

Budget for 1930 is Given in Message

U. S. Expense to Be \$4,000,000,000 in Year; \$122,000,000 Treasury Surplus

Washington, Dec. 2.—President Hoover Monday laid before congress a recommendation for tax reduction a request for \$2,830,445,231 for governmental use next year, and a bright picture of the nation's finances. Drawing a lesson from the lowering of taxes in the past, the President said that there was no doubt that increased revenues had always followed and that the stimulus given to business was partly responsible for these upward jumps in receipts.

Expect Postal Deficit The tax reducing suggestion followed the previously announced program of the administration, which desired a decrease of from 12 to 11 per cent in corporation income taxes, and reductions of 1 per cent on normal individual incomes, making those rates range from 10 per cent to 4 per cent.

Asks More For Building Congress was informed that the treasury would expect \$25,500,000 in the present year in carrying on the huge government building program, and that it planned to allot an additional \$50,000,000 for next year. In addition the President will submit later a request for \$5,000,000 more for this purpose.

Alterations on battleships, safety and salvage operations for submarines, increased navy pay, improvements to air stations, ammunition storage facilities, aviation, the construction of the two new dirigibles, and other items were listed as contributing to the increase.

Sees Improvement In his discussion of taxes, Mr. Hoover said the government would have a surplus of \$225,581,534 at the end of the present (1929) fiscal year.

For the current fiscal year, there is a marked improvement over the financial situation as estimated in the budget for 1929, transmitted to congress in December, 1922," he said. "Compared with the estimate of one year ago, receipts show an increase of about \$498,000,000 and the expenditures about \$243,000,000.

With an estimated surplus of over \$225,000,000 this year and \$122,000,000 next year, it is felt that some measure of reduction in taxes is justified. Since the fiscal year 1921 four tax reductions have been made. Experience has shown that each reduction in taxes has resulted in revenue in excess of that mathematically computed return under the reduced rates.

more for his own use and thus increase the capital available for general business. Under the present circumstances I am in favor of a reduction in income taxes, to be effective on returns for the calendar year 1929, which will be due March 15, 1930. Payments under these returns will be made during the last half of the current fiscal year, 1930, and their first bill of the coming fiscal year 1931, so that the reduction will be effected in the two years for which we now anticipate a surplus.

Heeds Mellon Plan "I, therefore, recommend that taxes upon incomes for the calendar year 1929 be reduced in the approximate sum of \$160,000,000. I would suggest to congress that this be effected, as recommended by the secretary of the treasury, by reducing by 1 per cent the rate of the normal tax on the incomes and payable in the calendar year 1930.

In Good Condition "Our finances are in sound condition. The public debt, which at its peak in August 1919, amounted to \$26,596,000,000, stood at \$16,931,000,000 on June 30, 1929. We are wisely committed to a policy which insures the further progressive reduction of the debt. We will reach in 1931 for the first time the period when the annual reduction required by law in the principal of the debt will be greater than the annual interest charges on the debt.

In Nebraska federal aid has contributed about 40 per cent of the cost of building, and Nebraska's share has been larger than other states, but because it has spent less state money for roads, said the state engineer. "We have been barely able to keep up with our federal aid allotments and they wouldn't be long behind," the speaker continued. "Today Nebraska received \$1,588,000 more in federal aid money, and we are not ready for it. If the proposal to increase the total federal aid appropriation from \$75,000,000 to \$125,000,000 were made, that will add another million dollars a year to Nebraska's share, and we will still be behind a year from now."

Mexican Issues to be Debated at Washington

Visit of Calles, Ortiz Rubio and Morrow Regarded of Much Significance

Mexico City—The almost simultaneous arrival in Washington from Europe of Elias Pitarco Calles, former President, still seen as a guiding hand in Mexican politics, of President-elect Ortiz Rubio, and of Dwight W. Morrow, American Ambassador, indicates in the opinion of conservative observers of United States and Mexico relations that it will be during these three men's stay in the United States that a program will be mapped out on disputed questions.

