

# Ability-to-pay Tax Seen As City's Solution

Don Donati

Citizens of Memphis are faced with a tax situation unique and extremely adverse. The city borders on two states that tax income; yet, Tennessee lacks a similar provision. The lack of such a tax costs the city and state millions of dollars each year.

Former City Councilman Lewis Donelson explains this fiscal phenomenon: "A person who lives in West Memphis and works in Memphis pays income tax to Arkansas. The person who lives in Memphis and works in West Memphis also pays income tax to Arkansas." The same situation occurs in Mississippi. Donelson points out that this loss of tax revenue is particularly unfair when one considers the services provided by the city to citizens of those areas.

One highly publicized area is the services provided for poor people of Mississippi and Arkansas at the City of Memphis Hospital. For years neither state reimbursed the Hospital Authority for services rendered to their indigent patients. Mississippi still does not pay its bill. Arkansas now extends the race season at the dog track and the receipts of the four day extension go to the Hospital Authority. "Of course, Arkansas is

giving Memphis back its own money," laughs Donelson.

## NEW MUNICIPAL TAXATION

A municipal payroll tax is a tax on salaries made within a city, while a municipal income tax is a tax on all income made within the city. These taxes apply to both residents and non-residents of the taxing district. Council Chairman Alissandratos favors a payroll tax as a means of capturing income made by the daytime population of Memphis — those working in the city and living outside the city.

A few years ago, former City Attorney Frierson Graves, along with Donelson, drafted a payroll tax which was progressive in nature. Their tax was not just on wages, but covered many types of income including income realized from rents, partnerships, personal services and dividends from stocks and bonds. The tax was based on ability to pay. "It would have been very progressive to the extent that it would have exemptions which would eliminate the low income people," says Donelson. The tax would substitute the regressive sales and property tax with a progressive tax which exempted people on the economic bottom.

# center city

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Graves and Donelson believed that their proposed payroll tax was constitutional despite the supposed state prohibition on any form of income tax. Section 28 of Article II of the Tennessee Constitution provides that the legislature "shall have power to levy tax upon incomes derived from stocks and bonds that are not taxed *ad valorem*." Based upon that language the Tennessee Supreme Court ruled in 1932 that a state graduated income tax is unconstitutional. The Court reasoned that since the language specifically authorized the taxation of income from stocks and bonds, it implicitly denied the power to tax any other income.

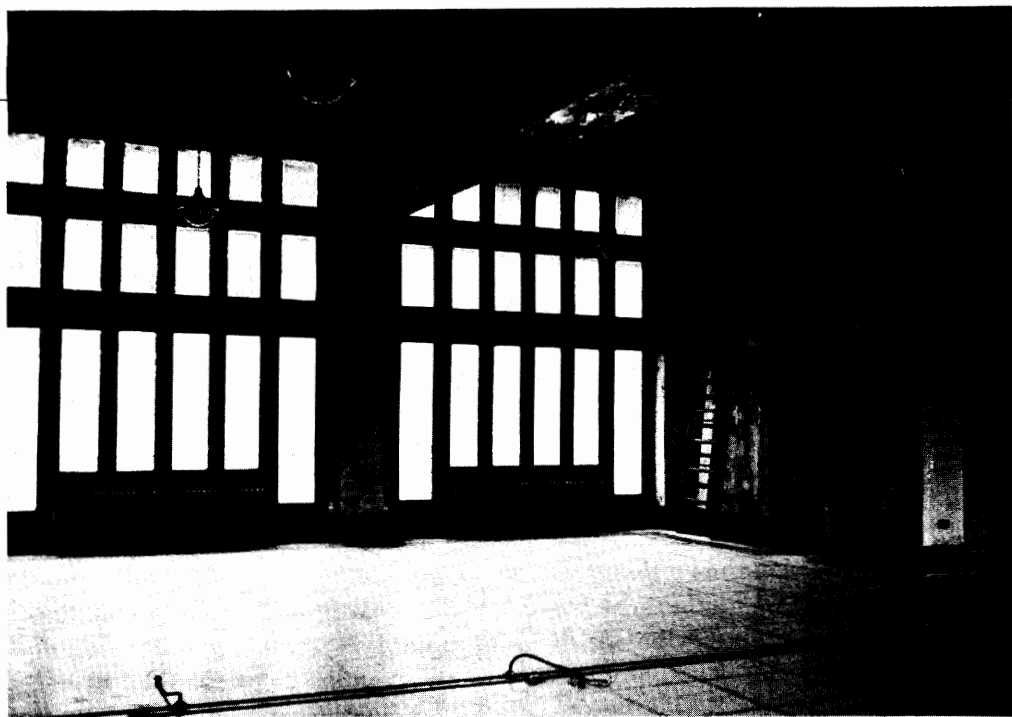
Due to this decision many people feel that a state constitutional amendment must be passed in order to have any form of income or payroll tax. Donelson does not subscribe to such a theory. He stresses that in the 1932 decision, the court ignored several

