

# Farmington Observer & Eccentric

Volume 86 Number 97

Monday, September 22, 1975

Farmington, Michigan

24 Pages

Fifteen Cents

## Legislators warn new tax will hurt businessmen

By STEVE BARNABY

"You're going to have to pay money just to be in business."

That's the way State Sen. Daniel Cooper (D-Oak Park) explained the new single business tax (SBT) to the Farmington Chamber of Commerce at last week's meeting.

Cooper, along with State Rep. Wilbur Brotherton (R-Farmington) spoke before the chamber to warn businessmen of the tax's effect when it becomes operational next year. Both legislators voted against the measure which was favored by Gov. William Milliken's office.

Cooper says the tax will be especially harsh on service-oriented commerce, such as doctors and lawyers.

"The impetus for this bill is to promote expansion. But this is nonsense. There isn't any data which shows that will happen. The only thing it will do is allow large industry to get larger," he said.

COOPER WAS CRITICAL of the governor's office, saying its logic that a tax increase would be unnecessary because of the bill is untrue.

The executive office had the aud-

city to say there would be no need for further tax increases. We know that it's just not going to be," he said.

Basically, the tax substitutes the business tax structure by substituting a single tax to replace seven existing taxes. While the present corporate income tax is 7.8 per cent on profits, the SBT rate will be 2.35 per cent.

Proponents say the change will be more favorable to profitable and rapid growing businesses.

Taxes replaced by SBT will be:

- Corporation franchise tax
- Corporation income tax
- Financial institution income tax
- Domestic insurance company privilege tax
- Savings and loan association privilege tax
- Business portion of intangible tax

Local property tax on inventory. To encourage industry to expand and move into the state, the bill will allow a 100 per cent deduction on capital acquisitions within 10 years of purchase.

"I just don't think we should have this tax with the hope of more expansion. There are too many other reasons why businesses move out of Mich-

igan besides the taxes," said Cooper.

A major objection from opponents of the bill is that salaries and wages will be taxed. Also taxed would be unemployment compensation, workmen's compensation premiums, health and life insurance premiums, pension and profit sharing plans.

Brotherton said the tax could have the effect of encouraging industry to hire fewer workers.

"I've seen industry gradually shifting to more automation. Since the bill taxes payroll, this could encourage industry not to hire workers," he said.

ALTHOUGH HE VOTED against the tax, Brotherton believes a "wait and see" attitude should be taken.

"Ever since I've been in Lansing, we've been amending laws. This law also can be amended," he told the local business group.

The tax is expected to raise \$800 million in its first year, according to Brotherton.

The end of the year rush to get rid of inventory also will be done away with, he said.

"Under the old system, businessmen were forced to make economic

decisions on the basis of taxes. For example, the personal property tax on inventory is to change for tax purposes, and not strictly for the purpose of better serving customers at lower prices," he said.

Extremely small business will get a break under the bill, says Brotherton.

"For 1976, the first \$34,000 of the tax base of every taxpayer shall be exempt. This will help the ma and pa operations. In 1977, and thereafter, this exemption will be \$38,000."

Proponents hope the SBT will provide more stable tax revenues than present taxes, he says.

"Presently during boom years, the state receives a surplus of revenue from business taxes. During poor years, tax revenues drop," said Brotherton.

Corporate income tax revenues fell from \$285 million in 1973-74 to \$220 million during 1974-75.

"Changes of this magnitude necessitate tax rate increases during poor years. Unfortunately during poor years, the tax rate wasn't reduced. Instead new programs were added. Later business improves and the higher tax rates generate a surplus and the cycle starts all over again," he said.



CHARLES W. SMITH (right) of Farmington is escorted to Wayne District Court for arraignment on a first degree murder charge in the Sept. 18 slaying of a foreman at the Howmet Corp. in Plymouth Township. Escorting Smith into the court room Friday afternoon is Wayne County Sheriff's Detective Ray Allen. (Staff photo by Maure Walker)

## Farmington man facing charges in murder of Howmet foreman

By MAURIE WALKER

A 54-year-old Farmington man faces pretrial examination Sept. 29 in Plymouth District Court, charged with murder in the first degree with malice, in the shooting last Thursday of his boss at Howmet Corp., 41885 Ann Arbor Road, Plymouth Township. Charles W. Smith, of 2301 Haynes, Farmington, stood mute when arraigned on the charge Friday before 28th District Judge John Seiler.

SMITH is charged with shooting Walter A. Warbrouck, 44, of Brighton following an argument in the Howmet plant Thursday afternoon.

Det. Ray Allen of the Wayne County

Sheriff department said Smith had been hired by Bonded Security Service Inc. and was assigned to the Howmet plant.

The detective gave this account of the murder.

"Smith had been off 'ill for two days. He called his employer Thursday morning and learned he was no longer assigned to Howmet."

"Witnesses said Smith had been drinking before coming to the plant to talk with Warbrouck about his job," the detective said.

Smith parked his car in the parking lot outside the plant and walked into the building. He was met by two supervisors and asked them where Warbrouck was, reportedly saying,

"Where's Walley? The SOB he cost me my job."

The supervisors told Smith to leave. He refused and began checking areas in the plant.

"He apparently saw Warbrouck enter a men's room and followed him in along with the supervisors. Smith argued with Warbrouck, charging him with being responsible for losing his job at the plant," Allen added.

