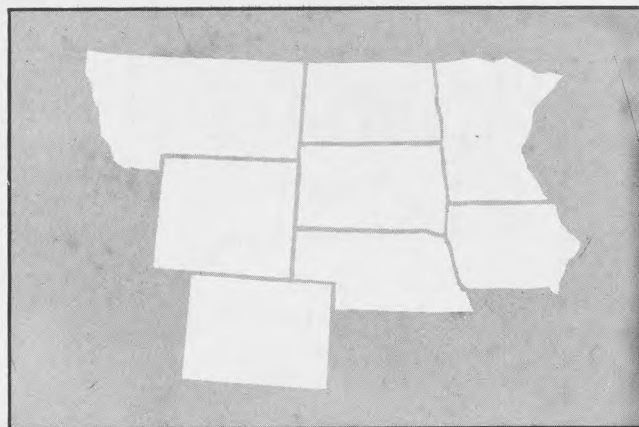


NORTHWESTERN Banker

Oldest Financial Journal West of the Mississippi



No. 1052

Des Moines, Iowa

September 4, 1967

ABA Endorses "6 to 10 Percent" Tax Hike

The American Bankers Association has announced its support for an across-the-board increase in corporate and individual income taxes, provided that substantial reductions are made in nondefense spending.

In testimony before the House Ways and Means Committee, ABA President Jack T. Conn said the rate "should range from 6 to 10 percent and that the percentage of increase should be measured by the decrease effected in non-defense spending and a better and more timely evaluation of the predicted economic boom."

The ABA official further stated that the increase for both corporations and individuals should become effective October 1, 1967.

The text of Mr. Conn's statement follows:

"The American Bankers Association endorses an across-the-board increase in income taxes to be applicable after all tax credits for corporations and individuals. The soaring costs of the Vietnam War with attendant burgeoning of the Federal deficit make such legislation imperative. Failure to enact an increase would result in further inflation, place an almost intolerable burden on the Treasury, threaten a return of tight-money, weaken our balance of payments position and jeopardize

the soundness of the dollar.

"This endorsement is conditioned upon substantial cuts in nondefense spending. There can be no justification in increasing the tax burden as a war measure and continuing nonwar related spending at present and proposed levels.

"The ABA considers the rate should range from 6 percent to 10 percent and that the percentage of increase should be measured by the decrease effected in non-defense spending and a better and more timely evaluation of the predicted economic boom. While business indices indicate an upturn the last part of this year and the first quarter of 1968, there are soft spots in the economy, including the disappointing number of housing starts thus far this year. The percentage increase should not be so high as to effect a downturn of the economy, now sluggish in some areas.

"For the purpose of averting injurious inflation and aiding in reducing the current Federal budgetary deficit to sustainable proportions, the Association believes the increase should become effective October 1, 1967. We oppose making the tax increase applicable to corporations effective July 1. To impose the tax retroactively on corporations would

not only be discriminatory but also inequitable in that it would impose a tax after the fact.

"This statement of position has been approved by the Administrative and Economic Policy Committees of the Association."

NATIONAL NEWS

KANSAS CITY, MO.: George D. Royer, Jr., retired August 31 as vice president in charge of the examination department at the Federal Reserve Bank of Kansas City.

LOS ANGELES: Edmund F. Schnieders, senior vice president and assistant to the chairman at the Security First National Bank, is retiring after 40 years with the bank. Mr. Schnieders began his banking career in 1922 in St. Louis, and joined the audit department at the Security First National in 1927. He was elected vice president in 1946, comptroller in 1949, to the bank's executive committee in 1956, senior vice president in 1957 and assistant to the chairman in 1962.

SAN FRANCISCO: Byron G. Framsted has been promoted to vice president in the national division of the Bank of America. Mr. Framsted joined the bank in 1938 and has been assistant vice president in the national division for four years.

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IOWA NEWS

BATTLE CREEK: The First State Bank moved into its new building over the Labor Day weekend and will open Tuesday, September 5, for the first day in the new quarters. Open house for the public will be held Sunday, September 10, according to Michael D. Mickelson, president and cashier.