These include the block settlement of American claims, the resumption of interest payment by Mexico on its international obligations and an agreement on payment to be made to Americans whose lands have been expropriated under provisions of the Mexican agrarian laws. Mr. Morrow is departing for Washington Dec. 6. General Calles is reported due in New York about the same time, and the latest information available on the departure of Ortiz Rubio is that he will arrive shortly before the others.

Until this stage is reached there will be ample time for the London naval conference, which Mr. Morrow will attend as a member of the American delegation, to conclude its work with the presence of the Ambassador in Mexico not essential needed during this transient stage when it will be possible for a clearer vision to be gained on the prospects of an undisturbed future for Mexico.

Washington—Representative Tinkham of Massachusetts had the way opened Monday for him to testify before the senate lobby committee about activities of the board of temperance of the Methodist Episcopal church and the federal council of churches, which he has attacked. Answering the republican foe of the prohibition law, Chairman Caraway of the committee assured him of an opportunity to be heard later. Meantime Senator Caraway said the committee would conclude the inquiry into activities on the tariff and begin the investigation of those interested in the Muscle Shoals legislation.

"I shall be glad to appear before the committee at its earliest convenience," Representative Tinkham said. "I have some important information to present." Tinkham requested the committee to "unmask the indefensible political activities" of the two organizations. Save further worry in selecting your Christmas cards by calling at the Bates Book and Gift Shop and having the advantage of a very large line to select from.

Roy Cochran Discusses Road Plans for Year

Program for 1930 Includes 100 Miles of Paving, 550 Miles of Gravel and 100 Bridges

Omaha—Nebraska's road building program for the coming year will include 100 miles of paving, 550 miles of additional graveling, construction of about 100 bridges, including a new bridge across the Platte river between Omaha and Lincoln. State Engineer Cochran told members of the chamber of commerce good fellowship committee here Monday.

Mr. Cochran said rerouting of the Omaha-Lincoln road near Ashland will shorten it six miles and will eliminate twenty right angle turns. Discussing expenditures, Cochran said the present annual revenue the state gets from three cents of the four-cent gas tax and 30 per cent of the auto license fees amounts to \$7,250,000, but will not be sufficient this year because there has been but nine months' operation under the larger gas tax. Forty per cent of the total is used for maintenance, the speaker explained.

The maintenance bill this year will be about \$3,000,000, and next year will increase to about \$3,500,000," he stated. "Increased traffic is a factor, but one of the biggest factors is the increasing mileage of the state highway system. We have now as many state highways as yet surfaced as we had in 1925 when the first gas tax was passed, because the legislature keeps adding new routes to the state system." This year eighty-five miles of paving has been contracted for and about seventy miles is completed, said Cochran. A wet October and an early winter thwarted the highway department's plans to complete the entire mileage of paving during 1928, he explained.

In Nebraska federal aid has contributed about 40 per cent of the cost of building, and Nebraska's share has been larger than other states, but because it has spent less state money for roads, said the state engineer. "We have been barely able to keep up with our federal aid allotments and they wouldn't be long behind," the speaker continued. "Today Nebraska received \$1,588,000 more in federal aid money, and we are not ready for it. If the proposal to increase the total federal aid appropriation from \$75,000,000 to \$125,000,000 were made, that will add another million dollars a year to Nebraska's share, and we will still be behind a year from now."

"Increased traffic on Nebraska roads has been greater than the increase in car ownership and a month ago we had 32,000 more cars in the character of traffic is changing. An astonishing number of trucks deliver stock to the Omaha market each year. Railroads have invested \$2,000,000 in rolling stock to be operated on the highways. The question is, how fast are we going to be able to meet these changes." "In 1913 there were only 25,000 cars and trucks in Nebraska. Now there are twice as many as that in Douglas county and 400,000 in the state. Ten per cent of these are trucks."

"Nebraska started on a highway building program later than most states. We were the fortieth state to adopt the gas tax method. There were less than 300 miles of road surface in Nebraska when I came into office. Now there are about 4,300 miles of gravelled roads and 250 miles of pavement."

"We've gotten out of the mud, not because we had a lot of money but in spite of the fact that we didn't have. Nebraska has spent only one-third of the amount adjacent states have spent on roads."

