

# MORE INEQUITY SEEN IN IOWA TAX PLANS

By JAMES FLANSBURG  
Tax plans advocated by Gov. Robert Ray and by an Iowa Senate subcommittee would both increase the inequity in the state income tax system, an Iowa House subcommittee found Wednesday.

The House subcommittee put out figures showing that both plans would preserve the present system of giving a two-income household a tax break over a one-income household, even though both households earn the same amount of money.

House Ways and Means Committee Chairman Lowell Norland said he thinks the solution is to make the state income tax 20 per cent of the federal income tax.

"If you think households should be taxed equally, then the percentage of federal is by far the fairest plan," Norland, a Kentsel Democrat, told the House subcommittee.

"I'm interested in getting away from this inequality," Combined Return  
Under the present system, when a husband and wife both hold jobs, they file what is called a combined return, which allows each to pay taxes on the amount each earned.

If their adjusted gross income is \$20,000, for example, their state tax is \$585.

But if the husband had earned that \$20,000, the tax would be \$856, even though the couple had the same number of dependents as the two-income household.

The reason is two-fold. The two-income household gets two standard deductions, and because both incomes are being considered separately, they get thrown into a lower bracket. The one-income family pays in the \$20,000 bracket, and the two-income family pays in the \$10,000 or \$12,000 bracket.

Under Governor Ray's proposal, the two-income household would pay \$555 against the one-income family's \$838. Under the Senate subcommittee's proposal, the one-income family would pay \$816 against the two-income family's \$550. The inequity in the Senate plan would substantially increase in the higher brackets.

House Bill  
Under the bill being developed by the House subcommittee, both families would pay \$72.

The House subcommittee has been hammering out the bill this week. It is scheduled to be presented to the full Ways and Means Committee on Monday, with the committee expected to approve it and the House to begin debate on it one week from today.

Also in the bill is a provision requiring corporations to file reports on the amount of property and payroll they have in this state.

The information would give the state a specific figure on the amount of revenue that a three-factor corporation tax would bring in.

Iowa's corporation tax now is levied only on the income from sales in this state. A three-factor tax would be based on the percentage of sales, property and payroll within the state.

3-Factor Tax  
Democrats, who control the Legislature, have a party plank calling for a three-factor tax, so the decision to go to a simple reporting bill may indicate the shelving of the three-factor proposal this year.

Specifically, the reporting provision calls for corporations that tell the state that they pay corporate taxes in other states to report on the payroll and property they have in Iowa.

The three-factor tax could be amended into the bill in debate, so the proposal cannot be regarded as dead at this point.

## \$5,000 in herbicides taken in break-in

The Register's Iowa News Service  
CLARKSVILLE, IA. — Authorities reported that more than \$5,000 worth of herbicides were taken from the American Cyanamid Co. here in a break-in at the company over the weekend.



## Looking for spring?

Emmett Armell uses a metal detector device to look for coins and other pieces of metal around the wading pool at Union Park here Wednesday. Spring, which has been somewhat elusive, finally arrived Wednesday with partly sunny skies and a high temperature of 66 degrees here. Armell lives at 1051 Fifty-seventh St.

## CAN'T IDENTIFY BODY IN RIVER

The Register's Iowa News Service  
CLINTON, IA. — Clinton County Sheriff Gary Mulholland said Wednesday that efforts to identify the body of a young woman found in the Mississippi River north of Clinton last Friday have thus far been unsuccessful.

The body was found in the river about a half-mile south of the Clinton County-Jackson County line by a commercial fisherman from Sabula. Sheriff Mulholland said the body was nude.

He said the dead woman was

believed to be in her 20s. It has been determined she suffered a gunshot wound in the head, behind the right ear. He said the body was badly decomposed.

Fingerprints and dental charts have been made and authorities expect to have results from an autopsy this week. "We haven't got any leads thus far," Sheriff Mulholland said.

## Ray, delegation off to promote meat

Gov. Robert Ray left Des Moines Wednesday with a delegation of Iowans on a "Fine Iowa Meats" promotional trip to Portland, Ore. He will return today.

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# HOUSE PASSES SCHOOL AID

WASHINGTON, D.C. (AP) — The House passed a \$7.9-billion federal education aid appropriations bill Wednesday that exceeded what President Ford had asked in his budget by some \$1.1 billion.

The measure, approved by voice vote, was sent to the Senate.

