

# Retailers Ask Republicans To Keep Promise For Relief On Gross Tax

## GROUP FAVORS SLASH IN RATE

Method Is Preferred to an Increase in the Exemption.

By WILLIAM CRABB  
Favoring a reduction in rate over a raise in exemption, the Associated Retailers of Indiana have asked the Republican majority in the Legislature to comply with its campaign promises and provide gross income tax relief to Indiana retailers.

At a dinner meeting for legislators last night in the Claypool, Roy John, Retailers' executive secretary, stated:

"The majority party platform, echoed in scores of campaign speeches and engraved on the memory of every merchant says: 'We pledge such amendments to the gross income tax that will adjust the rates to the several classes of taxpayers in such manner as to make the payments more equitable—especially to reduce the rate for retail dealers.' We ask for nothing more than compliance with this promise."

Mr. John pointed out that the plans of the 1933 Legislature that the retailers should pass along part of their gross income tax burden to consumers never have materialized.

With this thought in mind, he said, the association has urged the retailer four times as high as the manufacturer, four times as high as the wholesaler and many times higher than the salaried man, because the salaried man pays this rate on his net income.

### Two Bills Pending

"For example, the salaried man receiving an annual net income of \$5000 pays \$40 income tax. For the average successful merchant to produce \$5000 net income, he must sell an annual gross sales volume of \$20,000 and pay a gross income tax of \$1070, more than 40 times as much as the salaried man pays on the same amount of net income."

The reason this tax cannot be passed along, Mr. John said, is because competition does not permit it. Standard prices of nationally advertised merchandise prevents it. Low-priced merchandise does not allow it without the loss of "mills" to our financial system, and customers object to it.

He pointed out that two bills, designed to furnish relief to the retailers are pending in the House—one would reduce the rate from 1 per cent to 1/2 of 1 per cent and the other would raise the exemption from \$3000 to \$20,000. In a survey taken by the Associated Retailers, 149 favored the reduction in rate while only seven favored raising of the exemption. In small communities the ratio was 9 to 4.

### Result 'Unexpected'

Mr. John said this preference for the reduction plan prevailed despite the fact that the exemption raise was adopted 80 per cent of the retailers would not pay any gross income tax whatsoever.

"Frankly, these results were quite unexpected by us. We had supposed that small merchants who would be entirely relieved of this tax under the exemption proposal would clamor for its passage. However, this assumption proves to have done grave injustice to the sense of fair play and equity on the part of our smaller merchants..."

"Therefore, we recommend the rate adjustment plan and ask for its support or some reasonable variation of the bill... Such action will lay the ghost of the gross income tax controversy and distinguish this session... for tax fairness and for faithfulness to platform and campaign pledges. There are practical and equitable ways of accomplishing this plan in the face of budgetary difficulties and no amount of explanation will justify any other course in merchant eyes."

## AD CLUB WILL SEE PLASTICS PROGRESS

Achievements in plastics during 1940 will be presented in a sound color movie at the Indianapolis Advertising Club luncheon Thursday at the Indianapolis Athletic Club. Prize winners in the fifth annual Modern Plastics competition are included in the movie.

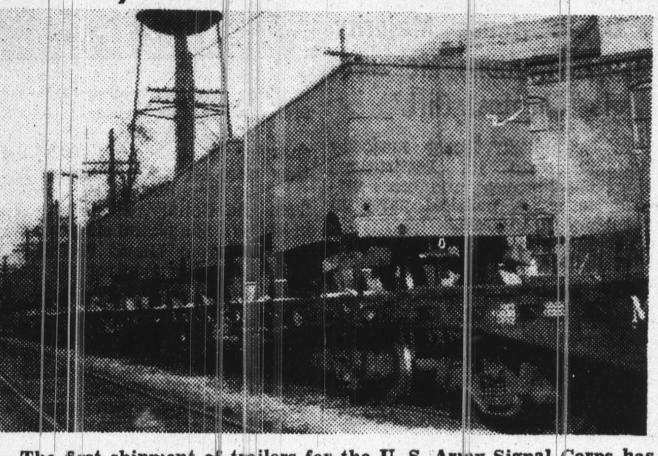
### U. S. STATEMENT

WASHINGTON, Jan. 28 (U. P.)—Government expenses and receipts for the current fiscal year through Jan. 25, compared with a year ago:

