

INCOME TAX IS BEING TESTED

Hearing in Case of Elsie DeWolfe Attacking Constitutionality of Law Are Begun.

FORMER ACTRESS IS SUING CHICAGO BANK

Her Attorneys Contend Tax Is Not Equitable on Various Grounds The Argument.

Chicago, Dec. 11.—Hearings in a suit attacking the constitutionality of the income tax law were begun here today before Judge Kenesaw Mountain Landis in the United States District court for the northern district of Illinois.

The medium selected for the test is a suit in law in which Elsie DeWolfe, former actress, a citizen of New York, now resident at Versailles, France, is plaintiff and the Continental and Commercial Trust and Savings bank of Chicago is defendant. W. Bourke Cockran of New York and Colin C. H. Pyffe of Chicago appeared for Miss DeWolfe, and Levy Mayer of Chicago for the bank.

Miss DeWolfe, owner of thirty of the Appalachian power companies 5 per cent bonds, was refused payment by the bank of interest due on the bonds December 1 last because she had not filed the certificate of ownership which the bank contends is required by the income tax law. Her suit is for interest due and for damages in the sum of \$1000.

In the presentation of his case Attorney Cockran asserted that the law taxes only 423,000 persons out of a population of 90,000,000, which tax, he said, was imposed on them without their consent by the untaxed remainder of the population.

Even if congress has the right to impose this tax, the lawyer said it was graded according to income with such gross inequalities as to violate the constitution.

His client's income, he said, was more than \$20,000 a year on which she is taxed one per cent on all in excess of \$3000, and an additional tax of one per cent on all above \$20,000. He asserted that if this ratio were equitably pursued the income from the tax would be \$750,000, a sum practically sufficient to defray all government expenses. By its present inequalities, he added, the income would not be much more than \$80,000,000.

Attorney Cockran insisted that if all incomes were taxed in the same ratio as that of the plaintiff incomes of more to a penalty of 20 per cent instead of 5; incomes of a million would be penalized 40 per cent instead of seven. A man with an income of \$2,500,000 a year—and the lawyer said there were several in the country—would be assessed 100 per cent or in other words would have to pay all income in excess of \$2,500,000 into the United States treasury.

Thus, he argued, his client was not granted the equal protection of the law guaranteed by the fourteenth amendment to the constitution.

Mr. Mayer stated the position of the bank was that the law is constitutional. In his demurrer filed yesterday he further contended that the bonds constitute a civil contract in no wise involving federal laws and that the federal court therefore had no jurisdiction.

CHAMPION BOY AND GIRL FARMERS GUESTS

Representatives of 30 States in Washington Nightseeing For One Week.

Washington, Dec. 11.—Champion boy and girl farmers from 30 states arrived here today and for a week will be the guests of the department of agriculture. There were 50 champions in the party and each has a record for achievements in raising either corn or potatoes or for having the best and most profitable vegetable garden.

The boys and girls will spend the week in sightseeing in and about the capital. For several years the department has awarded trips to Washington to champions of boys' corn clubs but this is the first time that girls have been included. There are nearly as many girls as boys in the party that arrived today.

While the boys and girls are sightseeing, the leaders of the boys' and girls' club movement will hold their annual conference to discuss the extension of the work. Marketing canned goods, co-operative buying and selling, use of labels for standardizing club products are on the program.

NEW HAVEN STOCK KEEPS TUMBLING

Supervision of Dividend Results in Decline to 68, Lowest Price in History—Stock Rallies For Short Time And Again Falls to 68 1/2.

New York, Dec. 11.—Stock of the New Haven, New Haven and Hartford railroad broke to 68, its lowest price on record, at the opening of the stock market today. Passing of the dividend yesterday caused excited trading, and on a block of 5000 shares the price fell 4 3/4 points. It then recovered to 69 1/2.

Traders clustered about the New Haven trading post on the floor of the stock exchange long before the opening. When the gong sounded the beginning of business the rush to sell resulted in such confusion that it was several minutes before any record could be obtained of the first transactions. Then the opening was announced as 5000 shares at 69 1/2 to 68. Not for years had such a large block of New Haven appeared on the ticker tape. The stock closed yesterday at 72 1/2.

