

As explained by Governor Brown Governor Brown's new income tax idea

Gov. John Y. Brown Jr. has released details of his plan to raise individual income tax returns program which he said will eliminate or reduce taxes for some 700,000 lower and middle income taxpayers.

The proposal will not increase revenues for state government, Brown said. Compared to the present state income tax, the flat rate tax will be simple, fair and easy to administer, the governor said.

The proposal has three key features:

- A flat rate of 3.65 percent on all taxable income. This flat rate will replace the current, graduated rate schedule which has rates ranging from 3 percent to 6 percent.
- Significantly increased standard deductions for all taxpayers. The larger standard deductions will replace the current complex schedule of itemized deductions and the small standard deduction in the current law.
- Adoption of adjusted gross income from the federal return as the basic Kentucky taxable income. Currently, taxpayers must make separate computations to arrive at Kentucky income.

Combined, these three features mean that nearly all taxpayers will be able to file a simple one-page tax return. Taxpayers will have time and money in filing the return, and the state Revenue Cabinet will be able to reduce administrative costs, Brown said.

The increased fairness will result from shifting about \$22 million in taxes now paid by taxpayers who earn less than \$25,000 to taxpayers who earn more than \$25,000.

On the average, taxpayers with incomes between \$25,000 and \$50,000 would pay only slightly more. Taxpayers making more than \$50,000 would pay an additional \$300 to \$400 a year.

However, the increased state tax payment would give them a larger federal tax deduction and would reduce the amount of federal tax they pay. At the maximum federal tax rate of 36 percent, more than \$1,000 would be returned to them.

At the lower income scale, the proposal would provide significant tax relief. More than 110,000 lower income taxpayers who now pay state income tax would not pay any tax under the flat rate proposal.

Currently, single persons who earn more than \$1,000 must pay state tax.

Under the Brown plan, only those who earned more than \$1,000 would file. This change would eliminate income tax filing for 67,000 single persons who earn less than \$1,000 a year, but who now pay taxes.

Low income married couples would benefit too. Currently, married couples who earn more than \$2,000 are required to pay tax. Brown's proposal would raise the minimum level to \$4,000 and eliminate taxes for 46,000 low income married couples.

Another 30,000 Kentuckians who do not file federal returns would not be required to file state returns under Brown's proposal. About 100,000 students and other part-time workers would have no Kentucky income tax withheld from their paychecks, but that would no longer need to be returned.

Brown's proposal will make tax filing much easier for all taxpayers. The time-consuming chore of itemizing deductions would be eliminated for 800,000 Kentuckians who now itemize. Under the Brown plan, 300,000 Kentucky married couples who now file joint federal returns will no longer find it necessary to re-compute their taxes if they separately file Kentucky returns. Most married couples pay less

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Brownies decorate graves
Brownies Troop 256 of Carlisle put new flags on the veterans' graves at the cemetery last week. The flags are purchased jointly by the American Legion Post 17 and VFW Post 8666. Helping place the first flag was Legion Commander John Ecton. Standing at rear is VFW Commander Arnold Thornsbury. The Brownies, from left, are Regina Gammage, Amy Cuthings, Lorraine Buckler, Jennifer Gilkin, Andrea Galbraith, Natasha Bowles, Renee Lavinville, Carrie Bowles and Amanda Fuller. June Buckler is Troop Leader. — Mercury photo.

Court rules Myers to have liquor vote

The residents of the Myers Station precinct in Nicholas County have the right to a local option election to decide whether liquor or spirits will be sold in that precinct, contrary to the legal advice given to Nicholas Judge-Sheriff.

A suit had been filed against Judge-Executive Reese Smoot by three residents of the Myers Station precinct, Bobby Bowles, Clay Fryman and Tom Henley. Henley did not appear in court Tuesday.

This marks at least the second time that such a decision has been handed down at the circuit court level recently. In September, Special Judge F. Bird Hogg gave a similar ruling in Maguffin County.

Wide effects

The decision could have far-reaching effects because the law has generally been interpreted to mean that if a Kentucky county had voted itself dry, in order to become wet, the whole county must vote again. That interpretation has prevented individual precincts from voting themselves wet in the past, until the Hogg ruling and now the Famularo ruling.

Famularo's decision was apparently based on two points of the law: (1) that a "territory" has the right to hold a local option election, and (2) that a territory is described by the law as a "county, city, district or precinct."

The court is not deciding whether Myers Station should be wet, whether there will be more crime, or more drunken drivers, nor to decide if Myers Station will be dry, with less sales to miners and to do away with bootleggers," Famularo said.

"I'll say that... (this issue) is not to be on the ballot, in for me to deny the wishes of over 2600 percent of the people. We don't know if all the persons who signed the petition will vote wet, but they all should have the right to express their opinion for themselves,"

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Ambulance service pact is reached

Larry Burton of Carlisle has been granted a one year contract to operate ambulance service in Carlisle at the same level as it is now, Judge-Executive Reese Smoot told the Mercury this week.

The action came at a Monday night Fiscal Court meeting, and was required because Blue Grass Medical Services had notified the county they would not renew their contract at the end of December because of a 10 percent collection rate on ambulance charges.

Under terms of the agreement the county will furnish the two ambulances, which belong to the county, and will also furnish to Burton the old armory building as a place to keep them. Living quarters for Burton will also be provided in the building. The county will also pay the utilities.

