

A. F. JOHNSON, Editor and Manager

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### SENATOR PERSON'S TAX ARGUMENT

The following is a copy of the brief read before the Court by Sen. W. M. Person in his famous stocks and bonds tax suit, which will no doubt, be of interest to many of our readers:

This is an action brought by plaintiff against the State Tax Commission and A. D. Watts, Revenue Commissioner, asking the Court to pass upon the constitutionality of certain exempting statutes passed by the various assemblies of North Carolina, exempting certain properties from any ad valorem taxation whatever, and to provide a different means and method of listing said properties for so-called taxation, with the result that a large bulk of the property in the State of North Carolina escapes taxation of any kind.

These properties consist of stocks, capital, common and preferred, in the corporations of North Carolina amounting to about one thousand millions of dollars, which do not bear any of the burdens of the Government, but which are practically tax free, and the preferred absolutely tax free.

And to test the constitutionality of Chapter 107, Public Laws of 1921 making certain deductions in favor of the Banks of North Carolina, whereby a reduction of five per cent from the items of surplus and undivided profits is set out in said statutes.

Every taxpayer is interested in the fact whether all the property in the State is listed for the purpose of bearing the equal burden of Government. Taxes are defined as being the enforced proportional contributions of persons and property levied by authority of the State for the support of the Government, and for all public needs.

In return for such contribution the State offers protection to life, liberty and property and this is essential to civilization and the very existence of the State.

The citizen pays for his property the portion demanded, in order that by means thereof he may be secure in the enjoyment of the benefits of organized society. The power is unlimited in its reach as to subjects.

In its very nature it acknowledges no limit. It is not an arbitrary power, nor can it be exercised capriciously. It is hedged about and restricted by constitutional limitations and fixed general rules.

Words and phrases §688. Article V, Section 3. Laws shall be passed taxing by a uniform rule all money, credits, investment in bonds, stocks, joint-stock companies, or otherwise; and also, all real and personal property according to its true value in money.

Article V, Section 5. Property belonging to the State or to municipal corporations shall be exempt from taxation. The General Assembly may exempt cemeteries, and property held for educational, scientific, literary, charitable or religious purposes; also wearing apparel, arms for muster, household and kitchen furniture; the mechanical and agricultural implements of mechanics and farmers, libraries, scientific instruments, or any other personal property to a value not exceeding three hundred dollars.

The great question in this cause is the constitutionality of the exempting statutes passed by the General Assembly and the interpretations given them by which a large percentage of the wealth of North Carolina escapes taxation.

None of the stock, capital, common or preferred of the 4,500 corporations of North Carolina are listed in the names of the individual stock or share holders.

A tax on the shares of stockholders in a corporation is a different thing from a tax on the corporation itself, or its stock, and may be laid irrespective of any taxation of the corporations where no contract relations forbid it.

A share of stock in a corporation is a personal estate and is taxable to the person thereof as other personal estate at the place of his residence.

Burroughs on Taxation, Sec. 99. A stock in a corporation is in the nature of a close in action. It has no locality and of necessity follows the person of the owner. The tax upon it is in the nature of a tax on income, which of necessity is continued to the person of the owner.

Potter Law Corp., Sec. 193. These references from *Beio vs. Comms.*, 22 N. C., Page 418 of sec. are sufficient to show that shares of stock in an incorporated company may be taxed as a distinct species of property, belonging to the holder independently of the taxation imposed upon the value of the franchise, and upon the real and personal estate of the corporation itself.

Has the Legislature by the enactment of the exemption statutes, by which so large a portion of the wealth of the State escapes taxation, secured the uniformity prescribed in the Constitution?

Worth vs. Comms., 22 N. C., 421. Railroad vs. Comms., 27 N. C., 124. Worth vs. Railroad, 29 N. C., 299. Railroad vs. Comms., 31 N. C., 400. Comms. vs. Tobacco Co., 116 N. C., 446.

In the last case, "As to corporations, by all the authorities, it is in the power of the Legislature to lay the following taxes, two or more of them at its discretion at the same time: 1. To tax

### NEW YORK HERALD INDORSES STAND-CARBON MORRISON

Leading Editorial Of Friday Commends Telegram To Harding.

