

We The People
Dec. 1943

Dr. Delia Dixon-Carroll: A Woman Whose Dreams Came True

*"And there are some, whom a thirst
Ardent, unquenchable fires,
Not with the crowd to be spent—
In an eddy of purposeless dust,
Effort unmeaning and vain."*

Once there was a little girl who had dreams and she made those dreams come true; dreams that brought courage, enlightenment, and health to a great many people. This little girl was born in Shelby on February the fourth, 1872. She was born into the family of the distinguished Thomas Dixon, Sr., who gave to the world Clarence, an outstanding pastor of Spurgeon Tabernacle in London; Thomas, Jr., a famous author; Frank, a prominent lawyer; and Mrs. May Dixon Thacker, a well known writer. However, this story is not about the eminent family into which she was born, but about Delia Dixon-Carroll herself. Delia Dixon grew up loving animals. She could not bear to see them suffer and was always trying to fix their bruises or broken bones. She liked to pretend that she was a famous doctor; she liked to pretend it even though she was a girl and a girl could never grow up to be a doctor.

In time Delia grew up to be a young lady, and once while she was away from home, she read an editorial in *Harper's Magazine* that opened her eyes to the possibility of making her childhood fancy become real; the world was becoming more tolerant and a woman could become a doctor. Full of enthusiasm she clipped the article and sent it home. The family immediately threw cold water on the fire that was burning into a bright flame. A woman doctor was almost unheard of; the few who had made the grade were looked upon with mistrust and disdain. The Dixon family could have none of that. Only Tom, Jr., was sympathetic. In the end, Delia's unquenchable ambition won out and she went to Woman's Medical College, the only medical



DR. CARROLL

By LOU ROGERS

college then open to women. She graduated in 1895 with honor. Of the two hundred applicants who came before the board of examiners, she made the highest average. After her interne-ship, Dr. Delia Dixon traveled around the world, gathering many interesting mementos along the way. Returning to Raleigh she began her practice as the first woman doctor in the city. She was soon invited to join Raleigh Academy of Medicine, the oldest medical association of the state.

A Career and a Home

This determined girl with the unusual ambition, the strong determination, and the superior intellect was pleasing to look upon. She had a commanding figure, a classic profile, and a mass of red hair fashioned into a Grecian knot on the back of her head. Dr. Norwood Car-

roll, a young dentist in Raleigh, was so impressed by her personality that he was not long in changing her name to his. They were married in the Chapel of Meredith College, which became a part of a Raleigh hotel when Meredith moved into its new plant.

The two young Carrolls bought a low bungalow, named it "Nordell Hill" and made it into a house to write home about. Though not pretentious, it was cozy and hospitable like its owners and it contained a number of interesting objects collected by these two people on their trips around the world. There was a vegetable garden, a flower garden, and a swimming pool as well. It was the kind of house that seems to have "Welcome" written on its front door.

When this young woman doctor was beginning her practice in Raleigh, a college for young women was being established there. The new doctor and the

new college took to each other from the first. Dr. Dixon-Carroll became the first Meredith College physician, a position which she held until her death thirty-five years later. The esteem in which she was held at Meredith was attested to by students, faculty, trustees, and alumnae, in the beautiful tributes paid to her memory in the college bulletin. In South Hall of the Administration Building is a beautiful plaque or portrait medallion of Dr. Dixon-Carroll, bearing this inscription written by Dr. Mary Lynch Johnson:

ELIZABETH DELIA DIXON CARROLL
BELOVED PHYSICIAN OF THE COLLEGE
FROM 1899 to 1934
PRESENTED BY
MEREDITH ALUMNAE IN WHOSE HEARTS
HER ENSHRINED MEMORY
IS "A MONUMENT MORE LASTING
THAN BRONZE"

Had Great Energy

Dr. Delia Dixon-Carroll had a wonderful reservoir of energy. Besides her lectures and practice at
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TEN YEARS HIGHWAY REVENUE

Highway revenues, referred to by Commissioner Gill, are given in the table below. There has been no recession in these tax collections for highway purposes during the ten year period until gasoline rationing last year caused a drop of over \$8,000,000 in the gasoline collections.

1934.....	\$21,969,875
1935.....	24,969,033
1936.....	25,872,283
1937.....	29,520,807
1938.....	30,243,647
1939.....	31,819,498
1940.....	33,985,417
1941.....	38,601,684
1942.....	39,372,859
1943.....	30,913,145

where we will stabilize after the war.

