



THE CHARLOTTE NEWS

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Income Tax Limit?

Fiscal Free-For-All Brewing

Last In A Series
By WILLIAM P. HELM

WASHINGTON would receive an income tax reduction of approximately \$3.5 billion a year under the proposed to limit of 25 per cent, according to Treasury estimates based on fiscal 1953 receipts. The proposal, soon to be the subject of hearings by a House Judiciary subcommittee, contemplates submission to the state of a constitutional amendment. Three-fourths of the states would have to ratify it within seven years to make it effective. OPPOSITION Treasury experts, opposing the program on the ground that the government should not lose revenue needed in this period of national emergency - it has not been terminated - have been studying it closely. They have estimated the amount of revenue the government would lose. They also have estimated the loss to the Treasury under the flexible provisions of the amendment available for application in times of national emergency. The amendment authorizes a higher limit for emergency periods but would limit the spread between high and low rates to 15 per cent. BIG LOSSES If the latter were applied, the Treasury's loss would amount to about \$7 billion a year. If it were not, the total would approximate \$13.3 billion. The estimates, based on 1953 collections, were given a Senate committee a year ago by Secretary Humphrey of the Treasury.

The effect of a top rate of 25 per cent, Mr. Humphrey testified April 26, 1954, before a Senate Judiciary Subcommittee, would be to cut the annual yield of corporation income taxes by \$8.3 billion and individual income tax by \$5.3 billion. SOME FLEXIBILITY An additional \$1 billion of revenue would be lost by elimination of estate and gift taxes, making the total revenue loss under the proposal \$13.3 billion annually unless special actions were taken each year. Under the special rule provided in the bill, some flexibility would be permitted in income tax rates. For instance, it would be possible for the Congress by a three-fourths majority vote each year, to maintain the corporate tax at its present top rate of 52 per cent, provided the rate on corporations with small income were reduced to 30 per cent to 37. GIVE AND TAKE "If the present starting rate of 30 per cent on individuals were maintained, the highest rates imposed on individuals and corporations would be approximately the same amount as the tax cuts enacted by Congress over the past two years, according to Treasury estimates. Congress would have \$7 billion a year less to spend and taxpayers would have \$7 billion a year more to spend. There are not differences of opinion as to whether the government could meet its needs, including those for national defense were it to slash taxes another \$7 billion a year. Many members of Congress and some private organizations are convinced that it couldn't be done. Others think otherwise. An outstanding advocate is Daniel E. Casey, executive vice president of the American Taxpayers Association of this city. Mr. Casey's organization was a pioneer of the program in 1939. Since that time many other organizations have endorsed it and worked for it. REDUCE SPENDING "We feel," says Mr. Casey, "that the government not only could meet its needs under the limitation but that the national economy would be placed on a sound basis. Of course, the government would have to reduce its expenditures for non-essential purposes. The immediate result would be less revenue for the government for a short time, but the long-range result would be more revenue. "This would come about through increased spendings by taxpayers for the products of American industry and increased expansion of industry on which the government would collect more taxes. To mention only two points, it would result inevitably in greater employment and greater profits to tax. This was



TREASURY SECRETARY GEORGE M. HUMPHREY Loses By The Billion

Legislative Salaries Are Too Low

NETTLED by that ancient wheeze that legislators are paid all they are worth, some influential members of the 1955 General Assembly would like to launch a full-blown movement for salary boosts. Unfortunately, most don't dare. They frankly fear the taunts and jeers of the folks back home. The fact remains, however, that the pay scale for Tar Heel lawmakers is a disgrace. Members of the General Assembly get \$15 a day—but the total amount is limited to a maximum of 90 days during any one regular session. Thus, the most a member can expect is \$1,350.

Massachusetts—\$4,500 a year plus a mileage rate that varies according to the distance traveled plus subsistence allowance of \$10 to \$20 a week, also depending upon the distance traveled. California—\$3,600 a year plus five cents a mile plus \$12 a day for subsistence. Pennsylvania—\$3,000 a year plus five cents a mile for one round trip a week plus \$3,600 each biennium for additional expenses. Even little old Mississippi, always on the bottom of the nation's economic ladder, is more generous than North Carolina. It pays \$2,000 a session plus 10 cents a mile for one round trip.

It should not have to cost a lot of money to be a state senator or representative. This is wrong in principle. It endangers democracy. Unless the situation is exactly harrowing to march under Mr. Buchanan's banner—so far. This proposal may not be letter-perfect but it should certainly serve as the basis for a reasonable adjustment of the system. The question should not be whether to up the scale but how.

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This is a particularly unhealthy situation. It should be corrected. Actually, most states pay their legislators too little. But at least 19 do better than does North Carolina. The most generous states are New York, Illinois, Massachusetts, California and Pennsylvania.

