

SPEAK YOUR PIECE

A Lulu of an Opening Sentence

Editor, Daily Worker:

The National Administrative Committee's statement published Friday begins:

"A report was adopted dealing with some problems of the struggle on the ideological front, including the need to systematically engage in principled though friendly polemics on the various theoretical and policy differences that exist between the Party and many socialist-oriented individuals and groups with whom the Party is developing contact and united front relations, as well as the need to wage a sharper ideological struggle against the anti-Marxist views of certain prominent ex-communists who have recently resigned from the Party."

Isn't this a lulu of an opening sentence? I don't mean the essence but the construction: Eighty-three words and at least a half dozen clichés and pat phrases.

Many of us had a good laugh reading some of the examples which appeared in the pamphlet "Lifeitselfmanship."

The NAC's opening sentence is as good—I mean as ludicrous as anything contained in that very pointed and biting satire.

But there's a very important and sad difference. And that difference is that the NAC's statement is a post-convention document.

The convention was supposed to mark a big break with many of our past practices and methods of work. But I wonder! How in heaven's name can the leadership lead in developing a new and more realistic approach to theory and many other problems if that same leadership can't even learn to speak English?

Digustedly Yours

N. Z.

March 24

Tax Gifts To the Rich

Editor, Daily Worker:

On the subject of tax-slanting for the rich, may I suggest several special features of the law are little known to the ordinary taxpayer. These laws can be checked by close examination of Form 1040 and the Schedule D which people with capital gains and losses must file.

No. 1 is the dividends gimmick. Taxpayers with dividends save money two ways. The first, which is of benefit to small stockholders, is a \$50 exemption for each taxpayer with dividends. That is, the first \$50 of dividends received, is deducted from income. (See top of page 2 of Form 1040.)

The law that is really unjust, however, and is of advantage

only to rich people who own a lot of stocks, is the one that permits deducting what usually amounts to 4 percent of dividends not from gross income, but from the tax, after it has been computed. Take, for instance, a taxpayer with \$10,000 income from dividends, and other income from other sources, which is not unusual for the very high brackets. He computes his tax, and then deducts from it \$400 just like that. I have been unable to find an accountant who can justify this as anything other than a gift from the government to its best friends (See page 1 of Form 1040, page 4, Schedule J, and page 1, line 13a.)

No. 2, which is a crying in justice, is the capital gains law. A taxpayer who sells stocks, bonds or other capital assets during the taxable period, and makes a profit thereby, must report it as "capital gains." If he held the securities or other capital assets more than six months, they are called "long-term capital gains." These long-term gains are taxed at exactly one-half the rate of other income, with a maximum rate of 25 percent.

The way it is done is this. The taxpayer reports the transactions on Schedule D, and divides his long-term gains in half and reports that one-half on Form 1040. It is scheduled in his other income and taxed accordingly. So if he is in the, say, 40 percent bracket, the income which is taxed at 40 percent includes only one-half of his long-term gains, so those gains are actually being taxed at only 20 percent. So, if a person has an income of \$5,000 in such gains alone, he will pay less than one-half the tax of another person who earns the same amount by honest labor.

The benefits go up as the income goes up. Once a person hits the 50 percent bracket, which means that his income which is in excess of \$18,000 (for single people) or \$36,000 (for married people) is taxed at 50 percent, he is given an alternate method of computing his tax, IF he has capital gains. (See bottom of Schedule D). The benefits of this can be seen by taking a concrete example. Say a taxpayer's income is in the 80 percent bracket. According to what has been said above, his long-term capital gains would be taxed at 40 percent. However, the law says that they need not be taxed at more than 25 percent. So, he deducts his capital gains from his other income, computes his tax on the other income (lower bracket AND lower amount), and then adds 25 percent of the long-term gains to the tax, and that is his alternative tax, which he

pays. Thus, a big-time operator on the stock market, who is in the 91 percent bracket (the top bracket), as far as ordinary income is concerned, will in actuality be in the 25 percent bracket if his income is from capital gains.

The above gimmicks, along with many, many others which I could enumerate, give the lie to the wealthy taxpayers who seek the public's sympathy on account of the ostensibly high percentage of their income which they must pay to the government. In practice, there are enough ways of lowering their taxes (which are not available to ordinary people), to bring their brackets way down. The difference, of course, has to be carried by the workers.

ACCOUNTANT

[Ed. Note: As a result of the publicity in the recent free speech fight in New York colleges, the editor has received a number of letters from various individuals. Some expressed curiosity about communism, some simply expressed certain grievances.

