

# Businessmen Criticize Expense Account Laws

WASHINGTON (UPI) — The Internal Revenue Service (IRS) backtracked today on some of its expense account requirements, but the relaxation was not enough to quell a revolt by some businessmen.

Thomas W. Power, counsel for the National Restaurant Association, said the regulations were still too complicated to be understood by the average businessman. He urged Congress to step in and simplify them.

## DAR Taxation Under Fire

WASHINGTON (UPI) — The Internal Revenue Service (IRS) will be asked if the Daughters of the American Revolution (DAR) is abusing its tax-exempt status by distributing right-wing political propaganda.

Sen. Maurice B. Neuberger, D-Ore., said Monday she would request the IRS to look into the DAR and other similar groups because "there is mounting evidence" that such groups "solely apparent function is to funnel the funds of right-wing business, free of taxation, into right-wing propaganda mills."

second batch of rules describing the travel and entertainment charges that the taxpayer can deduct under a recent law allowing new expense account requirements.

The rules permit taxpayers more deductions for using such facilities as country clubs, hunting lodges and yachts. They also were generally liberal in interpreting the taxpayer's right to spend for the sake of business.

The regulations also allow the taxpayer to take his business prospects nightclubbing or to the theater under certain circumstances. He even is permitted to bring wives along and charge it off on his income tax.

However, Power said that even the liberalization would not halt the loss of business which he claimed was being experienced by restaurants because expense account executives are afraid to spend.

"These standards are so complex that even the relaxation will be missed by the majority of the public," he said in an interview.

The new expense account regulations are for the current tax year. However, the IRS indicated they would not be strictly enforced until after July 31 to give taxpayers some time to get acquainted with them.



**SPORTS CAR EVENT** — Edwin Cater, manager of the Christmas Valley Lodge, checks progress of the sports car rally in Christmas Valley with two recorders from the Klamath Falls Sports and Imports Club, Mrs. Ann Rinehart, center, and Mrs. Carleen Wandell, right. Sixty entries, representing nine clubs from Oregon, Nevada, and California, competed for trophies.

## Californian Takes Top Honors

CHRISTMAS VALLEY — Nine sports car clubs, with 60 entries, competed in a rally here June 16. The Klamath Falls Sports and Imports Club was in charge of the racing on the three and six-tenths-mile course around the lake, golf course site, and lodge.

Plans for the event were made by the club president, Ron Friedrich of Klamath Falls, and Edwin Cater, manager of Christmas Valley Lodge. A beef barbecue Saturday night opened festivities. Racing enthusiasts brought tents and sleeping bags and camped at the air strip, the trailer park, and in the new recreation hall.

Jim Martin of Susanville, Calif., in the modified division, turned in the best time of 4:05.5 in his Jaguar special. Don Corum of Silver Lake, individual entry, took 4:23 minutes in a '62 Thunderbird to win in his class over Richard Wells of Susanville in a '62 Corvair. Corum did some racing years ago, he said.

Trophies were awarded to winners in the following classes, with divisions determined by engine displacement: classes B through G, modified, Sedan I, II, and III; Ladies Sports I, II, and III and Lady Sedan. Each contestant was allowed two runs.

Clubs entered along with the Klamath Falls and Susanville groups were from Medford, Eugene, Reno, Chico, Marysville, and Redding, Calif. Redding had two clubs entered.

The clubs try for a competitive event once a month, according to Mrs. Ann Rinehart of Klamath Falls, a time recorder, Sunday. Working with her were Mrs. Joyce Roberts and Mrs. Carleen Wandell, who drove a Sprite in the races. She is also secretary of the Sports and Imports Club which sponsors an annual Labor Day Autocross at OTI.

Keeping time were Ken Randell, Glen Rinehart, Ron Friedrich, Gerald Gould and Lee Strauss.

Local committees assisting were headed by Floyd Olander, mounted marshals; Johnny Pettus, barricades; Duffy Knorr and Al Baert, watering of the course, and Mrs. Johnny Pettus, barbecue serving.

Phil Pitman of Bend supervised the barbecue preparations at the pit. Assisting with the serving were Mrs. Bob Byam, Mrs. Jack Gillette, Mrs. Floyd Olander, Mrs. Louis Chaney, Mrs. Gordon Goeres, Mrs. Bill Hamilton and Mrs. Mel Brown. Mrs. Brown also made arm bands worn by Christmas Valley hosts.

## Floods Kill 71 In Kojie

SEOUL (UPI) — Landslides following heavy rains buried the village of Changsuppo on Kojie Island today, killing at least 71 persons, it was reported here.

