

'LITTLE FELLOW' BENEFITS UNDER NEW TAX LAW

Loopholes Plugged Up by Bill Just Signed by Roosevelt.

By Scripps-Howard Newspaper Alliance
WASHINGTON, May 11.—The tax law signed by President Roosevelt yesterday is designed to raise \$417,000,000 in new revenue, close loopholes which in the past have been the avenues of widespread tax avoidance, and to lessen the tax burden upon smaller incomes.

Drafted with an eye to revelations in the senate stock market investigation, the bill as it emerged from more than three months of congressional re-shaping, tightened up many of the provisions which in the past have yielded to tax evasion methods.

The married man with an income of \$25,000 or less will find his income tax reduced next year. The difference is proportionately greater in the smaller brackets. A married man with no dependents, having a net income of \$5,000, for instance, will pay \$80 instead of \$100.

Estate Tax Rates

Surtax and estate tax rates are increased, the theory of the law being that a man who works for his living should be taxed less heavily than the man whose income is derived from incomes or inheritances.

An example of this is the surtax rate which ranges from 4 to 59 per cent on net incomes of from \$4,000 to \$1,000,000. The prior law ranged from 1 per cent to 31 per cent, with net income subject to surtaxes only at \$6,000 or more.

The income tax provisions start with 1934 incomes, that is, with returns due next March 15.

The increased estate taxes are exemplified by a tax of \$11,600 on a net estate of \$200,000, as compared with a tax of \$9,500 under present law.

Further emphasis upon the idea of smaller taxes for persons whose income is derived from wages or salary is given in two other features of the bill.

No Deductions Given

Income taxes under the present law have no deductions for earned income. The new law gives a 10 per cent reduction, earned income being considered as the first \$14,000 of income.

Another example of this is the double exemptions permitted before the surtax rates apply. A married man can take his \$2,500 exemption both for normal tax and for surtax purposes. This means that, while surtax rates start at \$4,000, a married person does not become subject to them until his income is at least \$6,500.

A summary of the new tax bill:

PERSONAL INCOME TAXES

Normal tax—Four per cent. Exemptions: \$2,500 for married persons, \$1,000 for single persons. \$400 credit for each dependent. Earned income deduction of 10 per cent on income up to \$14,000.

Surtaxes graduated from 4 per cent on net incomes of \$4,000 to \$6,000 to 59 per cent on net income of more than \$1,000,000.

Publicity—Each return required to give (1) name and address, (2) total gross income, (3) total deductions,

MARTINSVILLE 'RAGAMUFFINS' TO APPEAR IN MUSIC FESTIVAL



(4) net income, (5) total credits against net income for purposes of normal tax, and (6) tax payable. That information will be open for public inspection for three years at offices of collectors where returns are made.

ESTATE AND GIFT TAXES
Estate Tax Begins at one per cent on net estate in excess of \$20,000, rising to 60 per cent on net estates in excess of \$10,000,000. Exempt first \$50,000 of estates. No credits for state estate taxes.

Gift taxes—Rates from three-quarters of 1 per cent to 45 per cent, according to same brackets as estate tax.

CAPITAL STOCK TAX

A tax of one-tenth of 1 per cent of the "declared" value of capital stock of each corporation.

Excess profits tax of 5 per cent on earnings in excess of 12½ per cent of "declared" value of such stock.

SURTAX ON PERSONAL HOLDING COMPANIES

Special surtax of 30 per cent on the first \$100,000 of undistributed adjusted net income of personal holding companies, plus 40 per cent on all over that amount.

Personal holding company is defined as any corporation, 80 per cent of the gross income of which is derived from royalties, dividends, interest, annuities and gains from sale of securities and more than 50 per cent of outstanding voting stock of which is owned by not more than five persons.

CAPITAL GAINS AND LOSSES

Losses—Allows deductions from taxable income of capital losses only to extent of similar gains, with exception of \$2,000.