The New York Herald thoroughly approves of Governor Morrison's telegram to President Harding, and says that if the Governor of Illinois had held the "admirable views" of North Carolina's chief executive and had lived up to them, there would have been no Ferrin massacre. The Herald's indorsement of Mr. Morrison contained in its leading editorial of Friday is given herewith:

"Newspaper headlines seem not to give exactly the right slant to the reply of the Governor of North Carolina to President Harding's call upon State Executives for co-operation in preserving the country's fuel supply. Governor Morrison clearly does not approve direct Government interference in labor disputes. He is frank in expressing his reasons for his attitude, and he positively declines to urge coal miners to return to work.

"On the other hand, nothing could be more satisfactory, as the coal strike situation stands today, than Governor Morrison's utterance of what he conceives his duty to be in the premises, and his declaration of what he will do in the performance of that duty. He will not interfere with the strike, but he will not let the strike interfere with the law. He will not urge miners to go to work, but if they do go to work he will see that they are free to work.

"If the Governor of North Carolina means what he says, and certainly a man who speaks like that is entitled to have his sincerity taken at face value until there is actual proof that it is of false value, and if the Governor of North Carolina lives up to his words when put to the test, his utterances are sound, exemplary and American.

"If the Governor of North Carolina fulfills that ideal of executive responsibility, faithful guardianship of the law and vigilant protection of life and property, any mine owner in his State that wants to operate, can operate, if he can get the men to work, and any miner can work if he wants to work and there is a job for him. This is all that is needed in the average State to get out the required coal.

"If the Governor of Illinois had held the admirable views of the Governor of North Carolina or, holding them, had lived up to them, and if he had compelled every officer of the law under the sovereign jurisdiction and authority of Illinois to live up to those same views, there need have been no unspeakable Herpin butchery. There need have been no closing down of other Illinois mines under the fear of violence and crime. There need have been no acute coal shortage. On the contrary there would be today, with men secure in their legal and sacred right to work an outflow of Illinois coal far in excess of what there is.

"And if every Governor of every coal State will live up to the American doctrine of law enforcement as enunciated by the Governor of North Carolina in his message to the President of the United States, no government, Federal or State, ever will be forced to operate the coal mines. The mine owners will operate them.

"The men that want to work but dare not work when their lives are at stake will dig the coal."

### U. B. BLALOCK GENERAL MANAGER OF COTTON GROWERS' CO-OPERATIVE ASSOCIATION

Raleigh, July 24.—U. B. Blalock, of Wadesboro, president of the State Farmers' Convention, has been secured as general manager of the North Carolina Cotton Growers' Cooperative Association, and has already entered upon his duties.

Mr. Blalock was a member of the organization committee and took a prominent part in organizing the association. He is thoroughly familiar with the principles of cooperation.

In addition to large farming interests in Anson county, Mr. Blalock is president of the Blalock Hardware Company at Wadesboro, and has other business interests. The Board of Directors believe that his business experience and his broad gaged human sympathies ideally fit him for the position as executive officer of the organization.

The Association is putting on an intensive membership drive this week which will continue through August 12, and as a result expects to increase its sign-up to 600,000 bales. It already has signed up in the association 400,000 bales.

Headquarters have been opened in Raleigh and a large clerical force is at work getting the records straight for handling the new crop.

C. B. Howard, recently secured as sales manager, is lining up connections at home and abroad and will be in a position when the new crop season opens to handle the product of the members to best advantage.

The Board of Directors has practically completed its organization plans for handling the crop of the Association members to best advantage.

You can't get on your car and stay on your feet.

Some folks are lavish when it comes to giving themselves away.

Bad news travels faster than good news.

### NORTH CAROLINA SETS FAST PACE

Some 15,000 Piedmont Farmers celebrated the progress of Co-operative Marketing in a series of successful mass meetings which swept hundreds of new contracts into the Tobacco Growers Co-operative Association from Western North Carolina last week.