In the last four years the sensational rise in our revenue collections has had a close relation to certain significant events in connection with the outbreak of war on the continent of Europe and our own actual participation in the conflict.

The peace of Munich was in 1938, the outbreak of war in Europe in 1939, and the fall of France in the year of 1940. In 1941 came Pearl Harbor. And of course, in 1942 and 1943, we have seen total war.

If you can visualize a chart which will show the above mentioned dates in relation to the rising volume of our revenue collections (which would be shown as a rising line upon a graph), you will see in dramatic fashion how like a fever chart our collections have risen in close relation to the coming of war.

I will not attempt to predict the future trend of revenue collections

except to say that it will be inextricably tied up with conditions in North Carolina, in the United States, and throughout the world.

Influence of Inflation

If after the war the lid blows off and prices sky-rocket, we may collect large sums in dollars, but those dollars may not be worth in purchasing power as much as our present dollar. And so in our post-war predictions and in our post-war planning, we must consider the influence of inflation.

I will summarize by saying that these gains in the last ten years represent first, our emergence from the depression, second, the steady growth of North Carolina, and third, the abnormal prosperity of war. After making due allowance for our sound and permanent progress, it is well to keep in mind the fact that a part of our present high level is undoubtedly due to that pernicious and dangerous camp-follower—inflation.

At this stage of the game, it is difficult to separate the sound from the unsound, the true value from the inflated value. It is almost impossible to determine what is "normal" and where we will stabilize when peace shall come.

The government claims that war plants without systematic plans for reducing the causes of *absenteeism* have nearly twice as high a rate of job absences as those which have such programs. During 1942, according to the National Industrial Conference Board, absenteeism totaled 422,700,000 man days (the equivalent of 1,400,000 fulltime workers).

In the future the world will need guns of smaller and men of larger caliber.—*Banking.*

The Highway Fund

Let us turn from the General Fund to the Highway Fund revenues. During the last ten years, the Highway Fund has experienced a continuous rise until the outbreak of war. Collections rose from \$21,969,875 for the year ended June 30, 1934, to an all time high of \$39,372,859 for the year ended June 30, 1942. Of course due to rationing and other war conditions, the Highway Fund dropped during the last fiscal year to \$30,913,145. This drop is embarrassing at present, but should give us no grave concern for the future, because we know that as soon as peace comes the Highway Fund will probably resume its customary position in the picture of our state finances.

Orderly Growth

During the last decade, North Carolina has experienced an orderly growth. Our population had grown substantially prior to the war. Many new industries have come into the state that have nothing to do with the war effort. And yet we know that our present high level is not due entirely to our orderly growth but partially to the abnormal influence of war spending. In planning the future, our problem is to separate in our thinking the normal from the abnormal — the permanent from the transitory. It is very difficult to do this. It is hard to know what will be left when the tidal wave of war spending recedes. In other words, it is difficult to predict

MAIN SOURCES OF THE HIGHWAY REVENUES

A study of the highway revenues for a sixteen year period will be found in the October issue of this magazine. Below the figures for the three years, 1934, 1938 and 1943 are given, together with the averages for the ten year period. During that time motorists paid \$307,268,248 into the state treasury highway fund. In addition to this the federal government has contributed

\$58,385,270 for the construction of roads in North Carolina, or an average of more than 5.8 million dollars annually. An interesting feature of the effect of the present emergency on the highway revenues is that revenue for the registration of motor vehicles last year was a little more than for the previous year. The loss is in gasoline taxes.

	1934	1938	1943	Average
Motor Vehicle				
Registration.....	\$ 6,683,529	\$ 7,341,491	\$10,168,724	\$ 8,236,495
Gasoline Tax.....	15,165,221	22,747,032	20,624,181	22,329,592
Title				
Registration.....	121,125	155,124	119,408	160,663
Average of total collections for 10-year period.....				\$30,726,825

corporations faced with declining incomes caused by the war.

Over 30 per cent of the dividends of corporations are received by individuals with incomes of less than \$5,000 and, in many cases, these dividends represent the sole income upon which the individual supports himself and his family. In addition, many of our religious, charitable or educational institutions would not be able to survive, if their dividend income were greatly reduced through an increased corporate income tax. Therefore, the bill provides that the excess profits tax be increased and not the normal and surtax. The excess profits tax rate was increased from 90 to 95 per cent. Information was developed before our committee that many corporations using the invested capital credit were not paying excess profits taxes. This is due to the

high return on their invested capital which the present law allows and to the rather liberal carry-over and carry-back provisions of existing law.

