

FRENCH AGREE TO MEET GERMANS

Proposed Tax Cut Is Outlined

Secretary Mellon Forwards Definite Amendment to Revenue Act to House Ways and Means Committee.

Benefits Small Salaries

Washington, Dec. 16.—Secretary Mellon has reduced to definite form his tax reduction proposals and forwarded a complete redraft of the revenue act to the house ways and means committee for use in consideration of tax revision legislation to be begun Tuesday.

The treasury secretary in a letter accompanying the redrafted measure made public today at the treasury, noted that the reduction program "appears to have met with the most favorable public reception" and advised Acting Chairman Green of the committee that treasury officials are prepared to present at any time arguments in support of the proposed revision.

In an analysis of the changes proposed, Mr. Mellon placed first the 25 per cent reduction on incomes below \$4,000 and the additional credit of 25 per cent to be granted on earned incomes, showing that in the case of earned incomes of \$4,000 or less the reduction contemplated really amounts to about 44 per cent.

Analysis of Proposed Changes.

Mr. Mellon's analysis of the changes proposed follows:

1. Earned income, defined as wages, salaries and professional fees, is given a credit of 25 per cent of the amount of the tax attributable to the earned income.
2. The normal tax on the first \$4,000 of net income is fixed at 3 per cent, and upon the remainder of the net income at 6 per cent.
3. The surtax rates begin at 1 per cent on net incomes from \$10,000 to \$12,000; an additional 1 per cent for each \$2,000 of net income up to \$25,000 then 1 per cent additional for the next \$4,000 of net income up to \$40,000; and then 1 per cent additional for each \$4,000 of net income up to a total of 25 per cent at \$100,000 and over.
4. Capital assets are defined as property held by the taxpayers for profit or investment for more than two years. Upon the sale of capital assets, the tax on the gain from the sale is limited to 12 1/2 per cent of the gain, and the amount by which the tax is reduced on account of such a loss is limited to 12 1/2 per cent of the loss.

Deductions from Income.

"5. The taxpayer is permitted to take as a deduction from his gross income in determining his taxable income interest on indebtedness and losses of a nonbusiness character to the extent that the sum of these two items exceeds his wholly tax-exempt interest.

6. In community property states, where husband and wife have a joint interest in certain property of either acquired after marriage, the income from this property is taxed to the spouse having control of the property.

"7. The provisions have been inserted to prevent the use of this reorganization section to escape proper taxation by increasing the basis for depreciation or depletion, or by increasing the basis of gain or loss from the sale of assets transferred in connection with a reorganization, or by distributing as capital gain what are in effect dividends out of earnings.

8. The deduction for discovery depletion is limited to 50 per cent of the net income from the property depleted.

9. In the case of a trust, where the trustee has the discretion to distribute or not, the income is taxed to the beneficiary distributed, and to the trustee if not distributed.

10. Where the grantor of a trust reserves the right to change the trust in favor of himself, the income of the trust is taxed to the grantor.

Penalty Provisions.

"11. The penalty under section 220 which seeks to penalize corporate forms used to avoid imposition of surtaxes on the stockholders, is now based on all the income of the corporation which would be taxed in the hands of an individual.

12. The application of the present law requiring an income for a fractional part of a year to be placed on an annual basis is restricted to cases where a return is made for a part of a year as the result of the voluntary act of the taxpayer in making a change in his taxable year.

13. A board of tax appeals is created to hear all appeals from the assessment of additional income and estate taxes, which will sit locally in

Fear of Being Consumed by Owls Turns Fur of Squirrels from Brown to White

Eradication of Ground Pests Drives Hooters to Trees for Food and Bushy-Tail Creatures Become Prey as Gas Kills Snakes and Dogs.

O'Neill, Neb., Dec. 16.—The fur of the timber squirrels in a grove on the ranch of H. U. Hubbard, south of O'Neill, gradually is turning from a reddish cast to a pure white. Mr. Hubbard soon expects to have a tribe of pure white squirrels in his grove, all because Fred Rose, county agent, this summer undertook a campaign of prairie dog eradication in the southern part of Holt county.

Fear of the explanation of the phenomenon, according to local scientists, who do not believe that a permanent strain of white squirrels will be established and who think that as soon as the cause is removed the little animals gradually will resume their natural colors.

While prairie dogs make up the larger share of the population of prairie dog towns, it is well known that a considerable minority of the population is composed of little prairie owls, rattlesnakes and bull-snakes. But these do not dwell together in the harmony that the nature fakery love to write about.

