

# U. S. PAY CHECKS TAKE A NEW CUT

5 Per Cent on All Over \$12 a Week to Be Paid as Victory Tax for All 1943 Earnings; Part to Be Refunded After War.

WASHINGTON, Jan. 1.—Beginning today, the tax collector is going to put the bite on your pay check even before you get it.

The new 5 per cent victory tax now is effective and your employer will deduct 5 per cent of your salary over \$12 a week and pay it to the treasury.

The tax applies to all income in excess of \$624 a year whether you get it by salary, wages, dividends, interest, annuities, other compensation for personal services, or net income from business or profession.

But under certain conditions the treasury will give you a kickback as a post-war credit—25 per cent of the total victory tax paid in the case of single persons (but not more than \$500 post-war credit per year) and 40 per cent in the case of married persons (but not more than \$1000), plus 2 per cent for each dependent (but not more than \$100 per dependent).

Those conditions are that you spend a portion of your money for anti-inflation purposes—buying war bonds, paying insurance premiums, paying off a mortgage or paying on a bona-fide debt.

Most Pay on Gross Income In figuring the victory tax no allowance is made by your employer for interest payments, charitable deductions, etc., as is the case under

the regular income tax. You can deduct such allowances if incurred in carrying on a trade or business. A person in business can also deduct other regular business expenses such as the cost of goods sold. A simple way to state it is: The tax applies to gross income in the case of wages and salaries and to net income in the case of a business or professional man.

### Here's How to Figure It

If you choose you may use up your post-war credit before the end of the year by deducting from your next year's income tax (the tax that will become payable in March, 1944) whatever your share of the post-war credit is for that year. For example: Suppose you are married and your salary is \$2624 a year. The tax applies only to income in excess of \$624, so your employer will take out of your regular check 5 per cent of the \$2000 balance. At the end of 1943 he will have taken out \$100. But during



Six U. S. navy fighter planes line up along the edge of the flight deck of an aircraft carrier to test their machine guns, as the warship nears the shores of North Africa. Smoke around the nose of the third fighter from the left shows its guns are in action. This photo has just been released in Washington.

the year you paid \$100 in insurance premiums, bought \$250 worth of war bonds, paid \$100 on a mortgage, a total of \$450.

You are allowed credit directly against the amount of your victory tax for any such expenditures up to 40 per cent of the tax, so in this case you have \$40 post-war credit. You can apply that credit to your 1943 income tax (payable in March, 1944), or wait until the end of the war to collect it, in cash if you want it that way.

In order to use your post-war credit against your income tax, the life insurance or mortgage or other debt must have been incurred before Sept. 1, 1942. (In the case of war bonds that time limitation does not apply.) If you use up all your post-war credit against your taxes, no repayment will be made after the war.

### Men in Service Exempt

Your employer does not take cognizance of any bond buying, insurance payments, mortgage or debt payments as you go along. At the end of the year he will send you a form telling you how much he deducted from your salary. You will enter on this from the money spent on life insurance, mortgages and war bonds, to compute how much post-war credit is due you.

The only persons exempt from the victory tax are members of the armed forces, domestic servants, and agricultural labor. The tax will reach an estimated 46,000,000 persons and yield a gross revenue this year of \$3,600,000,000, of which \$1,100,000,000 will be returned as a post-war credit, leaving a net yield of \$2,500,000,000.

### STAMPS REPLACING FOOTBALL CORSAGES

SEATTLE (U. P.)—Big yellow chrysanthemums—the traditional football corsage—are out for the duration at the University of Washington. Co-eds have banned the flowers and instead have adopted lapel gadgets made of wire and ribbon and—war stamps.

## Junior Commandos Get Advice From Mountbatten

NORTHFIELD, Minn., Jan. 1 (U. P.)—Some of the Boy Scouts in troop 13 thought they should learn commando style fighting "in case our country needs it some day."

Ten of them formed the Northfield junior commandos, but they found that they didn't know just how to go about training themselves.

