CUT IN.U. S. TAX

Report of Secretary of Treasury
Says Government Borrowing Must End

URGES REVENUE REVISION

By Associated Perss
Washington, Dec. 3.—No appreciable reduction in taxes for the next fiscal

reduction in taxes for the next fiscal P year is so be thought of, Secretary Glass declared in his annual report sent today to Congress. Government receipts must be kept at their present figure, he said, in order to bring government borrowing for an end.

Facing expenditures estimated at internal revenue, \$25,207,000; sinking

Facing expenditures estimated at Facing expenditures estimated at \$5,629,483,359 for the year ending June 30, 1920, and \$4,473,696,358 for the year ending June 30, 1921, the government must enforce rigid economy. Mr. Glass declared. He placed the deficit for the current year at \$3,905,000,000 and for the year ending June 30, 1921, at approximately \$2,005,000,000. On this basis, Mr. Glass urged congress to deny "every appropriation for expenditure in new fields." He said the same policy should obtain until the government had its sinking fund well underway and repayment of the war debt "katisfactorily begun."

"antisfactorily begun."
Mr. Glass charged that excessive government expenditures were "the most vital factore" in increasing the cost of living and argued that it was negently recessary to keep down public expenses for this reason as well as because of the drain on the taxpayers.

Against Excess Profits Tax

The present revenue laws need reve

The present revenue laws need revising to meet new conditions, he said. He referred, particularly to the excess profits tax laws as being "objectionable even as a wartime expedient." It would be still more objectionable in neacetime, he added. "Less harmful forms" of deriving funds for the government should be employed, the secretary said, adding that the excess profits tax had been responsible for much of the increase in living costs because it had been responsible for much of the increase in living costs because it had been responsible for much of the increase in living costs because it had been responsible for much of the increase in living costs because it had been responsible for much of the increase in living costs because it had been responsible for much of the increase of the end of the cost of listing the said of the cost of production upon which profits are figured, determining prices. It has been, and will so long as it remains on the stainte books, continue to be a material factor in the increased cost of living." the statute books, continue to be a material factor in the increased cost of living."

Mr. Glass' also urged redrafting of

Mr. Glass also urged redrafting of the revenue laws to prevent the evasion of federal taxes through the investment of wealth in the obligations of states and municipalities. He said laws should be enacted which would compel the reporting of such incomes, although they are wholly tax exempt, and that that sum with other income of an individual should be computed as the basis for assessing federal taxes on the amount derived from taxable sources.

Europe's Needs Exaggerated

Relations between conditions in Europe and those in the United Stateswere discussed also by Mr. Glass. He said that, undoubtedly, there was a very great need in Europe for financial assistance, but that the situation had

been much exaggerated.

"We must all feel deep sympathy for Europe today." he said. "but we must not allow our sympathy to wars our judgment and, by exaggerating European financial needs, make them more difficult to fill. 2 " The problem of financing Europe belongs largely to the exercise because industries cannot be severed. the exporter because industries cannot be reopened without raw stocks. Gov-eroment financial assistance in the past and talk of future government or bank and talk of future government or bansing aid to finance exports have apparently led our industrial concerns to the
erroneous expectation that their warprofits, based largely on exports, will
continue indefinitely without any rist,
on their part. To them will fall the
profits of experts and upon them will
fall the consequences of failure to make
the exports."

fall the consequences of failure to make the exports."

The Treasury will continue its policy, in effect since the armistice, to restore private initiative and remove governmental, control and interference with respect to the nation's foreign trade, Mr. Glass said. Only through this means, he argued, could a "healthy economic life be gained." He added that removal of any influence by the government should provide the incentive for American commerce to go into the world markets and establish itself.

Ratification of the peace treaty will measurably stimulate export trade. Mr. Glass declared, because operation of the pact would eliminate numerous political risks and provide a surer investment basis.

Closely related to any activities of the government in foreign trade is the subject of incorporated government agencies, withdrawal of which Mr. Glass strongly urged. He said their "manifest weaknesses" were proof sufficient that such arrangements were not happy ones for the government nor for the persons charged with administration of the corporation. While not saying that any of the agencies, created during the emergencies of war, had been guilty of wastefulness, Mr. Glass pointed out that there was no objective, such as business profits, to hold expenduring the emergencies of war, had been guilty of wastefulness, Mr. Glass pointed out that there was no objective, such as business profits, to hold expenditures down. On the other hand, officers managing the agencies operate on a capital for which there is no accountability or check and always have access to more funds if a real need exists. Cases where government funds are employed semi-independently. Mr. Glass declared, "largely justified government red tape in accounting."

