

## There Is Only One Issue

Secretary Ray Lyman Wilbur, in attempting to justify his tax-free policy in the Boulder Canyon "reservation," has thrown out a cleverly conceived smoke-screen in an attempt to throw the uninformed public off the track, and make it appear that the state of Nevada is attempting to tax government property within the reservation, when such is quite patently NOT the case, as the secretary well knows.

In his statements issued to the press he declares that twice during consideration of the Swing-Johnson bill, such a proposal was rejected, and that later the states of Nevada and Arizona were granted a proportionate share of the revenue from the sale of electric power, in lieu of taxation.

That, as a general statement, is quite true, and the secretary realizes that without explanation, that will be accepted by the public as applying also to the present situation. It does NOT fit the present case, however, as the secretary also well knows.

The propositions defeated during consideration of the Swing-Johnson bill, and later recognized by congress in the revenue provisions of the bill, had to do with repayment of the states of Arizona and Nevada money from the profits on the sale of power generated at the project, in lieu of the taxes these states would levy against the COMPLETED PROJECT, RESERVOIR, and POWER HOUSES if they were OWNED AND OPERATED BY PRIVATE INTERESTS INSTEAD OF THE UNITED STATES GOVERNMENT. In other words, if that project were owned and operated by the Southern California Edison Company, it would be subject to taxation the same as the privately owned power plants at Niagara Falls. In lieu of this taxation, Nevada and Arizona were granted a share of the power revenue.

It is rather a long jump from this proposition to the exemption of the privately owned contracting firms participating in construction of the project, from the payment of taxes on privately owned personal property. And yet the nimble secretary has made it in one long stride.

The state of Nevada has never attempted to collect taxes on government owned property and has no intention of so doing. This state does maintain, however, that it has a right to collect taxes from all privately owned concerns operating within the "reservation," just as all other states have collected from all other contractors engaged in the construction of all other governmental projects, whether it be highways, dams, battleships, shipyards, or other similar. That is the clear-cut and single issue. All other matters injected are incompetent, irrelevant and immaterial, and for the sole purpose of obscuring the basic principle which the secretary apparently does not care to argue.