important authoritative legal points. The Supreme Court ignored the minutes of the committee of the Constitutional Convention of 1870 in which it was implied that this general grant of power in Section 28 covered all forms of taxation. Moreover, the court ignored an earlier decision which upheld an income tax on corporations. Most important, according to Donelson, is that the state now has a new, more forward-looking Supreme Court. He believes that a carefully drafted payroll tax would sustain constitutional attack.

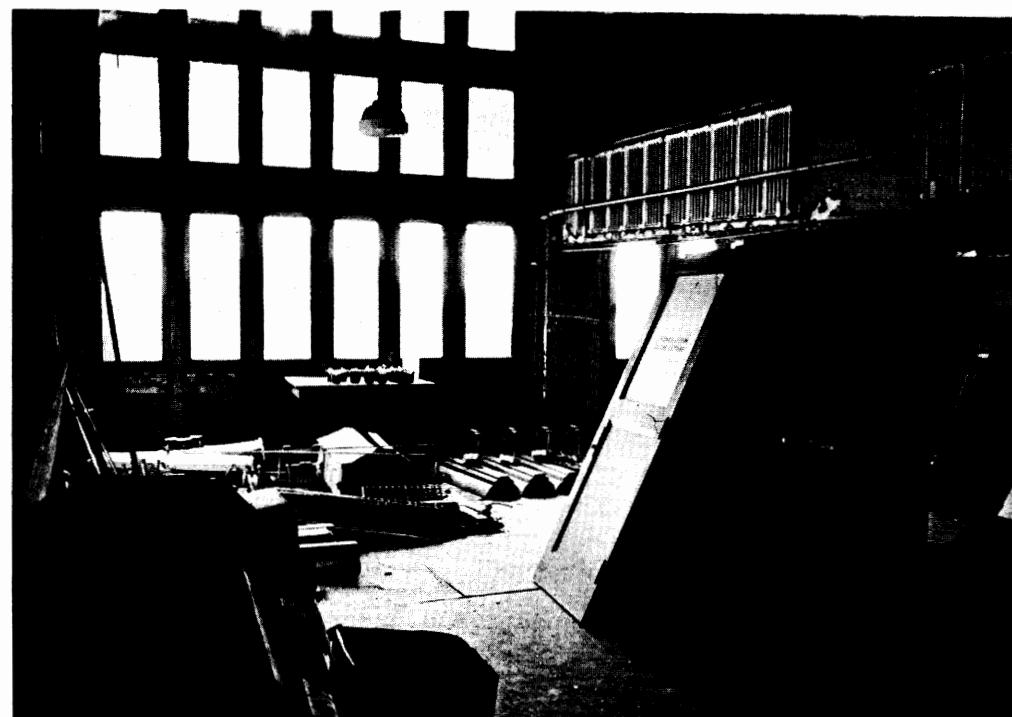
## HIGHTAILERS

People shudder at the suggestion of a new form of taxation. Most people fear that a municipal payroll tax would simply mean more taxes. Donelson strongly disagrees: "What you are talking about is not another tax. It is where you are going to get

(Continued on page 2)



Two views of the 13th floor ballroom—the potential is there



Photos by Alan Copeland

## From High Atop the Shrine

Jim Roper

Five years ago, Don Hassell picked up a copy of *Life* magazine to find a story about American cities and what was wrong with them.

