THE PRESIDENT'S TAX MESSAGE

INIIS WEEK President Truman asked is in this bracket that a good deal of the inflationary purchasing power should be personal and corporation income taxes. The purpose of the increase is two-fold:

(1) to prevent inflation by draining off "President's suggested scale for graduated surplus purchasing power, and (2) to pay the cost of our military preparedness program pending the development of a more gram pending the development of a more

gram pending the development of a most comprehensive tax program. The President's proposal, as we see it, will not fully accomplish either purpose. It will not apply the brakes to inflation hard enough, and it will not put our whole Federal budget on a pay-as-you-go basis. Let us consider these two shortcomings for a moment.

Let us consider these two shortcomings for a moment.

Mr. Truman has asked that individual income tax rates be roiled back to 1945 levels, effective Oct. 1. The Treasury estimates that this would provide about 33 billion of the 55 billion increase. It is a wise policy, we think, to put a large part of the new tax burden on individual incomes if we hope to stem the inflationary trend. But the base for individual incomes if we hope to stem the inflationary trend. But the base for individual incomes is abould be broader than it is at present.

The New York Times has compiled some statistics on the present income tax structure which show clearly that the so-called "upper bracket" income group pays a disproportionately large share of the nation's income tax revenue. The Times, using \$5,000-a-year net income (after tax deductions but before exemptions) as a dividing the proportionate of the proposed to the state of the state of the control of the proposed to the state of the proposed that the so-called "upper bracket" income group pays a distinct part of the proposed to the p

tions but before exemptions) as a dividing

bove \$5.000 there are 2,415,300 taxpayers, bove ent of the total number, whose com-d net income last year was \$28,695,200,— Their combined tax bill was \$8,220,100,—

000. Their commined ax oil was sa_sol_tow-000. Below 8.5000, there are 47.58.8.22 lauppy-res, 945 per cent of the total, whose combined net income last years of the total was 8.68.2000. Stated another way, 51 per cent of the taxpayers paid 48.7 per cent of the individual income tax_and 949 per cent of the tax-payers paid 51.3 per cent of the tax-payers paid 51.3 per cent of the tax-

payers paid \$1.2 per cent of the tax bill.
This ratio will not be changed by rolling back the tax schedule to 1945, as Mr.
Truman has suggested; rather, it will be
preserved. What is needed is a reasonable
increase in the tax liability of the below\$5,000 income group. As The Times points
out, it is in [his_Dracket that "the propensity to consume" is highest; hence, it

is in this bracket that a good deal of the inflationary purchasing power should be drawn off.

Before the Korean crisis developed, it was estimated that the 1950-51 fiscal year was estimated that the 1980-51 fiscal year would wind up with a budgetary deficit of some \$5.5 billion. The President has proposed \$10 billion for his millitary program. Much of this will be in contract authorization rather than actual expenditures, and hence will not have to be paid out in this fiscal year. Nevertheless, Seriator O'Mahones, expects at least \$4 billion to be paid out this year.

Unless Congress is willing to reduce non-

none, expects at reast 8 dimin to the plant out this year.

Unless Congress is willing to reduce nondefense expenditures—and the electionyear spending crase shown in the Senate
debate on the big appropriate of the Senate
debate on the big appropriate of such reduction—we can anticipate a deficit next June
80 of at least 89 billion—55 billion as
previously estimated plus \$4 billion extra
paid out for defense. That will not be all,
however. President Truman has already
said that he will ask even larger appropriations for arming the other free nations
of the world. No one knows how much this
will add up to, but it may be as much as
\$5 billion, which would leave us with a
total deficit of some \$145 billion.

The President proposes to raise \$5 billion.

so dillion, which would reave us with a total deficit of some \$14.5 billion. The President proposes to raise \$5 billion in new taxes. Obviously that is not enough to curtail infiation caused by deficit financins. Other anti-infiationary weapons, such as curbs on credit, will help, but will not do a compilete plot. Will not do a compilete plot. The conditional for a hard, realistic war tax program—provided, of course, that the President and the Congress are willing to strip the Budget of all but absolute essentials in this time of peril. Whether they get such a program or not depends upon their willingness to force their representatives at Washington to put aside thoughts of the coming Fall elections and devote their full time to keeping the national economy. time to keeping the national economy stable for the gruelling test ahead.

SATURDAY'S BOND ELECTION—IV

IN THREE previous editorials, the editors of THE NEWS have set forth briefly their reasons for endorsing the water, sewer, and street bond issues. All three are very basic to the continued growth and development of the City of Charlotte.

The fourth question to be submitted to the voters tomorrow may not be quite so fundamental, but it is a good deal more intriguing because it represents a bold and unprecedented effort to eliminate one of the city's oldest obstacles.