Floods and landslides elsewhere in southern Korea had caused 41 deaths this week.

Details of the Changsuppo tragedy were scanty, because communications between the island and the mainland had been disrupted by two days of torrential rain.

First reports said 62 villagers were entombed in a great heap of earth 120 feet high early this morning. Police rushed to the scene, and nine policemen were buried by a second landslide.

Kojie, about 30 miles southwest of the southern port of Pusan, was the site of a prison camp during the Korean War. Communist prisoners confined there staged a number of bloody riots.

The danger in Changsuppo had been foreseen, and police moved residents out of the village Monday night. The night passed uneventfully, and the villagers began returning home shortly before the landslide struck.

## Pact On Coffee To Be Approved

WASHINGTON (UPI) — The United States intends to ratify the international coffee agreement which is designed to stabilize declining coffee prices.

The United States imports 51.7 per cent of the world's coffee, and Monday's formal announcement to the United Nations meant that 11 countries representing 78.5 per cent of world imports have declared their support of the agreement.

## CAB To Reduce Airline Aid

WASHINGTON (UPI) — The Civil Aeronautics Board (CAB) says a plan to reduce federal government subsidies to U.S. commercial airlines will be completed by June 30.

Alan S. Boyd, CAB chairman, told a Senate appropriations subcommittee Monday that "the program contemplates a substantial and continuing reduction in subsidy" for the carriers.

## "Young Folks Summer Adventure Series" Matinee

Each WEDNESDAY -- Starting June 26

Programs selected to appeal to the adventure-minded youngster!

"ENEMY IN SPACE" and "THE LOST MISSILE"

Plus Color Cartoons and First Chapter of "Dangers of the Canadian Mounted"

Kids (Under 12) 25c • Kids (12 thru 14) 50c Adults \$1.00

# Farm Trade Barrier Action Asked

WASHINGTON (UPI) — Two agricultural policies already have forced sharp declines in the area's exports of American poultry and wheat flour.

Senate Democratic Whip Hubert H. Humphrey, Minn., and Senate Republican Leader Everett M. Dirksen, Ill., drafted a resolution calling on U.S. officials negotiating with the Common Market to get assurances that "access to export markets for our agricultural products will be maintained."

Humphrey, in a statement issued along with the resolution, said current disputes over agricultural exports to the Common Market "will in part determine the whole future relationship of the United States and the European Common Market."

The Humphrey-Dirksen resolution came while President Kennedy is in Europe on a trip which includes meetings with leaders of several Common Market countries. The Common Market's new

of U.S. farm exports, including poultry, in talks with European leaders.

Signers of the letter were reported to include such key senators as Richard B. Russell, D-Ga., J. William Fulbright, D-Ark., Harry F. Byrd, D-Va., and Thomas M. Kuchel, R-Calif.

## Luxury Liner Hits Whale

NEW YORK (UPI) — The luxury liner Bremen en route from New York to Cherbourg collided with a 75-foot whale Monday.

North German Lloyd Line officials said the liner's skipper, Capt. Guenther Roessing, reported there was no evidence the hull was damaged. The captain did not mention the fate of the whale.

## Going OLDS is the Going Thing!

Olds fever is taking America by storm... and here's one of the handsomest reasons why: The captivating F-85 Cutlass!

Sensational V-8 action and quicksilver agility both figure in this bucket-seat beauty's record-breaking popularity.

So why not join the nearly 1,700 buyers a day who prove that going Olds is the going thing! You may lose your heart... but you'll discover one of '63's biggest thrills!

FREE 88-PAGE ROAD MAPS - get yours at your Olds Dealer's while supply lasts!

THERE'S "SOMETHING EXTRA" ABOUT OWNING AN OLDSMOBILE! SEE YOUR OLDSMOBILE QUALITY DEALER!

DICK B. MILLER COMPANY, 710 Klamath Ave.

**SHASTA DRIVE-IN** TU-2 3555 GATES OPEN 8:13 SHOW STARTS AT DUSK

Ends TONITE!

**ELVIS PRESLEY "GIRLS! GIRLS! GIRLS!"** Starts WEDNESDAY!

AN EARTHQUAKE OF EXCITEMENT! A picture with the heart of the world in it!