We are printing one from an Alabama worker, addressed to John Gates, Daily Worker, New York, whose name and address we withhold for obvious reasons.]

ALABAMA

Editor, Daily Worker:

The poor white man has it as bad in the South as the Negro. I am 75 years old on October the first. A millionaire doctor begged me to move into his house to look after his cattle only. He then had me build fences, carpenter work and everything. He started cussing me to everything. I worked one month, and moved. Four months and one week later he asked me about a chain that came up missing, which I knew nothing about.

Up in town he beat me, kicked me and knocked me down with a claw hammer. I went to the city building to take out a warrant—refused. I went to the sheriff—refused. Then I went to the prosecuting attorney. He tore up about three papers before writing out a warrant—but he did it.

In this town law is run for and by the rich—no law for a poor white man or Negro. All law is for the rich and rich only. This man owns hundreds of acres of land and won't let anyone live in his houses—his land is posted for miles, "Keep Off". He has already run over a little girl, shot at hunters, killed hounds that cross his place. And he's called a bigwig or bigshot—he's only money brains.

In April this trial comes up. Watch and see me get the worst

of it, altho I have not got a soul in mind that hates me in no way.

P.S. He has never paid me one cent for what work I did.

—W.W.

Federal Budget

Editor, Daily Worker:

Regarding Max Gordon's let-

ter of March 19 on improving the Daily Worker I think it's necessary in plain simple language to explain to the great masses of working people the life-and-death matters built-in in the current Federal budget. One item at one time.

D.W. READER

March 24

PUSH SECOND BILL TO CURB ORGANIZATION PICKETING

By MAX GORDON

ALBANY, March 26 — The Commerce and Industry Association, mouthpiece of big business in the state, is pressing for a measure to breach the state's anti-injunction laws in connection with trade union organization.

Having successfully pushed one bill to bar organizational picketing through a Senate committee, it now wants a companion bill giving the courts power to issue injunctions against any picketing suspected of having as its aim organizing of workers.

The bill it and other big business outfits managed to push through committee last week is sponsored by Senator Frank McCullough, Westchester Republican, as is the pro-injunction measure. It was on the Senate calendar last night, but Senator McCullough did not appear anxious to debate it. He put it over to Wednesday.

"Reporting of the bill to curb organizational picketing has cleared the way for the most crucial Senate debate on fundamentals of labor party policy since the Little Wagner Act was adopted twenty years ago", the Commerce and Industry Association said in a statement today.

"The Legislature can act this week to restore the balance to our labor laws and strike straight at the heart of Union abuse of power . . ."

It is naturally jubilant at committee approval of the McCullough bill, and is pressing its point home with the second bill to give judges power to ban picketing by injunction. It is some time since the Legislature gave serious consideration to a bill viewed as directly anti-union by both wings of the labor movement.

The McClellan Senate Committee hearings in Washington on racketeering by Teamsters Union officials is generally viewed here as the reason for the sudden decision of Republican leaders to give the green light to the McCullough bill.

Despite the pressure of the big business crowd, however, McCul-

ough seemed none to confident today that his measure would eventually become law.

"It's a good bill and I think it ought to pass", he said with a somewhat embarrassed laugh when his attention was called to the solid opposition by labor. Asked if he thought it would go through, he said he would "do what I can to get it passed".

In the Assembly, the companion bills to McCullough's are sponsored by Assemblyman Willard C. Drumm of Columbia County. They are still resting in the Rules Committee, and will probably not be acted upon until after the Senate votes on McCullough's measures. Even if passed, labor's solid opposition makes it doubtful Governor Harriman will sign them.

The Senate passed last night another measure over which the labor movement is not happy. Sponsored by Senator William Hulst, Nassau County Republican, it would bar employes of public authorities from the right to organize under the provisions of the State Labor Relations Act.

The Hughes-Ashbery bill providing for numerous changes in the unemployment insurance law is due to hit the floor of the Legislature Wednesday. The CIO has taken the position that while the bill increases maximum benefits for workers, its bad features outweigh the good. It has urged Governor Harriman to veto it if and when it is passed by the Legislature.

Economic Pact 6 West Europe Nations Sign

ROME, March 25 — Treaties pooling atomic energy and mapping a common economic market were signed today in the Campidoglio City Hall by West Germany, Italy, France, Belgium, the Netherlands and Luxembourg.

West German Chancellor Konrad Adenauer and the foreign ministers of the other five nations signed the documents, which established, subject to the approval of their parliaments,