Since the 1850's, city officials have talked Since the 1850's, city officials have talked about breaking through the 'ting of steel' formed by railroad tracks, but have done little. A few underpasses have been built-at E. Trade, E. 4th, W. 5th, N. Tryon, W. Morehead, A. few overpasses have been constructed—at E. 17th, E. Morehead, Independence Bivd. But many of the main east-west street in the business district are still bottled up by tracks.

The present City Administration resolved.

are still bottled up by tracks.

The present City Administration resolved to do more than talk about the problem. It hirds a Greenabore engineer to make a careful study of the street-track network and recommend a solution. He found that underpasses could be built on W. 4th. W. Stonewall, W. Hill. E. Stonewall, E. 5th, E. 9th, and S. Tryon Sts. that would

break all the bottlenecks and let motor vehicles flow smoothly into and out of the business district. He estimated the cost of the whole wast enterprise at \$4,500,000, part of which. City officials believe, will be contributed by the railroads, the State Highway Commission, and the Federal Government.

Government.

The \$1,500,000 in "unbottling" bonds included in tomorrow's election will not cover the City's full share of the total project. But it will make it possible to get started on the program. No definite allocations have been made, but it is generally cations have been made, but it is generally assumed that the two projects with top priority are the E. Stonewall and W. Trade St. underpasses. The former, connecting with Independence lived, will open up a new arrey into the business area from the eastern section of Charlotte, relieving congested Morehead and E. 4th Sta. The latter will eliminate the liksome and time-consuming blockade of busy W. Trade St.

Tomora real exportance to have the property of the latter will eliminate the liksome and time-consuming blockade of busy W. Trade St.

their first real opportunity to break the bonds which have been choking the main bonds which have been choking the main business area these many years. It is the singere hope of THE News that the \$1,500,000 bond issue will be endorsed by an overwhelming majority.

THE END OF A CONTROVERSY

ATTHOUGH a great mass of evidence A was introduced in the Latta Park Recreation Center hearing before Judge George B, Patton this week, the case really turned on two major points.

1. Is the building of the center by the Park & Recreation Commission a legal activity and within the Commission, a statisticity authority?

2. Will the building ifself to be a mulance?

Counsel recommission.

2. Will the building itself to be a rulance?

2. Will the building itself to be a rulance?

Counsel representing a group of Latta Park residents opposed to the center argued that the Commissions did not have the legal authority to erect buildings. but merely to provide parks, and the legal authority to erect buildings, but merely to provide parks, applies services and facilities. Judge Patton held that the Commissions grant of powers did include the exection of buildings.

The components of the center, through their attorneys and by affidavit, argued that the losse, lights, and traffic caused by the operation of the building would be a nuisance and would damage their property. But City Attorney John Shaw, representing the Commission, insisted that the building per se was not a nuisance. The construction of the building had been restrained, he pointed out, not its operation. If it proves to be a missance in the future, that will require another proceeding. Judge Patton agreed with Mr. Shaw—correctly, we believe.

The quest dignified legal hearing was in aharp contrast to some of the public meetings of the past few weeks and more heat than light.

Now that it is all over, we are rather

glad that the issue went to court. The calm, judicious way in which the question was argued will do much, we believe, to smooth feelings that otherwise would have been left ruffled. And a precedent has been established which, we believe, will facilitate the future vork of the Commission.

will facilitate the future work of the Commission.

We have felt a good deal of sympathy for the home-owners near the proposed site of the building, but have thought—and still think—that some of their fears will prove to be unjustified. Nevertheless, scratic good of the greater number. It has been proved over and over again in many American cities that recreational centers for young and old alike are extremely worthwhile cities that frecreational eventers for young and old alike are extremely worthwhile civic assets If they are nuisances, they are nuisances in the same way that schools, hospitalis, and even churches are nuisances.

We heard a fellow remark one day this week at least tell million fish had been caught this year in a 50-mile radius of Cairo. This was a little exaggeration, for we would put the figure at nine and a half million—Cairo (Ga.) Messenger.

The average man is said to live now some 30 years longer than he did back in 1900. He has to in order to get his taxes paid.— Hartwell 'Ga.' Sun.

over that congressional election. Next time folks better think twice before voting against him. — Fort Myers (Fla.) News Press.

While Congress Considers The Truth Campaign Funds



People's Platform

Reflections Since 'The Black Day'

MY compliments for your editorials:

MY (1) "IN WHICH CREDIT IS GIVEN". It took courage to retreat from a position so steadfastly maintained. maintained.

(1) "OF GREED AND SELFISHNESS", which should be read and absorbed by every citizen. As you suggest all of us should shun and scorn every person we know to be a hearder.

