

Treasury Head Urges Tax Change

Immediate Revision on Basis Of Annual Levy of Four Billions for Four Years Recommended.

Asks Luxury Act Repeal

By The Associated Press. Washington, Dec. 8.—Immediate revision of the nation's tax laws on the basis of an annual levy of \$4,000,000,000 for a period of four years, and including an increase of 2 per cent in the taxes on income up to \$5,000, is urged by Secretary Houston in his annual report sent today to congress.

Repeal of the excess profits taxes, elimination of certain of the so-called luxury taxes, including the levy on soda fountain and similar beverages, and a readjustment of the rates in the higher groups of income taxes, is proposed by the treasury chief. To meet the losses brought about by these proposed changes, Mr. Houston recommends revised and new taxes to yield about \$2,000,000,000 as follows:

Raise Income Tax.—An increase from the present 4 per cent to 6 per cent in the tax on incomes of \$5,000 or less and from 8 per cent to 12 per cent in the tax on incomes between \$5,000 and \$10,000, the whole estimated to yield \$150,940,000 annually.

Raise Excise Tax.—A tax of 2 cents a gallon on gasoline for motor cars and all other purposes, to yield \$90,000,000. A federal license tax of 50 per cent per horsepower on the use of motor cars to yield \$100,000,000.

Reduce Surtax Rates.—Reduction of surtax rates on incomes to yield an additional \$230,000,000. Abolishment of the \$2,000 exemption allowed corporations on income to yield \$58,000.

Man Is Fined \$10 For Attaching Flag To Tail of Toy Dog

Boston, Dec. 8.—The display for sale of a toy dog with a miniature American flag attached to its tail brought S. Ishikawa into the municipal court today. Mrs. Ralph M. Kirtland, president of the Women's Civic League of Malden, and a member of the Daughters of the Revolution, complained that it was shown at Ishikawa's novelty shop in the back bay.

Screen School Heads Charged With Mail-Fraud

Warrants Issued on Complaints of Students Who Paid \$10 Each, Hoping to Become Movie Stars.

Federal warrants were issued yesterday afternoon charging R. J. Grant of Auburn, Neb., and I. F. Biglow of Portland, Ore., operators of the Blackstone Film company, 36 Paxton block, with using the mails to defraud.

H. S. Daniel Is Made Omaha Postmaster; Name Sent to Senate

The appointment of Herbert S. Daniel, acting postmaster, for a four-year term as postmaster was sent to the United States senate at Washington, D. C., yesterday for confirmation. At the same time the senate was asked to confirm the appointment of J. Guthrie Ludlum as postmaster at Lincoln. Ludlum was for several years assistant postmaster at Lincoln and later was secretary of the school board.

Daniels Asks Conversion Of Cruisers to Fuel Barges

Washington, Dec. 8.—Conversion of the oil battleships, Alabama, Mississippi and Wisconsin into fuel oil barges has been recommended to the house naval committee by Secretary Daniels who will appear before the committee tomorrow to discuss the plan.

Over Half of Kansas Wheat Crop in Hands of Farmers

Topeka, Dec. 8.—Growers now estimate that at this year's total Kansas wheat production, approximately 145,000,000 bushels, 53.4 per cent, or 77,466,727 bushels, is still in the hands of farmers, according to a special report issued by J. G. Mohler, secretary of the state board of agriculture.

Wife of Oil Man Is Held For Murder

Alliance Woman Is Charged With Killing Former Omaha Barber During Early Morning Quarrel.

Others May Be Involved

Alliance, Neb., Dec. 8.—(Special Telegram)—Despite the fact that she is charged with first degree murder and under constant guard at the city jail, and that at least two witnesses have declared they saw her shoot and kill Earl B. Anderson, 25, local barber, in the alley at the rear of a pool hall during the early morning hours, Mrs. Evelyn Priess McElhane, 25 and pretty, maintains an air of unconcern, laughs and jokes with the guard and newspaper men and spends most of her time lying on a cot in the dingy cell room. Her cot is drawn up in front of the door of the cell room and the door stands wide open all day, with a guard sitting just outside.