Col. C. E. Marvin of the Kentucky Burley Pool, who came directly from his successful campaign with the Wisconsin Tobacco Growers and aided in the 75 per cent sign-up of the Wisconsin crop, addressed 2,000 farmers at Danbury on Monday, 4,000 at Keyville on Tuesday, 1,000 growers at Turnersville on Wednesday, 6,000 at Statesville on Thursday, another thousand at Greensboro on Friday and 2,000 farmers at Reidsville last Saturday.

The old belt with 75 per cent of its tobacco in the Tri-State pool is now on fire with enthusiasm for cooperative marketing and Col. Marvin prophesied success like that which the organized Kentucky growers are enjoying.

At Reidsville where the citizens built and turned over a warehouse to the organized growers, the banks of the town agreed to lend their legal limit to the Association after a conference with Oliver J. Sands, general manager of the Association, following his address to a record breaking crowd of farmers.

A prominent banker of Pittsburg, Pa. who came South for conference with Sands and attended the Reidsville meeting was so impressed with the demonstration of the Western Carolina Growers in favor of Cooperation and the action of the Reidsville banks in backing the Association to the limit that he offered a loan of half a million dollars to the Association in behalf of his bank.

At the annual picnic of the Piedmont farmers at Statesville, 1300 vehicles passed the gates of the experiment farm, including two seated cars, school buses crowded with children and flivvers and automobiles. This record gathering of 6,000 persons heard Col. Marvin of Kentucky tell why 90 per cent of the Kentucky farmers have joined the Burley Growers' Association and why others are eagerly signing up today. Col. Marvin stirred his large audiences at Danbury, Turnersville, Greensboro, and Keyville, Va.

At Keyville another record celebration took place last week when Charlotte County Farmers celebrated the 97.5 per cent sign-up of the Association in their county which now boasts of 2704 members out of 2782 tobacco growing farmers.

Opposition to the organized growers withered throughout South Carolina last week as merchants, bankers and committees of citizens joined the campaigners from four States in the meetings and house to house campaigning which have brought in more than a thousand contracts from the Palmetto State.

A great mobilization of tobacco growers from Nash and Edgecombe counties is predicted for next Saturday, July 29th, when Oliver J. Sands, general manager of the Association and Dr. J. Y. Joyner are scheduled to address the Eastern Carolina Growers in the Cooperative Warehouse at Rocky Mount.

### POUSVILLE ITEMS.

Well as I haven't called in such a time I thought I would call again. The farmers are busy curing their tobacco. I guess those that joined the Co-operative Marketing are expecting a big price for their cotton and tobacco this time.

There was a large crowd at Pousville Saturday afternoon at the ball game. Sandy Creek played Cedar Rock but there wasn't but one from Cedar Rock I think the rest was picked from the state. And of course they won.

We are all sorry to hear of Mr. Forrester's accident, which occurred at his home last Thursday. Hope he will soon recover.

We are very sorry to hear that Mr. Ennis Lancaster shot his finger off. Mrs. G. C. Parrish and children, of Georgia, visited Mr. and Mrs. S. M. Parrish the past week.

Everybody was glad to see Miss Myrtle Coley our old music teacher, down here Sunday and her friend Mr. Long Hollow.

Miss Beatrice Aycock spent the night with Misses Temple and Sarah Davis Saturday night.

Mr. Jack Brewer was a pleasant caller a way over on White Level Saturday night.

Mr. Cecil Burnette is still picking up apples and driving his little grey mule.

Mr. and Mrs. E. C. Collins, of White Level, visited Mr. A. O. Evans Sunday.

Mrs. D. E. Aycock spent the day with her sister, Mrs. W. S. Brewer, Friday.

Mr. Caleb Allen and Miss Arrah Brewer motored to Henderson Sunday afternoon.

"PAT."

### CAESAR'S COIN

Mr. D. N. Nelms of near Sandy Creek was in the office Monday and showed the editor an old coin of Caesar's time, and stated that it would be impossible for him to follow the biblical injunction to "render unto Caesar that which is Caesar's" inasmuch as Caesar and his times had passed so long ago. The coin, although worn, shows pretty good preservation.

