

THE CHARLOTTE NEWS

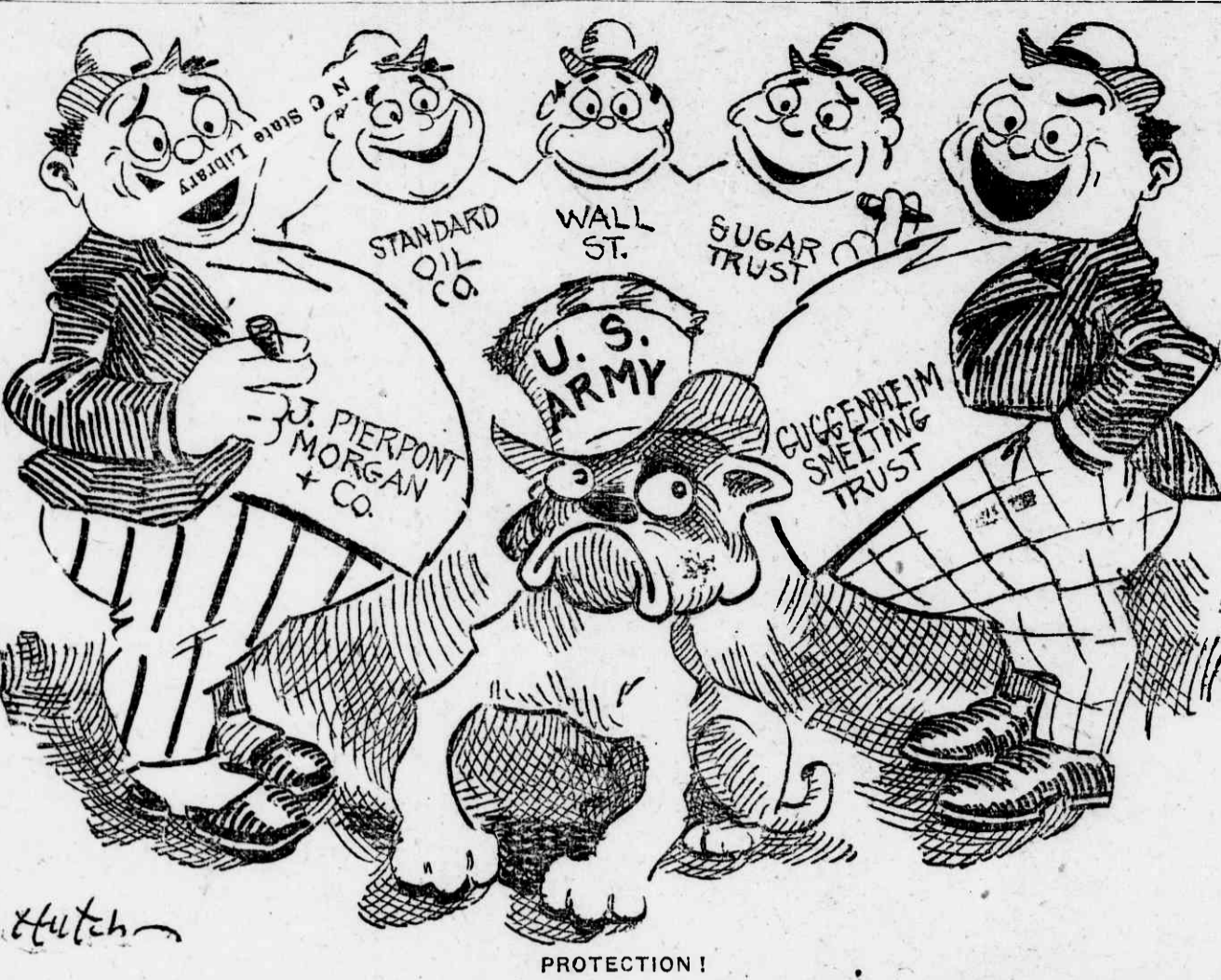
VOL. 43. NO. 6974 CHARLOTTE, N. C., MONDAY EVENING, MARCH 13, 1911 PRICE 10 CENTS

Corporation Tax Is Sustained As Constitutional

The provisions of the law stated that the tax was a special excise tax with respect to the carrying on or doing business. It was to be paid by every corporation, joint stock company or association, organized for profit and having a capital stock represented by shares, and every insurance company, organized under the laws of the United States or of any state or territory. It was provided that the tax should be "equivalent to the per centum upon the entire net income over and above \$5,000 received from all sources," exclusive of amounts received as dividends upon stock of other corporations, joint stock companies or associations, or insurance companies, subject to the tax.

The law provided also that returns should be made by those taxed to the treasury department, to be used as a basis for assessing the tax. These were open to inspection, but in 1910 congress enacted legislation providing that the returns should be open to inspection only upon rules and regulations approved by the president. The first action of the courts to test the constitutionality of the law was begun in the United States circuit court for the district of Vermont. A woman began it, Stella P. Flint, guardian of the property of Samuel H. Stone, Jr., a stockholder in the Stone-Tracy Company, of Windsor, Vt. began an action to have the company restrained from paying the tax, Her attorney, Maxwell Everts, brought the case to the supreme court, after the circuit court had declined to hold the tax unconstitutional.

