

## BILL TO ERASE U. S. DEFICIT IS GIVEN CONGRESS

Long Fight on Sales Tax Is  
Foreseen as Emergency  
Measure Is Filed.

*By United Press*  
WASHINGTON, March 7.—A battle over balancing the budget that will last for several weeks begins today with introduction in the house of the new \$1,096,000,000 revenue and tariff bill.

In this measure, which the house will take up Thursday, congress confronts in the \$695,000,000 manufacturers sales tax a new principle of taxation as far-reaching, perhaps, in its social and economic consequences as the income tax which was written into the permanent law, through the constitution, nineteen years ago.

That tax was designed to curb the growing concentration of wealth in a few hands, representing the culmination of a social and economic revolution carried to fruition by Woodrow Wilson.

The sales tax, according to its opponents, will spread the tax burden, conversely, among the great consuming and producing masses.

### TERMED EMERGENCY MEASURE

Its Democratic and Republican sponsors, sensing the rising undercurrent of opposition to this new principle, offer the sales tax merely as an emergency measure to last until July 1, 1934, with the argument that it must be utilized because of failure of the income tax to produce sufficient revenue in a depression era.

Some of its opponents fear, nevertheless, that the sales tax may be written permanently into the tax structure, and their fight will be with this in mind, though they oppose introduction of such a tax even as a temporary measure.

Championing of the bill will be in the hands of a regular Republican and Democratic coalition, which is sponsoring it as a "nonpartisan" measure. The administration has endorsed it.

The bill peculiarly is a hybrid measure. It embodies tariff features in the 42 cents a barrel tax on imported oil and gasoline and the countervailing section, applying to the 2% per cent rate to all imports like in character to manufactured goods which come under the sales tax.

### MALT TO BE TAXED

This tariff complexion will make the bill vulnerable to all sorts of amendments to include other products, which are expected to be offered in house and senate. The bill also is vulnerable to wet attack.

For it recognizes the growth of the American "home brew" industry, despite prohibition, by levying a tax on malt, grape concentrates and wort, being widely used by the citizen to manufacture his own beer and wine.

In reaching beyond the income and the sales tax, the ways and means committee instituted some old and new excise taxes to help balance the budget, including a broad 10 per cent amusements tax on all admissions over 25 cents, a revival of the war days, a tax on telephone, telegraph and radio messages, and a tax on lubricating oil.

### NEW INCOME TAX

Additional income taxes to be paid by the person of ordinary means under the new bill are shown by the tables appended. The new normal rates, 2 per cent on the first \$4,000, 4 per cent on the next \$4,000, and 6 per cent above that, do not apply, however, until next year.

Married individual, with one dependent.

Income.	Present TAX.	New TAX.
\$1,000	None	None
\$2,000	None	None
\$3,000	None	1.50
\$4,000	1.50	3.00
\$4,000	1.50	3.00
\$5,000	12.35	31.30
\$10,000	92.25	135.60

Single person, no dependents.

Income.	Present TAX.	New TAX.
\$1,000	None	None
\$2,000	None	None
\$3,000	None	1.50
\$4,000	1.50	3.00
\$4,000	1.50	3.00
\$5,000	16.88	30.60
\$5,000	16.88	30.60
\$10,000	98.35	160.00
\$10,000	98.35	160.00

And those are just a few of many officially reported cases.

Existence of the kidnaping ring has been discovered by operatives working for Colonel Robert Isham Randolph, founder and head of the Chicago Association of Commerce's "Secret Six," and Alexander G. Jamie, who directs this crime-fighting organization's activities.

## KIDNAPERS REAP MAIN HARVEST IN MIDWEST

### Fred 'Killer' Burke Fathered Racket That Nets Millions to Gangsters

BY BRUCE CATTON  
NEA Service Writer

THE amazing way in which kidnaping has become a major underworld industry is nowhere better shown than in the last few months in the middle west.

Kidnaping—the "snatch racket," as underworld lingo puts it—has ceased to be the work of isolated criminals working on their own and has become the job of a highly organized syndicate of desperadoes with headquarters in Chicago, Detroit and St. Louis.