### Everybody is invited to Hear MR. OLIVER J. SANDS

at Farmers Mutual Warehouse Rocky Mount, N. C. on Saturday, July 29th, at 11 o'clock on Co-operative Marketing.

### IN HONOR OF MISS BANGHART, OF AUGUSTA, GA.

Several entertainments have been given to the younger set this week in honor of Miss Josephine Banghart, of Augusta, Ga., who is the guest of Miss Dorcas McKinne.

The first of the series was a progressive Rook party given Friday morning by Mrs. F. B. McKinne and Miss Ida Mae Yow. After being greeted by the hostesses the guests were presented by Miss Dorcas McKinne to the guest of honor, Miss Banghart.

Six tables of Rook were made up and after several progressive refreshments were served. Monday evening at eight Mrs. D. F. McKinne gave a most delightful barbecue on her lawn. Barbecue and lemonade were served. There were over fifty young people present.

Tuesday afternoon Misses Lonie and Susie Meadows also entertained in honor of Miss Banghart. The house was beautifully decorated in senias, golden glow, and sun-dragon.

After a pleasant hour spent in playing Rook and bridge at the course followed by mints was served.

Those who enjoyed the hospitality of the Misses Meadows were Misses Josephine Banghart and Dorcas McKinne, Mrs. D. F. McKinne, Misses Helen Smithwick, Lucy T. Allen, Jesse T. Harris, Eleanor Yarborough, Mildred Scott, Katherine Pleasants, Ruth Hall, Tom Ogburn, Geraldine Smith, Maude Ashley, Lucy Andrews, Ruth Allen, Katherine Bobbitt, Nephew and Mary Wilson, Annie Harris, and Mesdames W. D. Egerton and R. Smithwick and her guest Miss Spears, of Winterville.

### YOUR HOME TOWN FIRST

Work for your own town. Beautify it. Improve it. Make it attractive.

The world war and the Treaty of Peace, the Protective Tariff and all such things are important subjects; but what's the good of cleaning up the world unless you sweep your own door first?

The best advertisement of your business is the town you live in.

Towns get reputations, as well as men. Make your town talked all over the state. It will thus draw people. And where the people come there is prosperity.

Rid your town of one eye sore after another. Clean up the vacant lots and plant them in gardens. Make a cluttered yard a disgrace. Make public opinion too hot for those who will not help.

### SUBSCRIBER.

### TO OPEN AUGUST 16TH.

Attention of tobacco growers is called to the advertisement in another column of Messrs. S. S. Meadows, C. E. and W. B. Johnson announcing the opening of the Northside Warehouse at Wendell on Wednesday, August 16th, for the sale of lost tobacco at auction. These men are of the States best tobacco warehousemen and no farmer need fear getting the best possible treatment at their house.

### HEADQUARTERS FOURTH CORPS AREA, FORT McPHERSON, GA.

The following National Guard officers have received Federal recognition during the past two weeks:

1st Lt. Abraham Leon Taragani, Infantry, Tarpon Springs, Fla.

Major Frederick Temple Brown, Medical Corps, New Orleans La.

2nd Lt. Philip Edward Kenedy, Infantry, Ennad, La.

2nd Lt. Julia Reard, Jr., Cavalry, Jennings, La.

2nd Lt. Roger Volay St. Dizier, Infantry, New Iberia, La.

Capt. John Bethune Malloy, Infantry, Parkton, N. C.

1st Lt. Thomas White Ruffin, Louisville, N. C.

2nd Lt. John Douglas Blizard, Coast Art' Corps, Dillon, S. C.

2nd Lt. Charlie Clarence Brown, Q. M. Corps, Olympia, S. C.

2nd Lt. Julius Milton Sims, Infantry, Jackson, Tenn.

### MRS. WOOD DEAD

The many friends of Mrs. Howell W. Wood will learn of her death, which occurred at her home early Sunday morning, with much regret. Mrs. Wood was 61 years old and besides her husband leaves ten children. She was a sister of Mr. D. F. Cooke, who recently died at her home, and was a woman well admired and respected in her community for her Christian and womanly qualities.

