



The Indianapolis Times

Partly cloudy and warmer tonight, with lowest temperature

about 40; Saturday, mostly cloudy and probably unsettled.

HOME

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'CAN'T DO TAX JOB HALF WAY,' WARNS MYERS

'Treat Individuals as You
Do Corporations,' Says
House Speaker.

ENACTMENT IS DOUBTED

Refuses to Name Commit-
tee Until Bill Is Passed
by Senate.

If an income tax is right for individuals, it is right for corporations. If it is wrong for corporations, it is wrong for individuals.

This pronouncement today in the Indiana house from its Speaker, Walter Myers, served only to increase doubts of enactment of personal and corporate income tax bills by the current general assembly.

For the senate has passed down the 3 per cent corporate tax proposed by the house to 1½ per cent, a figure unsatisfactory to corporate tax advocates, and prospect of satisfactory compromises in conference on both measures is regarded as diminishing.

Myers' statement came after three days' delay in appointing a conference committee to consider senate amendments to the personal income tax bill. These amendments reduced the rate on incomes over \$100,000 from 4 to 3 per cent, but increased tremendously the burden on small wage and salary earners.

'Can't Be Done in Halves'

Three times in as many days, Republican representatives have risen to ask Myers "Has the conference committee been appointed on the income tax?"

"On several occasions gentlemen of the minority have inquired why a conference committee has not been appointed on the individual income tax bill," the speaker told the house soon after convening this morning. "Not only the minority, but the public generally has a right to know the reasons."

"Income tax laws begin a complete and drastic change in the taxing system of our state. Here, as anywhere, it is true that things done by halves are never done well. From the very outset it was my view that individual and corporate income taxes should be provided for in the same bill. In order to be 'uniform,' artificial persons should pay income taxes as well as individuals."

'Throw Sop to Thousands'

"If an income tax is right for individuals, it is right for corporations. If it is wrong for corporations, it is wrong for individuals. To do the job half-way would be to maim and cripple the system at birth. To take attention away from the corporation tax now is nothing more than to throw a sop to the thousands who honestly believe that income taxes will cure the defects in our taxing system."

"This is no matter for cheap politics," the speaker continued. "The dollars that pay the taxes are hard-earned and those who sweat to pay them are not going to give up so easily. They have to be convinced that the tax is right and that it is worth the effort to pay it. They are going to ask for an accounting for every cent."

"The Lieutenant-Governor is making a diligent, earnest and good faith effort to enact a law to complete income tax system on both individual and corporate income. He is acquainted with my reasons for not yet appointing a conference committee and I believe that you will find that he is not dissatisfied with my action. Because he also knows that I am prepared to appoint conference committees as soon as the corporation tax bill is passed and before it is desired; and he is convinced that a corporation tax bill must be passed."

Holds Back Appointments

Myers did not appoint his conferees, however, and it is believed he wants the same conferees to consider both measures, with possibility of making them one.

Representative Herbert H. Evans (Rep. Henry) supported by House Republicans, was unsuccessful in an effort today to force his income tax bill, introduced Jan. 12, out of ways and means committee.

It would require a state income tax of half the amount paid the federal government under the federal income tax, and would carry approximately the same exemptions as the federal statute.

Senators spent all day Wednesday and most of Thursday in committee of the whole considering the corporate income tax measure.

Leads to Stalemate

An amended amendment putting the rate down to 1 per cent was rejected when vote finally was taken Thursday afternoon. A vote was 24 ayes and 26 noes on adoption.

This caused a stalemate. Senator Lee J. Hartzell (Rep. Allen and Noble), Republican floor leader, had made a stirring plea to support the measure as amended.

Finding himself unable to command his own forces, Hartzell joined with Lieutenant-Governor Edgar D. Bush, and during a recess reached a compromise with the Democrats. This provided that the 1 per cent amendment be withdrawn and the amendment of Senator J. Clyde Hoffman (Rep. Marion), setting the rate at 1½ per cent, be accepted.

Recognizing as a committee of the whole, Hartzell took the gavel and railroaded this plan through the committee.

Upon arising as a committee of the whole the senate accepted the committee report, putting the 1½ per cent measure on second reading, where it faces a stormy fight against passage.