Apparently, the racket first was organized in Detroit—and the notorious Fred (Killer) Burke was one of the men who organized it, which shows just how tough the controlling gang is.

Detroit, a little more than a year ago, managed to round up some of the leaders of its group and they are now in prison. But first the gang had extended its activities to Chicago and St. Louis, and it is now firmly entrenched in those two cities.

**I**N Illinois alone, forty-nine kidnapings have been reported officially in the last two years. But authorities admit that for every kidnaping reported there may be a dozen more in which no complaint is made because of fear.

An average of the estimates made by men in a position to know puts the number of kidnapings in the Chicago territory at more than 200, with a toll of more than \$2,000,000 paid to the ring.

That sum may seem high. But here are a few recent victims and the prices that were paid for their freedom:

James Hackett, gambler, \$150,000; Robert C. Fitchie, former president of the Illinois Federation of Labor, \$50,000; Jack Lynch, owner of a racing information bureau, \$50,000; Harold Cusack, book hustler, \$15,000; Dr. and Mrs. Max Gecht, \$5,000, of which \$2,000 was paid on account; Howard Woolverton, South Bend, Ind., banker, reported variously from \$8,000 to \$50,000.

And those are just a few of many officially reported cases.

Existence of the kidnaping ring has been discovered by operatives working for Colonel Robert Isham Randolph, founder and head of the Chicago Association of Commerce's "Secret Six," and Alexander G. Jamie, who directs this crime-fighting organization's activities.

**T**HE syndicate," says Jamie, "is made up of a small army of desperadoes and, from glimpses we've got, its makeup sounds like an Edgar Wallace thriller.

The man at the head of it, whose identity we haven't yet discovered, is evidently a highly capable business executive.

**PLANE DROPS FOOD TO 6 SNOWBOUND MINERS**

Mail Pilot Answers Plea Carried to Village of Hero of Group.

*By United Press*

SALT LAKE CITY, Utah, March 7.—Near starvation, six miners trapped by deep snow in a tiny cabin in the Nevada mountains had food today that was dropped for them from an airplane.

A seventh miner, at the risk of his life, completed a heroic journey through the wilderness from the cabin to Battle Mountain, a little community in the hills.

He told of the plight of his six comrades, and aid from Salt Lake was requested.

D. E. Broughton, air mail pilot, made a forty-mile detour on his regular flight, circled low over the snow-covered cabin, and J. C. Crain, co-pilot of the ship, "bombed" the six men with packages of food.

**HOT CEMENT TESTED**

No Improvement in Texture of Roads, Experiment Reveals.

Hot cement does not improve the texture of concrete roads, tests made by the state highway department for the National Technical Society disclosed.

Report on the tests, which were made on the heavily traveled Dunes relief highway near the Calumet district cement mills, appears in the Engineering News-Record of New York.

Details of the tests are set out, showing that instead of the usual procedure of using cold cement the material was taken hot from the mills and used in the mix.

Similar tests were made in other states. The Indiana tests were under supervision of William J. Titus, chief engineer of the state highway department, and P. D. Melsenhoffer, test engineer.

**MAP SALES PROGRAM**

200 Frigidaire Dealers Attend Convention in City.

Sales convention of 200 Frigidaire dealers from central and southern Indiana was held today at the Claypool at which a national business program for 1932 was presented.

Clark S. Wheeler, Indianapolis president for Frigidaire, will preside, assisted by R. S. Hays, metropolitan sales supervisor, and E. M. Nigh, provincial sales manager.

New air-conditioning equipment, as designed by the company's engineers, will be explained at the session. Economics to make electric refrigeration available to thousands of housewives will be discussed.

**WATER RATE HEARING IS POSTPONED AGAIN**

City's Plea for Reduction Will Be Heard Friday, March 22.

Second postponement has been announced for the Indianapolis Water Company rate reduction hearing before the public service commission.

Date now has been shifted to Tuesday, March 22, upon request of the company. Commissioner Harry K. Cuthbertson of the public service commission, who has charge of the Indianapolis rate reduction hearings, said the shift was made because H. S. Schutt, vice-president of the company, would be unable to be present Thursday.