Hassell, who had just returned to Memphis, read that what most cities need to make them a success is one exciting place, one center of attraction. In other words, a city needs a heart.

"It suddenly dawned on me that Memphis seemed to be a city without a heart," he said. "I hoped that wasn't true, but all the evidence seemed to point to it."

In the three years that Hassell has been proprietor of the Xanadu ballroom at 1447 Union, he has never forgotten the *Life* article and what it had to say about cities.

Hassell, whose Xanadu caters mostly to fraternity and sorority parties, says it's always been his hope to have a similar facility Downtown. He's been encouraged in recent months by negotiations with owners of the Shrine Building at 66 Monroe Avenue for use of its top floors.

But until additional fire exits (a costly undertaking) are provided, only 100 persons at a time can use the building's upper floors. This hasn't stopped Hassell.

"While a large audience isn't possible at one time, I still think a series of perhaps six little shows of blues, jazz, classical or whatever, could become popular nighttime entertainment."

He has a tentative agreement with radio station WLYX to do remote broadcasts from the 13th floor, which offers a panoramic view of the Mississippi River.

"The vaulted ballroom on the 10th floor is the perfect place for rehearsal halls for musicians, or a setting in which video tapings of bands could be done for booking agents. It would be an hourly rental facility, and, of course, subject to the fire regulations permitting a maximum of 100 persons."

This, essentially, is Hassell's view of what Downtown could and should be: an ideal setting for the music industry by day, and a center of entertainment at night. No other section of Memphis appeals to Hassell as much as Downtown, and he is appalled that it has been neglected for so long.

"The river is the greatest asset Memphis has, but the city has turned its back on it. Existing real estate Downtown is a sleeping giant — it's just waiting for the right type of use."

Hassell believes there is a changing atmosphere Downtown and throughout Memphis that will help make his venture a success.

"After Dr. King's assassination, everyone in Memphis seemed to retreat into their houses. Now there appears to be a reawakening. People suddenly want to rub elbows with one another. They're not as hesitant or afraid any more."

Hassell has dreams of a domed Crystal Palace-like structure on the roof of the Shrine Building as an observatory. He admits anything of the kind is light years away. Besides, he has more pressing problems. If negotiations with the owners are successful, Don Hassell has some cleaning chores.

After all, there hasn't been a party in the Shrine ballroom since 1938.

## Tripping the Light...

Fantastick it is not. Boy meets girl; boy gets girl; they live happily ever — then the *deus ex machina*-narrator gives the formula a twist. They encounter Sadness along the way. All of which is set to song. (I am presuming the play is a vehicle for the music.) The lyrics are beautiful and are charmingly sung by the Girl, Cindy Walker, and the Fathers, Gene Katz and Rick Moore. John Dunavent and Michael Darling, the itinerant Actors, provide refreshing and genuine comic relief. Dunavent's entrance is worth the play.

However, this is a silly play and badly miscast. Walker has all the romance of a chipmunk in heat and must bear the added cross of a horrid Yankee accent. The Boy, John Cygan, demonstrates his youthful masculinity by jumping about and lanking with his feet as far apart as possible. He looks like an old Jan and Dean fan in the cleanest white jeans and sneakers I have ever seen. Clyde Williams, El Gallo the swashbuckling-narrator, wears knit pants which are bad enough seen in the bold light of day on Main Street. He has the pained look of a man who must grin and bear it.

This is a play heavily touted and dependent upon the magic of the imagination. The romance just is not in it. If the cast does not appear to believe, how can I? The play is the thing.