TRAIN ROBBER CONFESSES

Pawnee, Okl.—Tom Vernon, former rodeo rider, who was arrested here Sunday night in connection with the robbery of a train in California, and another later in Wyoming, Monday night confessed to the wrecking and robbing of the California train. Allen Jones, Pawnee county sheriff, said. Vernon, Sheriff Jones said, denied any part in the holdup a week ago Monday near Cheyenne, Wyo., however, and said he would fight extradition to Wyoming on that charge. He told the sheriff he was willing to go to California to face a charge of robbing a train near Saugus, Calif., and would not oppose extradition to that state.

In his confession Vernon told the sheriff he robbed the train because he was out of work and needed money. He had been promised a job by the railroad company, he said, and "had been disappointed." Playing the lone hand, Vernon said he wrecked and robbed the train and made his escape without aid. NEBRASKA ART ON DISPLAY Omaha—Artists from Lincoln, Omaha and many out of state cities are represented in the December exhibition of oil and water color paintings, sculpture, sketches and ceramics. The exhibition will be open to the public through December 25. Those who withdrew Tuesday were Herren Lambach, Huelser, Hartwig, Kloenne, Lejeune and Treviranus. Their resignations were handed in while the executive committee of the party was in session to discuss ousting them for their insubordination. All will retain their reichstag mandates and parliamentary circles predicted an even greater split in the nationalist camp with a probability that those who withdrew would unite with about eighteen members of the Christian national trade party to form an independent group in the reichstag.

STATE MILITIA MOBILIZED

New Orleans—New Orleans was thrown into a state of excitement late Monday by sudden mobilization of state militia at Jackson barracks under secret orders from Governor Long. But after 250 men had been assembled they were dismissed with the explanation that it was a "test mobilization."

Investigation, however, disclosed that the governor had ordered the troops mobilized to oust Dr. V. K. Lidon from the office of state conservation commissioner and to install his appointee, Robert S. Macmillan. But Dr. Irion made such a course unnecessary by voluntarily surrendering the office after the state supreme court had held that Macmillan was entitled to the office.

Iowa Scores in Livestock Show Entries

Elliott Brown of Rose Hill Takes Honors—Boy From Same State Comes Second

Chicago—Another Iowa farm boy led his steer out of the prize ring Tuesday at the international livestock show with a grand champion ribbon dangling from his ears. The boy was Elliott Brown, aged twenty of Rose Hill, and the steer was Lucky Strike, a pair of Aberdeen Angus calf. The pair of them survived the keenest competition in the history of the livestock show, posing out another Iowa youngster and his steer for the premier honors of the annual exposition. The reserve grand championship was won by Waldo Mommsen of Miles, Ia., a 4-H club boy, and Mike, his grand Aberdeen Angus yearling.

Mommsen, whose steer had been judged champion in the junior livestock feeding contest and grand champion weighing, fell just short of duplicating the record of Clarence Goecke, aged twelve, of State Center, Ia., who won the grand championship last year after winning the junior championship. Brown himself just was graduated from high school last year and plans to enter college after Christmas.

Schools Take Prizes. Other grand champions of the stock show were won by Purdue university, which exhibited the best wether in the sheep show and the Kansas State Agricultural school which won the ribbon for the champion barrow in the swine competition. A veteran wheat grower whose farm nestles in the foothills of the Canadian Rockies became the new wheat king Tuesday. He was Joseph H. B. Smith of Wolf Creek, Ala., who bought a lot of his chances that he did not even come to the show. He sent his champion pig sample, a box of hard red spring wheat. C. Edson Smit of Corvallis, Mont., won king the last two years, won the reserve championship.

The new car king, and he from Indiana and Missouri, L. M. Xogler of Hope, Ind., winning the championship for the best ten ears, and John P. Plantz of Hannibal, Mo., taking the award for the best single ear. Vogler's corn was white dent and "Chickadee" was a blue hybrid. McManan, C. I. Gustafson of Victor, retained his crown as the champion oats raiser with a sample of victory oats. The junior king title went to an Illinois boy, Maurice Butler of Chatham.

