

# EIGHT BILLION TO BE RAISED BY NEW BILL

Tea and Coffee Taxes Will Be Included if Required to Obtain Total Asked by Government.

By Associated Press. Washington, Aug. 17.—The new revenue bill will raise a total of \$8,000,000,000 for the expenses of the government in the present fiscal year, Chairman Kitchin of the house ways and means committee said when the committee adjourned. It is probable, Chairman Kitchin said, that the bill will be introduced next week and be taken up by the house a week from Monday.

Changes in the schedules not as yet definitely fixed may lower the total and it was said that in that event the committee may resort to a customs tax and a floor tax on tea, coffee and similar products.

Changing conditions also may affect the amount of revenue to be obtained. The committee is watching the outcome of the effort to pass a national wartime prohibition measure, which the senate is to take up August 24. If a prohibition measure is enacted, revenues to be obtained under the bill will be decreased considerably.

**Liquor Taxes Increased.**

The new tax on liquors is understood to provide a substantial increase on whisky and other liquors and soft drinks, a total revenue of \$1,000,000,000 or more. The liquor tax rates are being withheld from publication to guard against withdrawals of whisky from bond. The committee finally approved the tobacco schedule unchanged from rates heretofore announced.

In the 10 per cent tax of articles deemed luxuries above a certain price it made the tax apply to women's waists in excess of \$15, instead of \$10 as previously agreed to, and to women's hats at \$15 instead of \$25. Motor boats and canoes were added to the 10 per cent tax on yachts or pleasure boats, but exempted motor boats and canoes costing \$20 or less, the exemption being to protect home-built craft.

**Income Tax Schedule.**

Considerable interest has been manifested in the normal tax on personal incomes and the committee announced the text of the schedule as follows:

"Normal taxes: Section 210—That there shall be levied, collected and paid for each taxable year upon the net income of every individual a normal tax as follows:

"(A)—In the case of a citizen or resident of the United States 10 per cent of the amount of the net income in excess of the credits provided in section 216; provided that upon the first \$4,000 of this amount the rate shall be 5 per centum.

"(B)—In the case of a non-resident alien 10 per cent of the amount of the net income in excess of the credits provided in section 216.

**Credits Allowed.**  
"Section 216 as agreed to reads: "Credits allowed: For purposes of normal tax only, there shall be allowed the following credits:

"(A)—The amount received as dividends from a corporation which is taxable under the corporation income tax upon its net income.

"(B)—Amount received as interest upon residents of the United States, any state, territory or political subdivision, or the District of Columbia.

"(C)—In the case of a single person, a personal exemption of \$1,000 or in the case of the head of a family, or a married person living with husband or wife, a personal exemption of \$2,000. A husband and wife living together shall receive but one personal exemption of \$2,000 against their aggregate net income and in case they make separate returns the personal exemption of \$2,000 may be taken by either or divided between them.

"(D)—Two hundred dollars for each person (other than husband and wife) dependent on and receiving his chief support from the taxpayer if such dependent person is under 18 years of age, or is incapable of self-support, because mentally or physically defective."

**Agree to Differential.**

The committee has agreed by a very close vote to a differential of 3 per cent against unearned incomes and has sent back to the treasury the latter's draft for this purpose for redrafting with the probability it may be dropped, on reconsideration. If the differential stays in the bill the present 5 per cent normal tax on incomes under \$4,000 annually might be made 6 per cent on earned incomes and 4 per cent on unearned incomes and the normal tax of 10 per cent on incomes from \$4,000 upward might be made 13 per cent on unearned and 9 per cent, or the present 10 per cent, on unearned incomes, a committee member explained today.

Chairman Kitchin tonight explained that the committee had referred its decision in favor of an excess profits tax of 40 to 60 per cent after \$3,000 exemption and 8 per cent reduction to the treasury for its approval. He said the committee also had communicated to the treasury its action in dividing business into three classes for pre-war earnings deduction.

The committee has adopted a provision that in no event will the excess profits tax of corporations having less than \$50,000 capitalization exceed 40 per cent of its net income. An effort will be made next week to apply the same provision to the war profits tax.

**French War Cross With Palm Awarded Floyd Gibbons**

Chicago, Aug. 17.—Floyd Gibbons, a special correspondent of the Chicago Tribune in France, has been awarded the Croix de Guerre with the palm by the French war ministry, according to a special cablegram from Paris to the Tribune. General Pe-tain's citation states that Gibbons was seriously wounded June 5 while going to the aid of a wounded American officer, "thus giving proof of the finest devotion."

