

# SEEK TO LINE UP NATIONWIDE AID TO FIGHT PLAN OF GOVERNMENT

4-26-32  
Future Development of  
Las Vegas Threatened  
By U. S. Program

## INSTANCES CITED

Tax-Free Area Would  
Rob This City of Many  
Industrial Plants

The Las Vegas Chamber of commerce today declared war on the tax-free government reservation established in connection with the construction of the Boulder Canyon project, and took the first step toward lining up support thruout the nation for an unrelenting battle against the continued existence of the reservation as such.

This action was taken after several speakers had declared that a tax-free area adjoining the Boulder Dam will completely destroy whatever opportunity Las Vegas has of future development, by creating a government subsidized area which will attract all industries intending to locate at the source of cheap power, thru lifting the burden of taxation.

**THE FIGHT** was launched when S. R. Whitehead, chairman of the power and reclamation committee of the chamber, pointed out that the \$2,500,000 cement plant, now being contemplated here by one of the largest of the cement producers, would undoubtedly be located within the reservation area to escape the payment of taxes. This plant, Whitehead declared, is being definitely planned, and will be built if the company behind the movement is successful in securing the contract to provide the government with the cement with which the dam structure itself will be built.

Whitehead pointed out that this concern could write off its plant construction cost and still insure a profit of 28c per barrel, he declared the plant, after the construction of the dam, would be moved to Santa Fe Springs, to become a unit in another cement plant which is to be erected there in the near future.

**HE CALLED** attention to the fact that if this plant is built within the borders of the present reservation, under the government theory, it would not be taxable by the state of Nevada or any other agency.

Following Whitehead's discussion, C. V. Owen, Dan Noland, A. R. Thompson, T. M. Carroll, Frank M. Ryan, A. E. Cahlan and several others discussed the status of the reservation, it being pointed out that under the present condition, leases are being entered into by the government in Boulder City on a twenty year basis, and that while it has continually been stated by interior department representatives that government control over the district would end with the construction of the dam, Secretary Wilbur had repeatedly refused to endorse any legislation looking toward that end.

**OWEN POINTED** out that the reservation was being handled in the same manner as the national parks, and declared that the opera-  
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tion of these units was a closed book so far as the general public is concerned. He predicted that unless some definite action were taken, the Boulder Dam area would be continued as a reservation with a view to attracting industries there by holding out the exemption from taxes as one of the main attractions which would give those industrial plants a decided edge on all other concerns in the same business.

Other speakers declared that if the reservation is allowed to continue as such, that all of the benefits expected to accrue to Las Vegas as a result of the construction of the dam project, and consequent availability of cheap power, would be transferred to the government's tax free reservation.

**IT WAS POINTED** out that the efforts of the Colorado river commission to secure the support of Secretary Wilbur for any sort of a measure definitely terminating the reservation at the conclusion of the project construction, had met with determined opposition.

Attention was also called to the fact that the secretary has refused to endorse Nevada's claim for the right to tax property within the reservation, resisting an effort to include this provision in the bill pending before Congress to settle once and for all the status of the Boulder canyon reservation. This was cited as an example of the determination of the secretary to continue the reservation as a perpetually tax-free area for the purpose of attracting industrial development away from the rest of southern Nevada.

T. M. Carroll pointed out that all of these matters were taken care of in his proposal to extend the Las Vegas city limits to include the present reservation area, and that if this were done, the secretary's plan would be ineffective.

**FOLLOWING** A lengthy discussion on the proposition, it was referred to the committee on federal state and municipal affairs, headed

by Ryland G. Taylor, prominent local attorney, with an urge for immediate action in the preparation of a brief outlining the stand of this state on the question, the brief to be forwarded to members of congress and the United States Senate, in support of the bill now pending in congress, introduced by Senator Tasker L. Oddie, and designed to fully protect the rights of this state.