Trading was on a smaller scale after the opening, transactions being chiefly in blocks of 100 to 200 shares. An effort was made to support the stock on the break and the next sale was at 68 1/2. Then it was bid up to 69 1/2. It failed to hold at his level, however, and by the end of the half hour's trading had fallen back to 68 1/2.

Enlisting in War On Women's Clothes Modes

Cleveland, O., Dec. 11.—Cleveland and Cuyahoga county women club members are today being enlisted in a war against present day modes of feminine wearing apparel.

The movement follows an attack on prevailing styles made last night at a convention of the county woman's Christian Temperance Union when resolutions were adopted which recited that "whereas, many women are given to immodesty as expressed in wearing apparel, and whereas this body believes such a practice tends towards the demoralization of society, the destruction of homes and the extension of the white slave traffic;

therefore, be it resolved that we condemn all transparent wearing apparel or any other kind which unduly exposes the form or figure of women and take a stand for simplicity and modesty, which are expressions of character in dress."

The club women plan to reform the garment makers themselves if possible. If the designers refuse to listen, the leaders of the crusade declare they will find other means to accomplish their object. Women's Christian Temperance union organizations in other cities will be enlisted in the understanding, which it is hoped to make country-wide.

REMNANTS OF BURR'S HOUSE ARE UNCOVERED

Aged Negro Has Diamond Fob; Says It Was Property Of Burr.

New York, Dec. 11.—Remnants of Aaron Burr's famous Richmond hill house are being uncovered by wreckers who are tearing down some ancient buildings on the east side of Varick street in order to widen that thoroughfare.

The old Burr place in its latter years was used as a theater, and at one time rose to the dignity of an opera house. Years ago it passed to the uses of a stable. It is this structure that is now being torn down, revealing fresco work which is said to have formed a part of the old theater decorations.

An old resident of the vicinity exhibits a play bill of the old theater when it was known as Miss Nelson's theater, in 1835.

Pittsburgh, Pa., Dec. 11.—William St. Paul Jasper, an aged negro, temporarily detained in the office of the county jail here while friends adjusted a complaint against him, today told Warden Edward Lewis that a wonderful diamond watch fob he carried had once been the property of Aaron Burr.

His ancestor, said Jasper, had been Burr's personal servant, and just before Burr faced Alexander Hamilton in their historic duel, he gave the servant the jewel, telling him to keep it, he said, passing it down to his descendants, and it finally came to Jasper, who is a veteran of the civil war and on the pension roll for wounds received in battle.

Rutherford M. D.'s HOLD MONTHLY MEET

Special to The Gazette-News. Forest City, Dec. 11.—The Rutherford County Doctors' association held their regular monthly meeting at Rutherfordton yesterday. A large number of the members were present. Several clinical cases came up. There was a discussion of vital statistics. The doctors were entertained at the Southern hotel by the local physicians. Dr. J. B. Thompson was elected president. Dr. M. H. Biggs, vice president, and Dr. W. C. Bostic, secretary and treasurer.

The Forest City drug store, which has been under the management of C. J. Jenkins for a year, has been sold to J. F. Harrell and Leonard Wells of this place.

JUDGE ADAMS IS ATTACKED

P. H. Thrash Alleges That His Law Firm Acted as Collector For Liquor Houses.

The controversy growing out of the bankruptcy proceedings instituted Monday afternoon through the law firm of Merriman, Adams & Adams, of which Judge Adams is a member, against the Peerless-Fashion Stores company, P. H. Thrash president, took a sensational turn today in charges made by Mr. Thrash in a statement to The Gazette-News. Mr. Thrash charges, among other things, that the law firm of which Judge Adams is a member acted as counsel for liquor houses that held accounts for intoxicants sold to the Battery Park hotel, and refers to letters written by the firm in an effort to make collections.