An autopsy was performed upon the body of Anderson but the bullet was not located. County Attorney Bassic says no inquest is necessary and the funeral is scheduled to be held Thursday.

House Passes Bill Authorizing Medals For Heroic War Acts

Washington, Dec. 8.—The first legislative action of the house at this session was taken with the passage of a bill authorizing the president to issue medals of merit for distinguished service performed during the world war by officers and men of the United States merchant marine. The vote was 315 to 7.

Trustees of Co-Operative Grocery Plan Indicted

St. Louis, Dec. 8.—An indictment charging misrepresentation in the sale of stock was returned against trustees of the Co-operative Association of America, organized here in October for the announced purpose of opening 300 co-operative grocery stores in Missouri. The three men are Arthur Lees, Oscar H. Damon and Clifton C. Fitzpatrick of this city. Prospective purchasers, it was charged, were told the trustees were to get 4 per cent of the profits, whereas the trust agreement provides that they receive 3 per cent of the gross receipts.

Senate Committee to Probe Cable Landing Squabble

Washington, Dec. 8.—Investigation of the whole subject of the cable landings in the United States, and more particularly the disagreement between the State department and the Western Union Telegraph Co., regarding the landing of a Barbados cable at Miami, Fla., will be started December 15 by a sub-committee of the senate interstate commerce committee. Senator Kellogg of Minnesota, chairman, announced that Norman H. Davis, under-secretary of state and Newcomb Carlton, president of the Western Union, probably would be the first witnesses.

City 126 Years Old Asks Circuit Court to Revoke Its Charter

Louisville, Ky., Dec. 8.—(Special Telegram)—Jefferson county has petitioned the circuit court to revoke its charter, which was obtained in 1804, and asked that its government revert to county control. A majority of the voters of the city, including women, signed the petition, declaring that alleged high municipal taxes led them to take the step. About 700 persons, including Henry Watterson, famous journalist, live in the city.

League Plans for New Committees Bitterly Scored

Geneva, Dec. 8.—(By The Associated Press)—Plans proposed for the formation of the technical organizations of the league of nations, dealing with finance, health and transportation, were sharply attacked at today's session of the league assembly by Newton Wesley Rowell, former president of the Canadian privy council. These plans, the Canadian ex-minister contended, tended to take such organizations out of the hands of the assembly, which should control them, and throw them under the influence of Europe through the impossibility of the non-European nations sending their best men to three or four conferences annually.

Harding Busy at Work on Policies

Marion, O., Dec. 8.—With his return to Marion today from his vacation trip to the south, President-elect Harding was ready to begin actual constructive work on the policies of the coming administration. In Washington during the last two days he felt out opinions on many subjects and he let it be known today that he was well pleased with the result. He told his friends that he believed his ideal of party government and common understanding had been furthered by his talks with republican leaders and that his canvass of sentiment regarding an association of nations had been particularly encouraging.

Tariff Revision First Thing Up to Harding

Washington, Dec. 8.—Revision of the tariff will be one of the first things sought at the extra session of congress, which President-elect Harding is expected to call immediately after his inauguration, Chairman Fordney of the house ways and means committee said today after a conference of the republican members of the committee to decide on a legislative program for this session.

Mine Operators Determined To Fight Striking Miners

New York, Dec. 8.—Coal operators in Alabama and Mingo county, West Virginia, are determined to fight the striking miners in those regions "to a finish," said a statement by George Dexter, director of the New York Wholesale Coal Trade association, made public by the association.

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The End of His Vacation



Britain May Ask United States to Oust De Valera

London, Dec. 8.—(By The Associated Press)—The British government is considering whether it will request the United States government, in the interests of Anglo-American friendship, to take official notice of the anti-British activities in America and Professor Eamonn De Valera, "president of the Irish republic" according to a statement made today by Andrew Bonar Law in the House of Commons in response to questions.

Witnesses Repeat Testimony In Trial

Oscar Kost and Margaret Peterson were the only two witnesses examined yesterday morning in the trial of Ernest Borwick, son of H. Borwick, Council Bluffs merchant, indicted for second degree murder of Leo Hollaster during an altercation over a section of the Lincoln highway between Honey Creek and Lovland last spring.