The only way that a prairie dog, a snake and a prairie owl can occupy the same prairie dog burrow in peace and harmony is for the prairie dog and the owl to be inside the snake, or the dog and snake to be inside the owl.

Otherwise they are apt to quarrel and the prairie dog always is the loser. When the county agent started his campaign of prairie dog eradication near the Hubbard squirrel grove, the dogs and snakes, which sought the burrows when disturbed, readily fell victim to the poisonous gases and grains used in the eradication, but the owls flew away.

Being meat eaters, with their source of food supply destroyed, the little owls turned their attention to the young squirrels in the nests in the grove. It didn't take long to exhaust the supply of youngsters but to catch an adult squirrel on a tree was another proposition, and the owls soon learned that the only hope of capture of an old squirrel was to catch him on the ground.

Since that time the owls have taken up their stations secreted behind the larger roots of the trees and it is a very queer sight indeed to see a cat come around for food and get back safely to the protection of the upper branches of his home tree.

Fright and worry over this hitherto unencountered problem of survival have made nervous wrecks of Mr. Hubbard's squirrels and gradually is turning their coats to gray and white.

Fight on Cummins Continues

Insurgents in Senate Will Cast First Vote Today for Howell—Couzens Next Choice.

Demo May Be Named

Washington, Dec. 16.—Republican insurgents went forward today with their plan to either force one of their compromise candidates into the position of chairman of the senate interstate commerce committee or to throw their support to Senator Smith of South Carolina, a democrat.

The day's developments brought no hint of a compromise in the deadlock which has resulted in the senate over the fight against Senator Cummins, republican, Iowa, for the chairmanship, and some of the insurgents said tonight that unless last minute changes took place before balloting resumed tomorrow, the unusual situation will be brought about of a democrat holding a powerful committee chairmanship in a republican congress.

Progressives Claim Victory.

Not all of the insurgents have announced themselves as willing to support Senator Smith, but those who have say that they will have enough votes to elect him should the organization republicans refuse to vote for Nebraska, or Couzens, republican of Michigan, who will be put forward, in order, as candidates. Both of these senators have been endorsed by Senator La Follette, Wisconsin, the insurgent leader, who also has announced that the election of Senator Smith would be a "clear cut victory for the progressives in the senate and in the country."

An outline of the insurgents' plan, which they say would be followed by considerable numbers of those against Senator Cummins, is to have Senator Howell receive their vote on the first ballot, Senator Couzens on the second, and then to turn to Senator Smith. Those favoring this plan believe enough strength can thus be thrown to the South Carolina senator to assure his election.

Democrats Are Firm.

Democratic leaders today remained firm in their reiteration that with the exception of Senator Bruce of Maryland, there has been no defect in their ranks and they expect to poll the full party strength for Senator Smith.

With the committee row terminated temporarily at least, in the house, by the assignment of Representative Nelson of Wisconsin, an insurgent, to the rules committee, the organization republicans expect to put through tomorrow their committee slate, which will allow the committee to begin framing legislation.

One of the first considerations of the ways and means committee, of which Representative Green of Iowa will be chairman, will be to begin consideration of tax legislation, including the Mellon plan, which was placed formally before it today by Secretary Mellon. Discussion of this subject is expected to begin Tuesday.

Another of the big committees which must begin quickly is the appropriations committee, on whose organization depends the work of getting out of the way the annual supply bills.

Other committee with exhaustive discussions and long sessions in prospect include the immigration, commerce, merchant marine, agriculture and banking and currency.

Swap Doesn't Work.

West Point, Dec. 16.—Some time ago Will Cameron of near Neligh traded a horse to Frank Reynolds for a phonograph. Recently the horse died and the phonograph for some inexplicable reason refused to function.

Farmer Drives Car Into Burlington Train

Palmyra, Neb., Dec. 16.—Mike Callahan, a farmer living near here and Douglas, sustained a badly cut face, when he ran his Ford car into a Burlington baggage car. Mrs. Callahan was with him at the time of the accident, but escaped with only a few bruises. Mr. Callahan was going 20 miles an hour at the time of the accident.

Christmas Table Set for Dining—Ah, there is the silver lining backing up the clouds! So I'll grit my teeth this morning, danger of the vast crowds scoring, and set on belated warning, and just back the crowd!

First some tools, they'll come in handy; and some toys—Say, those are dandy—then about three pecks of candy; my ain't nature sweet! Stockings, caps and speedy scooters; rings, cards and rubber shooters; squeaking horns and howling hooters; and drums to beat!

