

HARMON SEEKS "SHOWDOWN" IN DAM TAX TANGLE

Understanding Between
Six Companies, U. S. on
Levy Matters Revealed

6/6/32
"Before we took this contract, we had a definite understanding with Secretary Wilbur and the government that this would be a withdrawn area and free from taxation. It was with this understanding that we bid on the contract."

This statement, declared by E. G. McGriff, and F. C. Devinney, county assessor, to have been made to them by W. A. Bechtel, president of Six Companies Incorporated, Boulder Dam contractors, in a conference in this city last week, was reported to the county board this morning, and brought forth the demand from District Attorney Harley A. Harmon, for "a showdown on this business."

"WE'VE BEEN pussyfooting long enough on this tax business," Harmon declared. "If Secretary Wilbur made the statement attributed to him, there's grounds for impeachment. That amounts to a definite discrimination in favor of the successful contractors, for the others figured taxes in their bids. The amount of taxes alone would enable one bidder to go considerably under those figuring on paying."

"The federal government and Six Companies are riding rough shod over Clark county and the state of Nevada," Harmon continued, "and it's about time for action. The statutes of this state definitely provide that the lands below high waer mark in that canyon belong to the state, and it's time we sent the state militia in to seize that area. Then we'll have a showdown on this proposition and find out who's who."

FOLLOWING a considerable discussion on the subject, Harmon was delegated by the county commissioners to arrange a conference with Governor Fred B. Balzar and Attorney General Gray Mashburn at the earliest possible moment, to go over the situation in detail and urge plans for immediate action along the lines outlined.

Harmon is to be accompanied by a group of local citizens, and is expected to confer with the governor upon his return from the republican national convention, toward the end of the month.

The board also adopted a resolution, setting forth the text of President Bechtel's purported statement to McGriff, demanding that "the executive authorities of this state ascertain what authority the secretary had to pledge this state or the county of Clark that any corporation or individual should be exempt from taxes, thereby infringing on the rights of this state in a manner unauthorized by the constitution of the United States, or the state of Nevada, and which could not be authorized except by a specific act of the legislature."

CHAIRMAN McGRIFF also quoted the Six Companies president as stating that it was up to Las Vegas and southern Nevada to look forward to the day when the dam is completed and industries established bringing in a vast

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amount of new wealth, and to forget the matters arising at present which he described as only temporary.

Assessor Devinney advocated a petition to raise the bond posted by Six Companies in the tax suit, to "somewhere near \$150,000." The only bond posted now is a \$15,000 security, and Devinney declared this did not anywhere near cover the taxes due, which he placed at "around \$150,000 this year."

DEVINNEY ALSO stated he had received word recently that the contractors are paying taxes in Arizona without protest, the "reservation" not having been extended to that area.