

February 11, 1929

I want to talk to you this morning about the General Assembly of North Carolina and what they are doing. I know you are interested in knowing what is going on. The Governor took a very strong stand in his inaugural address for what is commonly spoken of as the Australian ballot. The idea of that ballot is that a person may be allowed to vote as he pleases without being interfered with by his fellow citizens. It also has a tendency to stop people from buying votes. If you cannot see how the man votes and if he is the kind that will vote your way for \$5.00, he might vote the other fellow's way for \$5.00 also and he might take the other fellow's \$5.00 and it might mean that it will stop the purchasing of votes. This particular measure judging from this morning's paper will likely go thru the Legislature.

There are in North Carolina a large number of people who cannot read or write so they are making provision in this for certain people as official helpers and they are going to put in these booths people from the various parties that their party nominates. It will make the elections more expensive. That brings me back to the bill that is before this Legislature.

If I should say that there is one thing that they are determined to do I would say that one thing is to reduce taxation on real property--land, houses, city lots, etc. Our state as a state does not put tax on real property to exceed 5%; it is forbidden to put tax on real property to exceed that. The county cannot put more than 15% except for schools and they are required to put enough on for the schools to operate for a six months school term. The result of this system and the fact that there is a very large

amount of personal property that is never listed and never taxed, as a result it places a very high tax on real property in North Carolina and that tax is different in the different counties. I doubt if there are any two counties that have exactly the same tax levy. This Legislature is determined to reduce the amount of tax on real property. That is the outstanding thing this Legislature is determined to do. The statement has been made and I doubt if Dr. Parrot would have made it if it were not so, that there is only 43% of the property being taxed, that there is 57% of our property not being taxed. The big problem before this Legislature is to make some arrangements to put a tax on the property not being taxed. This would reduce the amount on real estate 50%. In order that they might reduce the tax on real property they have introduced a bill in the General Assembly to increase the tax on gas 1¢ making it 5¢ on a gallon instead of 4¢. They are planning to take some of the money taken from this and say about one half a million from the present gas tax to be divided among the one hundred counties in proportion to their area and population, that tax or that distribution of gas tax money to be used in the various counties to cut down their road tax and in that way reduce the amount of tax the counties must levy on real property. I don't remember how much it is for the various counties about \$42,000.00 for Pitt County, I think. If that is correct that would mean that the people of Pitt County would collect \$42,000.00 less.

There is another bill known as the McLean bill to increase the length of the school term to eight months and to provide an increase of funds necessary to carry on the schools for eight months with the maximum tax in any county at 40¢. There are counties in North Carolina whose school tax amounts to \$1.20. For such counties it would be a considerable cut down. There are other objections to the McLean bill which I am not going into a discussion of.

You would almost be forced to reach the conclusion that the members of the present General Assembly are not so much concerned about the good of the schools and the good of the county governments as they are concerned to make taxes less.

North Carolina is in a position today to need a truly great man who can see the solution of the financial problem that confronts us. We people of North Carolina owe hundreds of millions of dollars. When we take into account how much we owe for various bonds that the state has issued and the counties have issued and the towns, it runs up the bonded indebtedness of our state to a tremendous figure. I doubt if anyone knows exactly what it is today. It is in the hundreds of millions of dollars. Those bonds have to be paid and the interest has to be paid and it means we must have money enough to meet that interest and the sinking fund. It is those things that are making the tax in North Carolina so very high. It has been advocated that the state raise ten million or probably eleven million dollars to be used as an equalization fund to be distributed to the various counties to reduce the tax for the operation of schools that is now collected on real property.

I wanted to give you this today that you might see a little more clearly and to read a little more intelligently what is going on. There are any number of bills of local importance up before the Legislature. All of these are of importance to the particular locality that they deal with but the big problem confronting this Legislature is to provide sufficient funds to carry on the state educational institutions, charitable institutions, and the state government and to see that the children of North Carolina are given at least an eight months school term.

I am in doubt as to whether they will pass the eight months school

term bill as the Governor has not come out for it and they will have all of his influence to overcome. I believe in two years the Governor will come out for it. 86% of the white children in North Carolina have an eight months school term now. 76% of all the children now have it and we cannot feel that we are giving our children an equal educational opportunity when only 76% or 86% are having an eight months school term and the others less. That is not an equal educational opportunity. That is one of the biggest problems that confront the people of North Carolina and since it is the right thing to do it is going to be done. The good women of North Carolina, the mothers of these children, are determined to see that they are going to have it. I believe over one half of the good men will see that they are going to have it. It is just as sure to come as time goes on. The thing that ought to be done for the good of the child is going to be done by the people of North Carolina. I feel perfectly sure of it but right now this Legislature is almost obsessed with the idea of reducing taxes on real property but what they should do is to go out and get that other 57% of the property and see that it is taxed but there are a large, large number of people in North Carolina who are fighting it.

There is one universal thing in this state and this nation--everybody hates to pay taxes. I do not know anyone who does not and yet we go ahead and permit these things. I suspect deep down in our hearts we are willing to pay taxes and would be glad to do it if we had the right kind of system of taxation.

Robert H. Wright, President