

5% VICTORY TAX, WITH POST-WAR REFUNDS, VOTED

Sales, Spending Levies
Killed in Senate.

(Continued from first page.)

a maximum of \$500, as a credit. Married persons would be entitled to a credit of 40 per cent, or a maximum of \$1,000, plus 2 per cent, or a maximum of \$100, for each dependent.

This credit could be taken in two ways:

1. In the form of noninterest bearing, non-negotiable bonds which the taxpayer could cash in installments after the war.

2. Suppose the taxpayer during the year had spent certain sums to pay premiums on life insurance outstanding as of Jan. 1, 1942, to retire debts contracted before Jan. 1, 1942, or to purchase war bonds. Then such expenditures, up to the amount of the post-war credit, would be allowed as an immediate credit against taxes.

For all the postwar credit not used to retire debts, pay insurance premiums, etc., the taxpayer would be given noninterest bearing bonds cashable after the war.

Hypothetical Case.
To give an idea how the new taxes, including the victory levy, would affect an individual, consider this hypothetical case:

Joe Taxpayer makes \$3,000 a year. He has a wife and two children and already had figured out, when the house passed the tax bill, that his income tax would be \$154.80.

Now, the victory tax applies to all his income above \$624, without any other deductions; that's \$2,376. The rate is 5 per cent, which makes the victory tax \$118.80.

Joe is going to have to pay that \$118.80 in cash—even before his income tax payment is due, in fact, because the boss will be taking it out of his pay check each week. But maybe he won't have to pay all of that \$154.80 income tax.

Going back to the victory tax for a moment, married persons are allowed a credit of 40 per cent at the end of the year, plus 2 per cent for each child—44 per cent for Joe on the \$118.80, which amounts to \$52.09.

Can Claim a Credit.

Uncle Sam wants people to buy war bonds and pay off their debts to avoid inflation. If Joe has spent \$52.09 or more during the year for these purposes or for insurance, he can claim a credit for \$52.09 on his income tax, making it \$102.71, and making his total tax, including the victory levy \$221.51 for the year.

Or, Joe could pay his full victory and income tax, totaling \$273.60, and get a government bond for \$52.09 which he could cash after the war, without interest. He could do this whether he had bought any war bonds or paid off any debts or not.

Of course, all these figures are highly tentative. The tax bill hasn't been enacted yet and is subject to many changes.

May Start on Jan. 1.

Altho the committee had not settled the details, wage earners who made more than \$12 a week probably would have 5 per cent withheld from their pay checks beginning Jan. 1. Their full tax thus would be paid by the end of the year, and any credit which they had accumulated by reason of insurance premiums, debt retirement or bond purchases would be transferred as a cash credit against their regular income tax liability.

Senators Robert A. Taft [R., O.] and Harry F. Byrd [D., Va.] said they preferred to have the victory tax combined with the regular income tax, already provided for in the pending bill.

At the suggestion of Sen. Taft, the committee asked the treasury to submit to it tomorrow estimates on how the same amount of money could be raised and the same objectives attained by lowering regular income tax exemptions and increasing the rates established in the house bill.