The proprietor of the hotel, was a defendant before Judge Carter in the recent investigations and Mr. Thrash states that the letters are now in the possession of J. W. Haynes, prosecuting attorney in the investigation. When asked about the existence of these letters, Mr. Haynes stated that they are now in a safety deposit vault of one of the local banks.

A statement from Judge Adams was sought by a representative of The Gazette-News, but he is not in the city today.

The full statement of Mr. Thrash follows: Editor of The Gazette-News.

The details of your news story appearing in Tuesday's issue in regard to the attempt by June Adams to have me declared a bankrupt and the Peerless Fashion Stores company put in the hands of receivers, was substantially correct, but greater emphasis should have been given to the personal feeling and malicious motives of the said June Adams.

It will be remembered that I, myself, was tried by this same June Adams and sentenced to the roads for selling liquor. This judgment, in his court, was finally changed to a fine in the Superior court, which fine was paid by me. The setting aside of this judgment received in the Police court, seems to have poisoned June Adams against me and my family.

Now, Mr. Editor, I may be classed by June Adams as a bad man, but I feel myself a little above the "Judge" who has allowed Judge Frank Carter to perform the very functions of the very office to which June Adams was elected by the people.

June Adams convicted W. H. Bush two years ago for liquor violations, threw the liquor off the concrete bridge as a great punishment, then appeared for a Cincinnati liquor house and secured a judgment against Bush for the very liquor which was thus condemned and destroyed. This is really amusing. It should be placed in the moving pictures where we could all go and laugh and grow fat.

But to cap the climax, when the Battery Park hotel was raided last month by Judge Frank Carter, there was found other things besides liquor. Letters from the law firm of which June Adams was a member were found, asking and imploring said "tiger" to pay the large liquor bills for liquor which had been illegally sold and which bills Adams' firm was attempting to collect. With these letters before him, Judge Carter said: "Officials higher up had knowledge of the sale of liquors in Asheville."

These letters now are in the possession of Prosecuting Attorney Walter Haynes and can be seen upon application.

Recently a friend of Mr. Adams wrote a very meritorious article to a North Carolina magazine, under the title of "In North Carolina's Calcium Light" or a "Young Jurist Who Cleaned Up a City." This should be re-written to read, "The Young Doctor Blackstone Who Allowed Judge Carter to clear up a City for Him." Now, about those letters again. Perhaps Mr. Adams would like to furnish the public a copy of them? Please do Mr. Adams—the public will be much interested.

ZABERN OFFENDERS LIGHTLY PUNISHED

Strassburg, Germany, Dec. 11.—Light sentences were pronounced today at the court trial of three recruits of the 99th infantry regiment through whom the insulting remarks in reference to Alsacians and the French foreign legion uttered by Lieutenant Baron von Forstner were made public. It was this incident which started the recent trouble between the military and civil population of Zabern. The principal offender was condemned to six weeks and the other two men to three weeks' confinement each. Long penitentiary sentences had been generally expected.

Paris, Dec. 11.—The storming of Ain Gaalaka in the interior of Morocco on November 27, cost the French army the lives of three officers and twelve men, while three officers and nineteen men were wounded. Advice received at the ministry of war describe the resistance of the Moros as very stubborn.

Evansport, Ill., Dec. 11.—Classes at Northwestern university will be suspended tomorrow in memory of William Deering the multimillionaire farm machine manufacturer, who died near Miami, Fla., Tuesday night and whose funeral will be held from the Deering home here Sunday. Mr. Deering was the honorary president of the board of trustees of the university.

WARNING AGAINST INSURANCE LAWS

Practice of Mortgaging Policies Is Problem Be Association of Insurance Presidents—Attack On "Get Rich Quick Promotions."

New York, Dec. 11.—Fifteen billion dollars of life insurance protection was represented today at the eleventh annual meeting of the Association of Life Insurance Presidents. Members and executive heads from as far west as Los Angeles and many parts of Canada attended. Former President Taft was the chief speaker at the afternoon session.

