

SALES TAX HELD BURDEN ON POOR

But Cyclical Revenue Returns Justify Sales Levy, Says Ford

By George Vitas

The Michigan three per cent retail sales tax, a tax levied upon retailers for the privilege of engaging in a retail business, but actually borne by consumers, was enacted in 1933 as a measure to satisfy the demands of a State treasury harassed by declining property tax revenues and rising relief expenditures, said Professor Robert S. Ford, of the University of Michigan Department of Economics in an interview with The Michigan Journalist.

Legislative tamperings, such as provisions for non-payment and installment payment plans, encouraged many to postpone payment of delinquent taxes in the belief that they would be cancelled, Professor Ford said. United States Census Bureau studies of property tax delinquencies, he stated, show that in 1933; for the United States as a whole, 80 per cent of the total tax levy was collected. In Michigan, he added, only 60 per cent of the total was taken in.

Tax Considered Regressive

The retail sales tax is considered by many as regressive, because it is a consumer's tax which compels individuals of low incomes to contribute a greater share of their earnings than those of high incomes, Professor Ford declared. "This is not so objectionable as some may believe," he said, "because, after all, the sales tax is only a part of the whole tax system and should be so regarded. Looking at the tax system, from the standpoint of the business cycle, there is definitely a place for the sales tax in a tax system, he asserted. "It may be," he added, "that the tax is too high and that some consideration in regard to a reduction would be advisable."

Effective administration of the Retail Sales Tax Law is complicated, Professor Ford said, by provisions for tax exemptions of producers' goods. Under the law, he explained, sales of goods entering into industrial processing, sales of goods used in agricultural production, and sales of goods entering into interstate commerce are not subject to the sales tax.

Much of the sales tax revenue is used to support schools, Professor Ford said. The maximum appropriation for school purposes, he stated, is limited to \$38,000,000, beginning with the fiscal year ending June 30, 1938 and all subsequent years. Prior to 1935, at which time provision was made for placing the proceeds of the retail sales tax into the general fund, sales tax funds were earmarked, for specific purposes, he said.

Since 1933, Professor Ford stated, sales tax returns were about as follows:

1933-1934	\$35,000,000
1934-1935	39,000,000
1935-1936	46,000,000
1936-1937	57,000,000

(expected prior to labor disputes)

Nothing to Worry About

(at football game).—Oh, it's awful! Why, they will kill that poor boy underneath.

Escort.—Oh, he doesn't mind it. He's unconscious by this time.

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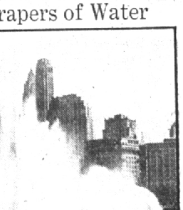
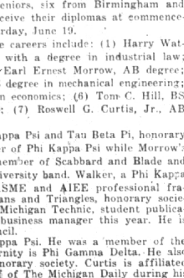
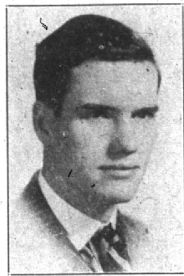
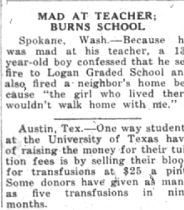
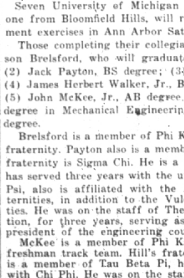
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Complete Collegiate Careers At Michigan



Seven University of Michigan seniors, six from Birmingham and one from Bloomfield Hills, will receive their diplomas at commencement exercises in Ann Arbor Saturday, June 19.

Those completing their collegiate careers include: (1) Harry Watson Brelsford, who will graduate with a degree in industrial law; (2) Jack Payton, BS degree; (3) Earl Ernest Morrow, AB degree; (4) James Herbert Walker, Jr., BS degree in mechanical engineering; (5) John McKee, Jr., AB degree in economics; (6) Tom C. Hill, BS degree in Mechanical Engineering; (7) Roswell G. Curtis, Jr., AB degree.

Brelsford is a member of Phi Kappa Psi and Tau Beta Pi, honorary fraternities. Payton also is a member of Phi Kappa Psi while Morrow's fraternity is Sigma Chi. He is a member of Scabbard and Blade and has served three years with the university band. Walker, a Phi Kappa Psi, also is affiliated with the ASME and AIEE professional fraternities, in addition to the Vulcans and Triangles, honorary societies. He was on the staff of The Michigan Technic, student publication, for three years, serving as business manager this year. He is president of the engineering council.

