

Tax reform promises relief for Swedes

STOCKHOLM (AP) — Heavily taxed Swedes will keep more of their paychecks under the first major tax reform since the welfare state was created 50 years ago.

The package, planned for legislation in 1990, would simplify the income tax and close loopholes that have been exploited by the rich at the expense of the worker, said Finance Minister Kjell-Olof Feldt.

The program calls for sharp reductions in the income tax, which is 72 percent on the highest tax brackets and some overtime payments. But it foresees higher revenues from tax on earnings from investments and profits by limiting deductions.

Feldt portrayed the reform as a return to the long-held goal of leveling incomes and redistributing wealth more equally. He said the tax system had become cumbersome and distorted by a quiltwork of revisions which shrewd taxpayers had learned to manipulate.

"Even though Sweden has higher taxes than most other countries, a lot of people call Sweden a tax paradise because it is so easy to evade taxes," he said.

It was the largest tax overhaul since the Social Democrats came to power in 1932, governing all but six years since then.

"The reason the system has begun to rot is that it's been in existence for too long. It worked well in the beginning," Feldt said.

But "a new world with new institutions, new markets and a new moral when it comes to paying taxes" had outdated it.

The plan was applauded by labor and won cautious approval from busi-

ness, as the stock market eased upward by 0.6 percent.

"Something has to be done. The taxation of capital today is a joke," said Stig Malm, Swedish Trade Union Confederation chief.

Stock analyst Tommy Cunzelius of Nordbanken bank told the Associated Press the proposal was welcomed for providing "a very strict and easy tax base that you can count on."

Prime Minister Ingvar Carlsson said the reform would safeguard welfare programs that have eliminated poverty and illiteracy in Sweden.

Feldt said incomes under \$26,600 would be taxed at an average 30 percent. Higher incomes would be taxed progressively, from 45 percent to a maximum of 60 percent.

Today, an average wage earner grosses about \$20,000 and gets to keep about half of it.

The smorgasbord of tax rates on capital gains and investment profits will be abolished and all income will be taxed at a uniform rate regardless of its source, Feldt said.

Corporate taxes also will be reduced from 52 percent to about 30 percent. "That will mean it will become more profitable to invest and less profitable to try find loopholes," Feldt said.

The reform was to stop widespread tax planning, in which highly paid accountants worked out loans and investments that their clients use as tax writeoffs.

Tax planning was starkly illustrated in the case of a Swedish real estate dealer who spent \$14 million for two paintings in New York last month. A Swedish newspaper said the dealer had reported to the tax authorities that he had zero income for the two previous years.

Three people were being held yesterday on drug charges stemming from a raid of an Orange home that netted police \$3,500 worth of narcotics and \$900 in cash, authorities said.

Police Director Charles Cobbert said the Wednesday night raid and the arrests of four people were the culmination of a nearly month-long investigation that began with a tip from a neighbor who suspected drugs were being sold from the Alden Street home of 50-year-old Naomi Schuler.

Schuler and Walter Powell, 38, of Hackensack face four charges each of possession of cocaine, possession of marijuana, possession of a controlled dangerous substance with the intent to distribute and possession with intent to distribute the drugs within 1,000 feet of a school, said Cobbert.

Schuler, Powell and Hadley were being held yesterday on \$3,500 bail each in the Orange Municipal Jail, said the police director. He said McPherson was released on his own recognition Wednesday night.

Members of the police vice squad raided the home at 9:24 p.m. after staking out the residence for several hours, said Cobbert, adding all four people were arrested inside Schuler's house.

He said police confiscated \$3,000 worth of cocaine, \$500 worth of marijuana and \$900 in cash.

A late-model, Pontiac Trans Am that was parked in front of the house and which police believed was used to transport the drugs was also impounded, Cobbert said.

Arraignment is scheduled for today in the Orange Municipal Court, the police director added.

3 arrested, drugs seized in raid on Orange home

By MEG NUGENT

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Cobbert said the one-family residence is located near the Cleveland Street Elementary School.

Also arrested were Newark resi-

Crew pulled from listing freighter

HALIFAX, Nova Scotia (Reuters) — A Canadian Forces helicopter yesterday rescued a 27-man crew from a Liberian-registered freighter that had been in danger of sinking in stormy waters off Nova Scotia.

A Labrador helicopter from Prince Edward Island rescued the crew one by one from the listing 375-foot Katia, which appealed for help early yesterday.

Eleven of the crew were dropped onto the deck of a bulk carrier while the remainder were flown to Sable Island, a lonely strip of land inhabited mainly by wild horses.

After the freighter put out a distress signal shortly after midnight, sev-

dents Lewis Hadley, 37, and Joseph McPherson, 36, who respectively are charged with possession of cocaine and possession of drug paraphernalia, said Cobbert.