As Brown regrets it, he and his steer will part Thursday when it goes on the auction block to the highest bidder. Last year the grand champion needed young Goecke \$8,000.

A. C. Shallenberger of Alma, Neb., won fifth in the breeding blood division for heifers, two to two and one half years old, and fourth for heifers one and one-half to two years old.

In the breeding Polled Shorthorn division, Albert Hultine & Sons of Arroyo, Neb., won second prize on a cow and third for heifers, 12 to 14 months old. The grand championship of Shorthorn females went to Vilager's Goldie, owned by Fred H. Deacon of Unionville, Ontario, which was also judged superior in the grand Shorthorn Orange Blossom II, owned by Edelyn Farms of Wilson, Ill., was scored the junior champion Shorthorn female.

Bert A. Hanson of Monkato, Minn., won the grand champion female in the breeding polled Shorthorn class with Doan E. Bauty. Blossom Time, owned by Elm Grove farm of Belvidere, Tenn., was senior champion female.—State Journal.

NATIONALIST PARTY SPLITS

Berlin—The nationalist party, which sponsored the recent petition for a referendum which would reject the Young plan for reparations, was split wide open Tuesday by the resignation of six members who also are in the reichstag. Their withdrawal from the party ranks followed the break which already had appeared in the reichstag last week when several members of the party voted against the Young plan sponsored by Alfred Hugenberg, the leader of the party. Those who withdrew Tuesday were Herren Lambach, Huelser, Hartwig, Kloenne, Lejeune and Treviranus. Their resignations were handed in while the executive committee of the party was in session to discuss ousting them for their insubordination. All will retain their reichstag mandates and parliamentary circles predicted an even greater split in the nationalist camp with a probability that those who withdrew would unite with about eighteen members of the Christian national trade party to form an independent group in the reichstag.

Hold Ex-Convict as Train Bandit in U. P. Robbery

"Buffalo" Vernon Caught at Pawnee Oklahoma—Identified by Two of the Passengers

Vernon was captured by post Agent Matt McCourt of Omaha and Sheriff G. H. Romea of Cheyenne at 10:45 p. m. Sunday as he stepped from a bus that took him to Pawnee from Tulsa. Identification was established by pictures of the robber which passengers on the train had chosen from photographs of suspects. Two passengers of the wrecked train accompanied the officers to Pawnee and confirmed the identification, according to Associated Press dispatches.

Had Revolver When Caught. The 38 caliber revolver, with which Vernon is believed to have held up the 27 passengers of the limited and robbed them of approximately five hundred dollars, was in his pocket when he was arrested. He was also carrying a sum of money but the exact amount was not learned. Officials of the Southern Pacific railroad believe Vernon is the same man who wrecked and robbed one of their trains at Saugus, Cal., recently. McCourt's report revealed. Rewards totaling between eight and 10 thousand dollars have been offered for his capture. Railroad authorities said Sunday night that they had known Vernon's identity for several days but kept it secret to aid in the search for the man. Vernon's record, they said, showed he had served three penitentiary sentences for robbery and that he was released last August from Folsom prison in California at the expiration of his last term.

Will Seek Extradition. He also is suspected of robbing a Santa Fe train recently, it was said. W. M. Jeffers, vice-president of the Union Pacific, was in communication with the governor of Wyoming late Sunday to start extradition proceedings to remove Vernon to Cheyenne for trial. California authorities, it was said are making an effort to take him to Los Angeles. The Union Pacific will assist the prosecution case in an effort to secure the death penalty for the robber. Mr. Jeffers said, train robbery being a capital offense punishable by hanging under an old Wyoming law that dates from Vigilante days.

"Dead or Alive." In the robbery, which occurred about three miles east of Cheyenne November 25, the robber went thru the train after it had been derailed. Tie plates and rails had been loosened in such away that electric block signals were not disturbed, and no warning of the condition of the track was given to the engineer. None was seriously hurt in the derailment, and all passengers were taken back to Cheyenne shortly afterward. The man hunt that followed was organized under orders to get the robber "dead or alive." John Gale, chief special agent for

Announcing opening, Saturday, Dec. 7 The Powder Puff Beauty Shoppe!

