An Immutable Fiscal Law

OUR morning contemporary has renew-de tits crusade to bring about a reduc-tion, in corporation taxes in North Carolina in order to attract more industries to the state. Sympathetic as we are with the goal we entertain decided reservations as to the

in order to attract more incursive state. Sympathetic as we are with the goal, we entertain decided reservations as to the method.

The state taxes (corporate income, franchies, and intangibles) places North Carolina at a disadvantage in bidding against her neighbors for new industries. It is true, of course, that State tax rates are higher than those of most other Southern states. But the concentration of services — schools, highways, etc.,— under State control is also much higher, with the result that local taxes in North Carolina are, as a rule, much lower than those in reflect elsewhere.

An accurate cong, which seems to us the free that the control of the corporate of of the c

EVEN if it is granted, for the sake of argument, that North Carolina's tax structure is a barrier to new industries, it is difficult to see how any major revision of corporate taxes is possible without a corresponding revision of the State bull receive an estimate 432,430,585 from income taxes on foreign and domestic corporations, another \$17,117,174 from franchise taxes, and \$1,499,222 from intangibles taxes. This total is nearly 90 per cent of the actual expenditures for fiscal

1945-46, and more than one-fourth of the total for the blennium even with the en-ormous special demands against the gen-eral fund.

ormous special demands against the general fund.

Suppose the corporation tax alone were cut in half, as The Observer property of the cut in half, as The Observer property of the cut in half, as The Observer property of the cut in the cut in

blennium.

How does our contemporary propose to compensate for that loss in revenue? According to its thesis new industries in North Carolina would spring up so rapidly that a three per cent corporate income tax would produce as much revenue as the present six per cent, rate. The argument goes:

Any immediate loss in revenue through a reduction in corporate taxes therefore would be only temporary and would be recovered many times over by lower levies on the increased wealth that would flow into the state.

Certainly, through simple arithmetic, it can be demonstrated that a three per cent tax on two \$100,000 corporate incomes will produce as much revenue as a six per cent tax on a single \$100,000 income. The trouble is that this theory doesn't begin to pay off until the total industrial wealth in North Carolina is doubled. Can the period required for the realization of this highly desirable objective properly be called "temporary?" We are afraid not. It would be our guess that some decades would be required to double North Carolina's industry even if our corporate tax rates were the most favorable in the nation.

PERHAPS North Carolina can be made more attractive to new industries by revision of our tax structure. Perhaps such revision should be undertaken at once, promise for the distant future, it is clear that it cannot be done without transferring the current tax burden to another class of taxpayers, or curtailing present State services. Not all the simple arithmetic, or even higher mathematics, in the world can alter the saf fact that a state cannot reduce income and increase expenditures without throwing its budget immediately out of balance. Like every politician who ever lived, we wish it werent that way, but so far a great deal of fervent wishing hand; allered that immutable fiscal law. PERHAPS North Carolina can be made

'48 Ought To Be Restful

CENATOR SPARKMAN of Alabama, garbently for the benefit of the Democratic Women's Council, has come up with the conclusion that the Democrats can win in 46 despite all the disheartened partisan talk to the contrary. The Senator, however, attaches a condition. The Democrats can win, he says. if they "present a positive program and not exist merely as an opposition party."

This brings up interesting speculation as to just what the Democratic Party's program is at the moment. We know that we have a President who wears well, but what else do we know? Most of the information what the Democratic Party, under its new management, is no longer the New Deal Party and that its principles have only coincidental resemblance to those of the late Franklin Rossevelt; for proof of this we need look no further than Chairman Hannegan's beforehand nomination of Harry Truman the other day, a stirring address in which Mr. Rossevelt was not even mentioned.

It might be said, on the neo-positive side,

It might be said, on the neo-positive side, that the Democrats now stand for some-

what larger Federal expenditures than the Republican Congress seems inclined to al-low. It might also be said that the Dem-ocrats are slightly more realistic about re-duction of Federal taxes than the axe-sharpening G.O.P. But this about covers it, and there is little indication in any of this of that "interest in the common man" which Senator Sparkama believes is essential to Democratic success in 1948.

is essential to Democratic success in 1948.

