

Feb. 6, 1966

IRVINE CO. & ELMORES EXPLOIT IMPERIAL COUNTY RESIDENTS

The Imperial Resources Associates which is the lobbying organization of the large ranches in Imperial County, have been putting on a high pressure campaign to stampede the officials in Washington, D.C. that nobody wants enforcement of the 160 acres limitation in Imperial County. This organization is raising \$300,000 for its lobbying.

The Associates which are essentially REPUBLICAN because 95% of the big ranchers are Republican, have been going around twisting the arms of various organizations to make them pass Resolutions against enforcement. These Resolutions are then sent to Washington. Locally, they are given great publicity in PINKLEY'S PROSTITUTED PRESS.

Now the surprising thing about all this is that most of these organizations are not located in Imperial County. But when the Calif. State Grange which has 40,000 members as compared to the Calif. State Farm Bureau which has 60,000 members, proclaims THAT IT WANTS ENFORCEMENT, Pinkley's UnAmerican Newspapers WILL NOT PRINT THIS NEWS.

Locally, people are afraid to advocate enforcement of the 160 acres limitation per person of the U.S. Reclamation Law. They are afraid that they will lose their jobs or have their businesses boycotted by the big ranchers and their allies, the bankers, etc. So it is an easy thing for the big farm interests to bulldoze service clubs and other organizations to say that they do not want enforcement. The service clubs are so afraid that they will not even invite Dr. Yellen to speak. The service clubs are afraid to practice FREE SPEECH!!!

Now of all the organizations that can be considered as representing the majority of the people, it is felt that the Imperial County Democratic Central Committee enjoys that distinction. There are 65% Democrats and 35% Republicans in Imperial County. Do not forget that the members of the Democratic Central Committee are average, middle class persons who have the same fear of the big farm interests. On January 6, 1966, Mobley Milan, the Chairman, announced that the Committee voted 9 to 6 opposing enforcement. Mobley Milan also said that several members refused to vote. So we know that if these members had voted, the vote would have been in favor of ENFORCEMENT. Then it must be realized that many of those who voted against enforcement, had to do so because in comparison with those who refused to vote, they could not do this because their jobs and businesses are so vulnerable to reprisals from the big ranchers, they could not show the least sign of wanting enforcement of the U.S. Reclamation Law.

The Irvine Co. (absentee landowner) and the Elmore (Elmore Co., Stephen, John Jr. who live here) are the leaders of Imperial Resources Associates. WHAT HAVE THEY TO LOSE IF THE U.S. RECLAMATION LAW IS ENFORCED HERE?

The Irvine Co. owns 12,000 acres of farmland in Imperial County. This amount of land is conservatively worth \$16 million. Because of

the tax swindle of \$8 millions yearly run by Assessor-Collector John Bowman for the benefit of the large ranches, the Irvine Co. is able to escape \$150,000 yearly. Because of the electricity swindle run by the Imperial Irrigation District amounting to \$14 millions yearly, the big ranches are able to get BELOW COST irrigation water. The farmland of the Irvine Co. here escapes about \$400,000 yearly in water bills.

The President of the Irvine Co. is S. Charles Thomas, a bigshot Republican who formerly was Secretary of the Navy in the Eisenhower Cabinet. So you know he has plenty of political influence in Washington. Now what the Irvine Co. is doing in Imperial Valley is using it as a tax shelter. This means in plain English a way to avoid paying income taxes. Here is how it works.

The Irvine Co. has an 88,000 acres ranch in Orange County which in the Los Angeles Times of Nov. 19, 1965, page 3, Deputy Attorney General Marshall Mayer said had a value of \$500 millions. The yearly property tax on this ranch should be \$10½ millions. But the Irvine Ranch only pays \$1½ millions yearly. It escapes \$9 millions which means it escapes 85% of its correct taxes. The old Assessor-Collector who set the fake low assessments has been gotten rid of just as must be done in Imperial County to Assessor-Collector John Bowman.

The Irvine Co. originally got its land about 1880 for about \$10 per acre. Much of this acreage now sells for \$25,000 to \$50,000 per acre. Let us suppose a developer wants to buy 40 acres of the value of \$25,000 for each acre. This would amount to \$1 million. If the Irvine Co. sold the land for cash, it would have to pay a \$¼ million CAPITAL GAINS TAX on its Federal income tax for this sale. To avoid this, it makes the developer go to Imperial County and buy a million dollars of farmland which sells for \$1,000 to \$1,500 per acre. Then the developer exchanges his \$1 million of Imperial Co. farmland for the \$1 million Irvine Co. land. By the exchange of property the Irvine Co. escapes paying the \$¼ million capital gains tax.

At the same time, the Irvine Co. is able to exchange only 40 acres for an acreage varying from 700 to 1,000 in Imperial County. By doing this steadily, it is possible for the Irvine Co. to exchange all its 88,000 in Orange County and get all of the 460,000 acres in cultivation in Imperial County. Then by control of John Bowman, it will be able to escape tremendous taxes as it has been doing in Orange County. With the investigation of Assessors and their swindling, the new Assessor in Orange County is not under the control of the Irvine Co. The U.S. Reclamation Law permits only 160 acres per person (husband and wife would have 320). In addition you can not be an absentee landowner. So you can see how the Irvine Co. would be prevented from using Imperial County as a TAX SHELTER as it would not be permitted to own land here.

The secret that the Elmores are trying to keep from you is that for growing cotton which takes 6 months, the Federal Government gives the Elmores \$¼million as a charity handout which is officially called a "price support". For the other 6 months, the Elmores grow another crop on the same land. This is the same amount of money that Billie Sol Estes got for growing cotton but Estes could grow only cotton on his farmland for the other 6 months the land was idle because of winter. U.S. Senator John Williams (Republican) of Delaware in a speech quoted in the Los Angeles Times of July 10, 1962 said this of Billie Sol Estes, "another glaring example of the financial assistance which taxpayers are giving to a large corporate operator and one who is now recognized as definitely NOT qualifying as a small family farmer".

The Elmores also get big charity handouts for growing beets. If the U.S. Reclamation law was enforced, each Elmore and his wife would have 320 acres to farm and probably would have a cotton allotment of 60 acres and would only get a charity handout of \$9,600 for growing cotton. THE OTHER LITTLE FARMERS WOULD HAVE A CHANCE TO COLLECT IF THE ELMORES WERE NOT HOGGING SO MUCH. \$¼million dollars is the amount of money needed to support 1,000 needy children for 6 months. Why do the millionaire Elmores collect this big charity handout? ENFORCEMENT OF THE 160 ACRES LIMITATION WILL STOP THE HANDOUTS TO THE MILLIONAIRES.