Walt Disney presents **JULES VERNE'S "In search of the Castaways"** CHEVALIER - MILLS - SANDERS - WHITE

**A DOG OF FANDERS** DAVID LADD - DONALD CRISP

**ESQUIRE** DOORS OPEN 6:45 TU-4-4567 ENDS TONITE

**THE WONDERFUL WORLD OF THE BROTHERS GRIMM** IN WONDERFUL COLOR! Starts WEDNESDAY!

**A COLOSSUS OF ADVENTURE!** FOR THE FIRST TIME ON THE SCREEN... THE GLORY THAT WAS GREECE... THE LEGEND THAT WAS JASON!

**JASON AND THE ARGONAUTS** WITH TODD ARMSTRONG / KOVACK / NANCY WRIGHT / GARY LAURENCE / ARMSMITH AS JASON AS MEDEA A COLUMBIA PICTURE

AND ON THE SAME PROGRAM

**IT'S BUSTER KEATON** IN "THE GENERAL" and 60 Years of Great Movie Chases ALL IN !!! THE GREAT CHASE

**TOWER** PHONE-TU-4-8484 NOW PLAYING!

THE MOST IMPORTANT ADVENTURE OF OUR TIME!

**MARLON BRANDO** IN **The UGLY AMERICAN** EASTMAN COLOR A Universal Picture

**INFORMATION RECEIVED** ONLY ONE CAR ESCAPE! SABINA SESHIAN WILLIAM SILVESTER

**TOWER** DOORS OPEN 1:00 P.M. SHOW STARTS 1:30 P.M. OUT AT 4:40 P.M. PHONE-TU-4-8484

**"Young Folks Summer Adventure Series" MATINEE** Each WEDNESDAY -- Starting June 26

Programs selected to appeal to the adventure-minded youngster!

"ENEMY IN SPACE" and "THE LOST MISSILE"

Plus Color Cartoons and First Chapter of "Dangers of the Canadian Mounted"

Kids (Under 12) 25c • Kids (12 thru 14) 50c Adults \$1.00

**MARCHA TULELAKE CALIF.** TODAY & WEDNESDAY OPEN 7:30 - STARTS 8:30 ADULT BRIGITTE BARBOT A VERY PRIVATE AFFAIR CARTOONS THURS - FRI DICK BOGARDE THE PASSWORD IS COURAGE

**Famed Cafe Given Ax** NEW YORK (UPI) — The cafe society crowd conspicuously consumed Delmonico's Imperial Restaurant Monday night, breaking up the famed hostelry with pick axes, electric drills, hammers, crow bars and flying gilt-edged China.

**CAB To Reduce Airline Aid** WASHINGTON (UPI) — The Civil Aeronautics Board (CAB) says a plan to reduce federal government subsidies to U.S. commercial airlines will be completed by June 30.

**Herald and News** Klamath Falls, Oregon Published daily (except Sat.) and Sunday Serving Southern Oregon and Northern California by Klamath Publishing Company 500 N. Riverside Phone TUXEDO 4811 W. B. Sweetland, Publisher Entered as second-class matter at the post office at Klamath Falls, Oregon, on August 25, 1956, under act of Congress, March 3, 1979. Second-class postage paid at Klamath Falls, Oregon, and at additional mailing offices.

Carrier	1 Year	\$1.75
	6 Months	\$1.00
	3 Months	\$0.50
Mail in Advance	1 Year	\$1.75
	6 Months	\$1.00
	3 Months	\$0.50

Carriers and Dealers Weekly Copy 15c Sunday Copy 15c UNITED PRESS INTERNATIONAL AUDIT BUREAU OF CIRCULATION Subscribers not receiving delivery of their Herald and News please phone TUXEDO 4811 before 7 P.M.

**NOW... A Sparkling Clean, Completely Renovated HOTEL FOR THE Working Man OR WORKING COUPLE**

You'll enjoy living in the "New" Pelican Hotel! It is being completely renovated — the new management is repainting each room, has installed new floor coverings, repainted throughout! We offer 58 of the most comfortable rooms you've ever seen... many with baths, or share the bath with one other room.

You'll enjoy living downtown—in the heart of Klamath's business, shopping and entertainment. And best of all, you'll enjoy the new friendly, homey atmosphere you'll find at the "New" Pelican Hotel!

**ROOMS, BY DAY, WEEK, MONTH**

DAY — With bath, \$3.00, others \$2.50 and \$2.00

WEEK — With bath, \$10.00; (2) \$12.50, others \$8

MONTH — With bath, \$40.00; others at \$38.00

"Mom" Bigby, Lessee

**PELICAN HOTEL**

1014 Main Phone 4-5731

- ★ Centrally Located! Downtown, close to restaurants, shopping, entertainment
- ★ TV In Lobby
- ★ Comfortable Lounge Overlooking lobby with facilities for card playing, reading, writing.
- ★ Bright, Clean Rooms!