

RETAILERS MAP CAMPAIGN FOR REPEAL OF TAX

Indiana Business Men Swarm Through Statehouse, Lose Skirmish.

Repulsed in attempting to gain legislative redress from what they term inequalities of the gross income tax law, as it applies to their business, retailers today were laying out a campaign to obtain tax revision at a later special session of the General Assembly this year or in the regular 1937 session.

Retailers swarmed by hundreds on the Statehouse yesterday in an organized demonstration before the Legislature, and succeeded in setting off in the House the most exciting fireworks of the session.

Appearance of retailer spokesmen in the House in a demand for gross income tax repeal resulted in a motion from Rep. Will J. Price (R., Onward), that the Kirch-Patterson gross income repeal bill be brought out of committee immediately without recommendation. Then Rep. Carl Woodward (D., Michigan City), moved to table the motion.

Evans Is Applauded

Rep. H. H. Evans, Newcastle, Republican caucus chairman, and announced candidate for Governor, endorsed repeal consideration in an impassioned address to the accompaniment of repeated bursts of applause from the hundreds of retailers packing the galleries.

Rep. Joseph A. Andrew (R., Lafayette), one of the most astute, both politically and legislatively, of the minority, immediately put the majority "on the spot" by demanding a roll call on the motion to table consideration.

As the call proceeded, Democratic Representatives sprung up like mushrooms to explain their votes. They were unanimous in insisting, they felt they must vote against considering the repealer now, because the session was called for social security purposes solely.

Republicans Explain Votes

Republicans explained their votes in favor of consideration, saying they were not consulted in calling the session, and that they felt tax repeal or any other legislative action was pertinent.

When it appeared the retailers might gain their objective, two majority members, Rep. William J. Black, Anderson, and Rep. Edward J. Braun, Fort Wayne, switched their votes and swung back to the administration.

The final vote was 47 to 41 to table consideration at this session, and a clincher motion was applied by Rep. Woodward to prevent attempts to revive the bill.

Retailers left muttering threats of political retaliation against representatives who "voted wrong" in their opinion.

The repeated comment was: "Just wait until the election."

Earlier, Walter J. Mercer, local Retail Meat and Grocers Association president, and Edward Dirks, association legislative chairman, had spoken in the House and Senate for repeal.

Group Calls on Governor

While hundreds of retailers, crowded the Statehouse corridors in noisy confusion, a group of approximately 100, mostly grocers, talked to Gov. McNutt in the executive offices, and asked him to do something about the law which they said is confiscatory and driving them out of business.

Crowding closely around his desk, they hurled questions from all sides, which he answered. The session was enlivened when the protesters began airing apparent differences in their own ranks.

When it was suggested a sales tax would be the inevitable result if the gross income tax law were repealed, one protestant loudly asserted: "A man with nine children can't pay a sales tax."

A man in the rear of the group crowding the Governor's desk rejoined: "What about me, I've got eight."

The Governor told the grocers he was fully cognizant of the difficulties they face under the law, but insisted the income levy is more equitable than a sales tax that might be necessary if the law were repealed.

While the Governor sparred verbally with his questioners, police guard witheld hundreds of other protesters who crowded lower floor corridor near his offices.

The vote to table consideration of the bill follows:

AYES

Democrats—Barrett, Barry, Bauer, Baumgartner, Black, Braun, Colbert, Datterer, Downey, Emig, Gettinger, Gibbons, Griffith, Gutzwiller, Hill, Hoffman, Kent, Linke, Lomont, Lutz, Modest, Moore, Morgan, Morris, Nicholson, Nordhoff, Pickens, Radabaugh, Randall, Reichmann, Richardson, Rocky, Sahn, Shaffer, Sigler, Smith, Stanton, Stephens, Sturm, Thompson of Adams, Wolf.

INDIANA RETAILERS LOSE FIGHT FOR GROSS INCOME TAX REPEAL



Despite their determination to obtain repeal of the gross income tax law, Indiana retailers yesterday found the power

of the state administration too strong to whip. This photo shows part of the more than 1100 members of the Indiana Retailers' Association who thronged the

Legislature. They climbed the stairs after time, buttonholing their Senators and Representatives.

JOB BILL MAY HELP STRIKERS

Amendment Is Drafted to Give Aid to Workers Locked Out.

(Continued From Page One)

has passed the House. Others objected against what they termed "too hasty consideration."