One of the main difficulties of the excess profits tax has been its burden on small companies. In order to remedy this situation, the bill provides that the specific exemption of \$5,000 now allowed for excess profits tax purposes, be increased to \$10,000.

Loopholes Plugged

There was an obvious loophole called to the attention of the committee which we felt should not wait until the next revenue bill for action. That is, the avoidance of income and excess profits tax through the purchase of defunct corporations. The committee believed that this loophole should be plugged immediately and that the provisions plugging such loophole should be made retroactive to all taxable years beginning after December 31, 1939.

Our committee also received considerable complaint about many organizations which are now exempt from income taxes. It is very difficult to secure information as to these exempt organizations. The bill provides that exempt organizations must file annual returns of income unless they are religious corporations or certain types of educational or charitable corporations. It is believed by this means we will be able to secure information to determine whether or not such organizations are escaping their fair share of the tax burden.

With respect to excises, the revenue was increased by \$1,202,000,000. The rate on distilled spirits was increased from \$6 a gallon to \$9 a gallon; on beer, from \$7 to \$8 a barrel, and there were also slight increases in the wine tax. Other articles subject to increased taxes were electric light bulbs, jewelry, furs, luggage, toilet preparations, telephones, transportation taxes, admission taxes, cabarets, club dues, bowling alleys, and billiard and pool tables.

A tax on pari-mutuels betting at the rate of 5 per cent was also adopted by your committee and the 3 per cent tax on the transportation of property was retained and extended to parcel post. The increases on present excises, and the new taxes, are temporary and will expire after the war.

In conclusion I wish to state while your committee recognizes the desirability of keeping the public debt at a minimum and paying as much of the cost of the war as is consistently possible out of current revenues, it is also keenly aware of the fact that too

heavy a tax burden is as great a danger to the Nation's economy as is too large a public debt. Certainly we should not pass on to future taxpayers, many of whom will be our returning soldiers, taxes that we ourselves should pay, but neither should we pass on to them a business structure so weakened by heavy taxes that it will be unable to carry on in the post-war period.

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Meredith, her many town patients, and her attractive home, she was busy in a number of other things. She gave generously of time and talent to the civic and political causes which she found to be worthwhile. For many years she was president of Raleigh Woman's Club and later, was president of the State Federation of Woman's Clubs. She was an efficient and faithful director of Samarcand, school for delinquent girls. The Garden Club, Fort-nightly Review Club and numerous other organizations came in for a share of her interest.

Her friends have described Dr. Delia Dixon-Carroll on numerous occasions and with many attributes of praise. Among those bestowed on her are a pleasing personality, charming manner, alert mind, genuine hospitality, unlimited possibilities, absolute frankness, physical vitality, mental vigor, quiet stability, distinct poise, and radiant character. No wonder that the college, the town, and the whole state were shocked and grieved when they heard of her death from injuries received in an automobile accident.

"And suffering Nature grieved that one should die."

It has now been nearly ten years since her death. Her husband died a few years ago. They left no children to "carry" on but the hosts of Meredith girls, the men and women, the boys and girls, who reaped the benefits of her burning thirst to live a useful life according to her own plan, will continue to keep her memory alive in their hearts.

References

- Busy North Carolina Women*, by Hariette Hammer Walker.
- Biblical Recorder*, May 23, 1934.
- Meredith College Quarterly Bulletin*, November 1934.
- Meredith College Quarterly Bulletin*, November 1938.
- Conversations with many people who knew Dr. Delia Dixon-Carroll personally.

HUTTON

&

BOURBONNAIS

Lumber
Boxes

WHOLESALE
RETAIL

HICKORY, N. C.

grams. The great mass of our people remember all too vividly the lean years following the collapse in 1929 and the privation they were forced to endure during the depression years. These recollections, at least up to the present time, have brought about a considerable degree of caution with respect to reckless spendings.

Certainly, it must be recognized that we cannot absorb all of these "Dangerous dollars" by taxation, especially under a program such as that proposed which either exempted completely or drastically reduced the existing taxes upon millions of our citizens having substantially increased amounts of such "dangerous dollars."