When the Stone-Tracy case came up for argument before the supreme court in March, 1910, 14 other cases likewise raising the validity of the law and decisions likewise sustaining the constitutionality of the tax, had reached the court. They were advanced and heard with the original case. Because presumably of vacancies on the bench, the cases were restored to the docket for re-argument. This re-argument occurred in January, 1911. The constitutionality of the tax was attacked from all the points from which any tax possible of enactment by congress could be attacked. Prominent among the objections to the law was the argument that the tax was a direct tax, not apportioned, according to the constitution. Some dubbed the tax a "corporation income tax" and invalid for the same reasons that the income tax was declared unconstitutional in 1895. Others claimed that it was a tax on interstate commerce and hence was an unconstitutional interference with the sovereignty of the states. Another line of objections was based on the argument that as an excise tax, it was not uniform but contained unconstitutional classifications. The publicity features of the returns were attacked as taking private property without compensation. To all of these objections, the department of justice, through the late solicitor general, Lloyd W. Bowers, at the first hearing, made answer. Frederick W. Lehman, at the second hearing, made answer.



PROTECTION!

Recorder Convicts Tailor Miller On Lottery Charge

Holding that where any pecuniary consideration had gone out and the remuneratory return is determined by lot or by chance constitutes, in itself, a lottery, Recorder D. B. Smith this morning found for the city in the proceedings instigated and prosecuted by Assistant City Attorney DeLaney, Miller, Jr., alleging the conducting of a lottery at his tailoring establishment. A fine of \$50 was imposed. From the decision of the Recorder, which is backed by decisions of several courts that have passed upon every phase of the lottery problem, an appeal was noted by Col. Walter R. Henry, counsel for Mr. Miller.

Keplinger And Brown Suspend

New Orleans, La., March 13.—At the opening of the cotton exchange this morning the suspension of the future brokerage firm of Keplinger & Brown was announced. This is not a very large firm and the failure is not regarded as one of great importance. At the opening of the exchange no effect upon the market was noted.

Capture Six Chinese Slave Girls

San Francisco, March 13.—A spectacular raid in Chinatown last night resulted in the capture of six Chinese slave girls said to have been illegally imported and purchased for the sum of \$25,000. The girls were removed to the immigration station and will be held there to await the action of the government. It is believed they were smuggled into this port within the last six months and probably they will be deported.

No Movement Of Troops Into Mexico Says Dickinson

By Associated Press. New York, March 13.—"I do not believe there will be any movement of our troops into Mexico." This was the statement here today of J. M. Dickinson, secretary of war, who plans to sail for Panama this afternoon. "There can be no excuse for intervention," he continued the secretary, "unless the Mexican government proves negligent in protecting the persons or the property of foreign residents, and such negligence would have to be firmly established, in my opinion, before any such step could be taken. There are no conditions now existent to give us such warrant.

Roosevelt On Seventh Day Of His Trip

By Associated Press. San Antonio, Texas, March 12.—Col. Roosevelt began his seventh day of his present tour with a flying review of the troops gathered near this city under the recent order of the war department. The camp is located a few minutes ride by motor out of the city at Fort Sam Houston and at the solicitation of Gen. Carter, commanding and the other general officers who paid their respects to the former President last night, the colonel agreed to sacrifice some hours sleep in order to sweep through the long lines of tents in an automobile, receiving the artillery salute due him and hastened back to the city to make an address under the auspices of the historic Alamo.

Federals And Insurrectos Fight

By Associated Press. El Paso, Tex., March 13.—A special dispatch to the Herald this morning from Navajo, Sonora, states that there was a spirited engagement at that place Saturday between 150 insurgents and 50 federals. The insurgents succeeded in capturing the town with a loss of only one killed and two wounded. The federals rallied near the town and are waiting reinforcements. It is said, however, that the insurgents have burned the railroad to prevent the arrival of more federals.

Trial Of Mrs. Edith Melber

By Associated Press. Albany, N. Y., March 13.—The state continued its efforts today against Mrs. Edith Melber, who killed her infant son George, by giving him carbolic acid in a swamp near Albany. Buoyed up by the rest over Saturday and Sunday, Mrs. Melber appeared to be in good spirits when she entered the court room today.

Cotton Men Meet And Protest

By Associated Press. Hot Springs, Ark., March 13.—A conference of cotton men of Louisiana, Texas, Arkansas and Oklahoma will be held here today and tomorrow to protest against the proposed law requiring the concentration of cotton at the compress points which the southern tariff committee of the railroads will consider here Tuesday.

Woodmen Of The World Off For Greensboro

Many Woodmen from the city and county camps left today for Greensboro to attend the second biennial convention, head camp jurisdiction, Woodmen of the World, which meets in Greensboro tomorrow. Hornets Nest Camp No. 96 of this city, the largest in the state, will send four delegates to the convention. They are Messrs. J. W. Weddington, J. R. Anderson, J. A. Hinshaw and J. I. Witzel. These will be accompanied by Mr. W. S. Charles, district deputy and head consul.