So Carl Campbell, 12, decided to ask for at least some "minor information" from the most authoritative source he knew—Lord Louis Mountbatten, leader of the British commandos and cousin of King George VI. He addressed this letter to Lord Mountbatten:

## A TRANSPORT IS A 'WORK HORSE'

British Call Them Greatest U. S. Contribution to African Drive.

By PHIL AULT United Press Staff Correspondent AN ALLIED AIR FIELD, TUNISIAN FRONT, Dec. 28 (Delayed).—Scudding across the sky beneath low hanging clouds, nine American transport planes splashed down on the muddy runway and taxied in close formation to the dispersal area.

A major stood on the runway like a traffic policeman directing the parking. Trucks and jeeps rolled alongside the transports, which have been painted a drab brown. Scores of men began unloading anti-aircraft equipment from hundreds of miles from the rear areas.

Half an hour after the transports landed, they took off, circled the field and headed back to the rear supply bases for another load.

An RAF officer watching the performance said to me: "Those transport planes are real work horses. They are one of the greatest American contributions to this campaign."

The British call them Dakotas and are slightly confused by the mixed American usage which calls them DC-3 (the commercial designation) and C-47s (the military designation). The transports speed in large formations, day after day, along valleys and over mountains hauling food, munitions, and supplies to front line troops.

The pilots land on muddy fields and do taxi service for high officers carrying dispatches. I made a trip from Oran to Algiers in a formation of transports which flew so low over the barren land that I seemed to be riding in a swift railroad car.

Flies Mediterranean Another time I flew over the Mediterranean in a transport at low level, getting the sensation of flashing through water in a speedboat that didn't rock.

The transport crews often live in the planes, even on barren forward fields, and carry their bedding in boxes. On the walls of one plane I saw magazine pictures of scantily clad girls, and two fishing rods hanging on hooks.

RAF and British army officers are impressed by the informality of the American air force and particularly that of the transport crews. One British officer was shocked when he heard an American correspondent address Maj. Gen. James H. Doolittle, air force commander, as "Jimmy."

Transport pilots become weary of their prosaic freight train runs, and they always are willing to pick up military passengers just for a change. Airplane hitch-hiking has become a popular travel method in the Tunisian campaign. Officers drop in at air field, seeking transportation to some place 200 or 300 miles away and are told "just sit down on a gasoline tin, wait until the plane comes along, and climb in."

## VACCINATION OF CHILDREN URGED

Outbreak of Smallpox in East Proves Need of Precautions.

By JANE STAFFORD Science Service Medical Writer

WASHINGTON, Dec. 31.—The question of how far the smallpox outbreak reported from a Pennsylvania farming district will spread can be answered as follows: It will not spread to persons who have been successfully vaccinated against smallpox. Unvaccinated persons who have come in contact with smallpox patients are in danger of getting the disease, because everyone is susceptible to it unless he has had an attack or been vaccinated.

Most people think of smallpox as a skin disease, but actually it starts and spreads like influenza. The disease is caused by a virus which invades the body through the nose and throat and during the first two days, before the skin rashes appear, the patient has fever and a generally ill feeling suggesting an attack of gripe or flu.

### Spread Through Air

The virus of the disease is spread through nose and throat discharges from the patient as well as through material from the skin spots after these appear. Crowding favors the spread of smallpox, as it does the spread of influenza or other diseases transmitted by nose and throat discharges. Unlike influenza, however, it develops very quickly, the incubation period for smallpox is eight to 10 or 16 days, so that unprotected persons are not in danger until at least 16 days following exposure to a smallpox patient.