Taxes Can't Control Inflation

In an effort to produce every dollar of revenue which our economy can bear and to avoid passing on to future taxpayers, many of whom will be our returning soldiers, our committee in the last four years has raised taxes to an unprecedented height. In this connection, we have been fully conscious of our obligation to combat inflation and have done so through taxation to the top limit we now deem advisable.

The more important and direct checks in dealing with inflation, however, prices and wages, have not been correspondingly held in line. Until greater effort to remedy this situation is made, the only effect of levying additional taxes will be to place further hardships and unbearable burdens upon the fixed income group, the so-called white-collar group and others who not only have not received increased income out of the war but who have actually had their income reduced and their expenditures increased. Confronted with this very real and practical situation, our committee did not deem it wise or safe to make any considerable increases in individual income taxes.

At this point I think it is fair to point out we are rapidly approaching the point of diminishing returns on the number of tax sources. That is the judgment of a great many people and a great many economists. You can impose too heavy a tax burden. When you destroy the initiative and break the morale of the taxpayers it is like overloading a good team and, being a farmer, I have seen many good teams ruined by being overloaded. You can place an unreasonable tax burden on the American people which would have the same effect so far as the morale of the American people is concerned, as overloading a good team. You dis-

courage them. How? You remove initiative and break down their morale, because the American people are willing, they are patriotic, and they are anxious to pay now, rather than pass on to future generations and future taxpayers, every dollar they can reasonably pay on an economically sound basis.

Making Returns Simplified

The slight increases which have been made are a result of the effort to integrate the Victory tax with the individual income tax. There has been much just complaint about the complications of our income tax laws, particularly the individual income tax. Under the existing law, a taxpayer is required to compute his tax on three different bases, namely, the normal tax base, the surtax base, and the Victory tax base. A different set of exemptions is required in the case of the Victory tax from that required in the case of the normal and surtax.

The earned-income credit further complicated our tax law by requiring a different base for normal tax than for surtax. Since prior laws have extended our individual tax to a great many more taxpayers, it is very important that every effort be made to make the tax simple and easy for the taxpayer to understand and be able to prepare his return. We have made every effort to simplify the computation of the individual income tax.

In a bill, which recently passed the House, we simplified the return forms for 1943, and by requiring the Victory tax credits to be taken currently, we succeeded in eliminating several items from the return form. In this bill we have further simplified the return through the elimination of the Victory tax and the repeal of the earned income credit. We hope to accomplish still further simplification in the administrative and loophole bill of next year.

In the interest of simplification, the committee adopted the following plan for the purposes of the individual income tax:

First—the Victory tax was repealed.

Second—The normal tax was increased from 6 to 10 per cent to replace the Victory tax.

Third—The present personal exemptions and credit for dependents were retained.

Fourth—The surtax schedule of existing law was adopted with certain adjustments to bring the surtax in line with the elimination of the Victory tax.

Fifth—The earned income credit was repealed.

Sixth—Married persons filing separate returns are each required to take a single person's exemption.

Seventh—A minimum tax of 3 per cent of the net income in excess of a special personal exemption of \$500 for a single person, \$700 for married persons, and \$100 as a credit for each dependent is provided.

The effect of the above changes will be to permit the average taxpayer to compute his tax both for normal and surtax purposes on one net income base and pay that tax to the Government. The troublesome base of the Victory tax and the complications resulting from the earned income credit are eliminated.

Taxpayers whose income tax is less than the minimum tax will be required to pay the minimum tax. The minimum tax was necessary to continue in the taxpaying class approximately 11,000,000 taxpayers who are now subject to the Victory tax but not to the regular income tax. The present 20 per cent withholding rate is retained.

Two Income Tax Changes

The bill also made two other changes in the income-tax law. First, it denied the taxpayer deductions for Federal excise taxes paid in computing net income. In general, this will apply to the admissions tax, the transportation tax, and the telephone tax. Most individual taxpayers do not keep records of these taxes and our committee was of the opinion that the advantage of making administration much easier and of securing additional revenue from this source would more than offset any increased burden on the taxpayers.

A special deduction of \$500 was allowed in computing the gross income of a blind person. It was pointed out that blind persons have additional expenses that are not incurred by ordinary persons, such as for the employment of attendants, and that some relief should be granted in the form of an additional exemption to take care of this added burden.

Corporate Tax Changes

With respect to the corporate taxes, the bill makes several important changes. The bill does not contain any increase in the corporate normal and surtax rate. It was thought that an excessively high tax on the normal earnings of corporation would have a serious effect in retarding normal dividends and seriously endanger many