcome. The group sang before several organizations during the Christmas holidays.

**Bible Baptist**—Church, 2244 Ward Street, is conducting special meetings this week with Dr. Earpest Maylon as speaker. Meetings are held each day at 10 a.m. and 7 p.m. A nursery is provided for all meetings. The Rev. Freeman Schmitt, pastor, invites all interested persons to the services.

**Meeting**—of the Klamath Camera Club will be held tonight at 8 o'clock in the upstairs room of the county library. Take six slides for PSA judging. There will also be a review of November competition and shooting bee slides. Visitors always welcome.

**VETERAN LEARNER**  
WIMBLEDDON (UPI) — Before being found innocent of reckless driving, Mrs. Dorothy Field, 69, told the judge Monday she had been driving on a learner's permit since 1922.

## Smear Drive Spreads; Officials Seek Answer

By THE ASSOCIATED PRESS  
Aroused officials in America and abroad today sought to combat continuing anti-Semitism in the form of painted swastikas and hate slogans.

Jewish shops were defaced in England. Swastikas were scrawled on walls in Italy. West German diplomats received threats, and Jew-baiting slogans appeared in Australia as the outburst went into its 13th day.

Envoy from West Germany, where the anti-Jewish outbreaks first flared on Christmas Eve, assured other nations Chancellor Konrad Adenauer's government will take drastic action.

"Such evil deeds," a statement said, appeared part of a "planned campaign to discredit the Federal Republic before world opinion."

A left-wing minority group in Israel called on the 30,000 Jews remaining in West Germany to migrate to Israel. The appeal was made by Zvi Lubotkin of the Achduth Avodah party at a meeting of the Zionist General Council. The council, an international organization, sidedesteped an endorsement of Lubotkin's call.

New York authorities reinforced guards around synagogues following a weekend of swastika smearing, but more anti-Jewish incidents were reported.

Swastikas were found painted on the doors of a public school in Queens and a broken window was reported in a synagogue in West

Hempstead. Six Brooklyn boys were adjudged juvenile delinquents for breaking windows New Year's Eve and Sunday in a Hebrew school and a nearby synagogue.

The smear campaign spread to Cincinnati, Ohio, where chalked signs "Deaths to the Jews" and "Hitler defeated but not dead" showed up on desks at an elementary school which has a large proportion of Jewish pupils. Police blamed vandals who also ransacked the desks Monday before the school opened.

In England, a British government minister, Sir Edward Boyle, told a meeting of the Council of Christians and Jews, "We can take heart at the speed and vigor with which the West German government has acted."

The West German Embassy in London received a telegram signed "British Nazi Party" threatening supporters of Adenauer with reprisals if the Bonn government takes action against anti-Semitic elements.

Swastika daubing continued in various English cities. The Hitler insignia was smeared on the window of a Jewish bookshop in London's Marylebone district. Six Jewish shops in Leeds were daubed. Other incidents were reported in Bolton and Salford.

Nazi Germany's swastika flag was found early today on a monument in the main square of Milan, Italy. A swastika also was scrawled in the square where partisans hanged the body of Benito Mussolini.

In Rome, Jewish residents stoned the Italian government's Nautical Institute after students inside scrawled swastikas on the window panes.

In Oslo, Jewish businessman Otto Rahl received two threatening letters in German. "If you do not get out of the country, you Jewish swine, we will make soup out of you in 1960," said one letter.

## Stereotypers Ask 3rd Party To End Spat

PORTLAND (AP) — The Portland newspaper strike today entered its 57th day. No sign of a settlement was in sight.

An official of the striking Stereotypers Union suggested again Monday that a third party—preferably Gov. Mark Hatfield—move in to help settle the dispute.

However, managements of The Oregonian and The Oregon Journal, as they have done before, rejected the idea, saying such intervention would not be helpful.

At Salem, Hatfield said he was hopeful that a fact-finding commission could be created and that he was working toward that end.

Harley Fleasig, president of the Stereotypers local here, said management had turned down an earlier Hatfield proposal to mediate the dispute, and added:

"If the assistance of outside, impartial persons brought an end to the eight-month-old steel strike, why couldn't such help do the same in this situation?"