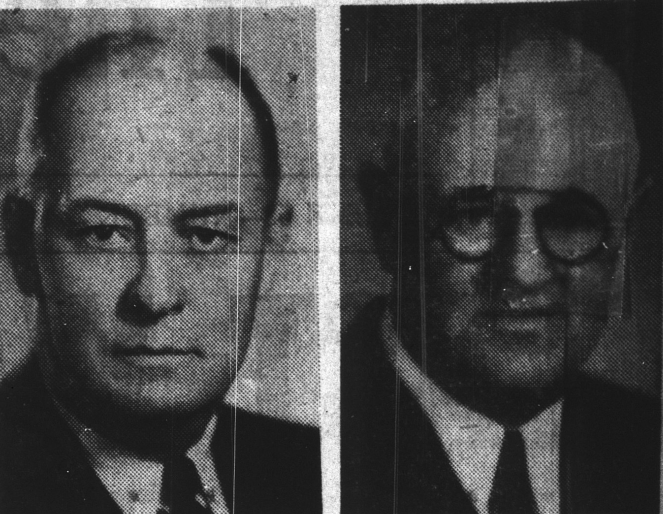
Parents of the small children reported to have caught smallpox in the Pennsylvania outbreak evidently did not follow President Roosevelt's advice when, in proclaiming May day as child health day for 1942, he urged that all children over nine months of age be vaccinated against smallpox before the first of May, 1942. Doctors and health officers for years have urged that all babies be vaccinated against this dangerous, disfiguring disease before they are one year old.

A single vaccination in infancy, however, does not guarantee full protection against smallpox for life. The vaccination should be repeated on entering school and at intervals during later life.

## THIS IS WAR! MAN HEADS P-T. A.

CARMEL, Cal. (U. P.)—Carmel, always different, has come forth again. With women taking over many jobs formerly held by men, Carmel residents elected a man, E. M. Seifert, as president of the parent-teacher association.

## Phone Counsel Retires



Thomas D. Stevenson R. F. Davidson

## R. F. Davidson Succeeded by Atty. Thomas D. Stevenson

Thomas D. Stevenson, who for the past year has been counsel for the Indiana Bell Telephone Co., today was named general counsel, succeeding R. F. Davidson who is retiring from active service.

Mr. Stevenson was born in Rising Sun, Ind., and later his family moved to Racine, Wis., where he attended the Racine College grammar school, and later the University of Wisconsin. He graduated from the Indiana Law School in 1908 and immediately started law practice in Indianapolis.

In 1915 he became deputy prosecutor of Marion county and three years later was appointed city attorney for Indianapolis. In mid-1918, Mr. Stevenson was commissioned a captain in the judge advocate general's department of the army and served as judge advocate at the port of embarkation, Hoboken, N. J., until June, 1919. He returned to Indianapolis after the war and completed his term as city attorney.

### Headed Bar Association

Mr. Stevenson has been associated with the law firms of Miller, Daily and Thompson; Thompson, Rabb and Stevenson, and recently the partnership of Stevenson and Chambers. Since Jan. 1, 1942, he has been counsel for the Indiana Bell.

Mr. Stevenson for many years has been one of the leading attorneys in Indianapolis and was president of the Indianapolis bar association in 1938. He is now a member of the committee on illegal practices of law and grievances of that association.

Mr. Davidson, the retiring general counsel, has practiced law in Indianapolis since 1896. For many years he was a member of the law firm of Pickens, Davidson, Gause, Gilliom and Pickens. He has been associated with the legal department of the Indiana Bell and its predecessor, the Central Union Telephone Co., since 1914. He is a member of the Indianapolis, the Indiana and the American bar associations.

### Cites Competitive Factor

No majority opinion in the case was written. Arguing that a public hearing should have been held to determine whether the transfer would be in the public interest, Walker said in his dissent: "Broadcasting is of such public interest and importance that an effort should be made to keep it separate from other businesses. If a transfer of chain broadcasting interests... may be granted to a tire and rubber company, may it not likewise be granted to a motor company or to a public utility?"

**Vonnequits**

**DOWNTOWN STORE**  
120 East Washington Street

**CLOSED SATURDAY**  
**JANUARY 2nd**

The seven other neighborhood stores, and the wholesale store, will be open as usual on Saturday, the day after New Year's.