Gains—Measures for tax purposes 100 per cent of the gain on capital assets if the asset is held for less than one year; 80 per cent if held from one to two years; 60 per cent from 2 to 5 years; 40 per cent from 5 to 10 years, and 30 per cent if held for more than 10 years.

CORPORATE CONSOLIDATED RETURNS

Prohibits filing of consolidated returns for subsidiaries and affiliates. Railroads excepted.

MANUFACTURERS' EXCISE TAXES

Repeals tax on candy, soft drinks and clocks, exempts from further tax articles sold by manufacturer for less than \$75, and on jewelry items sold for less than \$25, increase tax on colored stem wood matches from 2 to 5 cents per thousand.

TAX ON PATS AND OIL

Imposes tax of 3 cents a pound on processing of Philippine coconut oil, tax to be returned to the Philippine treasury. Imposes tax of 5 cents a pound on other coconut oil imports.

Taxes other oils at 3 cents a



Upper—The Ragamuffins of Martinsville.
Lower—Carolyn G. Townsend, director of the Ragamuffins.

One of the men's choral groups which will take part in the first annual Indiana male chorus festival at 7:45 tomorrow night in Cadie Tabernacle will be the Ragamuffins of Martinsville.

Miss Carolyn G. Townsend, assistant music supervisor in Martinsville schools, is the director, and Mrs. G. B. Breedlove is accompanist. The Ragamuffins will sing as an individual group, as well as in the massed chorus of approximately 400 voices.

pound except sperm oil, perilla oil and halibut liver oil.

BANK CHECK TAX

Repeal 2-cent bank check tax as of Jan. 1, 1935.

ADDITIONAL TREASURY PERSONNEL

Provides for creation of general counsel for internal revenue department to be appointed by the President and confirmed by senate. Special assistants shall be provided to handle stabilization fund. Senate confirmation not needed.

BILL HONORS MEMORY OF GENERAL PULASKI

Indiana Delegation Puts Resolution Through Congress.

WASHINGTON, May 10.—General Pulaski Memorial day will occur annually on Oct. 11, and be so proclaimed by the President of the United States under terms of a resolution which the Indiana delegation in congress has had passed. Originating with the senators, the resolution was passed in the house this week upon motion of Representative Samuel Pettengill, South Bend, Ind.

NEW YORK MUSICIAN MYSTERIOUSLY SLAIN

Former Sousa Band Member Shot; Wife Wounded.

By United Press

NEW YORK, May 11.—Richard Becher, 61, a musician formerly with Sousa's band, was shot to death and his wife Dorothy, 44, was critically wounded today in their home under mysterious circumstances.

Mrs. Becher was in a state of collapse on the sidewalk in front of the home. She wore a night dress and a trail of blood led police through a hedge, upon the porch and into the house to the second floor.

The telephone wires had been cut, as well as the wires of the radio set in the living room, adding to the mystery.

Mrs. Becher, rushed to Flushing hospital, regained consciousness for a moment and gasped: "There was a man in the room!"

JOINT SESSION SET BY I. C. LITERARY CLUBS

Groups to Enjoy Banquets at Y. W. C. A. Tonight

The four literary societies of Indiana Central college will hold a joint banquet at 7:30 tonight in the Y. W. C. A. with Mrs. Anna Dale Kek as toastmaster.

Each of the societies will be represented on the program; Zeta-gathia by Everett Eberett, Theacalia by Mildred Schurter, Philomusa by Kenneth Rietor, and Philathea by Dorothy Cooper. The banquet committee includes Lester McCuen, Ralph Newby, James Eaton, Melvin Livingston, Wendell Nicodemus, Milton Gamble, Dorothy Hughes, Lavonne Huff, Willis Swingle, Kathryn Kurtz, Donna Hall and Lena Bowman.

GAS STATION HELD UP

Armed Bandit Takes \$20 From Attendant, Police Told.

An armed bandit robbed John J. Little, 22, of 144 West Eighteenth street, of \$20 last night while Little was on duty as attendant of the Sinclair filling station at White River boulevard and Washington street. The bandit asked for change for a \$10 bill and then menaced Mr. Little with a revolver.