Returning to the estimated government expenditures for the fiscal year ending June 30, 1921, Mr. Glass said the military establishment would ask appropriations aggregating \$989.578.-657. Of this sum, \$897.392,000 would be required, he said, for maintenance of the army proper, while \$85,408,000 would be apportioned to the national guard. The Military Academy would receive \$6,778.637.

For the navy, the appropriation of \$542.031,804, including \$185,248,000 for a building program, is to be asked. An aggregate of \$194,578.000 will be sought for public works. In this is included funds for rivers and harbors' improvement totaling \$33,659.-265. Fortifications, arsenals and military posts will require about \$129,-600,000.

The legislative establishment will

100,000.

The legislative establishment will need \$9,925,297. it was estimated, while the executive branches of the government combined will seek a total of \$149,111,463. Chief among the latter departments, This sam, which is much larger than in fernier sears, indicates the added greenes to be borne in the enforcement of prohibition. Included in this also is the appropriation of \$37,528,102 to be asked by the Department of Agriculture for carrying on its field activities.

The judiciary will ask for \$1,634,190, for foreign intercourse, appropriations

foreign intercourse, appropriations ling \$11.243.250 will be sought, geopriations for the Department of e. exclusive of the funds for use oreign work, will be \$1.571.350, and

follows: War Department, proper, \$6,615,248; Navy Department, proper, \$3,067,870; Interior Department, \$6,287,185; Posteffice Department, \$2,093,870; Department of Commerce, \$12,778,337; Department of Justice, \$704,540, and Department of Labor, \$1,700,445 NEW U. S. TAX PLAN \$1,700,430

projected activities were incomplete.

Work of the Federal Trade Commission will require \$1,283,130, Expenditures of the District of Columbia government were estimated at \$19,179,000.

\$287,500,000, and miscellaneous

PLAN INDUSTRY PEACE GUIDE

Members of Conference at Work on

Statement of Principles

Washington, Dec. 3.—(By A. P.).— After two days of preliminary discus-tion, the second industrial conference oday began the formation off a tenta-ive statement of principles which will

Negro Colonel Gets Liberian Post Washington, Dec. 3 - (By A. P.)-

NEED FACTORY HELP?

Secretary of Treasury Glass Proposes City Be Freed From Art Inheritance Tax

ELKINS GIFTS UNPAID FOR

collection, valued at \$2,500,000, would of paintings. be in excess of \$300,000. This would be saved by Philadelphia through the change in the revenue law suggested by Mr. Glass.

change in the revenue and Mr. Glass.

Joseph C. Smith, secretary and brother of Mayor Smith, announced vesterday he had found a balance of \$124,871.11 in appropriations, which can be transferred by Councils and expended toward the construction on the pended toward the construction on the Parkway of an art gallery to house the 1500 paintings and works of art bequeathed to the city by Mr. Johnson. That balance represents the unexpended portion of the \$100,000 appropriated by Councils in 1917 to accept the gift.

Of that total sum, \$775,128.80 was paid in federal and state taxes, and the remainder was intended to be used in the payment of taxes and in repairing the residence of Mr. Johnson, 510 general today to obtain continuous employment for the 1000 or more men in the uniform factory in the Schuyikill Arsenal in Philadelphia. The congressman had received a letter from the employes in which they voiced their fears that their employment would be curtailed. The congressman said he was assured that the Philadelphians would get a square deal from the quartermaster general's department. Colonel Charles Yeung, retired, the only negro army officer to attain that rank, bas been selected as military at tache to Liberia at the request of the African republic. Some years ago African republic. Some years ago Colonel Young organized the military establishment of Liberia.

Cardinal Mercier's Story of War Begins Saturday

"I suffer as much as they," writes Cardinal Mercier, of the Belgian people in his own story of the Gernan occupation of his beloved coun try. This tragic story begins next Saturday, December 6, in

Evening Aublic Tedger There will be daily installments

Don't Miss Them

South Broad street, where, under the provision of the will, the collection was The city will save about \$300,000, it was estimated today. If the internal revenue laws are amended as suggested by Secretary of the Treasury Carter Glass to the ways and means committee of the House of Representatives at Washington.