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Anthony G. Frino, maintenance worker

A Mass for Anthony G. Frino, 65, of Fanwood will be offered at 10 a.m. Monday in St. Bartholomew the Apostle Church, Scotch Plains, following the funeral from the Rossi Fu-

Joseph Macaluso

Joseph C. Macaluso of Union died yesterday in the Elizabeth General Medical Center.

A Mass will be offered at 9:15 a.m. tomorrow in St. Michael's Church, Union, following the funeral from the Haeberle & Barth Colonial Home, 1100 Pine Ave., Union.

Mr. Macaluso worked for Dave's Market and Liquor Store in Millburn for 20 years before returning seven years ago. He served in the Army during World War II and belonged to the Golden Age Club of Union.

Born in Newark, he lived in Union for 30 years.

Surviving are a sister, Grace, and a brother, Sam.

Florence Miller

Mrs. Florence S. Miller, 83, of Franklin Lakes died yesterday in her home.

Services will be held at 10:30 a.m. tomorrow in the Moore's Home for Funerals, 1591 Alps Rd., Wayne.

Born in Union City, Mrs. Miller lived in Bloomfield for many years before moving to Franklin Lakes in 1983.

Surviving are a daughter, Mrs. Patricia Kierstead, and a son, Victor.

C. Rapolla Jr.

Carmen R. Rapolla Jr., 56, of Butler died yesterday in the Beth Israel Medical Center, Newark.

A Mass will be offered at 9:30 a.m. Monday in St. Anthony's Church, Butler.

Mr. Rapolla was an electronics supervisor with Austin Electronics of Fair Lawn for many years. He was a member of the Knights of Columbus Council 943 in Butler.

Born in Passaic, Mr. Rapolla moved to Butler 25 years ago.

He is survived by his wife, Helena; a daughter, Susan; four sons, Carmen, Randall, Richard and Dominic; and two sisters, Mrs. Margaret Holster and Mrs. Maureen Daly.

FOOD AND FELLOWSHIP

Donated holiday dinners give poor, homeless their fill



Cheryl Mormon holds her 6-month-old, Khalil, while she and another son, Shahib, enjoy a Thanksgiving dinner at the Quality Inn, Newark. The event was sponsored by the Newark Coalition for Low Income Housing, the Councilman Donald Tucker Civic Association and the Soul House Drug Rehabilitation Center

"I am very grateful for this,"

she said, as she and her family finished their dinner yesterday afternoon. The cafeteria in the hotel where the six eat most days was closed yesterday.

Theresa Goodman and her two young children also found a holiday respite in the mauve and green "Crystal Room" at the hotel on Park Place. The 26-year-old welfare recipient who lives with her children, Nakidah, 5, and Jhamar, 6, at the Carlton Hotel could have gone to her sister's for Thanksgiving dinner, but the dinner at the Quality Inn allowed her children to eat with their friends.

"I feel more comfortable here because they make you feel welcome," Goodman said. "We can relax and sit back and eat the way we want to eat."

Councilman Donald Tucker planned the dinner for welfare families living at the Carlton and Lincoln hotels because most have no stoves for cooking and little money for food. There are more than 1,300 people on welfare in the hotels, but yesterday about 110 came to the Quality Inn for a traditional Thanksgiving meal.

In previous years, Tucker has handed out turkeys to several families, but he said that would be little help to the hotel families. "Giving a turkey to a family in a hotel means nothing if you have no way to cook it," Tucker said.

Men, women and children filled their plates with hot turkey, cranberry sauce, salad, spinach, potato salad and bread, dished out mostly by members of Tucker's staff and civic association.

The feast was prepared at cost by Bill Graves, the owner of a Newark sandwich shop. He cooked all day Wednesday until 1 a.m. and was awake by 6:30 a.m. yesterday to make the final preparations.

Four turkeys, 75 pounds of potato salad, 23 sweet potato pies and 10 gallons of punch were some of the fruits of Graves' labor. He did the same for the Isiah House in East Orange yesterday after years of providing meals for a handful of families at holiday time.

"This year, with all the families in need, I said that just won't do it," Graves said.

The \$2,500 tab for the dinner is being picked up by Tucker, the Newark Coalition for Low Income Housing, Soul House and Communication Workers of America Local 1081.

"We wanted to provide services along with advocacy," said Victor DeLuca of the Newark Coalition for Low Income Housing.

Soul House, an outpatient clinic for drug addicts, has worked since 1974 to ensure its clients' families do not go hungry on holidays.

"A drug addict is not alone. He has a family, and many of their families are destitute," said Edna Thomas, director of Soul House.

"This gives them some dignity and also gives us dignity, too," Thomas said of the meal.

"Everybody likes to be treated with dignity."

"I think it's wonderful," said Eulia Booker, 38, who brought her four boys ages 9 to 15 for the holiday fare. "It's a blessing to know someone cares."