McKee is a member of Phi Kappa Psi. He was a member of the freshman track team. Hill's fraternity is Phi Gamma Delta. He also is a member of Tau Beta Pi, honorary society. Curtis is affiliated with Chi Phi. He was on the staff of The Michigan Daily during his freshman year.

MAD AT TEACHER; BURNS SCHOOL

Spokane, Wash.—Because he was mad at his teacher, a 13-year-old boy confessed that he set fire to Logan Graded School and also fired a neighbor's home because "the girl who lived there wouldn't walk home with me."

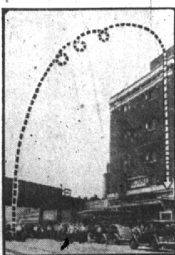
Austin, Tex.—One way students at the University of Texas have of raising the money for their tuition fees is by selling their blood for transfusions at \$25 a pint. Some donors have given as many as five transfusions in nine months.

Pumping Skyscrapers of Water



Unmatched spectacle was this along New York's waterfront at two Battery as 29 new pieces of fire apparatus were being introduced, extinguishing a theatrical fire. While firemen clambered swiftly up their ladders, the giant pumps sent up a deluge along the seawall, veritable skyscrapers of water.

Death Trails Man in Freak Blast



A sewer exploded on Fullerton avenue in Chicago and sent sewer covers flying on a mile-long front. A few minutes later police found an elevator man dead in the building above, as he had been struck by one of the covers. The cover had sailed 100 feet into the air as shown by the arrow, crashed through the warehouse roof and into an elevator shaft, killing the operator, A. C. Day. Two of his passengers were unhurt.

Cigar Dealer—See here! I'm running this cigar stand?
Customer—Well, you don't need to. This cigar is strong enough to stand by itself.

Introducing Miss Anatomy



New kind of model is this one, that Edward Kemball of the New York Museum of Science and Industry is introducing. She's "Miss Anatomy." The model is made up of separating parts and is used to explain the various functions of the human body.



"Warning in Russian"

By FLOYD GIBBONS
Famous Headline Hunter

FEW bodies of men have ever attracted so much attention as the Canadian "Mounties" and few have ever had so much written about them. The Mounties have been the center of many a tale, both true and of the fictionalized variety. This one is true—told by a man who once was a Mountie himself. It's an actual page out of the Canadian Mounted's history, and the man who is telling us about it is Constable Walter D. Fast of Chicago.

Walt served for five years with the Mounties—from 1929 to 1933. And the events which make up this strange tale happened in 1933. Walt was stationed at St. Paul de Matin, in Alberta.

He was out on a routine patrol one July day, riding along a lonely trail, when he saw smoke rising from a clearing up ahead.

He put the spurs to his horse and headed for the clearing.

As he came closer, he could see fire and suddenly a hoarse scream came to his ears over the still summer air.

Trapper's Cabin Was Blazing.

At a gallop, Walt pushed toward the blaze. The screams grew fainter as he approached. He dashed into the clearing to find a small trapper's cabin burning furiously.

Even as he approached, the cabin's walls began falling. The screams of the man inside, fading to a low moan, stopped abruptly as beams and timbers dropped on him.

By the time Walt got across the little clearing, the cabin was burned nearly to the ground. There was absolutely no hope for the man within. Walt began seeing to it that the fire didn't spread, and at the same time he began wondering why the man who had died in the ruins didn't get out of that cabin.

There was something strange about it. The cabin was a one-story affair, and its occupant had only to step out of the door when it caught fire. If the fire started near the door and blocked his exit in that direction, he could easily have crawled out of a window.

True, the poor devil might have been so ill that he couldn't move, but if so, what was he doing alone in that condition in a lonely cabin in the woods? Walt rejected that theory. Darned few people get so sick they can't move when fire is bearing down on them.

Things Looked Very Suspicious.

Walt reported the fire and the man's death, and then waited for the embers to cool down. The Mounties went over the ruins of that



The Victim's Charred Body Was Found.

cabin with a fine-toothed comb. The investigation disclosed some mighty suspicious facts.

The victim's charred body was found and examined. The poor fellow's hands had been tied behind his back with wire, and bound behind him to an iron bedstead!

