

# THE REVALUATION ACT

It is in Harmony With the Rules Suggested by the State Farmers' Union.

## MONEY WITH THE RULES SUGGESTED BY THE STATE FARMERS' UNION.

(BY T. W. BICKETT, Governor.)

At a recent meeting in Greensboro the State Farmers' Union passed the following resolution:

"We ask the Legislature to amend the Revaluation Act and that all property be assessed according to its ability to produce an income, and its position to give it a value."

With interpretations that will make instant appeal to every thoughtful man, this is precisely what the Revaluation Act does. It taxes all property according to its fair market value. Two things determine market value—profit and pleasure. When a man parts with his hard-earned cash for a piece of property he does it because of the profit or the pleasure he expects to get in return. The market value of any piece of property, real or personal, is fixed by the profit it is already yielding, or in the opinion of the public can be made to yield, or by the pleasure the ownership of the property will afford.

Below I give some illustrations of how these rules of value work, for illustrations are always better than arguments:

1. A invests \$10,000 in Ford passenger cars and trucks and goes into the business of carrying goods and passengers for hire. He makes \$2,000 a year net on his investment. B. pays \$10,000 for a silver-mounted, velvet upholstered Pierce-Arrow touring car. He pays out his \$10,000 for the pleasure he expects to get out of the car. He never dreams of making any money out of it, but, on the other

hand, it costs him \$2,000 a year to run the car and keep it in good repair. Should the Fords be taxed at their fair market value because they pay 20 per cent on the investment, and the Pierce-Arrow be exempt from taxation because it involves a loss of 20 per cent on the investment?

2. A. builds ten houses for rent at a total cost of \$50,000. He rents the houses for \$500 each and they yield him 10 per cent on his investment. B. builds a \$50,000 residence. It pays no income and never could be rented to pay any reasonable income on the investment, for people who are able to live in their own homes. Should the ten rented houses be taxed for what they are fairly worth on the market and the \$50,000 mansion be tax free because it never can pay an income?

3. There is a hunting club in North Carolina that owns 17,000 acres of land. It yields no income. On the other hand, it costs the members of that club several thousand dollars a year to keep it up. This land has a fair market value based on two things: (1st) what some other group of men is willing to pay for it as a hunting club, (2nd) what men believe could be made out of it as a farming proposition. The lands surrounding the club lands are farming lands, and have a market value determined by what men believe they can be made to produce. Should the farm lands be taxed at their market value, and the hunting club lands be exempt because they yield no income?

4. A man in the city of Raleigh bought a house and lot. In the rear of the lot purchased was a vacant lot. The man bought this lot because he did not want anybody to live behind him. He paid \$2,000 for it. It never will yield an income, but should the vacant lot be tax free on this account?

I think these illustrations will serve to show that it would never do to base tax values solely on what income property either does or can be made to produce. The amount of pleasure and satisfaction that the ownership of the property will afford

is a real element of value. Again, when there is no consideration of pleasure and satisfaction, and we consider incomes only, the market value is not of right ought to be determined, and by what the property is actually producing, but by the judgment of the public as to what it can be made to produce, and this is what actually does determine market value.

Illustrations:  
1. In a certain city in this State a man owned a large block of property that under the old law was on the tax books at \$25,000. It did not yield him a fair income on that value and in its present condition never could be made to yield an income of \$25,000, but the man was offered a certified check for \$375,000 for this property, and refused to take it. Enterprising citizens offered this money because they believed they could take the property, build apartment houses and office buildings on it at a cost of more than one million dollars and make it pay a fair dividend on the investment. Should this property, stay on the tax books at \$25,000 or at \$375,000?

2. In a certain county in the State there is a man who owns 10,000 acres of land. It is on the tax books under the old law at from eight to ten dollars an acre, and it does not pay a reasonable income upon this tax value. But all over that county there are men who are willing to pay for this land from seventy-five to one hundred dollars per acre because they believe that they can take the land and make it pay an income on the investment. The man will not sell. Should this land stay on the tax books at eight or ten dollars an acre, or should it go on the tax books at from seventy-five to one hundred dollars an acre, which the farmers in that county are able, and willing, and anxious to pay?

3. A few years ago in a certain county there were two cotton mills. They had practically the same equipment in buildings and in machinery, worth approximately \$200,000. One paid from the beginning a handsome dividend, the other lost money, and finally went into the hands of a receiver. Should the buildings and machinery of the successful mill be taxed at \$200,000 and the buildings and machinery of the unsuccessful mill be tax free because it paid no income? Is it a wise policy to penalize success and reward failure?

4. Jones inherited 200 acres of land. On it he eked out an existence. Finally Smith came along and bought from Jones one-half of this land and paid him one hundred dollars an acre for it. He paid \$1,000 in cash and gave his notes payable \$1,000 a year for nine years. Smith went to work. He rotated his crops, he used improved farm machinery, and in four years on that hundred acres he made enough clear money to take up the \$9,000 outstanding against it. Jenkins comes along and, seeing what Smith has done, offers Jones one hundred dollars an acre for the other half of the land. Jones refuses to take it. Should the farm of Smith be taxed at a hundred dollars per acre because it pays a handsome income on that investment, and the farm of Jones be taxed at ten dollars per acre because it pays no income at all?