400 TO JOIN IN MALE CHORUS FESTIVAL HERE

Local Music Lovers to Hear Largest State Group Ever Assembled.

When approximately 400 men, members of choruses in cities throughout Indiana, present the first annual Indiana male chorus festival at 7:45 tomorrow night in Cadie tabernacle, local music lovers will hear the largest all-Indiana men's massed chorus ever assembled.

It is expected that the festival will serve as the nucleus for forming a state glee club association, which would present a similar concert annually. It has been indicated by Professor E. B. Birge, Indiana university, general chairman for the festival.

Ralph W. Wright, Indianapolis school music director and president of the In-and-Out School Music Club, sponsoring organization, will lead the audience and combined choirs in singing "America" to open the program.

The program, as announced by Harold E. Winslow, program committee chairman, will be:

"Martyrs of the Arena"..... Adams Murat Chanters, Samuel Lewis conducting
"Dear Land of Home"..... Sibelius Combined chorus, Mr. Lewis conducting
"Comrades in Arms"..... Adams Newcastle Apollo Club, D. E. Rogers, director
"Winter Song"..... Bullard Combined, Mr. Rogers, conducting
"Blue Danube"..... Strauss Music Apollo Club, Mrs. Pearl S. McDonald, director
"Mosquitoes Ragamuffins"..... Carolyn G. Townsend, director
"Morning"..... Speaks Combined, Miss Townsend, conducting
"Carry Me Long"..... Nevin-Foster Baptist Male Chorus of Indianapolis; D. W. Huffer, director
"Marching Song"..... Protheroe Combined, Mr. Huffer, conducting
"Mother of Mine"..... Goodwin Richmond Masonic Glee Club, Earl W. Felts, director
"Pilgrims Chorus"..... Wagner Combined, Mr. Felts conducting
"Crusader"..... Protheroe Combined, Mr. Huffer, conducting
"Where Ever You Walk"..... Handel Combined, Mr. Winslow conducting
"Drink to Me Only With Thine Eyes"..... Kokomo Meisteringers; R. J. Hamp, director
"Long Day Close"..... Sullivan Combined, Mr. Hamp conducting
"Goin' Home"..... Dvorak Vincennes Masonic choir; R. M. Soule, director
"Land of Hope and Glory"..... Egar Combined, Mr. Soule conducting

Committee chairmen appointed by Mr. Wright include Professor C. E. Palmer, Muncie, stage seating; Elizabeth K. Cochran, ushers, and Will Wise, dressing rooms.

Tickets, priced at 25 cents, are on advance sale at Wilking Music Company, Pearson Piano Company, Gladys Alwes Music Shop, and Jordan Conservatory of Music. Admission at the door will be 35 cents and ten cents for children.

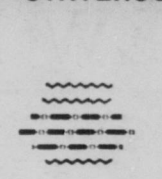
Proceeds from the festival will be divided pro rata among the participating organizations to be used in fostering adult interest in choral singing, according to Professor Birge.

GIRL, 8, SWALLOWS OPEN SAFETY CLASP

Riley Doctors Prepare For Delicate Stomach Operation.

Physicians at the James Whitcomb Riley hospital for children today were making preparation for taking an open safety pin from the stomach of Betty Raftery, 8, of 858 Parker avenue.

STATEHOUSE WOMEN DEMOCRATS TO DINE



Members of the Statehouse Women's Democratic Club will be entertained with dances by Miss Eleanor Snappy during the floor show following the dinner next Thursday night at the Indianapolis Athletic Club.

The program will be given by pupils from the Carlisle dance studio. Others in the show will be Charlotte Weiss-haar, Rose Mary White, Maxine Heronimus, Marjorie Ryan and the Horton twins.

Judge John W. Kern will be guest speaker at the dinner, which will be in charge of the industrial board division.

The dinner program will be given by Art King's orchestra, featuring musical novelty numbers by the Briscoe Brothers, and Mary Virginia and Mcna Lee Hilker.