Twelve Men Chosen to Decide Fate of Torch Slayer Suspect



DEFENSE GETS SEVERE BLOW IN GIN TRIAL

Doctor Testifies Arlene Died
From Attack; Fall
Theory Shaken.

By Times Special

VALPARAISO, Ind., Feb. 27.—Shadow of the electric chair reached more menacingly toward Virgil Kirkland today than at any time since Arlene Draves died after a gin party in Gary Nov. 29, resulting in indictment of Kirkland and four companions on first degree murder charges.

In Porter circuit court here where Kirkland is the first of the quintet to go to trial, the state late Thursday smashed devastatingly at defense theories that Arlene died from a brain concussion incurred when she fell down.

Dr. James B. Burcham, coroner's physician who performed an autopsy on the girl's body, said the brain concussion probably would not have proved fatal.

Falls to Belittle Doctor

Then he added that shock and hemorrhages, together with bruises, resultant from criminal assaults, were responsible for her death.

Dr. Burcham was to return to the stand today for further cross-examination by Kirkland's attorneys, who failed Thursday in attempts to belittle his testimony.

Richard Oldham, defense counsel, struck at Dr. Burcham's experience, but found his blow turned upon himself. Dr. Burcham had stated he had been a practicing physician only three years.

"How many autopsies have you performed?" Oldham asked.

"I have no record of that," Dr. Burcham replied.

"Would you say five?"

"Yes, and more. It runs into hundreds."

Oldham quickly took up another line of cross-examination.

Lock Doors Against Crowd

Morbid curiosity of the crowd surged beyond control when court attempted to reconvene after the noon recess Thursday, and when the crowd pressed beyond the railing, jammed aisles, and threatened to become unruly.

Throughout the day, Kirkland maintained his unruffled calm that has characterized his appearances in court, and his confinement in jail awaiting trial.

Woman Faints in Courtroom

When Mrs. Earl Draves, sister-in-law of the dead girl fainted, and when his mother was taken from the room, sobbing hysterically, Virgil only smoothed his hair with a hand, and continued to stare at the stained-glass window where the artisan had worked in colors the balanced scales of justice.

Court was adjourned Thursday with no ruling by Judge Crumpacker on admissibility of a confession signed by Kirkland in police headquarters at Gary shortly after his arrest.

Attorneys wrangled about the confession's introduction almost half an hour before the judge halted arguments with a promise to rule on its right to be shown to the jury.

Fathers Shake Hands

One scene behind the railing of the courtroom during the morning session moved spectators. Elmer Draves, father of the girl, approached Charles J. Kirkland, father of the defendant, his hand outstretched.

"It is my duty to express sympathy to you," he muttered. "We are all parents of this age. I loved Arlene perhaps more because she had no mother to guide her, but I hold no malice toward you."

Dazedly, Kirkland grasped the other parent's hand, and they embraced.

Jury which will hear evidence in the trial of Harold Herbert Schroeder is pictured here as it will sit in the box in Marion county criminal court.

Front row, (left to right)—Albert Shaw, Pike township, farmer; Floyd Graham, 2842 North Illinois street, contractor; A. H. Skinner, 910 East Thirty-eighth street, manufacturer; Morris E. George, 631 North LaSalle street, bank clerk; William H. Joyce, 1420

Woodland avenue, real estate dealer; and Edward W. Pierson, Pike township, farmer.

Rear row, (left to right)—Virgil McClain, 906 North Graham street, steamfitter; Omer Ford, 1257 Hiatt street, carpenter; Harry Ayres, Mars Hill, mechanic; Earl Dillinger, 1966 Winter avenue, grocer; Charles W. Reed, New Augusta, farmer; and William I. Campbell, 324 West Maple road, manufacturer.

First Witness in Schroeder Slaying Case Is on Stand

BY EDWARD C. FULKE
(Opening Statements of Attorneys on Page 26)

Plunged to a spectacular start after impaneling of a jury, Harold Herbert Schroeder's fight for life against a murder charge opened this afternoon in criminal court.