WITNESSES SAID Smith left the washroom following Warbrouck and the two supervisors into the hall just outside one of the offices. Smith reportedly pulled a gun, a .357 Magnum, six shot.

Ron Rohraft, one of the supervisors,

grabbed Smith's arm, shoving it upward. The gun went off, hitting the ceiling.

Rohraft ran for help. Smith is reported to have then pointed the gun at Warbrouck saying, "And here is another for you, and fired."

Witnesses told Sheriff deputies that Warbrouck shouted, "I've been shot in the lung." He then fell to the floor.

SMITH FLED out of the plant to his car where he was found when the Sheriff deputies arrived.

"The body was found lying on the floor of the plant, face down," the detective said. "Our men and members of the Plymouth Township Fire Department tried to find signs of life, but there were none," he added.

"The gun was found on a nearby desk, having been put there by an employee after the shooting. There were two spent shells in the six-cartridge magazine," Allen said.

Smith, who was remanded to Wayne County Jail to await pretrial examination, told Judge Seiler he had been employed by the security service firm for "about 2 1/2 years." He has lived in Farmington 10 years, has a wife two daughters and a son.

Smith requested a court-appointed attorney. The judge granted his request.

## Botsford has open house

The Botsford General Hospital Guild will conduct a public tour of the facility Sunday, Sept. 28, from 2-4 p.m.

The hospital is at 28050 Grand River, Farmington Hills. Refreshments will be provided along with babysitting service.

The aim is to acquaint the community with the hospital and its services and to invite visitors to become Guild members.

## Physician donates statue to Farmington area library

Farmington Hills is now the owner of a valuable piece of art. Dr. Allen Ziegler, executive director of Ziegler Osteopathic and Botsford General Hospitals, officially presented "Humoresque," a lifelike bronze sculpture-fountain to city fathers at a garden reception at his Southfield home last week.

It is due to be placed on the grounds of the Farmington District Li-

brary, Twelve Mile Road, sometime next month.

It will be mounted on a base designed by architect Stewart McCullum. Construction for the base went out for bids this week.

"Humoresque" is the work of Harriet Whitney Frishmuth, born in Philadelphia in 1898. She studied art in Europe and her work is in the Los Angeles museum as well as others in Ohio,

New Jersey, Georgia and New Hampshire.

Saying he has owned the bronze for 23 years, Dr. Ziegler commented at the reception, "I have owned and enjoyed it and I now feel it is time to share its beauty."

He acquired the piece when he bought the William Fisher estate on Grosse Ile. This will be the third or fourth time the bronze has been moved.

Farmington Hills Councilmember Jan Dolan, who has been coordinating the arrangements for the move for the city, said she expects there might be a few comments because the statue is a nude.

"But," she added, "it is a beautiful work of art and we are very pleased to accept it."

Farmington Library director Gordon Lewis was also warm in his praise of the gift, saying it would enhance the beauty of the surrounding lawn and gardens.

## Beautification efforts are awarded

The Farmington Hills Beautification Commission recently held its fourth annual environmental education luncheon for more than 60 fifth grade students, teachers and administrators at the Farmington Community Center.

The program was scheduled to share beautification ideas and present the awards from last year's beautification contest.

Guests at the luncheon were Ralph

Yoder, mayor of Farmington, Robert Deadman, Farmington city manager, and Lawrence Freedman, assistant superintendent of elementary education.

Also present were Earl Oppenbauer, mayor of Farmington Hills, and George Majors, Farmington Hills city manager.

First on the agenda was a brainstorming workshop on developing school sites. After viewing slides on beautification in the district, the au-

dience was split into four groups which made recommendations on specific problems.

FUND RAISING was the topic of one session. Courtyard and backstop usage recommendations were made by two other groups. Another group had to decide what to do with a shipment of logs and telephone poles.

Carolyn McQuiggan, director of the workshops, said that she had tried to find a way to tie the beautification projects in with the coming bicentennial celebration, but couldn't.

Although there wasn't time enough to share the suggestions with everyone present, Mrs. McQuiggan said she was collecting the information to pass out to each of the 17 elementary schools in the district.

Prizes were given to three schools for the beautification contest completed in May. Middlebrook took first prize, Forest Elementary took second and Edgewood Elementary in Farmington Hills, a part of the Clarenceville School District, took third.

Not all judging is done on the basis

## Board approves appointments

The Farmington Board of Education

recently approved the appointments of nine new teachers, leaves for three and the resignation of another.

Appointments were approved for Janet Gleason, 22, who will teach Spanish and English at Durckel Junior High School, Marciana Lane, 24, who will teach physical education at Power Junior High, and Despina Piro, 22, who will teach home eco-

nomics at Harrison High School.

Other appointments include: John Scott, 29, Boys' Republic; Neil Semelbach, 26, science at Power Junior High; Ronald Shortt, 27, physical education at Alameda and Fairview elementary schools; Dennis Skowronski, 29, social worker; Deborah Stoyanovich, 24, physical education, Warner Junior High, and Kathleen Nolan, 28, social worker.

inside

News

Editorial's

Columns

Sports

Farmington Life

Section A

Section B

Section C

Section D

Section E

The Record Biz

A businessman found Farmington Hills to be a good place to launch a record company. To see how it's done, turn to Page 3A.