Playhouse on the Square is an experiment: will Memphis support professional theatre? Playhouse is professional; the awkwardness and the embarrassingly inept are certainly not met with there. The staff and company have more than adequately proven their ability to meet the demands of production. However, the choice of material continues to belie the existing talent. The selection has been unfortunate: *A Shot in the Dark* was entertaining but predictable, *Tobacco Road* was oppressively dated, yet both were actors' showcases. Playhouse is taking a chance on Memphis, but why stop at half-measures? Why not present plays rather than entertainment? There is a free show on the street outside, but that's not theatre. Playhouse is fully capable of being a place where thought and fancy are commensurate, a theatre.

— Pat Waters

### TEACH PRISON INMATES

Thresholds of Memphis, a non-profit volunteer organization concerned with teaching prison inmates decision-making skills and problem-solving techniques, is searching for new volunteer workers. Thresholds is looking for individuals, whether they be executives, housewives or laborers, men or women, who are interested in working as counselors to inmates once a week.

Volunteers must first attend an intensive weekend of training. The next training course will be held March 27-28. For further inquiries call Catherine McMurtry at 526-1382 or write her at Thresholds of Memphis, 166-A Poplar Avenue, 38103.



## Neighborhoods

Cartoon by Richard Crowson

Last month people of the Highland-Southern neighborhood distributed a flyer alleging the City of Memphis was going to kill off area business by placing a ban on angle-to-the-curb parking on Highland. They also claimed the City was planning to construct a costly viaduct over the Southern Railway tracks to increase Highland's usefulness as a major north-south thoroughfare. On the flyer was a cartoon (above) called VIADUCTOPUS, "a monster epic, \$2,000,000 and three years in the making, coming soon to this neighborhood."

## MoviesMoviesMov

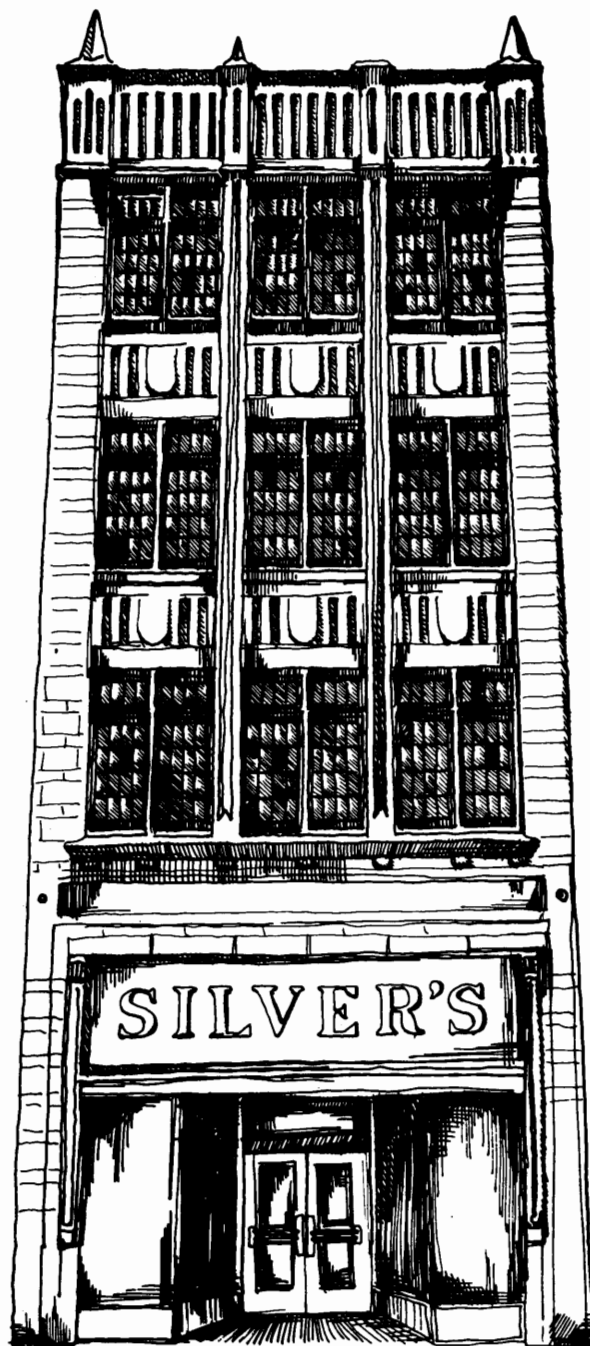
Robert A. Lanier

*The Sunshine Boys* by Neil Simon, with Walter Matthau and George Burns.

