

In The Legislature

By GEORGE C. FLITCRAFT

Readers of the last column will recall that the history of our disappearing surplus was traced and that the important points of the Net Receipts tax measure (H.B. 1005) were outlined.

Several additional tax proposals have been introduced including one by Senator John Hare, Washington County, which calls for a simple 10 per cent reduction in income taxes.

Continuing the task started in that of examining each of the major tax measures—H.B. 1014 introduced by Representative Musa proposes to broaden the income tax base by three methods: (1) reduce the personal exemptions and credits for dependents from

\$500 to \$200; (2) remove federal income taxes paid as a deduction and (3) provide for a minimum tax of at least \$5 on all returns filed.

H.B. 1014 changes the "bracket" tax rates. The first \$1,000 of taxable income is assessed at the rate of three per cent and increases to eight per cent in increments of \$1,000, but subject to a provision that the over-all tax rate does not exceed six per cent of total net income—minimum filing fee excepted.

The Musa proposal retains the general theory of our present income tax structure by allowing for deductions and exemptions (except for eliminating the federal tax deduction). These are applied to gross income before applying the tax percentage.

The state tax department estimates that H.B. 1014 will increase income tax revenue about \$15,000,000 which is considerably short of the amount needed to meet the governor's proposed budget.

A third income tax bill is H.B. 1188 introduced by Representative John Mosser of Washington County. His measure calls for a flat five per cent rate on all taxable income after an allowance for personal and dependency deductions. Itemized deductions for interest, taxes, medical expenses, etc. are still continued in Mosser's plan, but only to the extent that they exceed 10 per cent of the adjusted gross income.

H.B. 1188 like H.B. 1014 calls for the elimination of the federal income tax deduction.

Mosser makes no claim that his plan will broaden the base by increasing the number of "low income" taxpayers. Rather he would increase the personal exemption from \$500 to \$200 for an individual and to \$1,600 for a married couple. Under his plan, the dependency credit remains at \$1,600. H.B. 1188 would repeal the special treatment for capital gains—leaving all income taxed at the rate of five per cent.

The tax department has made no estimate of the amount of tax that Mosser's plan would bring in, but the author contends that it would bring in more than the governor's \$11,000,000 proposal. Mosser would use the extra revenue to increase basic school support and according to him, "relieve property taxes."

Obviously, the taxation committee has a wide choice of ideas (with more yet to come) on how to solve the revenue problem. Readers of this column who have opinions they wish to express may appear in person to testify before the taxation committee, or if this is not convenient, they may write to me and I shall see that their message is delivered to the committee.

Indications are that several sales tax measures will be introduced. These will be the subject of a future column.

Among those visiting the capitol recently were Paul Dearborn, Bonanza; Mary-Lynne Fenimore, Lakeview; Barbara Nicholson, Fort Klamath; Bill Parks, Fort Rock; Bill Marshall, and Frank Ganong, Klamath Falls.

Bus Collides With Pickup

ONTARIO, Ore. (UPI)—An Ontario school district bus carrying 44 students and a pickup truck collided on a county road three miles west of here Wednesday.

Eighteen students suffered minor injuries. None was hospitalized. The bus was en route to school.

John G. Bezies, 21, Ontario, the driver of the truck, was hospitalized with a broken leg. Medford W. Roland, 44, Ontario, the driver of the bus, was not injured.

Capt. Jack Benzie said about 10 persons had signed up for the hike and would leave about 4 a.m. "We hope to be back by mid-night," he said.

The round-trip distance is about 50 miles.

"DENNIS THE MENACE"



"HE THINKS HE KNOWS YOUR COAT!"

Mexican Police Hunt Killer Of Californian

MEXICO CITY (UPI)—Police said today a California man was stabbed to death and a Texas student was stabbed and robbed late Wednesday by apparent pro-Castro terrorists.

The man was identified as Fred Plumley, about 65, who was a Republican party volunteer worker in the San Francisco area in 1960 and 1962. The student was Philip Bennett Jr., 24, a Negro, San Antonio, Tex.