Hundreds of other Jerseyans found fellowship yesterday and enjoyed a Thanksgiving meal with others who might otherwise have been alone or hungry.

About 400 homeless people and elderly Newark residents were treated to a Thanksgiving dinner at the Smith Memorial Church of God and Christ in Newark, said the pastor, C.H. Evans.

About 15 church volunteers dedicated their holiday to cooking and serving the traditional meal.

At Journal Square in Jersey City, about 100 homeless people got a traditional hot meal from Straight & Narrow Inc., which set up shop in the office of Rep. Frank Guarini.

"These people sleep in front of my congressional office every day," Guarini said. "There are many decent people we should not forget about them."

Donald Kelly, who ate a dinner at Eva's Kitchen in Paterson, a soup kitchen, says he lives on the street and is glad to find a hot meal.

"Sure I had a maid," Kelly joked about his time living under the railroad tracks in the city. "Every other day the transit authority came by and cleaned up."

Henry Scott, another homeless man who was fed by the Masonic Temple in Paterson, said, "Thank God for places for this. I'm making it by the skin of my teeth. I'm trying not to resort to being incarcerated."

The Rev. Rex Whitteman, who runs the Rescue Mission in Atlantic City, coordinated and served dinner to almost 300 of that city's poor and homeless.

"We depend on word of mouth to spread the word because that's the way most news gets out on the street," he said. "We try to give them a nice meal of turkey and all the trimmings."

'Greenhouse effect' threatens U.S. timberlands

By KRISTINE ROSEMARY
Newhouse News Service

MOSES LAKE, Wash. — Sharply accelerating changes in the chemistry of the atmosphere caused by global air pollution—the "greenhouse effect"—may permanently alter the Pacific Northwest's mild, rainy climate, putting the region's vast timberlands at risk of destruction.

Slash-and-burn agriculture, massive soil erosion and worldwide deforestation have contributed to increasing carbon dioxide, methane and nitrous oxide in the atmosphere. Add a combination of long-lived industrial pollutants—the chlorofluorocarbons, carbon dioxide produced from fossil-fuel burning, more ozone in the skies above cities—and the resulting interactions trap heat radiated from the Earth's surface, leading to increased warming.

In magnitude, this climate change may be the greatest since the last interglacial period began 11,000 years ago, says Michael F. Fosberg, research coordinator for the U.S. Forest Service fire and atmospheric research section in Washington, D.C. And, he says, "It could be 50 to 100 times as rapid."

It took 7,000 years for the last glaciers to retreat, slowly enough for trees to respond. This time, Fosberg says, "there will be a major upheaval of the landscape."

A strong minority of scientists argue that a global warming trend hasn't yet been demonstrated. There also is dissent among climatologists who see large-scale disturbances in the ocean-atmosphere system actually causing a cooling trend in global temperatures over the next decade.

But foresters can't wait around to see the outcome. So far, their computer models don't give equal weight to potential cooling.

In the Northwest—where hemlock, Sitka spruce, red cedar, grand fir and Douglas fir can live 750 years and grow 250 feet tall—scientists have devised experimental forecasts operating on the assumption of a chemical change in the atmosphere equivalent to a doubling of carbon dioxide levels. Those computer models show warming in the

Warmer, drier Pacific Northwest could see firs give way to pines

Pacific Northwest of 3 degrees to 9 degrees Fahrenheit in year-round temperatures, accompanied by slightly less or equal precipitation, says Jerry F. Franklin, Forest Service plant ecologist and Bloedel professor of ecosystem analysis at the University of Washington's College of Forest Resources.

"Things are going to get pretty hairy around here," Franklin predicts.

One eventual response: The slow migration of tree species. For Douglas fir, the mainstay of the region's \$6 billion annual timber economy, "It's quite conceivable the southern extent of their range could be British Columbia," Fosberg says. "(Drought-resistant) Ponderosa pine could become the dominant species of the Coast Range."

The most severe and immediate impacts are expected to come in the form of drought, severe storms and catastrophic wildfires. More fires mean "a double-whammy for forest ecosystems," Franklin says in a preliminary report prepared by Forest Service and Oregon State University forestry scientists.

Once forests are destroyed by fire, many tree species will be unable to grow back. A warmer, drier climate creates more severe conditions for forest regrowth and increased vulnerability to insect and disease outbreaks.

The raging wildfires in Northern California and Southern Oregon in 1987 and Yellowstone National Park in 1988 are examples of the intensity of fires to come, the researchers say.

"We need to develop forestry practices for a changing environment," says Frederick J. Swanson, a Forest Service researcher in Corvallis, Ore. "We need to plant trees today for tomorrow's climate, and we have a moving target."

The immediate implication is a precarious future timber supply. The Forest Service plants trees now to replace those lost through increased log-