The date change has been approved by Mayor Reginald H. Sullivan, he said.

Hearing of the Indianapolis Power and Light Company rate reduction case is scheduled for March 16.

**LEAGUE SEEN FAILURE**

Dr. Oxnam Says It Was Based on Post-War Political Differences.

*By Times Special*

GREENCASTLE, Ind., March 7.—Speaking at a vesper service here Sunday night, Dr. G. Bramley Oxnam, president of De Pauw university, predicted the Geneva conference will not succeed in formulating a successful disarmament program.

Dr. Oxnam declared the League of Nations ineffective, saying it is based on political differences existing during the period immediately following the World war.

**HOLLYWOOD EYES FOX**

Film Industry Suspects Former Producer May Try Comeback.

*By United Press*

HOLLYWOOD, March 7.—The arrival in Los Angeles Tuesday of William Fox, former head of the Fox Film Corporation, is causing speculation in Hollywood as to his plans.

Rumor credits him with having recently made a large fortune in the stock market, which might influence him to enter the motion picture industry again, possibly as an independent producer.



ransom money, \$5,000, and Mrs. Gecht was held as hostage. Two days later Dr. Gecht paid \$2,000 and his wife was freed.

It happened that one of the kidnapers, Gus Sanger, fell for Mrs. Gecht in a big way, and after the couple had been released Sanger called her up and asked her for a date.

She went to Roche about it, and he advised her to make a date and let him know the time and place.

She did. The kidnaping arrived to keep it, and promptly was arrested by two of Roche's officers. Sanger named his associates, and shortly afterward former assistant state's attorney Ward Salwell, William Thomas, John J. Pinger, Edward Finan and Louis Alteri were arrested. Together with Sanger they now are awaiting trial.

**JUBILEE PLANS PUSHED**

**SCENES FROM THE HEART OF THE DETROIT "KIDNAP BELT"**



Scenes from the heart of the Detroit "kidnap belt" are shown above. Upper left, basement of the Stanley De Long home in Detroit. In this cubbyhole victims were held for ransom. Lower left, alleged members of the ring in court. Left to right, Benny Rubenstein and Harry Hallsey. At the right, Fred (Killer) Burke, believed to be the founder of the Michigan-Illinois kidnap racket. Now serving fifty years in prison.

## DETECTIVE IS ABSOLVED OF FRAUD CHARGE

Thomas J. Reilly Is Freed of Accusations Made by Drug Official.

Thomas J. Reilly, 3128 Central avenue, private detective, was freed in court today of charges growing out of an investigation of a Hook drug company robbery.

Charges of impersonating an officer, carrying concealed weapons, operating a detective bureau without a license, false pretense and vagrancy were dismissed by Municipal Judge William H. Shaeffer on recommendation of detectives and prosecutors.

Detective Morris Corbin recommended the dismissal, asserting authorities had no case against Reilly, who produced a bureau license in court.

Reilly's arrest followed complaint of John H. Hook, drug company official, that Reilly was paid by him to assist in apprehension of bandits who shot and robbed a Hook company collector a year ago.

One of the bandits later surrendered to police and now is serving a term at the Indiana state prison. The second gunman was captured and given a prison term.

### Gone, but Not Forgotten

Automobiles reported to police as stolen belong to:

John B. Anderson, 1723 North Market street, Chevrolet delivery truck, 4-1/2-ton.

John D. Westlake, New Palestine, Ind., Ford coach, from parking lot at 130 West Market street.

### BACK HOME AGAIN

Stolen automobiles found by police belong to:

Dewey Lane, 1940 North La Salle street, Ford coach, found at Roswell, New Mexico.

John D. Westlake, 1222 Haugh street, Ford coach, found on Morris street in front of Engine House 4.

## Here's Proof!

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RESULTS!!



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Times Rented in 2 Days .....	ALABAMA, N. 528—Givens, Apt. 5; cozy warm room adj., bath, \$2.	Many Calls .....
Good Results .....	COLLEGE, 1136—2 clean, nicely furn. rooms, gas, electric refrigerator; \$25. Tel. 0581. Ch. 1077.	2nd House R