

Reagan May Set Precedent and Refund Tax Surplus

By HENRY C. MacARTHUR

SACRAMENTO — (CNS) — Something new in the handling of state money is developing in Governor Reagan's administration. The governor, in a televised "report to the people," proposes returning about a hundred million dollars of excess funds which he says will be available at the end of this fiscal year, to the people of the state.

He would do this by cutting the 1969 income tax, due and payable April 15, 1970 by 10 per cent. In other words, the tax

would be figured on the present basis, and 10 per cent knocked off the total.

This proposal is a far cry from the usual procedure of both Republican and Democratic administrations, and also from the activities of the state legislature. Both, when surpluses have occurred, have found readily, ways and means to dispose of the taxpayers' money.

They still may do it, but this is the first time an administration has made such a proposal, and

it will be a glad thing for the over-burdened taxpayer if it comes about.

As the governor says, "normally, with this kind of money left over, government finds a way to spend it. And in so doing, it usually builds up the cost of government for years to come, until eventually, it has to ask for more revenues."

"We think we're doing something a little unprecedented, but we believe you're entitled to a rebate. You should receive that hundred million dollars back."

The governor's proposal for "tax relief" in this manner probably will receive wide support in the legislature. Assembly Democrat leader Jesse Unruh, D-Los Angeles, announced last week that the surplus funds this year should be returned to the people, declaring that it is not the business of government to operate at a profit.

Unruh announced he was not concerned with the manner in which the money was returned, as long as it gets back to the taxpayers who put too much

money in the pot for government in the first place.

A program of this type would avoid the "tax relief" fiasco of 1968, when the legislature voted a rebate of \$70 to property owners residing in houses on their property. This law turned out to be not much more than paper work for government employees, as most of the property owners entitled to the \$70 rebate found their local taxes were raised that much and more.

Thus, the "relief" consisted of taking the \$70 out of the state's

pocket, and returning it to local government's pocket.

Reagan pointed out that two years ago, when he assumed office, he announced he was going to attempt to cut government expenditures by 10 per cent. This was followed by a billion dollar tax increase, which apparently turned out to be 10 per cent too much, if the governor's figures on the surplus are correct. So rather than "giving back" monies, if the cut is adopted, the government merely is collecting 90 instead of 100 per

cent of the increase two years ago.

There are various estimates of what the surplus will amount to when the fiscal year is ended. Assemblyman Jack Veneman, R-Modesto, puts it at double Reagan's figures, which would be \$200 million. Thus, if the administration wanted to give it all back, it could cut the income tax by 10, instead of 10 per cent.

However, the state needs at least a hundred million on which to operate, so returning that amount does not seem to be out of line.

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Comment and Opinion

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Today's Problems

Proposals in the areas of pornography control, grand juries, gambling, and firearms control which he will make to the Legislature have been outlined by District Attorney Evelle J. Younger.

Among items in the legislative package being pressed by the Los Angeles County District Attorney's office are these:

Pornography—A bill designed to protect children under 18 from harmful materials. Society, says Younger, has always protected its youth from substances that might harm their bodies, and the same protection from materials that might harm their minds is of equal importance.

Another proposal would codify U.S. Supreme Court decisions which permit evidence of pandering to be considered in determining the nature of the matter and its lack of redeeming social importance. It would also re-define the crime of advertising matter represented or held out to be obscene so as to include persons who promote the sale, distribution, or exhibition of such matter.

Additional grand juries—experience in Los Angeles County, with its large population and numerous large governmental departments, has shown that one grand jury cannot effectively handle all of its assigned tasks without a tremendous burden upon the time of members.

Younger's proposal would permit the attorney general and district attorney to request the court to impanel additional grand juries within the county for the purpose of hearing criminal cases or undertaking specific investigations.

Abatement of gambling houses—This measure provides that it is a public nuisance to conduct unlawful gambling in "every building or place" used for such a purpose and would be added to a section of the penal code commonly known as the "red-light abatement act."

The district attorney's office proposes that the measure contain this proviso:

"Nothing in the section shall be construed to apply the definition of a nuisance to a private residence where illegal gambling is conducted on an intermittent basis without the purpose of producing profit for the owner or occupier of the premises."

Firearms control — The central theme of firearms control now and in the past revolves around two basic themes:

1. The creation of categories of individuals to whom the simple possession of weapons will be denied for the reason that these persons in the possession of firearms pose a threat to the community in terms of the commission of crimes, and

2. The use of penalties for the commission of other crimes which are more severe when a firearm is used.

Additionally, one of the most significant steps which the state legislature can take in improving the ability of law enforcement agencies to enforce existing or proposed firearms control legislation would be to broaden their powers to search automobiles for weapons and increase protection for informants.