### ATTRACTIVE EXHIBITS

The largest and one of the most attractive exhibits in the entire Made-in-Carolinas Exposition this Fall will be that gotten up by Gaston County and embracing 2500 feet of floor space.

During the past week Directors of the Carolinas Exposition Company, aided by Clarence Kuester, Executive Secretary of the Chamber of Commerce, have called on the different mill managements of Gaston County and a Gaston exhibit on a tremendous scale is assured.

Gaston County Day at the Exposition Company, aided by Clarence Kuester, Executive Secretary of the Chamber of Commerce, have called on the different mill managements of Gaston County and a Gaston exhibit on a tremendous scale is assured.

Gaston County Day at the Exposition has also been decided upon and Mr. Allen, Secretary of the Gastonia Chamber of Commerce, predicts that 5,000 people from Gaston County will attend on that day. He is beginning now the matter of organizing the entire County and it is planned to bring over the Gaston delegation in a parade of automobiles extending several miles every town in the County being fully represented. Gaston Day will be one of the big days of the Show and will most probably be either Wednesday, September 27th, or Friday, September 29th. Gaston County will furnish her own bands, her own speakers and a tremendous crowd and the Exposition Officials are planning to give the Gaston County people a royal welcome.

The Gaston County Exhibit will be in charge of the Gastonia Chamber of Commerce, which organization will assemble the products of all the industries of the County, place them in the exhibit and have young ladies on hand throughout the show to welcome visitors and hand out literature on the County.

Exposition Directors have not finished their canvass of the County, but expect to have the work completed by the middle of next week. Up to the present time 1800 feet of the 2500 space have been arranged for and approximately 75 mills of Gaston County will be represented in the display.

Mr. Allen intends also to show the agricultural interests of the County and he is making elaborate plans for making the Gaston exhibit one of the outstanding features of the Exposition. Mr. Allen and Mr. Robinson, President of the Gastonia Chamber of Commerce, plan to thoroughly organize every town and community in the County, and have them represented in the Exposition.

### EXHIBITS AT STATE FAIR

Raleigh, July 24.—Students of the fine arts in colleges, private schools and professional artists will have an opportunity to exhibit their works at the North Carolina State Fair in October, for arrangements have not only been made for such exhibits, but substantial premiums are offered for the work of individual artists and for exhibits by schools and colleges which will make it worth while to put on these exhibits.

A premium of \$150 is being offered for the best painting by some artist who is a resident of North Carolina. A second premium of \$75 is being offered in this class. In addition to these premiums first and second money of \$25 and \$10 are being offered for the best paintings of a portrait in oil, a landscape in oil and a landscape in water color. But the thing that will appeal to the private institutions which teach art and to the high schools giving courses in art is the premium of one hundred dollars offered to such institutions for the best collection of as many as fifteen objects of art, including work in oil, water color, charcoal, pen and ink, clay, also design or pictorial representation which may be included, or some form of industrial art useful for house decoration, fabrics, magazine covers, etc.

A similar premium is offered to colleges or other institutions of higher learning for the best collection of art such as oil, charcoal, water color, pen and ink or pencil.

Pottery makers and basketry makers will also have an opportunity to win premiums in this department. For the best piece of pottery by a North Carolina maker the fair will give fifteen dollars and second best, ten dollars. There are a large number of premiums offered for basketry work and for applied art on china, glass or pottery.

As a further stimulation of the artistic in the state, the fair has made arrangements for the loan of a very fine art exhibit which will be open to the general public during fair week. These loan exhibits are rather difficult to secure unless there is a fire proof building in which they can be shown, for they are too valuable for insurance to fully compensate a loss. It is believed, however, that despite this handicap, the fair will have one of the best art loan exhibits that has ever been brought to North Carolina.

Mr. J. J. Blair, head of the division of school architecture, of the department of education, is general superintendent of this Fine Arts Department for the fair. Miss Elizabeth Thompson, a well known artist and interior decorator of Raleigh, is assistant superintendent of the department.

Men's suits haven't changed much since last year except that some of them look a little older.