Oh well, Senator Sparkman's diagnosis could be wrong. With wages what they are it might be argued that we no longer have any common men, that we have at last become unanimously uncommon. And the triumphant Republicans can provide impressive evidence that the positive program the Senator insists upon is not always a requirement for political success. As a matter of fact we are looking for.

always a requirement for political success. As a matter of fact we are looking forward to 1948 as one of the most restful Presidential years in history. A contest between two political parties whose sole point of disagreement is the extent and degree of their conservatism into likely to evoke much more excitement than a juvenile pillow-fight accompanied by cries et "its and "tain"t.

Another Voice

Record Of A Nation's Failure

HAVE you ever stopped to wonder about the veteran, thought about the high percentage of divorces from his war mariges, about his rate of crime, deplored his eternal griping about living condi-cions? Have you ever become just a little weary of hearing about his housing diffi-? Have you deplored his war-nur-

so, there is a record you should read.

It is the Census Bureau's report of a survey in the Jouisville area, it tells that more than a third of our local veterans who have housing at all are forced to live with their families or with other families. It says that another third live in homes properly or lacking in sanitary plumbing. But it does not even consider the bundar, But it does not even consider the bundar, But it does not even consider the bundar of the same standard who live here who was not been a survey plumbing. But it does not even consider the bundar of the means that less than one-fourth of them have adequate, desent housing.

A great majority of these men want to buy or build their own homes, but what are their chances? They can afford a rental, or monthly payment of only \$40 a month, almost their chances? They can afford a rental, or monthly payment of 50,000, and there are

no homes to be had, buy or build, for that amount.

amount.

It is a bleak prospect. Only one-third of one per cent of the habitable dwellings here are unoccupied, most of these at rents veterans cannot pay. There is no prospect of new building for them. They cannot afford to pay for homes, even in the comparatively loy-price range. It begins to appear that they shall always have to live with other families. Their divorce rate will probably always be high, as their marriages continue to crack under the strain of first-year adjustments in an environment offering none of the advantages of decent home life. It books as if they will always be jith homeless people, for their only hope was Government housing, and

of decent home life. It looks as it through of always be the homeless people. It will only hope was Government house the date Congress and private construction groups defeated that plan. Prospects of a blanket rent increase, deepen their despair. Do you wander that they are worried, disillusioned, bitter? You need not, not should you blame it on their war experiences. They were not distillusioned by contact with the enemy, whom they knew would try to injure them. The bitterness, started when they got home to their appreciative fellow—countrymen. — Louisuille Courier-Joprnal.



Tight Little Isle

People's Platform

Hurrah For Mr. Crump

RALEIGH

Editors, The News:

I HAVE been reading your paper for several weeks and although I find it contains a great deal of an another than the several weeks and although I find it contains a great deal of whole the paper is a good one.

I begt to differ with you however on your stand against Senator McKellar and Mr. Crump. However on your stand that the several several weeks and the several several weeks and the several seve

More On Health

Editors. The News:

J. AM witing to thank you for The Charlotte News

special edition "Better Health for North Carolina." I have read this issue through from beginning to read. I can honestly say that in my judgmont, it is far and sway the best effort of the kind
more than forty years I have read many of the
more than forty years I have read many of the
read accessful publications sot yeat by different
papers. I have never yet seen as comprehensive
and accessful effort as you have made in this issue.

Along time before any orthroughly that it will be

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I am impressed with the securacy of the many figures and statistics that you have used, and I am also impressed by the downright inspiration Burke Davis had in writing the headlines. One example ull suffice, namely, "Where the Dentital Arent". Hospital in Charlotte, which as you know was the Hospital in Charlotte, which as you know was the first hospital of Negroes in the entire South, was very interesting to me. I prepared a special edition of the Realth Bulletin about fifteen years ago or more of that hospital, together with two or three other Negro hospitals bull later. In fact, the entire publication is intensely and vitally interesting to me and about do to every citizen of North Carolins.

Assistant State Health Officer.

-H. C. CRANFORD,
Publicity Director, N. C. Good Health Association

THE special edition of your nexapsper, "Better Health for North Carolinians," was received. Health for North Carolinians," was received than words can expose, and the supercharacter of the property of the p

-T. L. GUNN, Librarian, Johnson C. Smith University

(NOTE: In addition to the wide response from individuals evoked by the Good Health edition of This News, several newspapers have commented favorably. Excerpts from three editorials follow.—Eds., Tix News.)

IT is not at all certain that the Good Health program will be adopted at this session in its entirely but it will receive serious, studied thought and the special section which Tru Naws devoted to health conditions in the entire State gives the law-makers pertinent and authentic facts upon which to have their investigations and studies.

