

WEATHER.

(U. S. Weather Bureau Forecast.)
Mostly cloudy and continued warm to night and tomorrow; lowest tonight about 60; possibly showers Sunday; gentle winds, mostly southwest. Temperatures today—Highest, 84, at 2 p.m.; lowest, 58, at 5:45 a.m. Full report on page A-2.

New York Stock Market Closed Today

The Evening Star

WITH SUNDAY MORNING EDITION

The only evening paper in Washington with the Associated Press News and Wirephoto Services.

(AP) Means Associated Press.

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WASHINGTON, D. C., FRIDAY, APRIL 15, 1938—FORTY-EIGHT PAGES.

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ROOSEVELT TO ASK TAX ON FUTURE U. S. BONDS, TIGHTER MONOPOLY LAW

Federal Salaries Would Be Levied On Under Plan.

MESSAGES TO GO TO CONGRESS SOON
Hearings on Plan for \$1,250,000,000 Relief Start Monday.

By the Associated Press.

President Roosevelt, pressing his drive for business recovery, said today he would ask Congress to pass legislation to tighten anti-monopoly laws and to permit taxing the income from all future Government bond issues and Government salaries.

He plans two messages to Congress on those subjects, he told his press conference.

The President, in his message yesterday, asked Congress to be "definitely aware" of the need for eliminating exemptions on future bond issues of all kinds of Government agencies and for subjecting salaries and wages of all kinds to Federal and State income taxes.

Are Now Exempt.
State employees now paying a State income tax are exempt from the Federal levy, and Federal employees paying Federal tax are exempt from State levies.

Roosevelt Magill, Undersecretary of the Treasury, estimated that if all present Federal, State and local securities and salaries were taxable, the additional Federal income tax revenue would be about \$155,000,000 per year.

Mr. Magill's estimate included \$70,000,000 additional taxes on Federal securities interest, \$70,000,000 on State and local securities interest, and \$15,000,000 on State and local salaries.

He said many Government securities were owned by educational and charitable institutions which are tax exempt and that about six-tenths of the existing Federal debt already was subject to the Federal income surtax.

Campaign Goes Forward.
The President talked to the large gathering of reporters while his recovery campaign went forward on many fronts. He had told the Nation last night that existence of "our democratic institutions" depends on defeating the forces of depression.

House Appropriations Committee members lost no time in arranging to start hearings Monday on Mr. Roosevelt's request for \$1,250,000,000 for relief in the seven months starting July 1.

Congressional leaders had not decided, however, whether to attempt to incorporate the entire recovery program in one big bill. Senate Democratic Leader Barkley said he planned to confer with House chiefs promptly about the course to be followed.

House Democratic Leader Rayburn said legislators who had discussed the program with the President received the impression no new legislation would be necessary for the Public Works Administration.

If it should be, it probably would be included in the relief appropriation bill, since the Appropriation Committee has handled all P. W. A. appropriations anyway.

Two Already in Effect.
Two phases of the recovery program already have been put into effect. The Treasury has devalued its gold holdings and Congress has enacted a bill to expand the Reconstruction Finance Corp.'s powers so it can lend more freely to business and to States and municipalities.

Federal Reserve Board officials, following the Treasury's release of the \$1,392,000,000 gold credit, were expected promptly to reduce bank reserve requirements by \$750,000,000 in order to provide a \$2,150,000,000 expansion of the Nation's credit base.

At his press conference, the President expressed belief that taxing the income from future issues of bonds of Government bodies could be accomplished without a constitutional amendment. He said the Constitution permitted taxation of income from whatever source derived without exception.

That was common English language and he follows that, he said. Mr. Roosevelt added there was a school of legal thought that held exemptions of existing bond issues could be removed without an amendment, but he said he was not asking for that.

He said he would endeavor to get from the Treasury an estimate on how much money could be raised by the two proposals.

Asked about his suggestion for simplifying supervision of banks, the President said he would ask for legislation to that effect.

Neighbors Maul Slaying Suspect
"Lynch Him!" They Shout Before Deputies Effect Rescue.

Girl, 7, Is Murdered.
By the Associated Press.

LOS ANGELES, April 15.—Sheriff's deputies rescued a 55-year-old man from enraged neighbors today after the battered body of Jenny Moreno, 7, was found in a patch of weeds near her home. Cries of "Lynch him" were heard as officers slithered through the crowd. The man was being mauled and beaten.

John Moreno, who had sought his daughter for hours, finally discovered her body, the head bloodied, only 100 yards from his house. Jenny was last seen about noon.

Deputies held their prisoner for questioning.

Quick Approval of Spending Program Sought in Congress

Nation's Reaction Watched Carefully After President's Plea for Support in "Fireside Chat."

Text of President's Broadcast on Page B-14.

By G. GOULD LINCOLN.

The Nation's reaction to President Roosevelt's appeal for support of his recovery campaign was being watched closely today as congressional leaders moved to seek authorization of the \$4,500,000,000 lending and spending program which the President has recommended.

In his first "fireside chat" in five months, Mr. Roosevelt last night explained and defended his new "pump-priming" plans, which he had transmitted to Congress a few hours earlier.

Editorial comment was overwhelmingly critical. As battle lines formed on Capitol Hill, opponents of the President's program were considering possible substitutes. One suggestion was that a substitute be offered turning the administration of relief back to the States. Others examined the possibility of definite allocations of the funds to be expended, both as to preference and geographical division.

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LOSSES BY JAPAN IN SHANTUNG ROUT PUT ABOVE 27,000

Army Spokesman Refuses to Deny or Confirm Foreign Experts' Estimate.