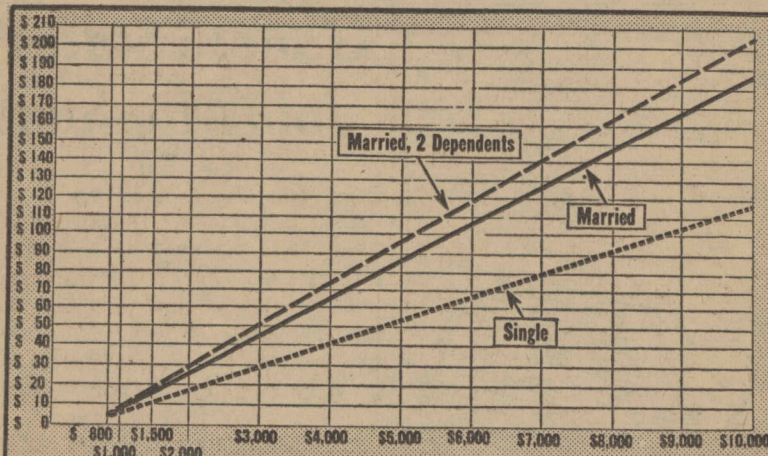
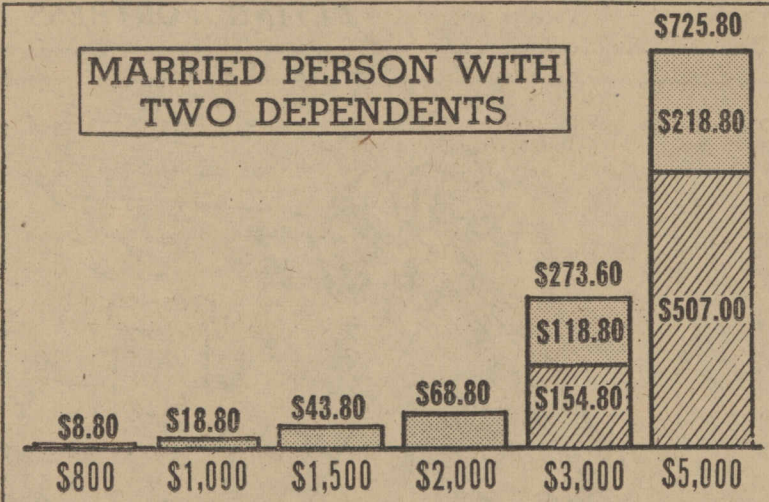
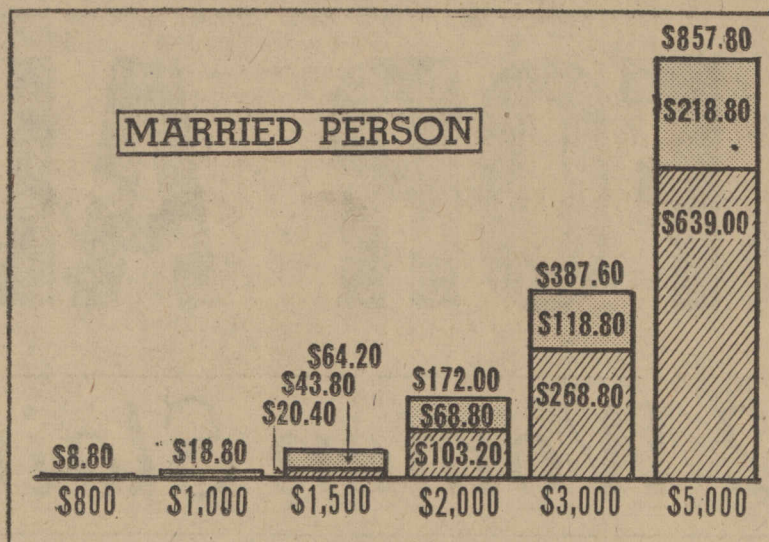
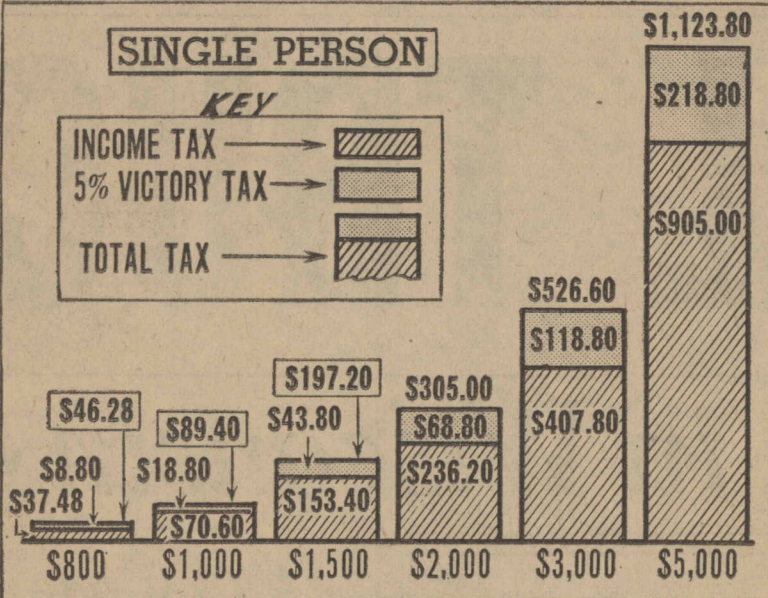
Alternate Plan Suggested.