This Year Last Year  
Expenses \$ 1,195,533 \$ 5,600,854.57  
Receipts 3,199,403,021.81 2,887,193,854.57  
Gross def. 2,862,097,294.02 2,378,406,844.86  
Net def. 1,470,698,306.69 2,309,543,321.86  
Work bal. 428,551,258.00 588,734,892.00  
Fut. def. 45,000,000.00 42,000,000.00  
Gold res. 22,093,145,988.40 17,889,887,208.52  
Customs 165,028,703.65 207,613,734.84

INDIANAPOLIS CLEARING HOUSE  
Clearings \$ 3,308,000  
Deposits 8,109,000

## Army Trailers Made Here



The first shipment of trailers for the U. S. Army Signal Corps has been made by the Superior Trailer Manufacturing Corp., here, which has a \$539,000 order from the Army. Broadcasting units will be installed in the trailers to direct tank and truck movements "in the field." The company has enlarged its plant at 2100-2300 Fletcher Ave. and doubled its working force to 300 men.

## N. Y. STOCKS

By UNITED PRESS

### DOW-JONES STOCK AVERAGES

High Low Last Change

30 INDUSTRIALS

Yesterday 29.08 +0.04

Week ago 28.20 -1.11

Month ago 28.18 -0.66

Year ago 44.65 -1.37

High 1940-41, 132.80; low, 11.84

High, 1939, 155.02; low, 121.44

RAILROADS

Yesterday 29.67 +0.02

Week ago 28.90 +0.01

Month ago 28.18 -0.14

Year ago 37.78 -0.79

High 1940-41, 91.67; low, 22.14

High, 1939, 35.00; low, 24.15

UTILITIES

Yesterday 20.33 -0.15

Week ago 20.04 -0.11

Month ago 19.85 -0.25

Year ago 24.98 -0.02

High 1940-41, 26.45; low, 18.93

High, 1939, 27.01; low, 20.71

SAFETY EQUIPMENT

Safeway 5 pt. 111.13 111.13 111.13 +1.13

Safeway 8 pt. 111.13 111.13 111.13 +1.13

Safeway 10 pt. 10.10 10.10 10.10 +1.10

Safeway 12 pt. 7.76 7.76 7.76 +1.76

Shell Oil pf 105 105.25-32 105.25-32 105.25-32

Souvenir-Vacuum 15.75 15.75 15.75 +1.75

Spiegel Inc pf 105 35.10 35.10 35.10 +1.10

Sid. Grandes 54.50 54.50 54.50 +1.50

Sid. Oil Co 24.25 24.25 24.25 +1.25

Sid. Oil N. J. 34.34 34.34 34.34 +1.34

Superior 19.19 19.19 19.19 +1.19

Swift & Co. 23.23 23.23 23.23 +1.23

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Union Carb. 67.74 67.74 67.74 +1.74

Un. Pacif. 82.82 82.82 82.82 +1.82

Un. En. & P. 21.21 21.21 21.21 +1.21

United Fruit 67.74 67.74 67.74 +1.74

U. S. Ind. A. C. 26.14 26.14 26.14 +1.14

U. S. Steel 67.14 67.14 67.14 +1.14

Van Raalte pf 115 115 115 1.15

—W—

Walgreen 21.21 21.21 21.21 +1.21

West Air B. 138 138 138 +1.18

White Mot. 15.75 15.75 15.75 +1.75

Worthing pf 60.60 60.60 60.60 +1.60

Young S. & W. 12 12 12 +1.12

Young Sheet 39.12 39.12 39.12 +1.12

HOOF PRICE RANGE

Feb. Receipts 1.55 1.55 1.55 +1.55

Jan. 17 1.55 1.55 1.55 +1.55

Jan. 18 1.55 1.55 1.55 +1.55

Jan. 19 1.55 1.55 1.55 +1.55

Jan. 20 1.55 1.55 1.55 +1.55

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Jan. 24 1.55 1.55 1.55 +1.55

Jan. 25 1.55 1.55 1.55 +1.55

Jan. 26 1.55 1.55 1.55 +1.55

Jan. 27 1.55 1.55 1.55 +1.55

HOOGS

Barrows and Gilts

Good to Choice \$ 5.00 5.00 5.00 +5.00

Medium to Good 7.00 7.00 7.00 +7.00

Medium to Medium 7.90 7.90 7.90 +7.90

Medium to Medium 8.75 8.75 8.75 +8.75

Medium to Medium 9.50 9.50 9.50 +9.50

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Medium to Medium 28.00 28.00 28.00 +28.00

Medium to Medium 28.75 28.75 28.75 +28.75