A problem considered at today's session was the increasing practice of policy holders of mortgaging their life insurance. Investigation has revealed that between three billion and three and one half billion dollars furnished by the companies as a reserve fund has been loaned to policy holders.

Arthur Childs, of Boston, president of the Columbian National Life Insurance company, urged the members

Proposal Was One Year In Reaching Future Bride

San Francisco, Dec. 11.—Harry T. Plunkett, civil engineer, is on his way to Topeka, Kas., today to claim a bride whose letter of acceptance was written 14 months ago and was only received by him an hour before the departure of a train for the east yesterday.

Two years ago Plunkett met Miss Ruth Forrest at Topeka and fell in love with her. Soon afterward the young woman left for a tour of the world. Having delayed asking Miss Forrest to be his wife, Plunkett finally proposed by letter. He afterward went to the orient where he inspected oil properties in Korea and Manchuria.

Meanwhile Miss Forrest continued her trip. The letter of proposal followed her from one country to another but did not reach her until she returned home. When she finally received the letter the envelope had been addressed in sixteen different languages.

Miss Forrest replied, accepting. This letter crossed the Pacific six times and made numerous trips up and down the Pacific coast. Plunkett arrived here yesterday and received Miss Forrest's letter, the envelope of which was almost covered with notations in Chinese, Japanese, Korean and other languages.

Plunkett had an hour to catch a fast eastbound train. Before starting, however, he telegraphed the young woman that he was on his way.

PROF. HONLINE'S CLASS TO OPEN AT Y. M. C. A.

Will Be Held Tonight at 8:05 o'Clock—Over 100 Enrolled.

A treat is in store for Bible students of the city at the Y. M. C. A. building tonight. At 8 o'clock there will be a supper for men of the city, and following the supper the class will be addressed by Dr. R. F. Campbell, pastor of the First Presbyterian church. He will speak on "The Sin of Achan," from 7:20 to 7:55 o'clock and both men and women are invited to attend the meeting of the class.

At 8:05 o'clock Prof. M. A. Honline, religious educational secretary of the Y. M. C. A. international committee, will hold the first of the series of teachers' training classes, this class is open to both men and women of the city and over 100 have already enrolled. The class will be limited to 125 and it is believed that this number will be enrolled before the assembling of the first class tonight.

It is hoped that those who attend this class will come in time to attend the class to be taught by Dr. Campbell.

CHAIRMAN TRAVIS PREPARING BRIEF

Special to The Gazette-News. Raleigh, Dec. 11.—Chairman Travis of the corporation commission is busy with a brief on the part of the commission to be filed with the interstate commerce commission next Tuesday in Greensboro in answer to the intervening petition by Virginia cities against the proposed reduced interstate freight rates for North Carolina points through the proposal accepted by the recent special session of the legislature.

The Raleigh chamber of commerce has adopted resolutions denouncing the attitude of Virginia cities in opposition to the reduced freight rates for North Carolina points, charging that their attitude is unreasonable, unjust and unneighborly, meriting condemnation. The chamber is preparing to van a "booster" train from Raleigh to Charlotte over the Norfolk Southern.

CLASSES SUSPENDED IN MEMORY OF MR. DEERING

Evansport, Ill., Dec. 11.—Classes at Northwestern university will be suspended tomorrow in memory of William Deering the multimillionaire farm machine manufacturer, who died near Miami, Fla., Tuesday night and whose funeral will be held from the Deering home here Sunday. Mr. Deering was the honorary president of the board of trustees of the university.

MEXICO REBELS PLAN A CRISIS

Do Not Contemplate Delay Which Would be of Immense Advantage to Federals.

MAKING PROGRESS IN ATTACK ON TAMPICO

Americans and Other Foreigners Are Being Taken to Neutral Zone; None Are Injured.

Presidio, Tex., Dec. 11.—The taking of civilian refugees across the river into United States territory and the building of defenses in anticipation of a rebel attack at Ojiraga, today proceeded actively in the Mexican village opposite Presidio, where the bulk of the Mexican government troops in the north have concentrated.