Mr. Gibbons is the first American correspondent to get the French war cross for a specific act of bravery.

# Famous Air Fighters Will Fly Over Omaha August 30

A brigadier-general at 31, Gen. Charles F. Lee, C. M. G., R. A. F., head of the British aviation mission to the United States, will fly over Omaha August 30 or 31, at the head of a squadron of British flyers.

One of the youngest general officers in the British army, General Lee began flying in 1912 and was three times mentioned in dispatches from the British war front, besides winning the Order of St. Michael and St. George. He has three sisters now doing war work in France and since December, 1915, he has been detailed to the training staff of the British air fleet.

The rare spectacle of a one-armed pilot will be witnessed by Omahans during the visit of the British and American airmen to this city. Capt. C. D. Hunter, a Canadian, who was shot down by Baron Richthofen, the late famous German air pilot, had his left arm amputated in a German hospital. After passing nine months in a German prison camp he was exchanged in January of this year.

The whole British and American party will be commanded by Major Claude K. Rhinehardt of the American air service. Although only 32 years old, Major Rhinehardt has already seen 12 years service in the regular army, part of it in the Philippines and part in Mexico. He has already commanded several flying fields in the northwest and is now commanding officer of the First Provisional wing at Mineola, N. Y. In the 18 months that he has been flying he has to his credit almost 1,000 hours in the air. He has specialized in cross-country flying and has made many flights between New York and Wash-

ington. The American fleet will consist of about eight airplanes and will arrive in Omaha from Kansas City after having made inter-city trips between various cities in the upper Mississippi valley. During their stay in Omaha the flyers will give morning and afternoon performances of fancy "stunts" and actual war maneuvers and bat-tle formations over the downtown streets.



Brigadier-General Charles F. Lee.

# U. S. FORCES SENT ABROAD NUMBER 1,450,000 MEN

Transportation Facilities Insure Getting 80 Divisions Overseas by June 1, Gen. March Says.

By Associated Press. Washington, Aug. 17.—Of more than 3,000,000 men now under arms, the American army has sent nearly one-half, or more than 1,450,000 overseas for service against the enemy in France, Italy and Siberia.

These figures were given today by General March in his Saturday talks with newspaper men and members of the senate military committee. The senators were told that some transports are making the trip to Europe and back in 19 days, and that the average has been reduced to 28 days, which, with additional shipping becoming available, makes the great job of getting 80 divisions of American troops to France by June 30, 1919, certain of success.

The chief of staff paid only brief attention to the progress of the fighting in France. He spoke of the battle as "the German retreat" and indicated further retirement was expected. Figures Cover All Areas of Action.

Explaining his announcement as to embarkation, General March said: "When I give figures hereafter of troops embarked from the United States the totals will embrace the troops in Siberia, in Italy, France and Russia proper. The figures will mean the entire American expeditionary force in all parts of the world. We have now embarked on all the expeditions more than 1,450,000 men. "The American troops in France are beginning to receive official French commendations of various sorts, and here is one that came this morning. This refers to the second artillery brigade which was with the second division in the fighting around Chateau Thierry. After the infantry was withdrawn our field artillery stayed there and helped the French at that point. This commendation is from the French commander of the division to which it was attached. It is in the form of an official order and the translation is something like this:

**General Bowley Thanked.**  
"On the eve of the relief of the second artillery brigade of the second United States infantry division from the 12th (French infantry) division the general commanding this infantry division takes the opportunity to express to the brigade commander, General Bowley, to all his officers, non-commissioned officers and soldiers, his thanks for the services rendered their French comrades and his admiration for the splendid American bravery."

"After having vigorously fought with the second United States infantry division and with the 58th (French) infantry division the Second American artillery brigade came to show, during two days of severe fighting at the side of the 12th infantry division, the finest qualities of energy, endurance and devotion."

"The fortunes of war separate us from these brave and loyal fighting comrades—I trust that the fortunes of war will reunite us again, upon the field of battle."  
"The 12th French infantry division will faithfully treasure the memory of the Second United States infantry division."

**Henry Ford Offers to Build Tractor Plants in Mexico**

Detroit, Aug. 17.—Plans for the erection of several large tractor plants in Mexico were made today by Henry Ford, the automobile manufacturer. Mr. Ford has notified the Mexican government that he is prepared to spend \$1,000,000 on the first of several such plants, and is awaiting only the selection of an official site.