★

**Vonnequits**

- 120 E. Washington MA. 2321
- 38th and Illinois Sts. TA. 3321
- 42nd and College HU. 1397
- Broad Ripple, 802 E. 63d BR. 5464
- Irvington, 5609 E. Wash. IR. 2321
- East 10th at LaSalle CH. 2321
- Fountain Sq., 1116 Prospect MA. 3976
- 2125 W. Washington MA. 1771

**Standard Life of Indiana**

**Proudly Presents Its**

**GAINS FOR 1942**

	Insurance In Force
1942—	\$21,827,573
1941—	16,147,000
	<b>35% GAIN in Size or . . . . . \$5,680,573</b>

	Insurance Paid For
1942—	\$7,147,676
1941—	2,853,058
	<b>250% GREATER Sales \$4,294,618</b>

1942—	\$1,242,446
1941—	957,150
	<b>25% GAIN in Assets or . . . . . \$285,286</b>

1942—	\$150,699
1941—	128,375
	<b>17% GAIN in Surplus or . . . . . \$22,324</b>

1942—	\$341,217
1941—	303,815
	<b>12% GAIN in Paid-in Capital or . . . \$37,402</b>

In addition the Company experienced the lowest lapse rate in its entire history.

FINANCIAL STATEMENT—DECEMBER 31, 1942		
Assets	Liabilities	
First mortgage real estate loans . . . . .	Legal reserve for policyholders . . . . .	\$637,448.00
Bonds—amortized cost . . . . .	Policy claims—proof not complete . . . . .	8,495.50
Preferred stocks (market value) . . . . .	Reserve for policy dividends and matured endowment insurance coupons . . . . .	10,701.10
Invested shares of federally insured savings and loan associations . . . . .	Reserve for taxes . . . . .	12,895.36
Policy loans . . . . .	Premiums paid in advance . . . . .	43,166.11
Cash in bank and on hand . . . . .	Miscellaneous . . . . .	37,835.77
Net premiums deferred and uncollected . . . . .	Total Liabilities . . . . .	\$750,529.94
Accrued interest receivable . . . . .	Additional funds for protection of policyholders . . . . .	
Total Admitted Assets . . . . .	Capital paid up . . . . .	\$341,217.00
	Surplus . . . . .	130,000.00
	Unassigned funds (Reserve for war mortality & fluctuation in security values) . . . . .	20,699.42
	Total . . . . .	\$1,242,446.36

**STANDARD LIFE INSURANCE CO. OF INDIANA**

Harry V. Wade, Vice-President and General Manager Indianapolis, Indiana

OFFICERS AND DIRECTORS: J. Raymond Schmitz, President; Harry V. Wade, 1st Vice-President and General Manager; J. W. Cherry, Vice-President; E. J. Barker, Treasurer; J. W. Canaday, Medical Director; Edward H. Stein, Secretary; E. M. Bone, Charles F. Geber, Marshall Haywood, Wayne Ladd, Frank J. Latendresse, Scott Wells, Otto M. Miller, E. M. Rice, John L. Richardson, Urs Seeger, Charles E. Smith, R. B. Stewart, John H. Teller, and Edw. A. Wolf.

GENERAL AGENCIES OPEN IN Florida • Illinois • Indiana • Kentucky • Louisiana • Michigan • Texas • West Virginia

**IT WILL BE MY AMERICA —OR WILL IT?**

★ Millions of youngsters like this one are appealing to us—to every one of us to do our jobs in 1943. This is the crucial year. This is the year during which production must reach "impossible" figures. This is the year during which the might of the United Nations must be felt in every corner of this war-torn world. So that peace, freedom and tolerance will be the inheritance of our children. We must buy war bonds now, fight now, produce now—in 1943. Thus, it will be a happy, victorious New Year.

INDIANA STATE LIBRARY INDIANAPOLIS

20 YEARS OF SQUARE DEALING NOW SERVING THE SECOND GENERATION

**Rogers and Co.**  
SQUARE DEAL JEWELERS  
5 N. ILLINOIS