"These are all problems confronting the citizens of California," Younger says, "and which can only be solved by legislation."

We agree and urge that the state legislature gives its attention to these matters as it grinds its way through the 1969 session.

Other Opinions

Carelessness by the homeowner and the growing number of portable valuables in the home are the two reasons given for the rising number of burglaries reported in this country. — *Crescent City (Calif.) American*.

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We Americans have learned we can make a lot of money by charging one another too much for goods and services, but we are making little progress in learning that this kind of money isn't worth much. *Alamo (Tex.) News*.

Turning It Back on Him



ROYCE BRIER

Art of Posturing Given Fine Touches by Rebels

For a few days a new President is bathed in noblesse oblige. Those who didn't vote for him, or never "liked" him, feel bound to put in a kindly word, pending a day when they can tie into him for something.

So a good many of his November opponents thought well of President Nixon's inaugural address. One of its more cogent concepts was set forth as follows: "... America has suffered from a fever of words: from inflated rhetoric that promises more than it can deliver; from angry rhetoric that fans discontents into hatreds; from bombastic rhetoric that postures instead of persuading."

"We cannot learn from one another until we stop shouting at one another — until we speak quietly enough so that our words can be heard as well as our voices."

It is not, of course, a new complaint. We have always had shouters among us, feverish with causes, and in given circumstances they raise their voices to a scream. Take the circumstances of the college disarray, a foremost manifestation of our current social and intellectual flux. Unless our jobs or vocation take us to the

campuses, we cannot witness this phenomenon first-hand.

So we depend on television, backed by the printed word, to inform us of happenings from day to day.

For most of a year, these

Opinions on Affairs of the World

scenes have almost uniformly consisted in young men and women hurling obscene vilification at one another in emotional states ranging up to frenzy. Let one struggle to a podium and start to shout (but rarely talk), and he is killed without quarter by the shouts of antagonists. If there are issues, they do not emerge from the bedlam, either for those in hearing, or those watching distorted faces on the screen.

We were taught at the dinner table not to interrupt, at least violently or scurrilously, and most of us consider this restraint conducive to civilized association. On the American campus it is a weakness. On the American campus it has become bad form to permit the promulgation of ideas and opinions in an intelligible form.

We expect this farrago when students are confronted by policemen, where the students are at a disadvantage. But students in their interrelation presumably have causes of one

stamp or another, and they are not advancing them with non-students, who considerably outnumber them.

The television medium lends itself well to public discord. Except during occasional bursts of physical action, it clearly pictures the faces of the discordant. The discordant see these pictures a few hours later, and they would be less than human if they didn't search them for their own faces. No doubt a ranting speaker or a heckling knot are proud to be making their point, even when it is smothered.

These young people (and a few of their teachers) insist they are bringing intelligence and even justice to a world badly arranged by their elders, incorrigibly oppressive. In their own eyes they are bringing maturity and cool to a hodge-podge society.

But it becomes increasingly difficult to accept them by their own value, when you can't discover most of the time what the hell they are talking about.

Morning Report

In the same week both the Saturday Evening Post and the chorus line at New York's Copacabana night club expired. There were still a lot of talented people at the Post and untalented, long-legged girls at the Copa but neither was enough. Both institutions had gone out of style.

They had gone out of style because neither was any longer wanted. I wonder if the millions who still bought the Post at its death were reading it or merely had an unbreakable habit of working it out of the mail box. The advertisers apparently leaned toward the latter theory.

If Madison Avenue, then, ended the Post, the Madison Avenue type expense account did in the Copa's girls. Even with somebody else picking up the tab, people would rather not see the chorus lovelies. There were better things to read and better things to watch.

HERB CAEN SAYS:

'The Leader' Gives L.A. Another Sharp Put Down

News you won't read anywhere else because who'd print it? Frank Sinatra is a perfect 38. This we learn from J. Press in N.Y., where The Leader bought 12 custom suits at \$295 a copy. "If you need further fittings," the Pressman told him, "you can go to our new shop in San Francisco — we don't have one in Los Angeles." Frank: "Why should you? No class!"

Mailman Richard Reymond, retiring from the downtown beat after 30 solid years, was treated to a farewell Japanese luncheon at Bush Garden by all the secretaries of Japan Air Lines, who just LOVE him (direct quote). And if they said "Sake to him!" once, they said it twice... The Rev. Phyllis Edwards at Grace Cathedral has a black cat she named El-dridge till her friend Mary Read suggested: "Could be a girl, better call it Kathleen." Rev. Edward: "I think I'll call it Cleaver — that cuts both ways." This tiny joke is improved by the knowledge that Cleaver the Cat disappeared at the same time as Cleaver the Panther, but the cat is now back. This may mean something.