Bennett said he and Plumley were attacked by two unidentified armed men when they arrived at their apartment. Bennett had been studying sociology here for the past four months. Plumley, who arrived a week ago, was staying with him.

Plumley's body was found by a wall on which was scrawled, in pencil, "Cuba, Si, Yankees, No." Under it was an apparent reply: "I am a Mexican-Cuba, si, Castro, no."

A greeting card to Plumley from former Vice President Richard M. Nixon was discovered in Plumley's luggage. Also in the room were six envelopes, each containing two small embroidered napkins, addressed to Mrs. E. R. Steele, Seattle.

In Seattle, Mrs. Steele said she was Plumley's stepdaughter and only relative. She explained that she had asked Plumley to pick out small gifts for a club activity. Mrs. Steele said Plumley went to Mexico City when the store in which he was a clerk, Hale's department store in San Francisco, closed Jan. 31. She said he told her he had heard that living costs were lower in Mexico and that he decided to live there on a trial basis on his social security income.

Mrs. Steele said Plumley had once received a complimentary ticket to a campaign dinner for Nixon because of his party work.

Police said Bennett was in serious condition in a hospital. He told them Plumley came here as a tourist and had planned a three-week stay. The attackers robbed him of \$50 in his pockets and also rifled Plumley's body, he said.

Police said they had four suspects, including a woman. A general alarm was sent to all border posts, airports and sea ports for two other men, one an American and the other a Cuban. They were believed trying to leave Mexico with documents stolen from Plumley and Bennett.

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Final Approval Given Klamath Post Office Expansion

Congressman Al Ullman (D-Ore.) announced Thursday that the Bureau of the Budget had

given final approval of the funds needed to begin work on the expansion of the Klamath Falls post office.

"The expansion of the post office is a project that I have been working on with the Klamath Falls community for a long time," Ullman said. "We already knew of the tentative approval by the government, but I am quite pleased to now announce the final approval. The Bureau of the Budget has now approved the details of the plan, and the project has been sent to the Public Works Committee of the Congress for authorization."

These and other questions related to social security will be answered at the series of meetings being held in Klamath County, reports Mrs. Ruth Dyer and Mrs. Frances Hall, county extension agents.

Wilbur Womer, manager, Klamath social security district, will be guest speaker at the meetings held as follows: March 5, Bonanza High School gym; March 7, Klamath Falls Fairgrounds; March 11, Klamath Falls fairgrounds; and March 14, Gilchrist First Methodist Church. All of these meetings will begin at 8 p.m.

Womer has many years in the Social Security program and is well informed about the subject.

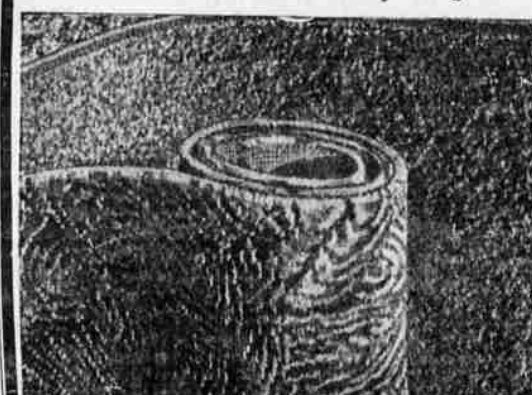
The total estimated cost of the work to be accomplished is \$907,000 and will provide for construction, major repair, and improvement. It will include modernization of the office space, conversion of the elevator to automatic operation, and modernization of mechanical and electrical systems.

The extension will add a total of 27,710 square feet to the present building. The post office department will utilize 22,640 square feet of the extension, more than doubling its available space, and the department of agriculture will utilize the remaining 5,070 square feet.

Three hundred and fifty thousand dollars has been included in the coming year's budget for completion of the design and cost of the extension. After the Public Works Committee has authorized this work, the money must be separately approved by the House and Senate appropriations committees.