Taft said it was his belief that both taxes might be combined in one, altho this might entail cutting exemptions for married couples to \$800 instead of the present \$1,500 and the \$1,200 total

How Proposed Pay Deduction Tax Affects American Earners

The three charts below show the amount of money that would be levied against incomes under proposal approved yesterday by senate committee. The graph shows the amounts of postwar credits on the "victory" tax for the various classes of earners. The bottom figures in the graph and in the drawings represent gross income.

(Story starts on page 1.)



How Much New Tax Would Make You Pay

Washington, D. C., Sept. 8.—The following table shows the effect that the new 5 per cent "victory tax," tentatively adopted today by the senate finance committee, would have on total income tax payments for various individuals:

SINGLE PERSON.				MARRIED PERSON.			
Salary—	5 per cent victory tax.	*Income tax.	Total.	Salary—	5 per cent victory tax.	*Income tax.	Total.
\$600.....	\$0.00	\$5.20	\$5.20	\$600.....	\$0.00	\$5.20	\$5.20
800.....	8.80	37.48	46.28	800.....	8.80	37.48	46.28
1,000.....	18.80	70.60	89.40	1,000.....	18.80	70.60	89.40
1,500.....	43.80	153.40	197.20	1,500.....	43.80	153.40	197.20
2,000.....	68.80	236.20	305.00	2,000.....	68.80	236.20	305.00
3,000.....	118.80	407.80	526.60	3,000.....	118.80	407.80	526.60
5,000.....	248.80	905.00	1,153.80	5,000.....	248.80	905.00	1,153.80
10,000.....	497.60	2,056.00	2,553.60	10,000.....	497.60	2,056.00	2,553.60
25,000.....	1,247.00	5,222.00	6,469.00	25,000.....	1,247.00	5,222.00	6,469.00
50,000.....	2,494.00	10,444.00	12,938.00	50,000.....	2,494.00	10,444.00	12,938.00

*Income taxes figured on basis of house approved rates and exemptions of \$500 for single persons, \$1,200 for married persons and \$400 for each dependent. For purposes of this table 10 per cent of gross income is allowed for deductions in arriving at taxable income.

The "victory tax" consists of 5 per cent on all income above an exemption of \$624 a year and is imposed alike on single and married people. The only differences involved between single and married people, with or without other dependents, comes in computing the postwar credit, which in the case of single persons amounts to 25 per cent of the victory tax or \$500, whichever is less; in the case of a married person amounts to 40 per cent of the tax or \$1,000, whichever is less; and for a dependent amounts to 2 per cent of the tax or \$100, whichever is less.

ELMER WALSH GETS NEW POST IN OFFICE OF PROVOST MARSHAL

Capt. Elmer M. Walsh, attorney and south shore civic leader, who has been assigned to the provost marshal's office of the 6th service command, yesterday was promoted to the rank of major. His new title will be chief of the investigation section, provost marshal branch of the internal security division of the 6th service command. His office is in the Civic Opera building. Maj. Walsh, who is married and the father of two children, lives at 7707 Bennett avenue.

COUNTY ORDERS 26 FORECLOSURE TAX SUITS FILED

The county board yesterday ordered the state's attorney's office to file tax foreclosure suits against 26 properties whose owners have failed to respond to warnings to pay their delinquent taxes or make a reasonable offer. One of the larger properties involved was a seven story factory building, at 601-07 South Dearborn street, on which \$67,335 in taxes and penalties is due. Max Fuhrer, representing the building owners, said the income was so small that not more than \$5,000 could be offered to settle the tax bill. The board rejected this offer and ordered a foreclosure suit started. The board approved a bid of \$800 to settle the friendly foreclosure suit delinquent taxes of \$3,610 due from 1896 to 1939 on four vacant lots at 8441-47 Gilbert court.

Inflamed Eyes? Lavopitk soothes, refreshes or money refunded. At all druggists—adv.