Those of us who have become accustomed to Neil Simon's comedies about New York life may find ourselves a little bit surprised by *The Sunshine Boys*. Instead of hilarious exaggerations of the frustrations of life in the big city, this film portrays all too accurately the sad frus-

trations of old age. Doors are no longer easy to open, memory fades, hearing weakens, tempers flare. Two old Weber & Fields-type comedians are reluctantly reunited in their twilight years for a final performance of their "Doctor Sketch" on television. There are laughs, of course, and Matthau and Burns give the perfect performances which we expect of such professionals. But the feelings of sympathy and discomfort engendered by watching men laboring under the burden of great age outweigh the moments of humor.

## Downtown Architecture



## Front Street Arts

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Copy for the April 1st issue must be in by March 22.

### CITY'S SOLUTION

(Continued from page one)

your revenue — from a sales and property tax or an income tax. It is not a question of adding on another tax on top of everything else. . . . The question is whether the taxation is to be regressive or progressive." An income or municipal payroll tax would be coupled with a proportionate decrease in the sales and property taxes.

A major feature of a payroll tax is the simplicity of administration. Both Alissandratos and Donelson recommend a withholding-type tax. Collection would be by existing federal or state agencies with nearly total remittance to the city. Such a procedure would avoid additional bureaucracy. The tax rate would be between one and three percent.

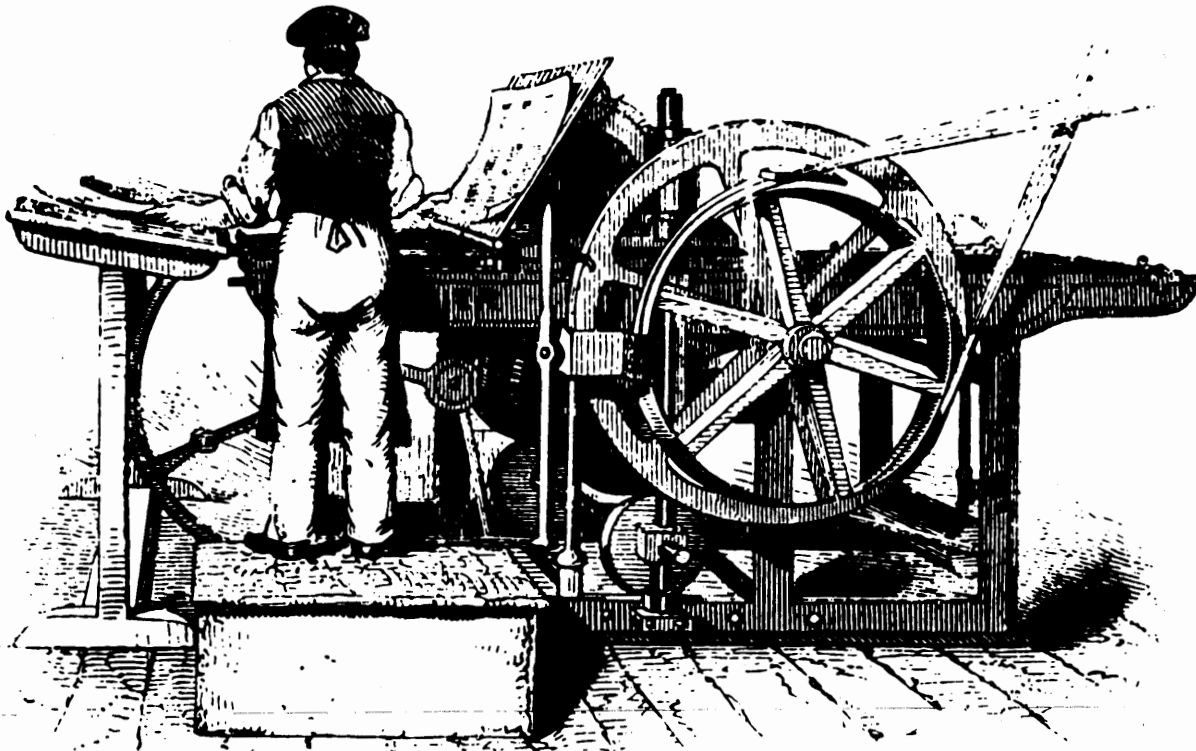
The fear of the general public of income and payroll tax has created timidity in many local politicians. Graves and Donelson took their payroll tax proposal to the legislature for the passage of an enabling act. They could not find a single legislator to introduce the proposal, although several recognized the desirability and necessity of the proposal. In reference to such politicians, Donelson paraphrases Churchill: "The politician with his ear to the ground listening to public opinion is in a hell of a position to lead."