"We will sell virtually at cost and if profits accumulate, we will put them right back into the business," said Mr. Ford. "Not a cent is to be taken out of Mexico."

Should the business grow to such proportions that it would be impossible to absorb the profits, the Mexican government will be given control of the plants, it was stated.

# POINCARE TAKES PART IN MIMIC WAR ON U-BOAT

Chase Would Have Ended in Disaster for Submarine if It Had Been a German Vessel.

Paris, Aug. 17.—President Poincare and Georges Leygues, minister of marine, returned to Paris today after a visit of two days at a French port, where the inspected the Franco-American naval bases and were enabled to obtain a first hand view of the co-operation of the two navies in combating German submarines. Immediately after their arrival there report was received that an enemy submarine had just been sunk by a French patrol, while it was confirmed at the same time that another submarine had been destroyed by an American patrol a few days before.

President Poincare made a minute inspection of the various American installations at the port, being especially interested in the hydro-airplane station. While the two officials were at the port a convoy was signaled coming in and the president embarked on a war vessel and went out to observe the arrangements made for the protection of ships.

A driftable balloon, hydro-airplanes and rapid destroyers co-operated perfectly in preventing any submarine attack which might have been made. The convoy came into the harbor with each vessel keeping in perfect line until the anchorage was reached. After this, President Poincare went on board a destroyer and participated in the chase of an allied submarine somewhere below the surface. The chase lasted for an hour and if the submarine had been German, the pursuit would have ended disastrously for it.

The visit of the officials was extended to the American depots, which have completely transformed the port. A report was handed the president showing that a convoy which recently arrived from America discharged 60,000 tons of materials in ten hours, thanks to the efficiency of the American arrangements.

Admiral Wilson received President Poincare on board a repair ship, where a medallion bearing the inscription "Commemorating the union of France and America" was presented to the president. Later President Poincare examined the new type of American destroyer and reviewed newly arrived American troops.

# Carranza Takes Steps to Prevent Threatened Disputa With the U. S.

Washington, Aug. 17.—The threatened crisis in the relations of Mexico with the entente allies and the United States apparently has been averted by a modification of the new Mexican oil tax decree by President Carranza.

It was learned today that on August 12 Carranza, in effect, canceled provisions of the decree of July 31 under which undeveloped oil lands might be seized by the Mexican government upon failure of their owners to make declarations and submit to what they regarded as excessive taxation.

The modification now made hardly will be wholly satisfactory but it was said today that it appears to make concessions paving the way for clearing up the situation between the governments concerned.

**Appeals to Hitchcock.**

Washington, Aug. 17.—An appeal for government aid to live stock raisers in the west and southwest reached Senator Hitchcock of Nebraska today in a letter from H. H. Tomkin, jr., of the food administration.

**GEO. S. COLLINS**  
Democratic Candidate for  
**Justice of the Peace**  
Five Years Justice of the Peace



# Willis E. Reed For U. S. Senator

Firmly Believes in Wilson's Administration and is for Women's Suffrage and Prohibition

Dear Sir:—

There never has been a time when big-thinking, straightforward and hard-hitting Americans were so absolutely essential in our public offices as right now.

The Hon. Willis E. Reed, now serving his second term as Attorney General of the State of Nebraska, is just such a man.

Mr. Reed is THE candidate for the nomination for United States Senator from Nebraska, and he is a man well worth keeping in mind on August 20th, when you mark your preference for United States Senator on your ballot.

Mr. Reed is a man who, regardless of political affiliations, is an American first, last and all the time; and not only will he co-operate with our President in winning this war, but he is amply capable of meeting and efficiently handling the big problems which will face America when the war is over.

Our problems of both today and tomorrow require men of honest, men of vision, men of practical capacity, and Mr. Reed meets all of these requirements.

Confident that you are back of President Wilson, we urge you to go to the polls on Primary Day and ask for a Democratic Primary Ballot and urge others to do the same.

Let us all work together for a man we can, regardless of our political party affiliations, feel confidence in at any time and at all times.

Vote for Willis E. Reed for United States Senator at the Primaries August 20th.

Yours very truly,

*Frank R. Jamhill*

First V.-P. Nebraska Ex- Congress, Norfolk, Neb.

*Ed Ryan*

Pres. First National Bank, Genoa, Neb.

*R. M. Swales*

Cashier American State Bank, Omaha, Neb.

*Ho. D. ...*

Cashierurity State Bank, Omaha, Neb.