Burlington Will Issue Checks Before Christmas

Wymore, Neb., Dec. 8.—(Special)—The Burlington has issued an order to all timekeepers that the time rolls for the first half of December must be made in time to pay all employees before Christmas.

Requisition Honored

Oklahoma City, Okl., Dec. 8.—Requisition for the return to California of John Stanley, wanted at Fresno for grand larceny, was honored by R. L. Davidson, acting governor of Oklahoma. Stanley is held at Enid, Okl.

Fire Destroys Dock

Houston, Tex., Dec. 8.—A fire this afternoon destroyed the 800-foot dock of the Humble Oil and Refining company at Baytown, near here on the ship channel, causing a loss of \$200,000.

Norfolk Dealers Launch Meat War

Norfolk, Neb., Dec. 8.—(Special)—A meat war is on in Norfolk. The independent dealers in dressed beef and hogs are said to be the objects of those launching the war.

Step On Throttle, You Screen Fans, Big Contest Is On

It's a humdinger. The Bee's \$100 Movie Star Contest. Step on the throttle, you movie fans. Give your wits a little gas and dodge the bumps. So far, hundreds have identified correctly the photos of film stars appearing daily in the Bee.

Peace Commission to Paris, Spent \$1,651,191

Washington, Dec. 8.—A special message giving the complete expenses of the American peace commission during its work abroad was transmitted to the senate today by President Wilson.

Bankers Agree to Carry Loans on Stock Cattle

Kansas City, Mo., Dec. 8.—Bankers have conference in the live stock industry of the southwest and will carry stock cattle loans at reasonable rates, under an agreement reached at a conference between local bankers and officers of the Tenth federal reserve bank, it was announced today.

Women Request Pardon Of Lad Sentenced to Death

Springfield, Ill., Dec. 8.—Women of the east and west have taken an interest in Nicholas Viana, 19, the "songbird" of the Cardini gang, who is to hang in Chicago Friday, and have addressed more than two-score letters to Governor Lowden asking that he grant a "mother's" request and pardon the boy. Letters were received from Pittsburgh and California. Governor Lowden has declared he will take no further action.

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Question of Farm Aid Up Friday

Men Behind Move for Revival Of War Finance Corporation to Demand Early Action by Congress.

Flood of Bills Continues

Washington, Dec. 8.—Proponents of legislation to revise the war finance corporation and thereby afford relief to farmers confronted by falling prices plan to call up their measure in the senate Friday and ask for its immediate passage. Senator Gronna, republican, North Dakota, in charge of the resolution, gave this notice today in asking that the senate let the matter go over until the latter date.

Relief for Cotton Men

Representative Lee, democrat, Georgia, put in a bill authorizing the federal reserve board to take action necessary to extend liberal credits to cotton farmers, while Representative Baer, republican, North Dakota, reintroduced his measure which would prohibit gambling in footstuffs and speculation in stocks and bonds.

Gibbon Marshal Is Sentenced to Prison For Manslaughter

Kearney, Neb., Dec. 8.—(Special Telegram)—One of 10 years in the state penitentiary is the sentence imposed upon Harvey Graham, marshal of the village of Gibbon, for shooting and killing Lorton Murray a month ago. Graham pleaded guilty to the charge of manslaughter and a large crowd gathered at the court room expecting to hear a sensational fight with prospect of leniency in some measure for the shooting, was disappointed.

St. Louis Bond Embezzler Captured in Washington

Spokane, Wash., Dec. 8.—Arthur Bennett Smith, in custody of detectives who arrested him at Lone, Wash., is expected to leave today for St. Louis to answer to charges of the theft of bonds of the American Railway Express company. He spent last night with detectives in a local hotel.

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Army Flyer Killed

Riverside, Cal., Dec. 8.—Captain Roy L. Noggle, formerly of Honolulu, was killed at March field, near here today, when an army airplane he was piloting fell 400 feet. He was unaccompanied. His widow is in Honolulu. He was a veteran of the world war.

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FOR TODAY'S PICTURES OF MOVIE STARS YOU MAY WIN \$100