The result was that the majority agreed to confer before reconvening at 2 to decide future procedure. The demand for "more action and less talk" was voiced by Senator William B. James (D., New Albany).

Senator E. Curtis White (D., Indianapolis) countered with the assertion that "if we stay here the entire 40 days possible and get a good bill, the time and money will not be wasted. If we hurry things through to save time and expense, and get a bad bill, we've wasted just that much time and money."

The insurance bill is to be passed finally by the House tomorrow and sent to the Senate. The public health bill also is scheduled for passage tomorrow by the House and will be ready for the Governor, the

Wood, Woodward, Flock, Carter, Lee, Treadway. (47).

AYES

Republicans—(None).

NOES

Democrats—Byers, Dyer, Kirch, Krueger, Reisinger, Rowley, Strickland, Thompson of Brown, Patterson. (9).

NOES

Republicans—Andrew, Babcock, Bremback, Coffin, Coons, Creighton, Dilley, Evans, Gilbert, Goddard, Guernsey, Harris, Harrison, Hoover, James, Jeffrey, Johnson, Jordan, Knapp, Matthews, Mayhill, Mills, Mills, Moody, Neumann, Nottingham, Parker, Price, Roberts, Schermerhorn, Shull, Stearns. (32 noes).

The Indianapolis Chamber of Commerce issued a statement today attacking results accruing from methods of distribution under which gross income tax collections are returned to the local units. The chamber pointed out what it termed the "serious and unfair" discrimination against taxpayers in the more densely populated areas. The statement said, in part: "In 1935 Marion County gross income taxpayers were forced to surrender approximately \$4,000,000 to the state tax treasury. Of this large sum less than \$850,000 was returned by the state to Marion County to apply on governmental costs by local units of government. Marion County, therefore, paid five times the amount of money into the state treasury that it received for application upon local government expenses.

"Obviously any odds which are as great as five to one against any taxpayer, under any law, is unfair, unjust and indefensible and, obviously, no real property tax relief can be forthcoming under any such discriminatory plan."

OFFICIAL WEATHER

United States Weather Bureau

March 12, 1936

7 a. m. 29 1 p. m. 30

6 a. m. 28 10 a. m. 31

5 a. m. 27 9 a. m. 32

4 a. m. 26 8 a. m. 33

3 a. m. 25 7 a. m. 34

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1 a. m. 23 5 a. m. 36

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11 a. m. 21 3 p. m. 38

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9 a. m. 19 1 p. m. 40

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7 a. m. 17 11 a. m. 42

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4 a. m. 14 8 a. m. 45

3 a. m. 13 7 a. m. 46

2 a. m. 12 6 a. m. 47

1 a. m. 11 5 a. m. 48

12 m. 10 4 p. m. 49

11 a. m. 9 3 p. m. 50

10 a. m. 8 2 p. m. 51

9 a. m. 7 1 p. m. 52

8 a. m. 6 12 m. 53

7 a. m. 5 11 a. m. 54

6 a. m. 4 10 a. m. 55

5 a. m. 3 9 a. m. 56

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3 a. m. 1 7 a. m. 58

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1 a. m. -1 5 a. m. 60

12 m. -2 4 p. m. 61

11 a. m. -3 3 p. m. 62

10 a. m. -4 2 p. m. 63

9 a. m. -5 1 p. m. 64

8 a. m. -6 12 m. 65

7 a. m. -7 11 a. m. 66

6 a. m. -8 10 a. m. 67

5 a. m. -9 9 a. m. 68

4 a. m. -10 8 a. m. 69

3 a. m. -11 7 a. m. 70

2 a. m. -12 6 a. m. 71

1 a. m. -13 5 a. m. 72

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7 a. m. -55 11 a. m. 114

6 a. m. -56 10 a. m. 115

5 a. m. -57 9 a. m. 116

4 a. m. -58 8 a. m. 117

3 a. m. -59 7 a. m. 118

2 a. m. -60 6 a. m. 119

1 a. m. -61 5 a. m. 120

WEISS, MURRAY TRADE PUNCHES

'My Boy Win Easy,' Claim of One of Senator's Seconds.

It's Battling Weiss now instead of Senator Jacob Weiss (D., Marion), president pro tem. of the State Senate.

The Senator and Frank Murray, South Bend, head of the Indiana League of Civic Associations, indulged in a short setto yesterday afternoon in the Senate cloakroom after the word "lie" was passed.