Preparation and distribution of the edition was plendid public service on the part of THE NEWS.— e Concord Tribune.

THE Charlotte News issued under date of Tues-day, February 11th, a 2fty-two page tabloid edi-tion dedicated to "Better Health For North Caro-linians."

Illians. The paper is replete with factual information and carries reports of various commissions which have surveyed the State's health and needs for improvement. In the State from every angle, Many others contributed to the interesting, informative and most timely edition.

The People's Platform is available to any reader who cares to mount it. Communications should be less to mount it. Communications should be less to move the properties of possible, and on only the commence of the commence anything goes. Each letter must be signed, although, in exceptional cases and upon require the will withhold the writer's name—Editors, Tax News.

Senator Soaper Says:

THE cost of living falls, but imperceptibly thus far. What's become of the old-fashioned price collapse you could hear for blocks?

A certain inequity is suspected in horizontal tax cuts. As when Willie divided the peanuts—"one for the elephant, one for me."

Marquis Childs

Scalpel Vs. The Axe

Scalpel Vs. The Assertion of the Pederal Government shall spend next year, author duth and the proof the pederal Government shall spend next year, author duth and the pederal Government shall spend next year, author duth and the pederal Government of the pederal Government of the pederal Government of America's position before the word.

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The Aman and the Navy. Those are the silvent billious requested to be the silvent bil

Limit On Presidency

NO MAGIC NUMBER

to me that there was any other choice.

CUITING OFF NOSE

No man in his senses would cripple himself in order to be physically properly the control of the c

Drew Pearson's: Barkley Complains Of GOP Budget Haste Merry-Go-Round

THERE wasn't a dull moment when the House-Senate Budget Committee me behind closed doors last Friday to approve that \$4500,000,000 alsah in Good corns last Friday. At one point in the secret debate, Democratic Senator Alben Barkley flatly accused GOP leaders of star chamber tac-

Barkley flatly accused GOP leaders of star chamber tac-tics in draftling the budget report.

** "Most of us have had no chance to declare our views."

** The Kentuckyna asserted angrily. "The House spokenmen

vou want to bring in your findings and expect us to agree

to them without question. This whole issue has been han
died in a very abritrary fashlon, which I disapprove.

**GOP Representative Everett Dirksen of Illinois replied

to lake of times of House members were neces
time to lake of time of the control of the c

that the separate meetings of House members were necessary, due to lack of time.

An any of the lack of time.

The separate meeting is not seen to the report. argued Dirksen. "And some Senators weren't always available when we wanted to hold meetings. However, I am aure that all members of the Senator Approways an any of the senator of the Senator Approdue to the senator of the Senator Approdue to the senator of the Senator Approdue to the senator of the Senator of the Senator Approdue to the Senator of the

The Army's Friends

The Army's Friends

HOWEVER, not all the wranging followed party lines.

In fact, during most of the meeting, the Republicans were suttline among the second control of the meeting, the Republicans were suttline among the Senator Chan Gurney of South Dakots, chairman of the Armed Porces Committee, who opposed the \$1,720,000,000 budget cut for the Army and Navy, clashed repeatedly with Ditchea and other House GOPers.

"Our first consideration is security," declared Gurney, demanding that the over-all budget reduction should be \$4,500,000,000, with only token cuts in Army-Navy spending. "With world conditions unsettled at many bet disastrous time for the second conditions unsettled at many bet disastrous." The or Colle and Millitten of Colorado joined in this view, though later both voted for the \$8,000,000,000 report.

Democratic Representative Clarence Cannon of Mis-

000,000 report.

Democratic Representative Clarence Cannon of Missouri, who charged that the \$6,000,000,000 figure had been "arbitrarily fixed," was against the figure from start to finish and in the end voted against the report.

manded Cannon.

"There isn't time for that," explained Dirksen. "We'd be here until Christmas If we attempted to Itenize everything. All members have the expension of the control of the

Army Gave Secret Figures

WE arrived at our conclusions after talking to the best

We have a conclusion after talking to the best

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the way and May Departments, "explained Directors,"

and the property of the property of the talking of the talking and the talking and the property of the talking with the burner, and treveal the identity of the top officers in the Army-Nary who told us how and where to make reductions in military spending. I don't want to see those may be the property of the talking and talking the talking and talking the talking and talking the talking talking the talking tal