In a joint statement, the publishers of the two newspapers later said:

"There is no reason to believe either the governor, through mediation, or a fact-finding committee, could be any more effective in jarring the union loose from its untenable positions than has the Federal Mediation Service.

"The steel strike and the newspaper strike are vastly different. A steel shutdown affected virtually the entire economy. By contrast, we are not shut down. We are publishing. Our readers, our advertisers and the interests of the commonwealth are being served. Any adverse economic consequences have been largely obviated.

"The proposal appears, as before, an effort to project this dispute into the political arena. We do not believe that political intervention, at union behest, is indicated, nor do we believe it would be helpful."

At Salem, Hatfield commented on the union proposal by saying:

"I have given no special consideration to it in light of today's development. But I have been thinking about it right along. I am still hopeful we can get them together on a fact-finding commission. That is the approach I would like to make and I am working toward that end."

The strike began Nov. 10. The newspapers are publishing a joint edition, using supervisory and non-union help.

## Water Board Asks Change In Legislation

SALEM (AP)—The state Water Resources Board asked Monday for a change in legislation to create a national seashore area in the dunes region on the Oregon coast near Florence.

It asked that water in the area be used for any beneficial use, provided it does not harm the recreational or scenic values of the area.

This recommendation will be submitted next Monday to the governor's Natural Resources Committee, consisting of heads of several state resource agencies.

The dunes legislation now provides for use of water in the proposed park only for domestic and industrial use.

The state Fish and Game Commission failed in their attempt to get the board to revise upward its requirements for discharge of water from the proposed Round Butte Dam on the Upper Deschutes River.

Portland General Electric Co. has been granted a preliminary permit to build the dam, provided it maintains a discharge of at least 3,000 cubic feet per second from the dam to sustain downstream fish life.

There is an added provision that the actual minimum discharge could be revised upward by negotiation between the power company and the two commissions.

The commissions asked Monday that the board increase the required discharge each March, April and May to the average for the past 10 years, which would be more than 6,000 cubic feet per second.

The board answered that the two commissions should first negotiate with PGE. Then, if no agreement could be reached, the board would consider the matter again.

Phil Schneider, state game director, said it would take 18 months to complete studies of the river to determine how much stream flow would be required.

State Engineer Lewis A. Stanley reported that a court suit was filed in Malheur County to challenge the 1957 state law regulating use of ground water.

The suit was filed by Robert D. Lytle, Vale attorney, who argues that every farmer has the right to use the water under his own land.

## "DENNIS THE MENACE"



## Income Tax Facts

Editor's Note: This is one in a series of articles on small-business tax problems. These articles are based on information provided by the American Institute of Certified Public Accountants and the Southern Oregon Society of Certified Public Accountants.

### CORPORATED INCOME TAXED TO STOCKHOLDERS

Many small businesses can now enjoy all the advantages, tax and otherwise, of being incorporated without the disadvantages of corporate taxes.

One of the 1958 federal tax amendments allows stockholders of certain corporations to elect to have the profits of the corporation considered as a part of their own personal income for tax purposes.

Prior to this amendment, the corporation's profits were taxed at the rate of 30 per cent on the first \$25,000 and 52 per cent above that amount. Stockholders receiving dividends from the corporation's profits were then taxed at the normal rate for individuals. This so-called "double taxation" on corporate profits posed an obstacle to the incorporation of small businesses.

If a corporation were to take advantage of the election, its profits would be considered income to the stockholders in proportion to the amount of stock they held at the end of the year. In other words, a stockholder would pay a personal income tax on his proportionate share of the profits as in a partnership. The corporation would pay no federal tax.

A net operating loss would also be passed on to the shareholders on a pro rata basis. The shareholder's portion of the corporation's net operating loss is prorated according to the number of shares held on each day of the taxable year. The stockholder may treat this loss as a business deduction on his personal return. There are limits on the amount which may be deducted, based upon your cost, the corporation's profits and losses in earlier years, your withdrawals and amounts which you have lent the corporation.

To make the election, corporation may have no more than ten stockholders—individual stockholders, not corporations, trusts or partnerships—and must have only one class of stock. Other requirements exclude holding companies or corporations with too much income from rents, dividends, interest, royalties, annuities or foreign sources.