Since June 24 I have "set loose" and watched time march on. A few limes of poetry have been constantly in mind:

"Though the mills of God grind slowly, yet they may be the content of the content of

grind exceeding small;
Though with patience He stands waiting,
with exactness He grinds all
matters of supreme importance have developed
since June 24. In becomes increasingly clear that it
was greet a in becomes increasingly clear that it
was greet a men of constanding honesty and ability
or a mediocrity. It may be of interest to review
some of the developments:

new sincrea a onesc day for north caronia when for a medicarity. It may be of interest to review some of the developments:

June 25.— 'The morning after'), the starm broke in Korea. In one of my letters I shake the foreign and the start of the start of

(3) It is now four weeks since the Korean cloud-burst. During all this time Mr. Smith has not made

single statement. As our next Junior Senator ose seem that he should have had time to form inino and publicly express it. Does his hatred ruman and all his policies go so far that he eventates to approve of an action of supreme it ortance by the President of the United States?

hesitates to approve of an action of supreme importance by the President of the United States and the state of the state o

vote... suggest a re-reasum or it most estimates and compromise' gee about his duties.

When the FEPC finally comes to a vote in the present Southern allies and go all out to win the present Southern allies and go all out to win the present Southern allies and go all out to win the present Southern allies and go all out to win the present Southern allies and go all out to win the present Southern allies and go all out to win the present southern and southern and southern and southern and southern and southern and will be southern and southern and we of the South will have paramed down next Junior Senator will be a man who doesn't know the meaning of "compromise".

One letter since June 24 which is would like to comment upon was from the guident from Chahama defeat with the effect of the New York Claim's and Christy Matthewson in a World Senate. As a support of the southern and the support of the southern and th

through June 27.
Your paper co-operated wonderfully with us and I am sure this contributed greatly toward making the convention the success that it was.

-PAUL R. YOUNTS, Chairman,

Soldiers Must Be Told Why, What They're Fighting For

By MARQUIS CHILDS

WASHINGTON

CO MUCH HAS been said about a propagation of truth to be expected in the matiomal propagation of truth to be expected in the mational security. The committee declared, which was a manifold to the campaign of the world. This would be an antidote to the campaign of the world. This would be an antidote to the campaign of the world. This would be not a so before the world was a transported to the security of the world was a transport of the world was a transported to the world was a

about, President Truman even ap-pointed a committee on religion and wefare in the armed force. That committee, which included or religion and education, made a survey and wrote a report. The report went across the deal of secretary of Defense Louis John-sent on through the second of the secretary of Defense Louis John-sent on through bureaucratic chan-tels and shortly got stalled. As with so many of the

Mom Should Stay Home, Let Army Be Rough On Rookies

By ROBERT RUARK

WE WILL BE unable to return a value on most of the a value on modern handing of the a value on modern handing of the a value on modern handing of the a value of the a value of the a value of the a value of the value of value of the value of value of the value of value of the va

3-STRIPE MOTHERS
The sergeants, in this den

Drew Pearson's Merry-Go-Round Lush Spending Marks Another Primary

The Russians are intensity interested in how the man in the small American from or city lines. Gen. Smith told in the small American from or city lines. Gen. Smith told research to the small researc

Lush Campaign Funds

against Tobey. Yet he resigned from his job with Senator Bridges one year ago, has no law practice, no other im-portant means of support, and has been giving all his time to campaigning.

protester one year ago, has no law practice, no onno unportant means of support, and has been giving all his time
to emplaigning.

Where he set, his lush campaign chest is not yet
were rever. Truman's close friend 26 Pauley once
word that he could contribute any amount of money to
defeat Senator Tobey. This was after Tobey gas
not been stated which defeat he was after Tobey gas
the state of the new and the proper state of the set of
Senator attack which defeat he was after Tobey gas
that with the Navy buying large amounts of oil, a big oil
man, who had raised thousands for the Democratic Party,
should not be running the Navy. Tobey maintained
hat with the Navy buying large amounts of oil, a big oil
man, who had raised thousands for the Democratic Party,
should not be running the Navy-ported anxious to unseathim to David Sarnotf of ROA, whose operations Tobey
once exposed, and the Textron Company, also investigated
by Tobey.

Meanwhile, Jowy's Senator Gillette, chairman of a
Spring of the Service of the Service of the Service
Meanwhile, Jowy's Senator Gillette, chairman of a
Nowwere, that the likable gentleman from loves will do
anything. In the first plane, Gillette is too again,
the state of the Service of the S

old-timera-have raised evelrows as to whether it will really work.

What Symington plans is to place the administration of controls in the nands of the present Government agenerics instead of building up hig new bureau. For instance, in the control of the property of th