118 South Sixth Street Christ Building With the opening of the new Powder Puff Shoppe, we are closing our individual Beauty Shoppes and will be at the new shoppe to look after the wants of our customers, and we desire at this time to thank all our former patrons and welcome them to our new and up-to-date place of business. Miss Florene Tritsch Mrs. Mildred Newton NOTICE TO PUBLIC—Our new "Powder Puff," which will be ready for your patronage Saturday, will be one of the best establishments of its kind in the city, and we will greatly appreciate your patronage. Experienced and skilled work guaranteed.—MRS. CARRIE CHRIST Phone for Appointments Ask for Your Own Operator if you wish Tel. 645-2 rings Plattsmouth, Neb.

Hoover Pans Surveys of the Nation's Job

President Declares Growth, Progress Only Problems; U. S. at Peace With World. Washington, Dec. 3.—President Hoover told congress Tuesday in his first annual message that the United States is at peace with the world, sound financially and the only problems are those of growth and progress. He wrote a survey of every national and industrial situation as an engineer and carefully analyzed each. He gave promise of substantial tax reduction, adequate national defense and assurances that this country would never be invaded by foreign foe. The president's message was an extensive one. It was upwards of 12,000 words.

He suggested to congress that national expense for armaments could reasonably be reduced as aviation supplies other forms of offensive and defensive weapons of war. However, he reiterated and made it plain the United States will insist upon a parity with Great Britain in warships and should it become necessary this country will carry out a building program by congress. "Don't Scrap Arms" At times the president spoke as the idealist, the altruist in search of a panacea for the world's ailments. But he made it plain that the time

has not yet arrived when his country may safely scrap its national defenses. Almost at the beginning of his message the president said he believed the United States should join the world court at some future time. He made it plain, however, he would not now recommend such action and would not do so until the international and domestic political situations make "it convenient to deal with it." His reference to the world court was generally accepted as an intimation on his part that he wished to eliminate this as a problem which the senate should now consider. U. S. Finances Strong. The president found the finances of the United States so strong that a new reduction of \$238,000,000 in the public debt has been made since June 30, a \$225,000,000 surplus in sight, and a \$160,000,000 tax cut is certain. He foresaw difficulty in keeping 1931 expenditures within the bounds of the present year, but felt nevertheless the tax burden should be lightened by turning part of the prospective surplus back to the taxpayers. "Every dollar so returned fertilizes the soil of prosperity," the president said. The president spoke with the greatest confidence of the ability of the United States to weather any storm which might blow, but urged caution throughout. The president then gave his views on prohibition. He frankly admitted that unless the populace of the United States support the government the movement could not succeed.—Omaha Bee-News.

A card of reminder to an old friend is always an acceptable token for the Christmas season and now is the time to call at the Bates Book & Gift Shop and make your selections

417 Main St. Plattsmouth, Nebr. HINKY DINKY Save Every Day the HINKY-DINKY Way Jas. W. Varner, Manager Plattsmouth Store Prices Good Friday and Saturday, Dec. 6-7th Our immense buying power and lower cost of operation makes these values possible CRACKERS GRAHAM or SODA 2-lb. pkg. 13 Freshly made for this sale. Limit 1 pkg. No merchants supplied. BUTTER GOLD BRICK— 37 Limit 2 lbs. to customer Price per lb. No dealers supplied. MARGARINE Tasti-Nut. 35 2 lbs. for. CAMPBELLS Tomato Soup. 7 2 lbs. for. CALUMET Baking Powder. 25 Pet or Van Camp's Tall cans Friday and Sat. SHREDDED WHEAT. Per 10 SWANSDOWN Per package COFFEE HILLS BROS., M. J. B. or MAXWELL HOUSE per Lb. 49 FLOUR OMAR or PILLS-BURY. 48-lb. sack. 179 FLOUR HINKY DINKY. Fully guaranteed. 48-lb. bag. 159 SUGAR G. W., cloth bag. 57 10 pounds for. SOAP P & G. Limit of ten bars. TEN bars for. 33