All stockholders must agree to the election. If your business is on a calendar year basis (January 1 to December 31), you have until January 31st to file an election not to be taxed as a corporation for 1960. Corporations on any other 12-month basis must file the election before the end of the first month of their taxable year.

There are a number of other legitimate tax savings and benefits you can profit from if you operate as a corporation and take advantage of the election. For example, as a working stockholder you are an employee of your corporation, and you are eligible to participate in more advantageous pension and profit-sharing plans. But as a partner or proprietor, you could not be considered an employee in your own business. You, therefore, could not participate in these plans.

If you are an employee stockholder, you can receive up to

\$100 a week of tax-free salary while you are sick. The corporation can deduct health and accident insurance premiums and group life insurance premiums covering you without your reporting the premiums as income.

You can make gifts of stock to children and other relatives as a means of splitting income for tax savings. Once such gifts are made, the corporate profits will be taxed to your relatives in proportion to the stock they hold. Since they are probably in a lower tax bracket, this can amount to a considerable saving in tax dollars. However, this saving can be offset to some extent by the gift tax.

Another tax advantage of giving gifts of stock to relatives is that such gifts can be timed at your discretion for maximum effectiveness. For example, if at the end of the year your corporation's profits are high, you may wish to have some of the income taxed to your children at the lower tax levels. However, these gifts must be bona fide. In other words, you can't have strings attached that will enable you to retain voting use of the shares or get the shares back at the end of a certain period. A limiting condition is that for the election to remain in effect, you cannot increase the number of stockholders to more than ten.

Most healthy businesses do not withdraw all of their profits at the end of the year. They plow back part of the earnings to pay for new equipment, to buy new plants, and to expand product lines. If a corporation makes this election, all of its profit will be taxed as income to the stockholders whether they withdraw any of it or not. But although they will already have paid tax on the money they leave in the business, they will have the right to withdraw it provided the election is in effect for the year in which the withdrawal is made. Incidentally, this right is not transferable. If the stock is sold, inherited, or given as a gift, the new stockholder cannot withdraw tax free the previously taxed but not withdrawn profits.

If you now operate a partnership or proprietorship and are thinking of incorporating, you should weigh the federal tax advantages against state taxes and other corporate expenses you might be taking on.

Another point to consider is the bookkeeping difficulties presented by making the election. You will need to keep accurate records of the undistributed income that occurred before, during and after the election was in effect. Another problem—even though individual income tax was paid on the undistributed income while the election was in effect, such income cannot be distributed tax free after the election is terminated until current and accumulated earnings are distributed and such distributions are taxable as dividends. This is a serious problem since an election can terminate without all shareholders desiring it.

You can get additional information from your local Internal Revenue Service office. Either write, telephone, or make a personal visit, but be sure to ask for a copy of the Internal Revenue Service Booklet, "Tax Guide for Small Business." This 35-cent booklet will be a big help to any small businessman.

## Humorist James Thurber Pleads For Eye Research

(EDITOR'S NOTE: In the following dispatch, blind humorist James Thurber tells how he lost his sight and how you can keep yours. Thurber, whose "The Secret Life of Walter Mitty" is already considered an American classic, came to his native Columbus, Ohio, this week for the premiere of his Broadway-bound play, "A Thurber Carnival." Gov. Michael V. DiSalle proclaimed a "James Thurber Week," and the 65-year-old writer decided to take the opportunity to make a public plea for better eye care and support of eye research.)

By JAMES THURBER  
Written For UPI

I lost my left eye as a result of an accident when I was seven,

### Deputy Policy

(Continued from Page 1)

lines in the city might be causing the odor problem. He informed the council that he had contacted the State Sanitary Authority Ken Speis in Portland and that Speis said he would send a man to Klamath Falls soon to make some tests in an effort to solve the problem.

Vergeer told the council that the city had entered into an agreement with the Gospel Mission to tear down the old terminal building at the airport.

UNDER THE TERMS of the agreement, approved by the council, the Gospel Mission would be entitled to salvage materials of the building and upon completion of destruction within 60 days, the city would assume the cost of insurance necessary for the job. This would amount to about \$250, Vergeer estimated.

He indicated that the work is now in progress and is being done with volunteer labor under the direction of a paid supervisor.