There was evidence of foul play all right. But what had done it? The clues found in the cabin didn't help to answer that question. There wasn't a shred of evidence pointing to anyone in the neighborhood.

The Mounties made further investigations. They learned from folks in the vicinity that the dead man had quarreled with one of his neighbors—a Russian—who lived a short distance from his cabin.

Walt, who was the Russian's hyuse, the Russian came out in front of the house and Walt started asking him questions. It was just a routine questioning. There wasn't the slightest bit of evidence to link the Russian to the crime, and Walt had no hope of getting any results from his questioning.

The Russian answered questions readily enough. There was no sign of guilt on his face. As the questioning proceeded it seemed to Walt that the fellow had an air-right alibi.

Sure, he had quarreled with the dead man. The Russian admitted that. But he hadn't been anywhere near the victim's home on the day it burned down, and he had no hope of proving it to him.

She Said Something in Russian.

It all looked pretty hopeless, but Walt kept asking questions. And the more he asked the more he became convinced that the Russian was innocent of any connection with the hideous crime. No matter what Walt wanted to know, his suspect had a ready answer.

And then, as Walt was about to give up, the Russian's wife came out of the house and stood listening. Walt asked a couple more questions, and the woman moved closer. Suddenly she began talking to her husband in Russian.

As she began to talk, Walt gave a sudden start. Then he controlled himself and waited. He waited until the woman had finished talking, and then he walked over to the Russian and slipped the handcuffs on him. He knew then what had happened to the poor devil who had been burned alive in that blazing cabin!

Walt took his prisoner to headquarters, locked him up and charged him formally with the crime. Canadian justice moves rapidly, and it was not long before the Russian was brought up for trial.

At his trial Walt testified, and it was chiefly on the testimony he gave that the fellow was convicted, and sentenced to hang. And hang he did, too. Canadian justice is stern as well as swift, and there are mighty few pardons granted.

And what was the testimony which Walt gave and by which the murderer was convicted? The whole secret lay in the Russian's wife. She had come out of the house while Walt was questioning her husband and had spoken to him in Russian—without knowing that Walt spoke Russian too!

And what she had said was: "Don't let the policeman you killed him. Say what we agreed to say and they will never be able to prove it on you."

MOTHER REGAINS BABY
Los Angeles, Calif.—Mrs. Marian Brown, Board, 20, has regained her baby daughter after "selling" her before birth to her sister-in-law in return for payment of Mrs. Board's hospital bills. The judge who heard the case ruled that the mother had no legal right to attempt to sell her unborn baby and the party was equally in error in attempting to purchase the child.

2 DROWN IN GASOLINE
St. Louis.—While attempting to measure the gasoline in a tank car at the filling station, Oliver Bohrens, 34, lost his balance and fell through the open trap. Carl Bohrens, 37, plunged into the tank in an effort to save his brother. Both drowned.

"If I lay three eggs here and five eggs there, how many eggs will I have?"
"Chief, I don't think you can do it."

Gal's Pa—Think I'll go home and send that Marine home.
Gal's Ma—Now, Ezra, remember the way we used to court?
Gal's Pa—My God! Out he goes!

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Doz. Cans — \$3.45

RED RASPBERRIES No. 2 Can 31c

Doz. Cans — \$3.65

Rolly Polly SWEET RED CHERRIES No. 2 Can 19c

Doz. Cans — \$2.25

FRUITS FOR SALAD No. 2 1/2 Can 33c

Doz. Cans — \$3.85

FRUITS FOR SALAD No. 1 tall can 19c

Doz. Cans — \$2.25

XXX Green STRINGLESS BEANS No. 2 Can 28c

Doz. Cans — \$3.30

RED KIDNEY BEANS No. 2 Can 14c

Doz. Cans — \$1.65

SMALL WHOLE BEETS No. 2 Can 19c

Doz. Cans — \$2.25

Golden—Cream Style BANTAM CORN No. 2 Can 17c

Doz. Cans — \$2.00

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Doz. Cans — \$2.10

Early June SIFTED SMALL PEAS No. 2 Can 21c

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Kellogg's CORN FLAKES 2 Lg. Pkgs. 23c

Miracle Whip SALAD DRESSING Qt. Jar 37c

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4 Lb. Av.

Choice Steer ROUND STEAK Lb. 31c

Fresh Ground SHOULDER BEEF 2 Lbs. 39c

SKINLESS WIENERS Lb. 26c

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