Mr. Glass suggested that Section 902 of the revenue laws be changed so that municipalities will not have to pay inheritance tax on works of art left for the benefit of the public. The change the longest of the Sales was and it is likely the Mayor is being delayed because of the attention of the Fairmount Park the benefit of the public. The change the longest of the Councils to be kept intert. The paintings have been the will, the collection was to be kept intert. The paintings have been the collection was to be kept intert. The paintings have been the collection was to be kept intert. The paintings have been the will, the collection was to be kept intert. The paintings have been removed from there and placed in storage. An application made to the collection was to be kept intert. The paintings have been removed from there and placed in storage. An application made to the collection was to be kept intert. The paintings have been removed from there and placed in storage. An application made to the collection in a gallery to be erected by the city, on the Parkway, is pend of the Coltoman throne, in an interview given the Associated Press Sultan Abdul Medjid Effendi, son of former Compton to the collection was to be kept intert. The paintings have been removed from there and placed in storage. An application made to the collection in a gallery to be erected by the city, on the Parkway, is pend of the Coltoman throne, in an interview given the Associated Press Sultan Abdul Ardz and heir presumptive of the Ottoman throne, in an interview given the Associated Press of the Ottoman throne, in an interview given the Associated Press of the Ottoman throne, in an interview given the Associated Press Constantinople.

heritance tax on works of art left for the henefit of the public. The change would also apply to bequests to schools, charities and scientific societies.

As the city paid \$775,128.89 tax on the John G. Johnson art collection, valued at \$4,000,000, it was estimated to the Fairmount Park Commission for the purpose of drafting the year of the proposed gallery. Such action, it is believed, will prove to the Orphans' valued at \$4,000,000, it was estimated to the Fairmount Park Commission for the purpose of drafting the year of the proposed gallery. Such action, it is believed, will prove to the Orphans' to control the proposed gallery. Such action, it is believed, will prove to the Orphans' to control the proposed gallery. that the tax on the George W. Elkins Johnson's will regarding the collection

VARE AIDS ARSENAL FORCE

Assured Uniform Makers at Schuyl kil Plant Will Have Square Deal Washington, Dec. 3. - Congressman Vare conferred with the quartermaster general today to obtain continuous em

PORTE FORCED INTO WAR

of the Ottoman throne, in an interview given the Associated Press today, expressed the lope that the United States would ratify the trenty of Versailles and made an appeal in behalf of his own people.

"It is stated that the Turkish peace is being delayed because of the attitude.

being delayed because of the attitude, the United States," Abdul Medjid aid, "It should be remembered that e have been warring for the last teners. We are exhausted. Pity should be taken on us and on our homeless cople who are living is the utmost ople, who are living in the utmos

"Why cannot we be given a chance live and prosper and develop eco-mically like other nations? We are

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Muffs

								1	Regulari	y Sale		
Hudson	5	ie	100	d			v		\$22.50	\$14.50		
Nutria						×	×		29.50	19.50		
Beaver	4	*	٠		÷				35.00	24.50		
Skunk			×				×		39.50	29.50		
Moleski	n							*	52.50	35.00		
Squirre	1								57.50	39.50		

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Large shawl collar and cuffs of Natural

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Wrap effect in Sport length; fine skins.

Natural Squirrel \$245.00 |

Actual Value, \$295.00 Sports model. Fine dark blue skins Natural Nutria Coats \$245.00 Actual Value, \$295.00

Three-quarter length model. Finest quality Taupe Nutria Coats ... \$275.00 Actual Value, \$335.00 210.00
Three-quarter length models; finest quality

Trimmed Hudson \$375.00 Seal Coats Actual Value, \$450.00 Three-quarter length; full flare; Beaver or Skunk collar and cuffs.

Natural Beaver Coats \$475.00 Actual Value, \$575.00 Sports model. Made of finest matched

Natural Squirrel \$550.00 Coats..... Actual Value, \$675.00

Full length; fine dark skins; full flare. Mink Dolmans \$650.00 Beautiful model. Perfectly matched pelts.

Baby Caracul Wraps \$675.00 Actual Value, \$795.00 Fine flat curled skins. Kolinsky collar and

Coatees

Regularly Sale Trimmed Australian Seal \$125.00 \$89.50 Taupe Nutria 125.00 95.00 Mink 175.00 135.00

Taupe Nutria 185.00 145.00 Hudson Seal 225.00 175.00

Thursday's Scarf Specials=

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and the British, and also we sought to quarrel with Russia.

"I warned the French and the English before the war that they were forcing us to Germany's side. It would have been a shorter war for them, with the Dardauelles open, if I had been

Ifstened to.

"Also I realized that a German alliance would ruin us, as we already had too many wars. What should be done now? It will be remembered that Alsace and Lorraine were one of the causes of the great war. Well, if Turkey is partitioned it will make new problems of the same kind.

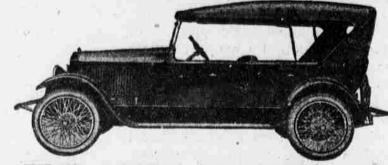
Says America Can Amend Peace "For the sake of the whole of human-ity let the United States of America ity let the United States of America continue its fight for an honest peace. The Wilsonian principles are based upon eternal peace for all the world.

"Let the United States, whose honor is pledged in behalf of humbler peoples, continue fighting until a real victory peace is achieved. If the United States onits now it will mean new disasters,



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