Fined strings for decoration; books to give 'em education; shoes—they last till vacation, gee, but I'll be glad! Kiddies eight, granddaddies trio, a bunch I love to see; best man ever had!

Wish I had the job completed; and the Christmas bills rechecked; wish I'd listened when entreated to buy long ago. But to buy for them's a pleasure; gives me joy I can't measure; for their love for me's a treasure—best I'll ever know!

Wish I hear Old Santa coming; hear his reindeer's hoofs a-drumming; hear his sleigh bells sweetly humming—my, ain't Christmas fine! Banished now are sorrow's traces; soon in well remembered places I will see the smiling faces of those kids o' mine!

Family ties once more entwining; W. M. M.

Hunting Big Game in the Wilds of American Politics



Around Nebraska's State House

By R. H. PETERS, Staff Correspondent The Omaha Bee.

Lincoln, Dec. 16.—The feature of last week was the rush of 1924 political aspirants to file for office. When the smoke had cleared away eight names were added to the list in the secretary of state's office, and the chance of coming home first.

However, the two chief figures in their respective parties, Senator Norris and Governor Bryan, were not included and they both remain enigmas. Bryan, when asked pointblank what his intentions were, refused to make a statement, and his close political friends declare that they do not believe the governor has decided what he will do.

That he would like to be Nebraska's next senator goes without saying, but Charles W. Bryan is not going to inscribe his name on the ballot unless he figures that he has a good chance of coming home first. Better a governor than a defeated candidate for the senate. Nevertheless, Bryan must act shortly if he is to get his machine oiled and working smoothly before the primary election of April 3.

Trenmor Cone, who digs for sand and gravel near Yutan, slid into the political sea last week without even creating a splash, even though he was the first democrat to announce his candidacy for the senate. Cone, by so doing, upset the wisecracks who have declared the action of democrat candidates is dependent upon Bryan.

Cone is an avowed enemy of the governor and should any political observer have thought for one moment that he had the senatorial bid in his bonnet he would have expected him from the general rule.

The governor and Cone tangled some time ago over the price of sand and gravel and Cone in his anger stated, quite truthfully, that the governor was stealing some one else's stuff when he claimed to have reduced the price of gasoline. To which the governor retorted that Cone might not know about gasoline, but he must have no doubt that it was the governor who cut off some of the sand and gravel profit.

Cone's platform is built around railroads, legislation, which is his hobby. The most interesting development in republican politics in several weeks is that Adam McMullen is about to file for governor. Should rumor be converted into a statement of fact, there is a hot primary fight ahead between him and A. N. Mathers of Georing, who already is in the field.

Mathers, who was speaker of the last house, is a strong candidate, but so is McMullen, who only failed by an eyelash of wrenching the republican nomination from Charles H. Randall at the last election.

Those who claim to be in their opinion as to who will make the successful race.

It is also said, by those who keep an ear to the ground, that Congressman Sloan will have filed for the senate before another week has gone by. Fred G. Johnson of Hastings has already done so, and in the offing is C. H. Gustafson, who is restrained from acting by the uncertainty that hovers over the future action of Senator Norris.

Trade and Commerce K. C. Knudson presents the bankers of the state with a happy Christmas present with the announcement that he will levy a special assessment to raise the guaranty fund \$600,000. However, the bankers with an assessment of \$1,500,000 made last December and another of \$1,100,000 levied in April will probably consider this one a mere fly bite and try to figure out why more was not requested.

Bank failures still are being reported to the banking department, but they are becoming more and more infrequent, and it is hoped that the happy time is close at hand when the extra assessment will be a thing of the past and the one-twentieth of 1 per cent levy will suffice to pay the obligations of the guaranty fund.

With the announcement of George Marsh that he will be a candidate for re-election, there is now a republican seeking every ground office in the state house with the exception of one in the railway commission. Standing for re-election are Marsh, Dan Swanson, and C. D. Robinson, state treasurer. After the secretary of state, J. W. Mayer, and for the governor's office there is A. N. Mathers.

Pastor Says Adam Was Not First Man

Rev. Beebe Declares Other Races Existed at Time of His Creation.

"Adam was not the first man," said Rev. J. L. Beebe in his sermon yesterday at Grace United Evangelical church at Thirty-sixth street and Camden avenue. "Other races already were in existence at the time of the creation of Adam. Bible students must know the plan of ages to be able to understand the Bible," he said.

In his talk on the "Ages of the World," Rev. Mr. Beebe divided the past, present and future of the world's history into eight ages. They were the age of the world, the creative age, the antediluvian age, or the period preceding the flood; the postdiluvian selective age, the millennium and the age of ages.