Senator Weiss was discussing possible tax results of the social security legislation being enacted by the special session and was reassuring a group of North Indianapolis property owners, mostly women, that the three social security bills will not raise taxes.

Mr. Murray, standing nearby, was reported to have interjected the opinion that the bills will raise taxes. There was further argument and then Mr. Murray was quoted as having made the following remark:

"Gov. McNutt told me he would call this special session for tax purposes only."

"That's a lie," Senator Weiss retorted. Mr. Murray backhanded the Senator in the face and Senator Weiss swung one to his opponent's mouth.

Both big men they were preparing to square away for further action when doorknobs separated them.

"My boy win easy," said one of Senator Weiss' self-appointed seconds. "The other guy's a sucker for a left hook."

Socialite Ends Own Life

LOS ANGELES, March 12.—Mrs. Florence G. Lucey, Dallas, Tex., and Minneapolis socialite, was found shot to death in her apartment here last night. Police said she apparently had taken her own life.

Light Demonstration Outlined

A demonstration of light and color is to be given by R. J. Kryter, engineer of the Esterline-Angus Co., at the Exchange Club tomorrow noon in the Washington. Mark Fungborn is to be in charge of the meeting.

RUST BROTHERS ARE ACCLAIMED FOR AMBITIONS

Praise Coupled With Some Skepticism About Cotton-Picker.

BY DANIEL M. KIDNEY

Times Staff Writer

WASHINGTON, March 12.—Universal praise for the Rust brothers of Memphis, who have revealed their intention to socialize the profits and labor-saving advantages claimed for their mechanical cotton-picker, was voiced here today by government and labor officials. But the praise was coupled with some skepticism about the extent to which such a machine might supplant men.

One of the New Deal's chief social planners said that machines already are displacing labor on the plantations and that perfection of the cotton-picker is bound to augment the problem.

This official, who declined to be quoted by name, suggested that the government, through its taxing power, is the best agency to solve such social problems.

Aim Seen as Difficult

While praising the Rust brothers, he declared that it would be difficult to achieve their aim of socializing the benefits of their invention. The only avenue the government offers for altruistic inventors is to establish public patents, he said. This would permit any one to manufacture the picker, but it would not accomplish what the Rust brothers seek.

He endorsed the Rust idea of establishing worker-owned cooperative farms where all mechanical aids to production could be utilized for the benefit of those who labor on the land.

Experts at the Bureau of Agricultural Engineering asserted that a European war, re-establishing the war-time export cotton market, might speed up the use of mechanical cotton pickers, but they saw no immediate danger of their use becoming widespread.

"The problem of labor displacement by mechanical pickers seems remote," said R. B. Gray, chief of the mechanical equipment division. "None of them has reached the point where its use is about to become widespread. They never have been perfected to that point, although one of the big farm machinery concerns has spent three million on the problem."

W. M. Hurst, of the same division, who has made many field inspections of various cotton-pickers but has not seen the Rust brothers' work, declared that the delta country around Memphis is ideal for introduction of such machines. "But there are sociological problems in the South that must be considered before such a step is taken," he declared. "One is the large Negro population, which many planters feel must be fed and provided with work."

They Are Indispensable

"They are indispensable in 'chopping cotton' and other techniques of cultivation and therefore they will continue to be employed in picking, since the cultivation requires more hands than the picking of cotton."

In addition there is the small white farmer, whose 20 or 30 acres isn't large enough to support mechanical equipment."

Mr. Hurst said he had heard of the Rust brothers and knew them to be genuinely interested in preventing any social suffering being caused by their mechanical picker. Gardner Jackson, formerly with the AAA Consumers' Counsel and now chairman of the National Committee on Rural Social Planning, expressed "profound admiration" for the Rusts.

"The program of co-operative farming which they preach is one in which we firmly believe. If their attitude of denial toward monetary profits and self-aggrandizement was shared by any of the important cotton plantation interests, the South would not now be facing a situation which threatens to resolve itself c ly through bloodshed and more misery."

The brothers' offer was highly

LOOK OUT! IT'S SNOWBALL TIME IN INDIANAPOLIS



The weather man's signals were all crossed up for a while today and the approach of spring was thrown for a loss with several hours of snow.

Miss Betty Wells (above) of the state auditor's office couldn't resist the temptation of hurling one snow ball. The photographer caught her in the act of rolling up a dandy.

praised by John L. Lewis, United Mine Workers president.