These *hightailed* politicians are still prevalent, but not in the numbers of a few years past. Today several legislators, including Representatives Brewer and Spence, are in favor of an act to enable the city to pass a payroll tax. Donelson believes that a state income tax and a municipal payroll tax are inevitable because the city and state are in desperate need of a sound and progressive tax structure.

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#### NEW PROGRAMS AT YWCA

The YWCA at 200 Monroe is designing several new programs with both the women and men who work and live downtown in mind. In the future there will be things to do on lunch breaks and enrichment activities for after work hours.

One of the first programs this spring will be international cookery sessions on Wednesdays at noon.

On March 24 the specialty to be demonstrated and sampled will be a dish from the Philippines. On March 30 Mexican cookery will be featured. Registration should be made in advance.

Slimnastics will be offered on Tuesdays and Thursday at noon and again at 5 p.m. for an hour.

For more information about the new YWCA programs, call 527-9486.

Front Street Arts wants to continue to distribute *Center City* free of charge. There is considerable expense and much time consumed in mailing out this publication for your convenience. If you wish to receive *Center City* by mail, please send us some real support in the form of a \$5 subscription. We consider subscription money to be donations; money is not a requirement for home delivery; however, we would appreciate it if everyone currently on our mailing list would send in this coupon.

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## in the MARKET

FOR SALE: '74 Karman Ghia, 13,000 miles, perfect condition — Call 682-8373, or 278-5171 after 6 p.m.

WANTED: Burmese kitten — Call 276-1873 after 6 p.m.

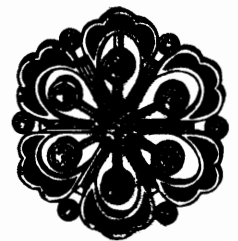
FOR SALE: 3-piece set of men's luggage — Call 274-0826.

FOR SALE: One student trombone — excellent condition — Call Bob Gay at 534-3558.

WANTED: Used wooden office desk & chairs for penniless community organization — Call 523-1542.

## This Is Absurd

Theater of the Absurd is just what the name implies. So when you drop by the Attic Workshop at 162 North Tucker to see *The Bald Soprano*, brace yourself. Eugene Ionesco's anti-play is a far cry from *Our Town*. It's an hour and a half of complete insanity, some of which is very, very funny. Bill Baker directs the hard-working seven-member cast. *The Bald Soprano* runs weekends through March 21. Admission is a reasonable \$2. Call 726-5521 for reservations.



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# Double Parked

Tucked away in the northeast corner of the second floor of Lowenstein's is a small wonderland for the dedicated bargain hunter. It's the sale area of the notions department and contains a remarkable array of reduced-priced oddities.

Stationery, photo albums, embroidered eye glass cases, and sewing boxes are among the items featured. Their Meltonian shoe polish, reduced from 75¢ to 30¢ a jar, is available in such bizarre colors as Smoked Elk, Raspberry, Bark, Baby Blue and more, as well as the standards. Plastic rain ponchos in red, navy and khaki green are only \$3.00, while shiny plastic rain slickers in red and yellow go for \$6.99. And if you venture back into the non-sale notions, the 24-karat goldplated Humdinger Kazoos are a rare find for \$5.