Adapto Sizes 5 to 11

Polished calf with wooden buttons holding its bows... elasticized for "silk stocking fit"... Wear it with all your walking clothes... in golden brown or wine—\$8.95. Many other styles \$8.95 and Up. Mail and Phone Orders—Randolph 9800

Lane Bryant

COOL MAIN FLOOR 101 N. WABASH AVE.

INDUCT 6 WOMEN WHO'LL ANSWER DEFENSE QUERIES

Mayor Kelly, coordinator of civilian defense for the Chicago metropolitan area, administered the oath of office yesterday to six women who know all the answers to civilian defense problems. The women will open a central information bureau at 219 South La Salle street. The mayor urged Chicagoans with questions to phone the office, Cen. 7182. Those who were sworn in, wearing natty blue-gray uniforms, were: Mrs. G. Corson Ellis, Mrs. Noel Flint, Mrs. Joseph Engert, Mrs. Lewis Wilson Jr., Mrs. Margaret Bissell, and Miss Betty Kennedy.



Smart Protection!
Utility Raincoats
of Cotton Gabardine
\$4.98
Good-looking, fly front raincoat that is cut full and roomy enough to wear over your suits. Features your favorite "two roomy pockets" and a small pocket for cigarettes. In a natural shade, sizes 12 to 20.
MISSIE SPORT SHOP—FIFTH FLOOR
Store Hours: 9:30 A.M. to 5:30 P.M.
NETCHER'S BOSTON STORE
"The Store to Trust"



ARMY & NAVY UNIFORMS

You'll like the way we price the fine quality—and you'll like the way our experienced men serve you, too

FOR ARMY OFFICERS	FOR NAVY OFFICERS
Tropical worsted uniforms \$35	Hickey-Freeman customized blue dress uniform \$60
Tropical worsted slacks \$12.50	Other blue uniforms \$40, \$45, \$50
Elastic blouse and slacks \$55	Hickey-Freeman aviation coat & trousers, for-estry green elastic \$65
Wool elastic blouse \$35	White Palm Beach dress uniform \$26.50
Chino blouse & slacks \$15	Year round gabardine coat with snap-in lining \$55
Wool elastic slacks \$15.50	Chino coats & pants \$15
Wool pink slacks \$15	White gabardine uniform \$15
Regulation field jacket \$7.50	Knox blue cap with 1 white & 1 khaki cover—com-plete with cap device \$18.50
Zip-lined gabardine trench coat \$39.50	Shirts \$3.75
Trench coats \$15	Shirts \$4 and \$5
Regulation alligator slicker rain coats \$10	
Chino slacks \$3.75	
Shirts \$2.50 to \$8.50	
Knox fur felt cap \$13.50	
Knox cap with insignia \$9.50	

Officers' shoes, \$6.95 to \$15
Uniform department—2nd floor

MAURICE L. ROTHSCHILD
State at Jackson

WIEBOLDT'S

Shop Thursday to 9:30—Evanston to 9

You'll Never Tire of Them!

Gabardine Classics
\$7.95

They're the dependables, the day-by-day repeaters that fit into your busy life! Simply styled... beautifully tailored... femininely detailed, they are designed to become you and to keep you trimly clad—this year and for many years to come! Two favorite classic styles... in a smooth, lightweight rayon gabardine.



One-Piece...
in a button fly-front style. Buttoned pockets for soft detail in the bodice. Convertible neckline. GREEN, BROWN, R. A. F. BLUE, 12-20.

Suit-Dress...
in a soft casual style. Nailhead trim and patch pockets on the jacket. A skirt, pleated front and aft. R. A. F. BLUE, BROWN, GREEN, RED, 12-20.

Chicago—Evanston—Oak Park

MANY NEVER SUSPECT CAUSE OF BACKACHES

This Old Treatment Often Brings Happy Relief

Many sufferers relieve nagging backache quickly, once they discover that the real cause of their trouble may be tired kidneys. The kidneys are Nature's chief way of taking the excess acids and waste out of the blood. They help most people pass about 3 pints a day. When disorder of kidney function permits poisonous matter to remain in your blood, it may cause nagging backache, rheumatic pains, leg pains, loss of pep and energy, getting up nights, swelling, fluidness under the eyes, headaches and dizziness. Frequent or scanty passages with smarting and burning sometimes shows there is something wrong with your kidneys or bladder.