New York—\$5,000 a year plus actual travel expenses for a round trip once each week. Illinois—\$5,000 a year plus 10 cents a mile once a week plus \$50 per session for other expenses.

Footnote

THE plight of less-than-wealthy Tar Heels, who would like to run for the legislature but can't afford it, has already been taken care of by Will Rogers. Said he in 1931: "Politics has got so expensive that it takes a lot of money to even get beat with."

WBT: The Dial Is Set At Prograss

THOSE of us who have toured WBT and WBTW's handsome new building on the western side of the city were impressed not only with the beautiful view of Charlotte, the city on a hill, but also by reflections of the great progress made by this local institution. The vista of the present suggests, as it were, a retrospective look at WBT and the two together combine into a happy augury for the future.

Since the days of the "wireless" and the crystal set, WBT has burgeoned forth. Today it not only puts words and music on the air but pictures as well—and again those of us who toured the vast new building have a better conception of what is involved in the process. We think that the success of WBT and its appended V is due primarily to one factor: A policy or a state of mind or the force of circumstance which has impelled its management always to visualize the future as highly promising. The promise appears to have come true, unfailingly, and therefore the policy deserves to be ranked as vision and Charles H. Crutchfield and his associates of the Jefferson Standard Broadcasting Co. and the Jefferson Standard Insurance Co. deserve to be complimented as well as congratulated.

From Cow Colleae To Country Club

WE'LL HEAR no more cracks about that "country club" President Gordon Gray is running over at Chapel Hill.

"Cow College," the members of N. C. State may yet inherit the "country club" name tag.

We'll hear no more of rowdy fraternity parties, gay weekends at the beach and the almost complete lack of book work, handled by the "Carolina gentleman."

Reckon a romp in a roadster is about to take the place of the old fashioned hayride?

Actually, it seems that it's those State College fellows who are living high on the hog these days—not the po' boys in white bucks on the Hill.

There is no doubt about it now. We have reached the baby-kissing stage.

The index to success these days appears to be the automobile. And from the Visiting Committee's report on the Consolidated University, we've culled a few pertinent facts:

In separate moments of solemn concert for the ceremonial yesterday, campus City Councilmen went on record for:

1—A clock for Independence Square so passersby can "tell time at a glance."

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2—A namelocate at the airport big enough to impress the natives and enlighten travelers.

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From The Chapel Hill Weekly

CIVIL DEFENSE

CIVIL DEFENSE—the preparation for the protection of civilians in case of hydrogen bomb attacks—is either important or not important. If it is not important, then there is no sense in all the concern about it—the solemn conferences, the alarming speculation, the exhortations to the people to show more concern about what may be about to happen to them. If it is important, then all this talk, this and whatever state and local organization may result from it, are utterly inadequate as preparation.

There is the great mistake. For the government to stop with coordination and guidance is futile. Over-all direction and the major share of all the actual performance of the various services embraced in an evacuation—these should be the functions of a personnel employed by the United States government.

The persons who are in the best position to know whether or not it is important—atomic scientists, the President and other high-level officers of the government, the members of the House and of Congress having to do with the defense of the nation, military leaders, writers who have given serious study to the subject—declare that it is. And they declare it with all possible emphasis.

Civil defense should be made a part of the Department of Defense. There should be a Civil Defense uniformed force, with officers and enlisted men as there are in the Army and Navy and the Marine Corps and the Air Force. There should be training schools for this new force just as there are for other forces. Of course, precedent to all this, and essential to it, is an adequate appropriation of money.

As it is now, we have an agency called the Federal Civil Defense Administration established in the executive branch of the government four years ago "to provide a plan of civil defense for the protection of life and property." The principal responsibility is vested in the states, with the government providing coordination and guidance.

I return to the question: Is Civil Defense important or is it not important? It is so important, stop talking and fussing and fuming about it. If it is important, then I, as one citizen, make this plea to the President, to the members of Congress, and to our other leaders in Washington: Do not keep on trifling with Civil Defense. Give it the serious attention it deserves. That means make it a direct responsibility, a definite operation, of the government.



"He said, 'It's nice to see so many young men searching for the philosopher's stone'... what is the philosopher's stone?"

People's Platform

UMT Advocate Answers Critics

Editors, The News: I HAVE read with considerable interest the letters written by Mr. "Puzzled" the one entitled "Cause of Liberty Is Youth's Burden," and also by Stuart Collins, regarding Universal Military Training and the Methodist Student Movement.

used in earnest it becomes a powerful weapon. I am also a firm believer in preparedness and I consider UMT as part of that preparedness. I have also seen the views of those who are sincere in their opposition to combat and I know there are places for them in the program also.

youth die because they were unprepared? Have you ever seen fresh shallow graves of innocent civilians, tortured and killed by a fanatical force? Have you ever seen children crying, hungry and wandering because their homes and parents were lost? I have!