INSULL RELEASE ON BOND IS PREDICTED

We Already Have \$200,000 U. S. Bail, Says Son.

By United Press

CHICAGO, May 11.—Samuel Insull will be free on bond before the end of the day, it was predicted today by his son, Samuel Insull, Jr., who is supervising efforts to raise the necessary collateral.

"We already have got together the \$200,000 necessary to make the federal bond," said young Insull shortly before his father was taken into court for arraignment. "We hope to have the \$50,000 required for bond on the state charges before the end of the day."

Buick Plant Closes

FLINT, Mich., May 11.—Fourteen thousand employees of the Buick Motor Car Company here were temporarily out of work as the entire plant closed its doors. Company officials said the plant would reopen next Tuesday. They would give no reason for the shutdown.

PETTENGILL TO TALK AT BANKERS' SESSION

Hoosier Representative to Explain Stock Exchange Bill.

By Times Special

WASHINGTON, May 11.—What the stock exchange control bill means will be explained by Representative Samuel Pettengill, South Bend, Ind., to members of the Indiana State Bankers Association at their annual convention at Indianapolis, May 24.

Mr. Pettengill was a member of the committee which wrote the bill and sent it to passage in the House, despite the largest "Wall Street lobby" in congressional history.

MALCOLM M. MOORE SUCCEEDS HACKLEMAN

Life Insurance Company Names General Agent Here.

Appointment of Malcolm M. Moore as general agent for the Massachusetts Mutual Life Insurance Company was announced yesterday from the home offices of the company in Springfield, Mass.

Mr. Moore, who has been associated with the company seventeen years, succeeds Ward H. Hackelman, who died last month.

BLUNK DUE TO TAKE STAND IN OWN DEFENSE

Guard to Answer Charges He Aided Dillinger Escape.

By United Press

CROWN POINT, Ind., May 11.—Ernest Blunk, former deputy sheriff of Lake county, was expected today to take the stand in criminal court to answer charges that he aided John Dillinger in his "toy gun" escape from the Crown Point jail, March 3.

From testimony given late yesterday by Sam Cahoon, turnkey and trusty at the jail, it was apparent that Blunk would base his defense on a contention that he was as much frightened by Dillinger's white-tied gun as the half-dozen other jail attendants who walked meekly into cells at the outlaw's direction.

Cahoon, himself accused of participating in a plot to liberate Dillinger, said that when he called Blunk under orders by the escaping desperado, the deputy sheriff appeared stunned with surprise to find other guards and prisoners herded into cells.

The aged trusty was the first defense witness called after Judge Maurice Crites had overruled a motion for a directed acquittal.

M'NUTT CONTRIBUTES TO DILLINGER REWARD

Indiana Joins Four States in Offering \$5,000.

Governor Paul V. McNutt has received from his refusal to offer a reward for the capture of John Dillinger and will join four other states in contributing \$5,000 as a bounty on the head of the Indiana desperado.

Illinois, Indiana, Ohio, Michigan and Minnesota are pooling the reward with \$1,000 apiece on the suggestion of Governor Henry Horner, Illinois. The Indiana share will come from the Governor's contingency fund and is ready now, Governor McNutt said.

INDIANA ACCOUNTANTS TO ELECT OFFICERS

Association Will Hold Meeting at Columbia Club.

Annual meeting and election of officers and directors of the Indiana Association of Certified Public Accountants will be held tomorrow at the Columbia Club. Sessions will be in the morning and afternoon, with luncheon at noon in the Riley room.

BATTLES AUTO THIEVES

City Man Beaten Up by Two Negroes, Police Informed.

Evan E. Inman, 33, of 4982 West Eleventh street, suffered knee injuries and a cut on the neck last night while fighting with two Negroes who stole his automobile. He told police he was stopped at West Tenth street and Capitol avenue by the Negroes. Police recovered the car. Mr. Inman was sent to city hospital.

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- Optimos!
- Pinch Fronts!
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- Flat Foot!
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- Milans!
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- Lorentos!
- Novelty Braids!