Don't wait! Ask your druggist for Doan's Pills, used successfully by millions for over 40 years. They give happy relief and will help the 15 miles of kidney tubes flush out poisonous waste from your blood. Get Doan's Pills.

Chicago Daily Tribune

Vol. CL Wednesday, September 9, No. 215

Published daily except Sunday at Tribune Tower, 405 North Michigan avenue, Chicago, Illinois.

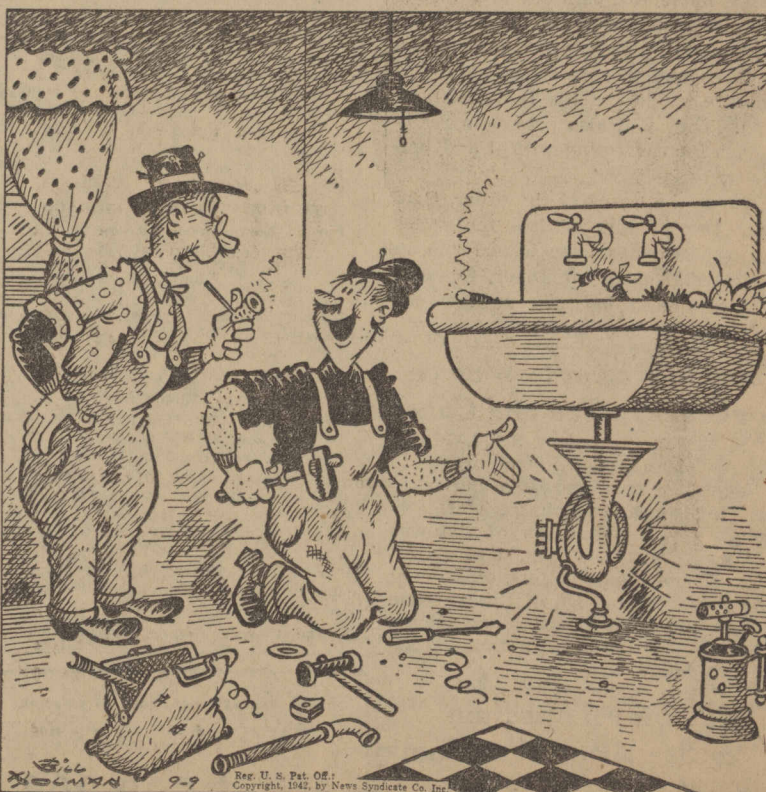
The Tribune company, publishers.

MAIL SUBSCRIPTION PRICES

Mail subscription prices in Illinois (outside Chicago), Indiana, Iowa, Michigan, and Wisconsin: Daily Tribune only, \$3.00 per year; with Sunday Tribune, \$12.00 per year. Zones 3 and 4 in states other than Illinois, Indiana, Iowa, Michigan, and Wisconsin: Daily Tribune only, \$7.50 per year; with Sunday Tribune, \$15.00 per year. Foreign: Daily Tribune only, \$25.00 per year; with Sunday Tribune, \$50.00 per year. Entered as second class matter May 14, 1903, at postoffice at Chicago under the act of March 3, 1879.

BUY U. S. WAR BONDS

NUTS AND JOLTS By Bill Holman

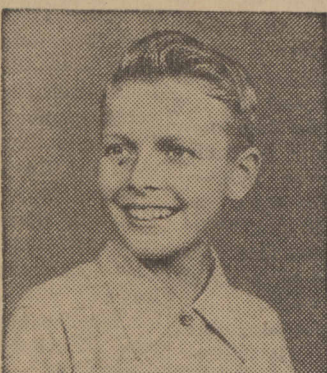


I saw the metal shortage coming, Vim. Now you see why I bought up those old French horns!



PHOTO CONTEST

Last 3 Days to Have Your Child's Picture Taken



11th Children's National Photograph Contest!

450 Prizes Including All-Expense Trip to Hollywood

Easy to enter, easy to win. Enter your child now while there's still time left. Children's Specials in effect. If your child is 14 years or younger, just have his or her picture taken at our PhotoReflex Studio for as little as \$2.

PhotoReflex Studio—Second Floor—Wabash

Mandel Brothers