The basic spending package for elementary, secondary, college and special education programs had been set at \$6.89 billion by the Appropriations Committee.

## Above Figure Sought

The panel's figure was \$661 million above what the President sought for the fiscal year beginning July 1 and \$318 million over what had been appropriated for the current fiscal year.

However, the House approved by a vote of 259 to 43 an amendment by Representative Edward Roybal (Dem., Calif.) to add another \$497.5 million.

Roybal said the increases he proposed for college student aid and vocational, bilingual and handicapped education were needed to offset inflation.

## Help For States

He also said the increases would help states that have been ordered by the courts in many cases to increase aid in special education areas.

The House rejected by 308 to 94 a compromise amendment by Representative Albert Quie

(Rep., Minn.) that would have cut Roybal's boosts to \$137 million.

Republicans and some senior Democrats argued that the measure was adequate and expensive enough without the increases, in light of the nation's mounting debt.

## Opponents Views

The opponents of the boosts also said that further Senate additions could lead to a bloated, veto-prone bill and a delay in getting needed funds to the schools.

Over-all, the bill included another \$465 million — \$200 million more than the President wanted — for an unusual three-month transition period as Congress shifts in 1977 to beginning its fiscal year on Oct. 1 instead of July 1.

In another voice vote, the House approved language intended to ban use of any funds for court-ordered school busing.

## Predict Same Fate

The antibusing provision was in last year's appropriations bill and was watered down by the Senate. The bill's managers predicted the same fate this year.

The House also approved an amendment by Representative Bob Casey (Dem., Tex.) that would ban the Department of Health, Education and Welfare from using any of the money to compel integration by sex of physical education classes and groups such as fraternities and sororities, the Boy Scouts and Young Men's Christian Association.

The vote on Casey's amendment was 253 to 145.



## Mom of year

Ms. Helen West of Davenport has been named University of Iowa Mother of the Year. The wife of Ralph West was nominated by her twin daughters, Ann and Nan West, both seniors at the U of I. A third daughter, Jane West Mensing, graduated in 1970. Mrs. West will be honored at the Parents Weekend Luncheon Saturday noon at the Iowa Memorial Union in Iowa City.

## 4 are executed by firing squads

GUATEMALA CITY, GUATEMALA (AP) — Four convicted murderers were executed by firing squads at dawn Wednesday, two in a rural cemetery and two in a prison courtyard. They were the first public executions in Guatemala since 1971.

# Woman White House aide named to futures job

By JAMES RISSER  
Of The Register's Washington Bureau

WASHINGTON, D.C. — A White House aide who helped screen candidates for the new Commodity Futures Trading Commission (CFTC) has been named the acting executive director of the commission, chairman William T. Bagley said Wednesday.

Beverly Splane, of the White House personnel office, will assume the staff job during the 90-day changeover from the old Agriculture Department Commodity Exchange Authority (CEA) to the new CFTC.

Bagley said he does not know whether the commission will appoint her executive director at the end of that period. The job requires confirmation by the Senate.

## Her Salary

Ms. Splane will be paid \$36,000 a year, the established salary for the permanent executive director, a commission spokesman said.

Bagley said that though Ms. Splane played a key role in screening prospective presidential appointees to the commission, she did not interview him.

He also said Ms. Splane was charged with "the care, feeding and education of this commission" as its members went through the Senate confirmation process.

He rejected a reporter's suggestion that her selection amounted to hiring the commis-

sion and the commission then turning around and hiring her.

## Choice Approved

The four commissioners (one has yet to be appointed) approved the choice yesterday, said Bagley.

Ms. Splane holds a master's degree in business administration and was associated with Harvard Business School and with a management consulting firm in Boston, Mass., before joining the White House staff last year, Bagley said.

## 90-Day Delay

The purpose of Wednesday's briefing was for Bagley to announce that existing commodity exchanges and commodity traders will continue to be licensed during the 90 day transition period.

The commission's duty to review all federal regulations and commodity exchange bylaws, in order to improve policing of the \$500-billion-a-year commodity markets, also will be deferred for 90 days, he said.

Bagley also said that commission member John Rainbolt has been designated vice-chairman of the commission.

## Chaplin's 86th

CORSIER, SWITZERLAND (AP) — Sir Charles Chaplin quietly celebrated his eighty-sixth birthday Wednesday.

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