BETTENDORF: The Bettendorf Bank and Trust Company has elected William J. Bowe and Charles F. Wasker to the board of directors. Mr. Bowe is president of Bowe Machine Company of Bettendorf and Mr. Wasker is senior partner of Hanrahan and Wasker, Attorneys at Law, of Des Moines.

CEDAR RAPIDS: Peoples Bank and Trust Company has made application to the Federal Reserve Board to construct a drive-up banking facility and parking lot on First Avenue East, between 35th and 37th Streets N.E.



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SECURITY NATIONAL BANK

COLESBURG: Joseph C. Bolsinger, who had been a director of the Farmers Savings Bank for 44 years and president of the bank for 27 years, died suddenly at home. He was 88 years old.

DES MOINES: First Federal State Bank has filed an application for erection of a drive-in bank and parking lot at 2nd and University Avenue in Des Moines.

MISSOURI VALLEY: Two new assistant cashiers have been named at Peoples State Bank. They are Paul J. Kovar and James F. Schwertley. Mr. Kovar has just retired as a Colonel in the United States Army after 27 years of service. He is an attorney and was in the Judge Advocate division. His father is John Kovar, vice president and cashier of the bank. Mr. Schwertley is a native of Missouri Valley and has been employed the past five years at Western Electric Company in Omaha.

SAC CITY: Harry J. Best has resigned as cashier of the Citizens Savings Bank to become cashier of the Community State Bank, Galesburg, Illinois. Promoted to cashier to succeed Mr. Best is Douglas G. McDermott, formerly

assistant cashier and installment loan manager. Dudley L. Martens recently joined the bank as manager of the installment loan department. Mr. Martens was formerly with the Credit Bureau of McCook, Nebraska.

WORTHINGTON: The State Bank of Worthington held open house August 29 to celebrate its 30th anniversary. Assets of the bank have increased more than 35 times to \$3 million in the past 30 years, according to O. F. Tegeler, president.

NEBRASKA NEWS

BEATRICE: James C. Cripe has been named a trust officer at the Beatrice National Bank and Trust Company. Mr. Cripe has been with the Internal Revenue Service for the past two years in the estate and gift tax field.

BIG SPRINGS: Dan Mercer joined the staff of the Farmers State Bank September 1.

ELWOOD: Marion Morgan, president of the First National Bank in Elwood and president of the Nebraska Bankers Association, resigned from his position as mayor of Elwood on September 1. Mr. Morgan

Municipal *Van Horne* Agencies

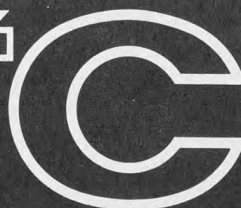
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LYMAN: The Farmers State Bank has named Dennis Osmera as its new cashier. Mr. Osmera has been manager of the Scottsbluff National Bank's motor bank for the past three years. He succeeds Jerry Wharton, who recently resigned.

MALMO: Richard A. Barry of Wahoo, president of the Malmo Security Home Bank, died recently at the age of 76.

OMAHA: The new First Westroads Bank opened for business recently in a trailer at the Westroads Shopping Center. The bank will occupy the trailer until its quarters in the shopping center are completed late this year, according to Darrell Green, president. Other officers of the new bank are Ralph Peterson, vice president, and Gary Friedenbach, assistant cashier.

WAYNE: Funeral services were held recently for Herman Lundberg, 88, of Wayne. Mr. Lundberg had been chairman of the board of the State National Bank in Wayne for a number of years.

MINNESOTA NEWS

AUSTIN: Walter Strangman, cashier at The First National Bank of Austin, has taken the position of cashier at the Northfield National Bank. David L. Dammen has been advanced from assistant cashier to installment loan officer at The First National.

BROOKLYN CENTER: Al Kowalczyk was elected vice president in charge of the installment department at the Brooklyn Center State Bank recently. Elected assistant cashier of the bank to assist Mr. Kowalczyk was Neil J.



George Harnagel

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Polaski. Mr. Polaski has been manager and supervisor with Associates Investment Company in Minneapolis and Denver.

BRANDON: C. L. Larson, president of the Citizens State Bank, has announced the election of Paul Koep of Urbank to the bank's board of directors.