I am a strict believer in the "power of prayer" and have seen proof of it many times. When I was called to active duty in 1941, I went overseas in 1942 and returned in late 1945. I have also spent considerable time among the original people it has been stated that no one was in organized. Perhaps not. However what might have happened if the German army had smashed England and closed the Atlantic? What might have happened if the Japs had followed the attack of Pearl Harbor with an attack on Alaska or the West Coast? No, my friends, the enemy did not reach these shores and I know the reason why has been already the right to live and worship freely because thousands of real Americans helped stop them. Have you ever seen our

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Drew Pearson's Merry-Go-Round

Pan-American Union 65 Years Old

WITH some parts of the world looking pretty bleak and the U.S. labor in the vineyard of good neighborliness. Most people don't realize it, but the Pan American Union is the oldest of all international organizations and the only one that operates on a truly democratic basis. It survived where other organizations have failed because that count more than other votes. It has no veto, no permanent seats for powerful nations. It operates on a completely democratic basis and the vote of Haiti, which is 300 times smaller than the U.S.A., counts just as much as the vote of the U.S.A. So, while most of the world has seen

increasing wars, the western hemisphere owes its decreasing war to the patient good neighborliness of the Pan American Union. "People from all over Oregon have been sending Senator Neuberger suits to help him feed the squatters," says the young lady. "Come in and take a look at it."

Nuts For Neuberger Riding in a Capitol elevator the other day, two young men were discussing Washington's favorite recent topic of conversation - squirrels. Said one of them: "You know, this squirrel thing has really caught on. It's done more harm to the Eisenhower administration than anything else so far."

sample some of our nuts? said a young lady who was in the elevator and couldn't help overhearing the conversation. "People from all over Oregon have been sending Senator Neuberger suits to help him feed the squatters," says the young lady. "Come in and take a look at it."

By this time the young man began to realize that he had said the wrong thing. Blushing, he identified himself as Art Burgess, a member of the Republican Policy Council staff. The young lady was Miss Helen Niekum, who works for Democratic Senator Neuberger of Oregon.

The Man In The Brass Hat Is Nothing But A Tar Heel

by ROBERT C. RUARK

TWO CAROLINIANS

LONDON THE OLD big war is 10 years gone and we are all 10 years older, and I know it because I had a social evening with the general the other night and only called him "sir" a couple of times. There was a bird colonel with him and I didn't even call him "sir" once. There is no point in mentioning the general's name, because it was a social evening, but the thought had never occurred to me before that generals were people, or that animals were people, or that anybody with a stripe more than you had at the time was anything less than a demigod.

demigods, and generally speaking, they are selfishly inclined to favor their service and their position in it.

President Eisenhower cracked down on his Joint Chiefs the other day about the public pronouncements of a potential war in Asia this month, and while Ike could be wrong in his optimism, he did have a pretty good point to make. He didn't say it out loud, but as a military man himself, he knows that the only justification of a military man's life is war. It is as what he was trained for and what he loves and he puts the salad on his chest and the chicken-trucks on his hip.

Even in a war conflicting services try to fight it three ways: ground, one air, one Navy. I remember from service on Guam, when I was Navy and the B-29s were ordered to bomb Japan, that there was a big rumup between Adm. Nimitz and Gen. Curt LeMay. As I recall the same old admiral wanted to keep on fighting it Navywise and LeMay reckoned he had the Japs plucked to pieces with 70-plane raids, and there was a time of great conflict, not to say rudeness, between him and the chicken-trucks.

And, as I recall the political association of Gen. MacArthur, and all the monkey business in Korea, and that brings me back to my friend, the general, with whom I socialized the other evening. I would say no better fighting a war and kill number, and how the most violent lives usually get run down by small girls on bicycles, and you wouldn't have thought that here was a general and an ex-Navy lieutenant, sitting in a London saloon, cutting up on each other. Have you ever seen children crying, hungry and wandering because their homes and parents were lost? I have!

Beyond The Horizon

By PHILIP WHEELWRIGHT "In The Burning Fountain" Man lives always on the verge of a something more. He is the only animal, apparently, who has built itself on a meta-physical principle. Even in the practical sphere he is restless in ways that mark him off, for good and for ill, from his fellow animals. Human desires, winged by imagination, fly beyond the scope of natural instinct and mock at our efforts to control them. Such is a favorite theme of moralists.

But even when - perhaps especially when - we succeed in attaining the grosser forms of existence, the sense of a beyond and the urge to wonder about it remain. Indeed, the intimation of a beyond, beyond the sphere of consciousness, to be conscious is, in part, to be able to feel the square of a point beyond one's self, to testify that some kind of beyond exists, and to be ever on the verge of entering it.

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