Shortly after Schroeder's twelve peers were seated at 10 a. m., the defense launched into an unsuccessful but hard-fought preliminary tilt to clear the Mobile garage man, charged with the gruesome High School road torch car murder, May 31. The state demands Schroeder die in the electric chair for the alleged crime.

A tense audience listened to opening statements and first witnesses as the grim picture of the flame-seared body of Schroeder's unknown victim was flashed before the jury.

Three days of tedious questioning of witnesses ended when Virgil McClain, 906 North Graham street, was accepted as the twelfth juror.

Opening Statements Made

Judge Frank P. Baker ordered opening statements made, and Prosecutor Herbert Wilson rose to outline the murder solution of which he baffled authorities for nine months.

Jurors heard Wilson declare the state will draw a picture of Schroeder as a man whose actions before the murder forecast a "dire crime."

"Schroeder sailed into Indianapolis under false colors, under a false name, and with strange actions. We believe the state will show beyond any doubt that he perpetrated the crime."

Wilson called attention of jurors to the indictment charging Schroeder with ending the victim's life by "the use of deadly weapons, by burning, or by methods unknown."

Attacked by Holmes

This was attacked shortly afterward by Ira M. Holmes, defense attorney, as the state's most vulnerable point.

Holmes' first attack was sounded when he interrupted the trial to file a motion to compel the state to elect on which count of the indictment Schroeder will be tried. The jury for the first time was excited, and arguments followed.

Baker overruled the motion and the jury was recalled.

Holmes argued that Schroeder is entitled to know the charge he must face.

"Schroeder will have to prepare a double defense under the indictment," Holmes declared.

Defendant Smiles

Watching events with vital interest, Schroeder smiled as Holmes argued. He chewed gum vigorously and smiled now and then at relatives who were at his side.

When Baker overruled the motion, jurors were recalled, and Marvin

Winkler Is Assailed

He attacked Winkler, ex-sheff, as "perpetrating a rank forgery" when he gave Schroeder a letter at the county jail purported to have been written by the Alabama's wife, Mrs. Leah Schroeder.

Holmes asserted that Schroeder left his Mobile home May 1, thirty

(Turn to Page 9)

6-MONTH JAIL TERM IS GIVEN SCARFACE AL

Convicted of Contempt of
Court; Free on Bond,
Pending Appeal.

By United Press

CHICAGO, Feb. 27.—"Scarface" Al Capone was found guilty of contempt of federal court today by Judge James H. Wilkerson and sentenced to six months in Cook county jail.

The judge made his decision unexpectedly as soon as final arguments were finished. He had been expected to take the case under advisement.

The gang leader, forewarned by the judge's remarks during final arguments, gulped and flushed when the jail sentence was decreed. He refused to comment.

The decision marked the first time in Capone's ten years of gang leadership in Chicago that he has been convicted in a local court. The only other conviction behind his name was in Philadelphia in 1929, and that was for carrying a pistol.

Claimed He Was Ill

The contempt case grew out of Capone's alleged illness at his Miami (Fla.) estate in March, 1929, when the government ordered him to appear here and tell what he knew about the Chicago Heights liquor conspiracy.

Instead of appearing, Capone sent an affidavit that he was too ill to travel and that the Chicago climate would be dangerous to his condition.

The government introduced several witnesses at the hearing the last two days to testify Capone was not ill, but attended horse races and took airplane rides during the time he was suffering from pneumonia.

Judge Wilkerson granted Capone a stay of execution until Monday when his bail of \$5,000 will be continued and an appeal entered. Capone's attorneys said the court of appeals probably would not act until August and that "Al would be free on bond until then."

'Aggravated Whole Affair'

In his ruling, Judge Wilkerson brought out several times that Capone had not testified in his own behalf and that his whole attitude during the trial "had been to aggravate the whole affair."

The trouble with this whole proceeding," the judge said, "was that the defendant was trifling with the court. His petition stated on March 11, 1929, that he had been out of bed only for the ten days past, whereas, as a matter of fact, it was common knowledge in Miami that he was out and around."

Capone dozed the fore part of the morning as attorneys argued his case, but was all attention later when the judge clashed with Benjamin Epstein, one of the gang leader's many lawyers, over apparent discrepancies in the testimony.