ELY: George T. Somero has announced that Northwest Bancorporation has offered to buy not less than 85% of the stock of The First National Bank of Ely, of which Mr. Somero is president and major stockholder. Stockholders in First National would exchange their shares for shares in Northwest Bancorporation, if the Board of Governors of the Federal Reserve System approves the purchase.

HASTINGS: Richard Greene has been appointed assistant cashier of the Northwestern National Bank of Hastings. Mr. Greene, who joined the bank in 1964, will continue his duties as auditor of the bank.

MINNEAPOLIS: Harold Iverson, Thomas Eagan and Richard Geddes have joined the Minneapolis district office of James Talcott, Inc. Mr. Iverson was formerly with General Electric Credit Corp.; Mr. Eagan was with the First National City Bank, New York, and Mr. Geddes was a national

bank examiner for the U.S. Treasury Department.

MINNEAPOLIS: Dennis Feist recently joined the Third Northwestern National Bank as a full service officer. He was previously assistant cashier and manager of the installment loan department of the Columbia Heights State Bank.

MINNEAPOLIS: Herbert B. Wallin died last week at the age of 69. Mr. Wallin was manager of the safekeeping department of the Minneapolis Federal Reserve Bank.

MINNEAPOLIS: Ed Erickson was elected cashier of the University National Bank last week. Mr. Erickson, who will head all the bank operations and personnel management, joined the bank earlier this year. Walter Rafteseth was elected assistant cashier of the bank in the installment loan department. Mr. Rafteseth, who was formerly with the Security First National Bank of Los Angeles, will also manage the bank's new credit check operation.

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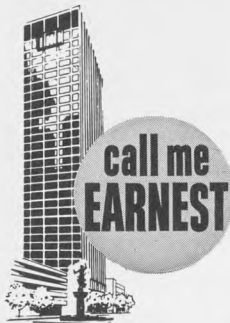
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SAUK CENTRE: Ben DuBois, 82, retired executive director of the Independent Bankers Association of America, and chairman of First State Bank here, is reported recuperating comfortably in Saint Michael's Hospital in Sauk Centre following surgery. Mr. DuBois, a founder of IBAA, underwent surgical amputation of his right leg August 12 in St. Paul due to a circulatory stoppage.

WACONIA: Ben H. Hartmann has been named executive vice president, and Wilmar Feltmann has been named cashier of the First National Bank. Both positions were occupied by Clarence H. Ortlip until his sudden death in July of this year. Mr. Hartmann, formerly an assistant cashier, has been with the bank since 1930. Mr. Feltmann, also an assistant cashier, joined the bank in 1962.

WAYZATA: David M. Bowman has been elected assistant cashier at the North Shore State Bank. Mr. Bowman joined the bank a year ago.

SOUTH DAKOTA NEWS

CLARK: M. J. McGillivray, president of the Citizens State Bank, has announced his retirement from the bank, effective September 1. Mr. McGillivray also announced the purchase of a majority of the bank stock by a group of Aberdeen investors. Mr. McGillivray helped found the bank in 1922 in Garden City. The bank moved to Clark

in 1945. He will continue as inactive president and director of the bank.

RAPID CITY: Charles T. Undlin has been elected president and chief executive officer of the First National Bank of the Black Hills to succeed President and Chairman Harold Horlocker, who is retiring. Mr. Horlocker joined the bank in 1929, and was elected president in 1960 and chairman in 1961. In other action, L. C. Donaldson, vice president and assistant manager of the bank's Sturgis office since 1957, was named to the same position at the Newell office. He will succeed to manager of the Newell office when F. J. Boettger retires from that post at the end of 1967. Duane D. Friez was named assistant vice president and assistant manager at the Sturgis office.

WYOMING NEWS

CASPER: The annual installment credit conference of the Wyoming Bankers Association will be held September 14 and 15 at the Ramada Inn in Casper.

COLORADO NEWS

DURANGO: William N. Hurd, executive vice president of the First National Bank of Durango, died in a Denver hospital following removal of a lung. Mr. Hurd, who was 67, had been in charge of the Durango bank operations for the past 12 years.

ENGLEWOOD: Robert F. Clark, head of the trust department at the First National Bank of Englewood, has been elected senior vice president of the bank.

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