That the next move will be forced by the rebels is conceded, for General Salvador Mercado, commander of the federals, has taken a waiting position, meantime repositioning his troops while the rebel forces under General Herrera are moving toward the city as rapidly as possible.

It is the rebels' plan to precipitate a crisis without allowing a delay which would be of immense advantage to the federals in their efforts to rest and feed their exhausted soldiers. Time also means a more elaborate system of barricades and forts for the federals.

Wagon loads of provisions are being brought from Marfa, Tex., the nearest railway station, to the border. Luis Terraza, who owns millions of acres of Mexican land and is one of the richest men in the republic, crossed the river with his family and went to Marfa. He practically had been held a prisoner at Chihuahua, and it was not until the whole federal garrison accompanied him that he was able to leave the country where his life had been threatened by the rebels. It is said that Terraza's cattle served to feed both federals and rebels in this and the Madero revolution. Senor Terraza was met by a delegation from Oklahoma City, Okla., where he was invited to make his future home.

Foreigners to Neutral Zone. Washington, Dec. 11.—Official reports from Rear Admiral Fletcher to the navy department today said the Mexican rebels were making progress in their attack on Tampico and that Americans and all other foreigners had been removed to a neutral zone. Thus far no foreigners have been injured.

The dispatches say that the non-combatants have been gathered near the water front where they are under the protection of the guns of the scout cruiser Chester and the gunboats Wheeling and Tacoma. The battleships Michigan and Rhode Island are further out.

The fighting has been going on since yesterday and from the harbor the American naval officers have observed that strategically the rebels seem to have the better position and are making headway. A request of the rebel general that Americans leave was acted upon at once. Some Americans and British were taken aboard ships while others were taken to neutral territory just outside of the town and near the waterfront.

The American officers in their report indicate that foreigners will probably be safe in the neutral zone but if not they will be taken aboard the American war vessels.

Refugees on German Ship. Hamburg, Germany, Dec. 11.—Captain Rantzau of the Hamburg-American liner Kronprinzessin Cecilie called to the head office of the company here today that his vessel was taking refugees on board at the Mexican seaport of Tampico, where fighting between the rebels and the federals began yesterday.

MRS. ELLA FLAGG YOUNG WITHDREW FROM ELECTION. Chicago, Dec. 11.—Lack of undivided support from the board of education was given by Mrs. Ella Flagg Young as the reason why she withdrew her name as a candidate for reelection of superintendency of the public schools, as last night's session of the board of education. After a vote which failed to elect her, Mrs. Young withdrew, and John D. Shoop, assistant superintendent, was selected on the second ballot to succeed her.

WARRANT IS ISSUED FOR ARREST OF GEN. SALAZAR. Albuquerque, N. M., Dec. 11.—At the instance of United States Attorney Summers Burkhart a warrant was issued yesterday for General Jose Ynis Salazar of the Mexican federal army, charging him with violation of the United States neutrality laws. Salazar was arrested about a year ago on a similar charge but released on bond. He failed to appear for trial and his bonds were forfeited. Should he again cross into the United States he will be arrested.

MAN TOSSES BOMB INTO STREET AND MAKES ESCAPE. Pittsburgh, Pa., Dec. 11.—A bomb was tossed across Second avenue in the Hazelwood section of the city at daybreak today and exploded, shattering the front of the building occupied by Thomas Groci as a fruit store. Windows in the Hazelwood Savings and Trust company building next door were shattered and other damage done, but the police declare no one was injured. Patrolman M. L. Toole saw a man crouch in the shadow of a telephone pole and throw the bomb. He fired after him as he ran away but the man escaped.

ATTEMPT ON LIFE OF MINING MAGNATE MADE. Johannesburg, Union of South Africa, Dec. 11.—An attempt was made today to assassinate Sir Lionel Phillips, the leading gold mining magnate of South Africa. Three shots were fired at him. One bullet lodged in his neck and another in one of his thighs. His condition is declared not to be grave. The would-be assassin was arrested.

Sir Lionel Phillips Twice Is Wounded by a Would-be Assassin.