Face Is Fiery Red

Before they had finished, the gang king was sitting upright in his chair chewing a whole package of gum. He had added to the wad, stick by stick, as the judge came nearer the decision.

Al's face was a fiery red by the time the judge reached the point of consigning him to six months in jail. He left the court with his escort of police, crestfallen and sullen.

Outside, from nearby restaurants and hotels, his bodyguard appeared silently and surrounded him. The strange party of police, gangsters and chief drove away and Capone had been convicted in Chicago for the first time.

Order Aid Deported

By United Press

WASHINGTON, Feb. 27.—The labor department announced today that a warrant has been issued for deportation of Antonio (Mops) Volpe, reputed henchman of Al Capone.

Grounds for the deportation of Volpe were given as moral turpitude, prior to entering the United States, and fraudulent entry.

Approve Marshal Nomination

By United Press

WASHINGTON, Feb. 27.—The senate judiciary committee today authorized a favorable report of the nomination of William N. Cromie to be marshal in the northern district of New York.

Hourly Temperatures

6 a. m.	34	10 a. m.	45
7 a. m.	34	11 a. m.	46
8 a. m.	37	12 (noon)	48
9 a. m.	41	1 p. m.	52

Deal Is Closed for Sale of N. Y. World to Scripps-Howard

By United Press

NEW YORK, Feb. 27.—The New York World, a nationally known institution, passed out of existence today and in its place was born the World-Telegram, an afternoon paper dedicated to perpetuation of the independent ideals of two of America's greatest liberal journalists—E. W. Scripps and Joseph Pulitzer Sr.

This consolidation was accomplished in the early hours of the day, shortly after Surrogate Judge James A. Foley ruled favorably on a petition filed by the Pulitzer trustees to alter terms of the Pulitzer will by selling the Morning, Evening and Sunday Worlds.

Foley held, in substance, that it was not only the right, but the duty, of Pulitzer's sons—Ralph, Joseph and Albert—to dispose of the financially unprofitable newspaper properties to conserve the estate assets for the Pulitzer heirs.

Long in Pulitzer Hands

Formal acquisition of the World papers by the Scripps-Howard interests, publishers of the New York Evening Telegram, was made just before "thirty" newspaper man's symbol for the end—was written on the World.

The newspaper, which had achieved a reputation as one of the pre-eminent liberal and crusading organs in the country, had been operated continuously by the Pulitzers since the family acquired it in the latter half of the last century.

\$500,000 Paid Down

Upon taking over The World assets, Roy W. Howard, chairman of the board of Scripps-Howard, paid as first installment \$500,000, said to be the largest such payment ever made in a newspaper deal in this country.

The Pulitzers, meantime, announced they would set aside from proceeds of the sale \$500,000 "to be distributed among employees under the terms of the plan to be announced later."

Howard already had agreed that a second payment of \$500,000 would be forthcoming in ninety days. Total purchase price, it was understood, was \$5,000,000.

The sale came as the climax of a dramatic fifty-six-hour struggle on the part of various interests, backed by millions of dollars, to acquire The World papers.

Paul Block, chain newspaper publisher and advertising man, withdrew as a bidder Thursday, while David Stern, publisher of the Philadelphia Record, and Frank Gannett, who owns a group of eastern papers, entered as contestants for the purchase.

In the background, fighting to keep alive the papers to which they had devoted many years of service, employees of the World, in a co-ordinated effort, vainly sought delay of the sale.

They announced that they had pledges from employees and other sources totaling \$600,000, exclusive of the promise of one prominent man to aid with \$1,000,000 and of others to give \$100,000.

After they rendered a decision adverse to them, representatives of the 2,800 World employees appealed by letter to the Pulitzers and Howard for a stay of sale until they could mobilize their finances.

Employees Wage Fight

They said their appeal was based not primarily upon legal grounds, but upon the "moral right" to fight for their own welfare and to avoid increasing the seriousness of the unemployment problem.

James W. Barry, long-time city editor of The Morning World, leader of the militant employees' group, announced there would be today a conference with the association's attorneys to determine whether any legal recourse remained for them.