The 25¢ lunch? It may just be the best deal in town. Woolf Brothers offers a salad with crackers and a coke for a mere quarter to the first sixty people who show up to see the twice

By the time you read this, the annual celebration of Andrew Jackson's birth will have already happened; however, we did feel the occasion was worth noting. Abe Roberts, a 75-year-old attorney and dedicated Jacksonophile, yearly solicits the support (verbal, if not in actual appearance) of the governors of Tennessee, Arkansas, Georgia, Florida, Texas, etc., and, as chairman of the Andrew Jackson Commemorative Society, conducts a memorial ceremony. It is held in the south gallery corridor of the Shelby County Courthouse, at the weather-worn (due to years of exposure to the elements before being brought inside) bust of one of Memphis' founding fathers and later seventh President of the United States.

Mr. Roberts is often frustrated by what he considers a lack of proper recognition for his hero, but he never gives up. Go by that corridor at the Courthouse almost any day and he'll tell you all you ever wanted to know about Andrew Jackson and, quite probably, more.

monthly fashion shows. The gatherings are held the first and third Thursdays of the month at 12:15 p.m. in the second floor WB Shop. Even the clothes are terrific.

# Oddities

## FRIED CHICKEN PUFFS

In a bowl combine 3 cups flour, 2 tablespoons each of finely chopped onions and parsley, 2 teaspoons baking powder, 1 teaspoon salt, ¼ teaspoon pepper, and enough water to make a thick batter. Stir in thoroughly 3 cups cooked chicken, finely chopped. Drop the batter from a tablespoon into hot, deep fat (about 375°F) and fry until they are puffed and golden brown.

## BAKED BANANAS

Peel six bananas and place them in a shallow baking dish (dish should be lightly buttered). Dot the bananas with butter, and pour over them ¾ cup honey. Bake in a 425° F. oven for 25 minutes or until they are puffy and golden. Serve them hot with vanilla ice cream.

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# On The Air

## WLYX-FM SERVICE FOR THE BLIND

WLYX-FM 89 is an all-volunteer radio station located on the Southwestern campus. The station has initiated a broadcasting service for the blind. Readers present newspapers, periodicals and fiction over a closed-circuit network, 67 khz. To receive 67 khz a special receiver must be purchased through the station. To inquire about the receivers or to volunteer as a reader, call or write WLYX-Southwestern, 2000 N. Parkway, 276-1711.

## FESTIVAL '76

Festival '76 is part of a public television effort to gain greater non-federal monetary support for the medium. Under the stipulations of the pending Public Broadcasting Funding Act, public television will be required to match every \$1 allocated by the federal government with \$2.50 acquired from other sources.

Watch these programs on WKNO Channel 10 and send in your contribution:

Saturday, March 20, 5:00 p.m. - "Pygmies" - German film of environmental impact on the African tribe.

Friday, March 19, 10 p.m. - "I Regret Nothing" - BBC biography of Edith Piaf, the French Sparrow, featuring 20 songs by Piaf and songs by Yves Montand and Charles Aznavour.

Saturday, March 20, 10 p.m. - "Benito Mussolini, My Husband" - a documentary first, the personal history of Mussolini narrated by his widow Rachele.

# earthy delights

## DOWNTOWN ACTIVITIES

### SHOWTIME ON THE MALL

March 25 - The Hutchison School Glee Club - National Bank of Commerce - Commerce Square (inside) - Noon\*

## DOWNTOWN EXHIBITS

### NATIONAL BANK OF COMMERCE (Lobby)

March - Paintings by Johnice Parker

### STERICK BUILDING (Lobby)

March - Paintings by Marion S. Ives

## MIDTOWN EXHIBITS

### BROOKS GALLERY

Through April 25 - Carl Guthertz Paintings - Main Gallery

April 1-30 - Kent Portfolio Regional Collection

April 3-30 - Jr. Mid-South - Tuesdays thru Saturdays 10 a.m. to 5 p.m. - Sundays 1 p.m. to 5 p.m.