Rev. Mr. Beebe took the position that the punishment of the wicked will be ended by the age of ages. "The Bible deals only with the plan of the ages," said Rev. Mr. Beebe. "When the age of ages comes to an end, God will have restored the whole world back to beauty and glory."

Borah Denies He Will Run for President

Washington, Dec. 16.—Senator Borah of Idaho, "is not a candidate for the presidential nomination of any party," he said today in discussing a prediction of Frank E. Johnson of Boise, Ida., last night, that he would soon announce for president on the progressive ticket.

Black Rites Are Held

Beatrice, Neb., Dec. 16.—The body of Perry Black, former Beatrice resident who died at Norfolk, was brought here for burial, funeral services being held Sunday afternoon at 2:30 from the Scott-Harman chapel, conducted by Rev. J. Franklin Hass. Burial was in Evergreen Home cemetery, and the Masons were in charge at the grave.

Mr. Black has been in charge of the Singer Sewing Machine company of Beatrice, Ida., last night, that he would soon announce for president on the progressive ticket.

Diamond Clock Hose Rage in Paris

Society Women Pay as High as \$1,000 for Single Pair—Silk Fabrics Again in Favor—Slip-on Smock Strangest Revelation of Season.

Paris, Dec. 16.—Milady's Christmas stocking this year will be of the sheerest silk with diamond clock. Gems, as adjuncts of stockings, are the latest rage in Paris society, where women have been known to pay as high as \$1,000 for a single pair.

As a result of this mode, skirts are becoming shorter for evening wear so that the twinkling ankles of dancers may send rays of brilliance to the watchers.

The faded features of the early winter remarkable features of the early winter total eclipse for the last two years, silk fabrics of all kinds have leaped into an overwhelming favor, displacing crepe, tricotelles and other materials previously so popular.

Two American girls are reported to be suffering from pneumonia at St. Moritz following an attempt to live up to the new sliken fad in the high and rarified atmosphere of the Engadine mountains. There was a chorus of gasps of admiration from the younger

Wheat Growers' Relief Bill Will Be Drawn

Washington, Dec. 16.—Legislation aimed to aid wheat growers will be drawn up this week by representatives from the northwestern states, who today heard a program presented by President Coulier of North Dakota Agricultural college advocating a federal loan of \$50,000,000 to farmers which would permit them to purchase livestock and diversify their farming.

Representative Anderson, republican, Minnesota, will meet with representatives from North Dakota, South Dakota and Montana to consider the proposal and plan a legislative program.

World Honeymoon for Senator Pettigrew

Sioux Falls, S. D., Dec. 16.—Former Senator R. Pettigrew of South Dakota and Mrs. Pettigrew expect to leave about January 15 for a four-months' trip around the world.

From New York the trip will lead through the Panama canal, to Hawaii, Japan, China and the Philippines, to Borneo, Java, Ceylon, and Bombay, up the Red Sea into Africa, down the Nile to Cairo, Jerusalem, Athens and other Mediterranean points.

Senator Pettigrew was 75 years of age last July, and was married only last summer.

Ban on Dancing.

West Point, Dec. 16.—Teachers who dance will be automatically dismissed following action of the board of education. The board declared that there were too many diversions that tend to detract from proper education. Teachers keeping late hours are not able to properly conduct their classes the following day. Too much dancing and too little schooling is the fear of the board.

Mitchell Is Bound Over.

Beatrice, Neb., Dec. 16.—Charles Mitchell of Wymore, who was arrested at Ottumwa, Ia., charged with removing mortgaged property from the state, was given his preliminary hearing before Judge Messmore and was bound over to the district court. The Beatrice Motor company is the complainant.

The Weather

For 24 hours ending 7 p. m. December 16.

Temperature: Highest, 31; lowest, 22; mean, 27; normal, 28. Total excess since January 1, 4.22. Precipitation, inches and hundredths: Total, none since January 1; 18.82; excess, 0.28.

Hours Temperature

8 A. M.	30	9 A. M.	29
10 A. M.	28	11 A. M.	27
12 M.	27	1 P. M.	26
2 P. M.	25	3 P. M.	24
4 P. M.	23	5 P. M.	22
6 P. M.	21	7 P. M.	20
8 P. M.	19	9 P. M.	18
10 P. M.	17	11 P. M.	16
12 M.	15	1 P. M.	14

After the meal or play, the addition of a low décolleté, sleeveless gown, of the smock transforms the gown into a smart walking suit.