CASUALTIES IN 10 DAYS EXCEED HALF OF FORCES

Chinese, Although Victorious, Are Believed to Have Lost Two or Three Times as Many.

By the Associated Press.

SHANGHAI, April 15.—The Japanese Army's spokesman today refused to deny or confirm the conclusion of most neutral military experts here that the Japanese Army suffered a major disaster, its first in modern times, in the recent battle in Southern Shantung Province.

The experts said conservative estimates indicated Japanese forces had suffered more than 50 per cent casualties in fighting of the past 10 days, in which they were thrown back from Taiherchwang, on the Grand Canal, to Yihien, 20 miles to the northwest.

Japanese reports indicated the Japanese command was speeding reinforcements from the north, northeast, south and southeast toward the Shantung battlefield in hopes of retrieving the disaster.

The foreign experts believe that of 50,000 Japanese engaged in the fight for Taiherchwang 7,000 to 10,000 were killed and 20,000 wounded. Jubilant Chinese claims of 20,000 Japanese killed were believed too high.

Chinese losses, the foreigners estimated, were two or three times as large as the Japanese, since the Chinese had much larger forces engaged and won in the final phase by smothering their foe by weight of numbers, cutting off and destroying Japanese detachments in hand-to-hand fighting.

Chinese said more than 100 Japanese tanks had been captured after they had run out of fuel and their crews wiped out as they fought to death.

The Japanese army spokesman, facing foreign correspondents in a tense conference, tried to ignore the recent past by insisting the tide had turned. Concerning the foreign experts' estimate of the Taiherchwang battle he said he had "no statement to make."

The Japanese admitted bitter fighting was in progress north of the ruins of Taiherchwang—"his first admission the Japanese had been thrown back."

Told that in the absence of a Japanese denial foreign correspondents must "assume that Japan has suffered a major military disaster," the spokesman said he had no information to give. Even if the figures mentioned were accurate, this would not be the time to announce them since they might indicate the strength of the Japanese forces.

"I can go no further with the south Shantung situation than to say it is a disaster," he said.

The anticipated display of double blossoms has been more widely publicized this year than ever before, Mr. Hodges said, and is expected to attract many thousands of visitors Sunday.

More than 15,000 visitors were expected to attend the Capital's two principal Easter sunrise services Sunday morning at Arlington National Cemetery and the Washington Monument. A number of other sunrise services will be held in various parts of the city, one of the larger of them by St. John's Episcopal Church of Mount Rainier, Md., on Barnard Hill.

The Easter sunrise memorial service of the Knights Templar of Virginia and the District of Columbia, held for the past eight years in the Amphitheater at Arlington, is expected to be attended by between 10,000 and 12,000 persons from this city and nearby States.

The service, to begin at 7:30 a.m., will be addressed by Dean Noble C. (See EASTER, Page A-5.)

President Roosevelt will be present at Griffith Stadium Monday for the opening of the American League baseball season, and, as usual, will toss out the first ball.

The President gave assurances of this today to Clark Griffith, president of the Washington club, who called at the White House to invite Mr. and Mrs. Roosevelt.

Mr. Griffith presented the President with an annual pass to all games in the American League. The pass was contained in a handsome seal leather billfold, with Mr. Roosevelt's initials on the outside in gold letters. Mr. Griffith also left with the President a black seal leather handbag, containing an annual pass for Mrs. Roosevelt.

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New wage-hour bill meets Southern opposition.

Senate group approves Smithsonian Art Gallery plan.



EASTER CROWDS MOVE ON CAPITAL

Forecast of Showers Is Not Expected to Hold Back Record Throngs.

Despite threats of showers for Easter Sunday, the vanguard of what is expected to be one of the largest Easter tourist crowds in recent Washington history was moving into the city today by rail bus, and in private automobiles.

The Weather Bureau today forecast continued warm weather for at least another 36 hours, with a minimum temperature of about 60 degrees tonight. Increasing cloudiness is expected, however, with a possibility of showers, beginning Saturday night or Sunday morning.

At 2 p.m. the mercury touched 84, equaling the record for this date.

"We can't say anything definite about showers; the outlook is still pretty uncertain," the forecaster admitted. "There are shower conditions moving in from the north and west and it is possible we may get some of them."

The Greater National Capital Committee today forecast an Easter tourist crowd as large or larger than last year's gathering, pointing out that the coincidence of the double Japanese cherry blossoms, Easter and the congress of the National Society of Daughters of the American Revolution should tax the city's housing accommodations.

Big Demand for Rooms.
There already is a demand for lower-priced rooms in private homes and this demand is expected to become heavy by tomorrow, it was announced. Washingtonians with rooms to rent were asked to communicate at once with the committee, Republic 2600, and list their rooms.

"This does not mean that the hotels are going to be overcrowded, Curtis Hodges, director of the committee, explained. "There is, however, a very great demand for lower-priced rooms and Washington home owners who can do so are asked to meet this demand."

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Refrigerated Blood Is Sent To Aid Spanish

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FINAL ACTION SEEN TODAY ON D. C. TAX

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INSURGENTS TAKE VINARAZ, SEVERING LOYALIST LIFELINE

Seacoast City on Highway From Barcelona to Valencia Falls.

REBELLION DISAPPEARS BEFORE ARANDA'S FORCE

Rebel Columns Struck Quickly to Mediterranean on Road From San Mateo.

By the Associated Press.

BURGOS, Spain, April 15.—Insurgent forces of Gen. Miguel Aranda today entered Vinaroz, Mediterranean coastal city on the highway linking Barcelona with the rest of government Spain.

Aranda's hard driving columns earlier in the day had advanced along the highway from San Mateo through San Jorge toward the sea.