Howard said in the founding of The World-Telegram not "the death of The New York World, but its rebirth." He pledged a continuation of the policies "which have made The World respected not only in New York, but throughout the nation—in every quarter where liberality of thought, independence and freedom from entangling alliances are appreciated as journalistic virtues."

It is obvious," he said, "that the need for independent editorial utterance and effort never was greater in the days of E. W. Scripps and Joseph Pulitzer Sr."

The Pulitzers announced in the final edition of The World that they

BONUS VETO OVERRIDDEN BY SENATE

Measure Becomes Law by
Vote of 75 to 17; Hoover's
Views Disregarded.

DEBATE IS HEATED

Bureau Chief Asks That
Needy Veterans Be Cared
for With First Money.

(Text of Hoover's Message on Page 18.)

By United Press

WASHINGTON, Feb. 27.—The senate today passed the veterans' loan bill, 76 to 17, over President Hoover's veto, and the measure became law.

The bill, vetoed Thursday, was passed immediately for the second time by the house by an overwhelming majority and sent to the senate. The senate, however, chose to hold it over until today, when it became the first order of business. The senate began consideration of the veterans' compensation bill after 11 a. m.

"The question," announced Vice-President Charles Curtis, "is on passage of the bill, the objections of the President of the United States to the contrary notwithstanding."

"The clerk will call—"

Senator Arthur H. Vandenberg (Rep., Mich.) interrupted Curtis' effort to obtain an immediate vote, and began a speech, which he said would be brief, reviewing the history of the dispute.

Galleries Are Crowded

The house already had overwhelmed the President's veto by a vote of 338 to 77.

The galleries were crowded to the doors, as on Feb. 19 when the senate first passed the bill. Veterans who could not find seats crowded the narrow spaces behind the galleries.

In one gallery sat two-score Fascist cadets in uniform who have come from Italy to study physical culture under the aegis of Barnard MacFadden.

Vandenberg, addressing the senate, expressed pointed disagreement with Mr. Hoover's analysis of the situation which would be created by enactment of the loan measure.

"If there is a tax increase," he said, "it will not be because of this legislation—it will be because a budgetary deficit."

Measure Is Opposed

Senator Daniel O. Hastings (Rep., Del.), in a speech against the bill, said that some ex-soldiers would "steal the certificate from their wives and go out and borrow to spend the night with another woman."

Cries of "no, no, no" came from the gallery. Hissing also was audible.

"Name one soldier who will do that," demanded Senator Aiken W. Barkley (Dem., Ky.).

"Oh, I will not name one," Hastings replied.

"I should like to know," inquired Senator Millard E. Tydings (Dem., Md.), "in what respect soldiers in the mass are different from senators in the mass?"

High Pressure Salesmen Ready

Replying, Hastings said:

"I am stating frankly what every senator knows. I'm not casting any reflections on the ex-soldiers of the country. It amounts to this: There is no money in the treasury to meet this demand; you go out to the other citizens of this country and get it by borrowing or taxation."

"It is simply that. I am not afraid the government can't borrow \$1,000,000,000, but I want to complain that the government should not have to borrow so much to men simply because they are ex-soldiers who do not need the money."

"In a few years we will have senators coming here telling us to forgive the interest on these loans. They will tell us the rates are exorbitant."

The high-pressure salesmen are now organizing in the state of Michigan to grab this money. You are giving them a list.

Care Urged First for Needy

Hastings' reference to Michigan apparently was evidence of the first plea to repudiate Mr. Hoover's veto message came from Senator Vandenberg.

A request that World war veterans not in actual need delay their applications for loans under the new law for a few days to veterans in poor circumstances can be cared for was issued today by Colonel George James, director of the United States veterans bureau.

Newspapers and broadcasting systems were asked by Colonel James to give wide publicity to the request.

"The idea is that those in real poverty should be given the opportunity to get their money first," James said. "The others can come in later."

Strong Pressure Shown

Strong pressure of the rank and file of veterans was evidenced by the houses' speedy action in overriding the veto Thursday night. Less than an hour was occupied, the vote coming after Majority Floor Leader Tilson made a futile effort to amend the bill so only unemployed and needy veterans could take advantage of the certificates increased loan value.