"The Rust brothers apparently are socially minded and it is to be hoped that out of their deliberations some way will be found whereby the worker and the community may have an increasing participation in the fruits of the invention," Mr. Lewis said.

"That is a serious problem which we face in this power age—assuring adequate participation in the brilliant achievements of science and invention. The action of the Rust brothers is really encouraging."

ARRAIGNMENT DATE SET

46 To Answer Federal Indictments

Here March 20.

Arraignment day for the 46 persons indicted by the Federal Grand Jury yesterday is to be March 20, Federal Judge Robert C. Baltzell announced today.

FINANCE REPORT SHOWS BALANCE OF \$10,357,327

State Treasury Statement Given to Members of Assembly.

A detailed financial statement indicating a balance of \$10,357,327.38 in the State Treasury as of June 30, 1935, today was placed on the desks of members of the General Assembly.

Administration leaders pointed out the report confirmed the estimate made by Gov. McNutt in his personally delivered message at the opening of the special session and refuted claims made by Frank Murray, Indiana League of Civic Associations head, that the balance would approximate \$16,000,000.

The report was timed with a demand by House Republicans for an itemized account of the state's financial position which has been made a special order of business for this afternoon at 2:30. Rep. James M. Knapp, Hagerstown, who sponsored the motion, had insisted the House could not vote intelligently on the public welfare bill unless legislators had definite information as to what the state balance would be.

The report showed that the cash balance March 1 was \$5,815,917.73; estimated general fund receipts to June 30 would be \$9,775,000.00 for total assets of \$15,590,917.73.

Against this appropriation balances unexpended as of March 1 were \$5,058,590.35; cost of blind pensions to June 30 were estimated at \$75,000 and it was estimated other statutory and special payments would require \$100,000, making total liabilities \$5,233,590.35.

Accompanying the financial report was a statement showing expected increase of expenses under the proposed social security legislation. Welfare laws now costing the state \$1,400,000 would be hiked to \$4,980,000 under the proposed welfare legislation, an increase of \$3,780,000, including cost of administration, according to the report.

EASILY

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OF THE YEAR

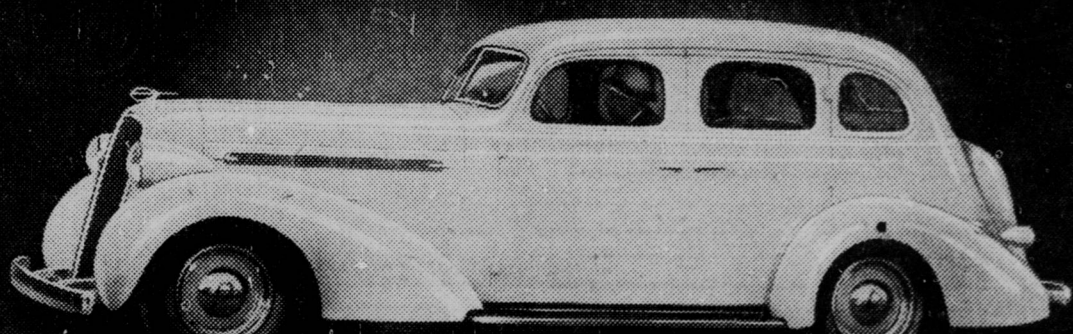
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LONGER WHEELBASE... MORE SPACIOUS... GREATER HORSEPOWER



20.34 MILES PER GALLON IN NATIONAL GAS ECONOMY CLASSIC

As much as \$300 lower priced than last year's President

Only 1936 car with automatic hill holder! Gas-saving overdrive at its best! 8-cylinder aluminum head engine of 115 H.P.! Largest one-piece steel top—strongest steel body! Styled throughout by gifted Helen Dryden! Automatic choke, heat and spark! 58 1/2 inches of elbow room in rear seat! Planar suspension and its miracle ride! Feather-touch hydraulic brakes—rubber sealed doors!

Big luggage compartments with automatic light! Triple insulation body—rain gutters! Automatic ride control—direct action steering! High-visibility lacquer finish, nine coats deep! Soft two-tone tweed upholstery smartly tailored! Best-looking instrument panel of the year! Thickly carpeted flat floors—3 inches extra toe room! Full-vision V-type windshield that opens!

LITZELMAN