People See Day Quickly Turned To Darkest Night

High pressure moving rapidly in a westerly direction, met extremely low pressure that had been hovering over Charlotte since 8 a. m., and beginning about 1:30 o'clock this afternoon all was blackness for almost an hour, the high pressure area forcing its way above the low pressure front upon the question. One-fourth of an inch of rain fell, but all of this descended upon the zephyrs that whizzed along eastward in an awful hurry, within less than ten minutes.

It's going to be very cold after the eclipse-like darkness of today. The weather man knew at 8 o'clock this morning all about the low pressure and he saw the high pressure coming about noon. A of his instruments were actuated so they could chronicle what would happen when the pressures pressed together, and just when it was light enough to see a telephone reporter got in communication with Mr. Weather Man Atto. He believes it has been darker in the daytime here than it was today, but the people who were on the inside looking out wot not.

Thousands Are Facing Famine

By Associated Press. El Paso, Tex., March 13.—Twenty-five thousand inhabitants in the beleaguered city of Chihuahua, Mexico, face famine, according to a courier who reached here today. Hundreds of women, driven from the city by fears for their children, have taken their children on route to southern points. The car and engine cab were guarded by armed special agents.

Search For Victims Of Cave - In

By Associated Press. Virginia, Minn., March 13.—Search for victims of Saturday's cave-in at the Norman mine continued today. President W. J. Olcott, of the Oliver Mining Company, says that possibly two weeks work is ahead of those now digging the 20,000 tons of the slide before the last of the bodies will have been recovered. Officially the estimated death list will not exceed 14 or 15.

Woman Causes Triple Tragedy

By Associated Press. Branford, Conn., March 13.—A bullet she fired into her own breast after she had murdered her husband and their 11-year-old son, caused the death today of Cora Wood. Last week Mrs. Wood fatally shot her husband, Christopher C. Wood, and their son, Vandermond, then shot herself. The triple tragedy has not been explained.

England's Interests Are Not In Danger

By Associated Press. London, March 13.—Speaking on behalf of the foreign office in the house of commons today, Under Secretary Thomas McKinnon Wood stated that there was no reason to suppose that British subjects and interests in Mexico were in danger; nor was there anything to the information of the foreign office, any reason to think that the Mexican government would be unable to protect British subjects and British interests should they be affected.

Troops Can't Invade Mexico

By Associated Press. Macon, Ga., March 13.—United States Senator A. O. Bacon, who has just returned from Washington, stated today that the troops now on the Mexican border could not invade Mexico without express permission of congress unless something extraordinary happened.

Strike Breakers on Trip

By Associated Press. Lexington, Ky., March 13.—Fifty men destined for service as firemen on the Cincinnati, New Orleans & Texas Railroad passed through here today on route to southern points. The car and engine cab were guarded by armed special agents.

President Taft Enjoys Golf

By Associated Press. Savannah, Ga., March 13.—President Taft today on the links of the Tugaloo club and played the Tugaloo hole course. Secretary Taft also got out his golf clubs this morning and went over the course with his friends from Chicago. He reached Augusta today from Savannah and President Taft would have a garden for Charles W. Smith, convicted banker, serving a term of fifteen years in the federal penitentiary at Atlanta. They were entertained at the hotel. The president has been placed at the papers in the case. These papers are extremely voluminous and the president has a practice to go over the result of the available evidence in the conditions for pardons or commutations of sentence. There is little doubt that any action will be taken in the case of the Morse or Walsh cases next week. The papers were being sent to go to be gone over if the president might feel so disposed, but he has no specific purpose of taking any action at this time.

Would Forestall Mob Violence

By Associated Press. Salt Lake City, Utah, March 13.—To forestall any attempt at lynching or delivery from jail, Sheriff Kelter of Carbon county, has brought Frank Lameer, Robert Vaffey and John Corlier, three Italians charged with the murder of Albert V. Jenkins, to Salt Lake City, and placed them in the state penitentiary where they will be held until their trial is called on June 20th. Information furnished the sheriff led him to believe that the feeling against the men had increased since the killing and there was danger of a lynching. He also learned that friends of the accused men were said to be planning to rescue them from jail. Albert V. Jenkins was manager of the Magnolia Mercantile Co.'s store, at Sunnyside. He was shot as he was going to his home on the night of Feb. 5. George Gentley, a companion, was seriously wounded at the same time. The three Italians were arrested a few days later and since their arrest have been held in the Carbon county jail. Jenkins carried a large amount of the firm's money and this was taken from him.

Well-Known Artist Dead

By Associated Press. Portland, Ore., March 13.—Henry Epling, a well-known artist of San Francisco was found dead on Council Crest in this city yesterday with a bullet wound in his temple. His death, according to a note in his pocket, was deliberate suicide. Melancholia is believed to have been the cause.

Odd Fellows

Odd Fellows will attend the district meeting to be held in Columbia Wednesday and Thursday night of this week.

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