The council earlier had advertised for bids on tearing down the building, but received no bids. It is necessary to complete destruction of the building before the new terminal can be opened.

Two new potential construction projects in the city were passed along to the Planning Commission. Both requested re-zoning of areas for the building of apartment structures. One would be for a large apartment unit to be constructed north beyond Dahlia Street and below Eldorado Boulevard, and the other would be a 34 unit apartment to be built at the corner of Washburn Way and Union Avenue by Vernon Scott, Eugene.

THE PLANNING COMMISSION will hold public hearings on the requested re-zoning and make a recommendation to the city council.

In other action, the council authorized the installation of two-hour parking meters on Eleventh Street from Klamath to Walnut following complaints of automobiles parking in the area in excess of the two hour limitation.

A resolution was approved authorizing the mayor to sign an agreement leasing the restaurant facilities of the new terminal building to Michael B. May for a five-year period to January 1, 1965, subject to a five-year renewal option to December 31, 1969.

It also approved the establishment of a no parking zone on both sides of Main Street from Payne Alley to the west end of the Link River bridge. This was suggested by the State Highway Department, and deemed necessary for the safety of traffic in the area where the bypass intersects Main Street.

and 35 years later I began developing a cataract in the other eye. The removal of the average cataract is simple for a skilled surgeon. One of the greatest of them told me, "It is as easy for us as clipping a fingernail or tying a shoelace." The operation is successful more than 99 per cent of the time.

In the New York hospital where my cataract was removed in 1940, only three patients out of 2,500 failed to recover the vision they had had.

I was one of the three because my cataract had formed in an eye that had taken a terrible beating in 1902 from a dread infection called sympathetic ophthalmia.

Neglect of eye injuries or eye troubles of any kind is perhaps the major cause of blindness today. If my own left eye had been removed in time it is likely that I would have normal vision in the other eye today.

The first rule is this: If anything at all happens to your eye, you should see a reputable doctor at once. One of the commonest accidents is to cut the cornea, or transparent covering of the eyeball, with the edge of a handkerchief or even the edge of a facial tissue. The pain is sharp but usually goes away in a matter of seconds. Nevertheless it would be wise to let an eye doctor look at the eye.

Anybody who thinks eye drops of any kind will cure cataract is a danger to himself and to the community. Thousands of people have spread the false news that cataract can be cured by ordinary citric acid.

Deluded people all over the world have written me about fake "cures" for cataract and for all other eye conditions. I have not only been told to use orange juice, but to rub my spine with a billiard ball; to put a hot flatiron against my temple; to watch jumping beans; to swallow the scrapings of church bells, and even to become emotionally involved with an Apache princess.

The normal human eye is not fragile but one of the strongest organs of the body. Now and then a beating, or fall, or other accident may cause a detachment of the retina, or segment of the retina. This is a condition that cannot and must not be neglected.

Although the five operations I underwent were performed just 20 years ago, a distinguished eye doctor told me, "Compared to recent, or postwar, improvement in knowledge and technique of eye operations, you were practically operated on in the dark ages."

Many people are terrified of eye operations, but they should not be. First of all, do not delay and then consult your physician and obtain the name of a reputable eye surgeon.

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Klamath Falls, Oregon  
Serving Southern Oregon and Northern California  
Published daily except Saturday by Southern Oregon Publishing Company  
Main at Esplanade P.M. After Phone TUxedo 4-8111  
FRANK JENKINS, Editor  
BILL JENKINS, Managing Editor  
FLOYD WYNNE, City Editor

Entered as second class matter at the post office at Klamath Falls, Oregon, on August 30, 1906, under act of Congress, March 3, 1879. Second-class postage paid at Klamath Falls, Oregon, and at additional mailing offices.

**SUBSCRIPTION RATES**

Carrier	
1 Month	\$ 1.50
3 Months	\$ 4.50
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Mail — in Advance	
1 Month	\$ 1.50
3 Months	\$ 4.50
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Carrier and Dealers 3c  
Week days copy 10c  
Sundays, copy 10c

UNITED PRESS INTERNATIONAL ASSOCIATED PRESS  
AUDIT BUREAU OF CIRCULATION  
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