"The appropriation will mean additional jobs during the work on the extension of the building," Ullman declared. "I am pleased to have had a part in securing this important approval by the Bureau of the Budget," Ullman added, "and I will continue working here for the necessary approval by Congress."

Calhoun's Positively-Last 5 Days! FEBRUARY MONTH-END CARPET Sale!



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Tremendous savings on these 5 carpets — completely installed with foam pad—all at the same low price. 2 All-Wool, and 3 Continuous Filament Nylon—some tweeds and some space-dyed — 2 brown tweeds, 1 beige tweed, 1 multi-color tweed and 1 neutral tweed. Completely installed with foam pad.



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Without a doubt, the best buy at Calhoun's is this heavy all-wool random shear, multi-level, rose beige carpet. A real beautiful selection, with a very unique design. Will fit any decor—you must see this one to appreciate the tremendous offer—completely installed with foam pad.

DUPONT "501" NYLON
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12'x17'9" Random Shear		330.15	225.00	105.15
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12'x9' 501 Nylon - Space Dyed		119.40	89.00	30.40
12'x8'6" Tweed Nylon Continuous Filament		124.10	79.00	45.10
12'x8'2" Beige Nylon Continuous Filament		109.45	69.00	40.45
12'x7'2" Space Dyed 501 Nylon		75.55	39.00	36.55

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Just recently arrived, these two new all-wool carpets in plain colors — one rose beige and one gold—a high-low loop carpet in a very beautiful design. A real savings on a quality piece of carpet. You must see these two to realize the value. Completely installed with foam pad.

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ALL WOOL WILTON
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ALL WOOL RANDOM
This all-wool carpet with the random shear effect—refreshing green in color—heavy enough to do most commercial installations—is quality merchandise at a real savings to you... completely installed with foam pad.

\$10⁹⁷ Sq. Yd.
Free Foam Pad With Installation

Two 'Crises' Seen Strain On Forces

WASHINGTON (UPI)—The Air Force told Congress today that its tactical forces may not be able to deal with two crises at the same time.

Air Force Secretary Eugene M. Zuckert said experience gained from the Cuban and Berlin crises indicated that the quality and quantity of tactical fighters "may not be adequate to cope with two or more simultaneous contingencies."

Zuckert and Air Force Chief of Staff Curtis LeMay testified before the House Armed Services Committee, which is holding "military posture" hearings. Today's session was behind closed doors but opening statements of LeMay and Zuckert were made public.

Zuckert told the committee that the Air Force was studying proposals for improving tactical forces, the military term applied to fighter planes and aircraft carriers. Among the steps planned, he said, was the development of the all-purpose supersonic fighter to be used jointly by the Air Force and Navy.

Both Zuckert and LeMay also called for improvements in the U.S. air defenses.

"Our present fighter systems are aging and would not be effective against Soviet supersonic and even subsonic bomber attacks with advanced "stand-off" missile systems," Zuckert said. "Accordingly intensive study is being given to the need for development of an improved manned interceptor."

The Air Force is known to be concerned over several recent steps — including cancellation of the Skybolt air-to-ground missile—that diminish the importance of manned bombers in relation to ballistic missiles.

LeMay told the committee that bombers will continue to represent the bulk of U.S. strategic forces through 1967.

LeMay said that "ideally U.S. military posture should be a collective strength of mixed forces, manned and missile, with the unique capability of being applied individually or in concert."

Hike Planned By Air Force

MT. HEBO, Ore. (UPI)—The Air Force plans to get into the 50-mile hike act.

Capt. Jack Benzie of the local Air Force Station said a group of officers and men plan a round-trip hike Friday on an old logging trail to Williamson and back.

Purpose of the hike, besides physical fitness, is to deliver a letter of acceptance to a Williamson group for the Hebo airmen to take part in a donkey basketball game at Williamson March 1.

Capt. Benzie said about 10 persons had signed up for the hike and would leave about 4 a.m. "We hope to be back by mid-night," he said.

The round-trip distance is about 50 miles.

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