Overheard (by Ray Land and others) on the Muni Railway's two-way radio the other rainy morning: "Central control, this is the 24 bus on Clipper. My bus won't make the hill. What are

your instructions?" Central control: "Okay, 24 bus, here are your instructions. Tell the passengers to get out and walk up the hill and see if your bus makes it that way." Good thinking! The bus made it and so did the passengers, eventually and wetly... A motor-

man on the J line streetcar, rattling along Church St., is definitely a churchman: the Rev. David Patton, Episcopal Priest of the Church of the Good Samaritan on Potrero. Weekends and after-hours he ministers to his flock. Rest of the time it's "Please step to the rear, for heaven's sake!" spoke with true fervor.

Who says kids don't pay attention to their parents these days? California Assemblyman John Burton yesterday shaved off his Fu Manchu moustache in deference to the wishes of his father, Dr. Thomas Burton, who absolutely HATED the thing... Meanwhile, the talk of the Legislature, hirsute-wise, is Assemblyman Ken Corey of Anaheim, whose hair is long enough for pin-curls. (Anaheim? Isn't that in uptight Orange County?... Four column headline in the Palo Alto Times: "Officials Will Get Agnew's Ear." Ole!... Dog lovers, get up on your hind legs and start yelping! The Nation-

ally and wety... A motor-

man on the J line streetcar, rattling along Church St., is definitely a churchman: the Rev. David Patton, Episcopal Priest of the Church of the Good Samaritan on Potrero. Weekends and after-hours he ministers to his flock. Rest of the time it's "Please step to the rear, for heaven's sake!" spoke with true fervor.

WILLIAM HOGAN

How the Vatican Fares In the World of Finance

In a little book called "The Vatican Empire," Nino LoBello tells us that the ostensible wealth of the 108.7-acre enclave inside the Leonine Walls—the land, the impressive church buildings, art treasures (estimated value, \$1 billion)—is only the visible tip of a financial iceberg. Surprisingly, the seat of the Roman Catholic Church is heavily involved in the construction industry, manufacturing, communications, banking, insurance, utilities (Montecatini Edison, Italgas), the Alfa-Romeo automobile company, right on down to a spaghetti factory in Rome.

The Vatican is a nerve center of finance. It owns outright

at least seven large banks and a number of credit institutions; is heavily involved, if without a controlling interest, in 13 other banks. Shrouded in secrecy as Vatican money matters usually are, it is virtually impossible to assess its total holdings.

An American Catholic who for some years was Rome cor-

Browsing Through the World of Books

respondent for Business Week and other financial journals, LoBello has written a business story here. It is by no means an "expose," not, he explains, an attack either on the Papacy or the Church itself in the traditional anti-clerical fashion. It is an objective study in which LoBello does not conceal his admiration for the Vatican's hardnosed business finesse.

He does suggest, however, that at some point in the future "the tycoon on the Tiber" will shed its mantle of piety, cease functioning as primarily a religious and charitable institution, and take up on a full-time basis the duties of a large corporation.

The Vatican's financial position is certainly better than it was right after the first World War. It was well-nigh bankrupt, LoBello shows, when Benedict XV died in 1922, foundering in 19th Century, if not medieval, fiscal policies. It was placed on a sound economic footing through the genius of a financial wizard, the late Bernardino Nogara, born the year the Kingdom of Italy confiscated the last of the Papal States (1870), the \$90 million

al Safety Council, asked by the Post Office Department for suggestions on how to keep its mailmen from being bitten, has now submitted its report, the first statement being: "A dog is basically a coward and a sneak, and is more apt to bite you when you aren't looking." Oh, where is Albert Payson Terhune now that we need him: As for Lassie — go home.

Robert Finch has suffered his first setback in Washington. He tried valiantly to talk President Nixon into appointing Shirley Temple Black as U.S. Chief of Protocol — she would have been the first woman in the job — but the plum went to Yachtsman Bus Mosbacher instead. However, Shirley WILL get a post somewhere inside the government, but, she says, "I just can't talk about it"... El Cordobes, the No. 1 bullfighter, may make his acting debut in the long-simmering movie version of Barnaby Conrad's "Matador"... Add things I never noodle now: that the world champion water skier lives in these parts. He's 19-year-old Mike Souderhoud, a student at Sonoma State, but that's not the item anyway. The news is that he's very thick with Dieder Barnard, daughter of Dr. Christian Barnard, and she has invited him to participate in the South African water-ski champion ships this Easter. Mike has accepted naturally.

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