The county will furnish \$10,000 and the city \$2,000 in the form of a scholarship to be paid in three installments during the year, and Burton is expected to cover the rest of his expenses by charging for ambulance runs. Burton will be responsible for his own collection.

Burton will furnish his own insurance and the county will pay half the maintenance on the ambulance and all of the maintenance on the other one.

The contract was expected to be signed on Tuesday, Nov. 18.

At the present time, Burton is an employee of Blue Grass Medical Services and has been the supervisor of the ambulance service in the county.



Sgt. Frank Mathias
Carlisle native Frank Mathias donned his WWII uniform to autograph his book, "GI Jive" recently at a party thrown by the Historical Society at the old L&N Depot. The child and soap soper jammed the building while the line stretching out the door to the railroad tracks. No army brass were around to call attention to Mathias' non olive drab necktie. — Mercury photo.

Shock waves Continue from burley price support cut

The list of public officials criticizing Secretary of Agriculture John Block's action in lowering burley price supports from \$1.2 to \$1.75 a pound continues to grow.

Public statements of outrage and shock and charges of betrayal have been received by the Mercury this week from Sixth District Congressman Larry Hopkins, Seventh District Congressman Carl Perkins, Kentucky's Agriculture Secretary Alan Burley, II, Senator Wendell Ford and Senator "Doc" Holladay, and even Attorney General Steven Barber.

"The result of this action is going to be less money for the Nicholas County burley farmer," County Agent Mike Phillips told the Mercury this week.

"And sometimes it causes other things to happen too, like a difference in the grade," Phillips said. "It's awfully hard to prove, but a lot of times when there's a change in the market, the buyers get a little more picky about how they grade, so the farmer could end up marketing two."

Phillips also said that it does not look like the Secretary of Agriculture is going to allow the excess tobacco to go into the pool this year and be stored until sold.

"There had been a move on to let the farmer's excess tobacco over his 110 percent to be stored until sold, but it doesn't look like it will go through," Phillips said.

Phillips said the idea had been to keep the excess in pool storage until next October and then sell it off against next year's marketing contract.

"I just don't look like that plan will go through."

Phillips said as a result, farmers will have to keep their own excess until next year, which will mean "the farmer will take a beating on it as far as quality and price goes next year."

The strongest argument against Block's price support cut has come from veteran Democratic house member Carl Perkins.

"I am outraged that the Secretary of Agriculture announced that he has lowered the price support level on burley tobacco from \$1.21 to \$1.75 per pound," Perkins said.

"This news will be shocking to thousands of growers who have been caught in the middle of cuts to grow the crop rapidly than any other crop. This year growers expect to market 70 percent of their crop at hand with 25 percent being conventionally hand tied and five percent in sheets. Last year growers in the survey expected to market 52 percent at hand.

The 1982 burley crop is characterized by large production and variable quality. Tobacco experimenting houses have lost some weight during curing and is a darker color. House-burn is of various degrees and tends to be more prevalent in early cut tobacco.

"The Farm Bureau's representatives, in urging that I support the Secretary's legislation, argued that the Secretary would not use the new price support authority in the case of burley."

New bridge for Myers

State Transportation Secretary Frank Mena has announced a new bridge replacement project for Nicholas County.

Mena said the Transportation Cabinet is authorizing a \$2 million bridge over Licking River on KY 21 near Myers.

The project is estimated to cost \$1 million and is scheduled for construction beginning in early 1983.

"We're committing every available dollar for bridge replacements that we can," Mena said. "The need for new bridges is there and we are working to meet that need."

"Kentucky is developing one of the foremost bridge replacement programs in the nation," he added.

The project is part of the new six-year road and bridge construction plan announced by Gov. John Y. Brown Jr. last month.

The plan contains 377 bridge projects at an estimated cost of \$1.2 billion. The plan also includes 278 road projects estimated to cost \$1.1 billion.

Under Senate Bill 20 passed by the 1981 General Assembly, the plan will be approved by the legislature. Once approved, projects in the plan must be completed.

Pro-liquor group sets second meet

Agrow calling themselves "Citizens for Controlled Liquor" met last Thursday night at Mitchell's Restaurant.

The group said their turnout was very good with several prominent citizens in attendance.

Topics discussed included action to be taken in behalf of controlled alcohol sales in Carlisle.

Some members of the group felt that "enthusiasm was high and building for controlled sales."

Another meeting was set for Thursday, Nov. 18 at 8 p.m. at Mitchell's Restaurant on West Main Street. All interested persons are invited to attend.

Truancy case reset for Dec. 3

The truancy case filed against Terry and Betty Jolly of Carlisle for "failing and refusing to send" their two children to an "unaccredited" public school has been postponed again, according to courthouse sources.

The new court date is Friday, Dec. 3, at 10 a.m. in the Nicholas County court room, 113 District Judge "Jack" Arnold presiding.

The case was filed against the Jollys by Betty Lynn Conrad, Director of Pupils Personnel, Nicholas County Schools.

The Jolly children were alleged to have been enrolled in the Hillcrest Wesleyan Academy in Paris, a private religious school not considered to be accredited by the state.

Courthouse sources said that the postponement was granted because of a "conflict in dates" on the part of the attorneys involved.

Nicholas County School Superintendent Don Elder defended the action by Betty Lynn Conrad saying "she was just doing her job and following the law."