### AMONG THE VISITORS

SOME YOU KNOW AND SOME YOU DO NOT KNOW.

Personal Items About Folks And Their Friends Who Travel Here And There.

Mrs. S. W. Purvis is on a visit to Lumberton.

Mr. B. H. Saunders visited New Bern this week.

Miss Josephine Bryant spent this week in Richmond.

Mr. W. E. White returned Monday from a trip to High Point.

Mr. J. B. Thomas went to Richmond on business Tuesday.

Rev. J. A. McIver is assisting in a revival near Oxford this week.

Mrs. F. B. Leonard was a visitor to Virginia, Va., Wednesday.

Mr. C. E. Edens, of Warrington, was a visitor to Louisburg yesterday.

Miss Spears, of Winterville, is the guest of Mrs. R. W. Smithwick.

Mr. F. N. Egerton returned this week from a visit to Seven Springs.

Mr. and Mrs. J. S. Howell are spending this week at Morehead City.

Miss Flora McLaurin, of New Bern, is visiting friends and relatives here.

Mrs. J. S. Williams and little daughter are spending this week in Harnett County.

Mr. Leon Timberlake, of Rocky Mount, visited his sister Mrs. A. S. Wiggs, Sunday.

Mr. and Mrs. M. C. Pleasants and Miss Elizabeth Morton went to Wilson Wednesday.

Supt. E. C. Perry went to Kinston Tuesday to accompany a child to Caswell Training School.

Misses Dorothy and Louise Horne and Mable Doster, of Rocky Mount, are visiting Miss Effie Taylor.

Miss Bettie Mildred Shearin left Tuesday for a visit to her uncle, Mr. George W. Conway at Canton.

Misses Temple Gee and Hattie Hill Williams are visiting Misses Bettie Burt and Louise Hill, of Raleigh.

Miss Emily Hilliard, who has been a guest of Miss Kathrine Bobbitt, has returned to her home at Warrenton.

Mrs. Webb and daughter, Miss Lucy, of South Boston, Va., is visiting her daughter, Mrs. J. M. Allen.

Mrs. E. M. Edwards and Mrs. Sherroll Hunt, of Henderson, spent Wednesday with Mrs. W. E. Bartholomew.

Miss Sallie Furgerson, who has been visiting Miss Mary Wilson, left this week for Stantonburg, Va., to visit friends.

Mrs. D. T. Smithwick and Miss Genevieve Macon are in Rocky Mount with Mrs. Eaton Winston, who is critically ill.

Mrs. Singleton Tomlinson has returned home from New Bern, where she went to visit her sister, Mrs. Bernard Smith.

Miss Mary Spencer and Master James Johnson returned Monday from a visit to relatives and friends in Greensboro.

Misses Georgia Lee and Blanche Harringer, of Norwood, N. C., are visiting Misses Emma Bartholomew and Bethia Cooper.

Mr. J. S. Williams, who is organizing Harnett County for the N. C. Cotton Growers Association, spent Sunday with his family here.

Messrs. S. W. Jurvis and C. C. Eryns left Monday for Lumberton, to be connected with that Tobacco Market with the Tobacco Growers Association.

Mr. and Mrs. R. P. Taylor left Sunday for Richmond to accompany their daughter, Miss Sallie Taylor home, where she successfully underwent an operation for appendicitis.

Senator W. M. Person is attending the American Bar Association in San Francisco, Cal. He says he will be traveling for twenty-four days and the trip will take in the Yellowstone Park and other places of interest.

Miss Josephine Banghart, of Augusta, Ga., is visiting Miss Dorcas McKinne. Mr. and Mrs. Banghart are expected today. They will come from Augusta by motor, will spend the week-end with Mr. and Mrs. D. F. McKinne and will take Miss Banghart home the following week. Miss McKinne will accompany them for a visit.

LAWN PARTY

There will be a lawn party given by the Jr. Philathea class of Sandy Creek at the home of Mr. Charlie West Saturday night, July 29, 1922. Cream, cake and lemonade will be sold for benefit of the class. The public is cordially invited.