Mr. Hoover's veto message asserting there is "not a penny in the treasury to meet such a demand" succeeded in winning over only forty Republicans who previously had voted for the bill.

If applying for his first loan, the veteran is to present his adjusted service certificate with his application.

Greater Paper

By United Press

NEW YORK, Feb. 27.—The first edition of the combined World-Telegram appeared today as a forty-four-page newspaper, with many features of the two newspapers combined.

The new paper carried both the former mastheads of "The Evening World" and "The New York Telegram."

Included among the Evening World features appearing in the combined newspaper were a page of cartoons, a sport page cartoon, an inside news cartoon, and the dramatic column of Bide Dudley, Evening World dramatic critic.

The Morning World ceased to publish after its late morning edition today.

had sold their papers after making every possible effort to avoid it.

"But," they said, "economic conditions have proved inexorable."

They pointed out that had The World been only a commercial enterprise they could have undertaken a profitable sale years before it became compulsory.

"The trustees can not pretend that it is anything but a painful duty to pass The World newspapers into other hands," their statement said. "But there is a fortunate mitigation in the spirit of the new ownership which is thoroughly hospitable to The World tradition. May it carry on that tradition with the fullest measure of public service and success."

Surrogate Foley's decision involved three major principles, as follows:

1. That a sale of the World papers is just and proper.
2. The trustees, as a matter of equity, must exercise due diligence to preserve the remaining assets of the papers, which admittedly have suffered economic losses.
3. That the court could not be converted into an auctioneer's room for reception of various bids for the World assets.

Foley's document was a scholarly presentation of facts, arguments, and precedents, through which ran a human strain of desire to protect the interests of the estate which Joseph Pulitzer Sr. had built up by his untiring energy and fearless journalism.

JOHN HAYES, VETERAN
PRINTER CHIEF, DEAD

Succumbs at Home in Minneapolis;
Served Union for Twenty Years.

Word was received at headquarters of the International Typographical Union here today of death Thursday of John Hayes, for more than twenty years an officer of the organization, at his home in Minneapolis. Death was due to blood poisoning from carbuncles.

Mr. Hayes was secretary-treasurer of the union from 1909 until 1928, and was vice-president from 1905 until 1909. He had lived in Minneapolis since his former home, since 1928.

Spurned!

SPURNED love... bewilderment... heartache... jealousy... and happiness.

These are a few of the ingredients that Laura Lou Brookman, popular author of newspaper fiction, has mixed into a breath-taking new serial, "Mad Marriage," which starts March 4 in The Times.

This is the story of Gypsy McBride, 19-year-old New York typist, who married an utter stranger the day after she met him because the man she loved had jilted her.

Be sure to start this thrilling new serial Wednesday, March 4, in The Times.

Gypsy

stranger the day after she met him because the man she loved had jilted her.

Be sure to start this thrilling new serial Wednesday, March 4, in The Times.

Times Will Broadcast State Basket Drawings

Out of the hat, a la Thurston, will come the sectional drawings for the twentieth annual Indiana high school basketball tournament this afternoon.

Fans, coaches and team members in approximately 787 cities, towns and villages throughout the state anxiously are awaiting results of today's ceremonies in the office of A. L. Trester, I. H. S. A. commissioner.

Saturday morning at 9 o'clock the commissioner will issue the schedules for the sixty-four sectional events, and a few minutes later, The Times and WFMB will be on the air giving the complete program in each center.

Throughout the entire state, fans will learn the opponents of their favorites in the sectional tournaments—preliminaries in the world's largest and greatest cage event—a few minutes after they are announced officially.

Byline and Tommy Hendricks, veteran announcers, known to every sports fans in the state and middle west, will be at the mike. Byline will go on promptly at 9 a. m. with a brief review of past tournaments and the last season.

The Times and WFMB, pioneers in basketball and sports broadcasts, also will stage their annual broadcast from the "ring-side" at Butler fieldhouse when the sixteen survivors of the sectional and regional events start the final grueling grind March 20 and 21.

Don't forget—tune in on WFMB Saturday morning at 9 and learn who plays at what time and where. Complete schedules in the sixty-four sectionals will be published in later editions of The Times.