## FILM

### FRIDAY FLICS

March 19 - "Entr'acte" (Clair-1924), "Un Chien Andalou" (Dali/Bunuel-1929) & "La Jetee"

March 26 - "The Everglades" (1971) and "We Have Met the Enemy and He Is Us" (1973) - Peabody Library - 4 p.m. & 7:15 p.m.\*

### BROOKS GALLERY

March 21 - "The Secret Life of Walter Mitty"

April 4 - "The Illustrated Man" - 2:30 p.m.\*

### FILMTRAK

April 6 - "An Autumn Afternoon" (Yasujiro Ozu) - Jewish Community Center Auditorium - 8 p.m.

## LECTURES - REVIEWS - DIALOGUE

### AMERICAN ISSUES FORUM

March 23 - "A Power in the World" - Debate between Daniel Yanchisin & Joe Brady of the Main Library History Department - First National Bank Auditorium at 12:15 p.m. and the Main Library at 7:30 p.m.

March 25 - "A Power . . ." - Cossitt-Goodwyn Libraries - 12:15 p.m.

March 30 - "A Nation Among Nations" - Anne Schfer, President, United Nations Association, Memphis Chapter - First National Bank Auditorium at 12:15 p.m. and the Main Library at 7:30 p.m.

April 1 - "A Nation . . ." - Cossitt-Goodwyn Libraries - 12:15 p.m.\*

### CHINA: PAST AND PRESENT (Series of monthly lectures)

March 25 - "Life in Traditional China: Three Thousand Years in a Nutshell" - led by Dr. Paul S. Ropp, History Department, MSU - Main Library - 7:30 p.m.\*

### A NOONTIME BREAK (Wednesdays at 12:15 p.m.)

March 24 - Mrs. Bobbie Drobeck will review "Ragtime" by E.L. Doctorow

March 31 - Diane Cofer will present a slide program on Hawaii - Cossitt-Goodwyn Libraries, 33 South Front Street - 12:15 p.m.\*

### THE COMMERCE SQUARE CHRISTIAN GROUP DEVOTIONALS

March 23 - E. Lynn Brown, minister of Mt. Pisgah CME Church

March 30 - Mary Ann Frazier, First Evangelical Church - Commerce Tower Auditorium - 8 a.m. \*

## MUSIC

### EUGENE FODOR / MEMPHIS SYMPHONY ORCHESTRA

March 20 & 21 - Auditorium Music Hall - Saturday at 8:30 p.m. & Sunday at 3 p.m.

### CHILDREN'S CONCERT

March 22 - South Hall - Noon

### BROOKS GALLERY

March 28 - Overton High School Jazz Band - 2:30 p.m.\*

### CHAMBERMUSIK ON THE SQUARE

March 20 - Diana Stein, pianist

March 27 - MSU Woodwind Quintet - Playhouse on the Square - 1 p.m.\*

### RECITAL AT GRACE-ST. LUKE'S EPISCOPAL

March 28 - Martha Pipkin, Sara Savelle, Gary Beard - 3 p.m.

### POPS CONCERT

April 1 - Enid Katahn & Memphis Symphony Orchestra - Holiday Inn Rivermont - 8:30 p.m.

## THEATRE

### PLAYHOUSE ON THE SQUARE

Through March 28 - "The Fantasticks" - Wednesdays, Thursdays, Fridays & Sundays at 8 p.m. - Saturdays at 6:30 p.m. & 10 p.m.

### CIRCUIT PLAYHOUSE

Through March 26 - "Hot 1 Baltimore" - Hotel King Cotton - Tuesdays thru Sunday at 8 p.m. - Saturdays at 2 & 8 p.m.

### CIRCUIT PLAYHOUSE

March 25 through April 25 - "The Moonchildren" - Fridays thru Sundays at 8:30 p.m.

## DANCE

### MEMPHIS CALLERS SQUAREDANCE WORKSHOP

March 26 & 27 - Cook Convention Center - Friday at 8 a.m.-2 a.m. - Sunday at 9 a.m.-2 a.m.

\*FREE

MEMPHIS ARTS COUNCIL INFORMATION - 278-2600