Let me repeat, that the market value of land is fixed by what it is now produced or by what the public believes it can be made to produce.

This increase in the productive power of the lands of North Carolina explains the steady rise in the market value of these lands. In 1909 the crops produced on the lands in North Carolina were worth one hundred and forty-two millions of dollars. These values have steadily increased. In 1915 they amounted to two hundred and two millions; in 1916 to four hundred and seventeen millions; in 1918, five hundred and thirty-seven millions; 1919, six hundred and eighty-three millions. In 1910 North Carolina was the twenty-second State in the Union in the value of its farm products; in 1919 it was the fourth State in the Union. In nine years we passed eighteen States in the value of the products of our farms. It would be a miracle if this increase in the value of the products was not reflected in the market value of the lands.

### SEABOARD DEVELOPMENT AGENT FOR THIS SECTION

Norfolk, Feb. 28.—Mr. Claude J. Hayden will on March 1st, 1920, come to the Seaboard Air Line as their development agent, with headquarters at Hamlet, North Carolina, to cover territory along the Seaboard Air Line in North Carolina and Virginia, also South Carolina, north of Columbia.

Mr. Hayden was born and reared on a farm in the Carolinas, is a graduate of Clemson college, South Carolina, also of the University of Idaho. In addition has spent one year at Cornell university. He received an M. S. degree, from the North Carolina college of agricultural and mechanic arts.

After graduation Mr. Hayden assisted in agricultural work at the State agricultural college of Mississippi and North Carolina.

At the beginning of the world war, Mr. Hayden was commissioned a second lieutenant in the eleventh United States infantry and was overseas with the fifth regular division for sixteen months having at that time advanced to a captaincy.

The Seaboard Air Line is fortunate in securing the services as development agent of a man of as varied experience as Mr. Hayden has had and the territory in the Carolinas and Virginia which Mr. Hayden will cover, will undoubtedly be benefitted through his endeavors along this railway.

Periodic Bilious Attacks. Persons subject to periodic bilious attacks will observe that their appetite fails them just before an attack. That is, they do not really crave food but eat because it is meal time. If they will eat only a light meal and no meat, then take two of Chamberlain's Tablets the attack may be avoided.

Will Purvis of Lamar county, Mississippi, was voted \$5,000 by the House of the Legislature of that State Thursday because of what he has suffered at the hands of the law. He was sentenced 26 years ago to

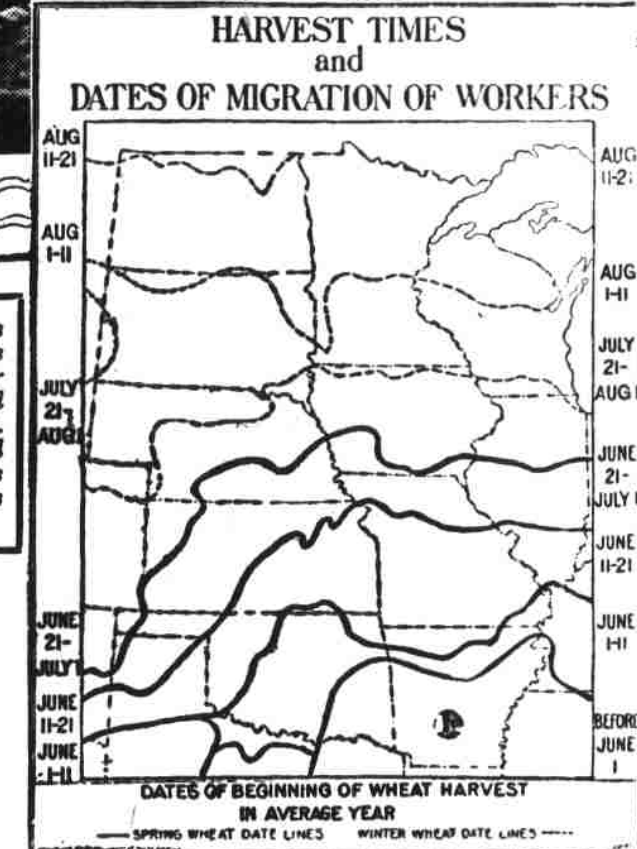
die for the murder of Will Buckley, near Columbia, Miss. On the day of the execution the noose slipped and he fell to the ground unhurt. The hanging was postponed and the sentence commuted to life imprisonment.

After serving 2 years, Purvis was cleared of the crime by the death-bed confession of one Joe Beard, who claimed that the murder was committed by another man.

# GAMBLERS TRAIL HARVESTER AND REAP HARVEST FROM HIM



The migrant worker has none of the protections of Society. He has no home. No community stands behind him. No organization sees that he gets fair play. He is the prey of the gamblers, the crooked politician, the police stool pigeon and the yeggman. He is a worker-outcast. The Interchurch World Movement is now making a survey of his problems to bring about a closer co-operation of the churches of America in its solution.



Each fall, in the wake of the great harvests, comes the parasite of the harvester to reap a harvest for himself. He is the gambler. For him the harvester is traditional prey.

More than that, the gambler has the spell to which he yields willingly—the spell of the game of chance. And for cards and games of chance the harvester has a passion. He does not recognize the gambler as a parasite who feeds upon him, but as a bringer of recreation that is tense and fascinating, and has a thrill to it. And that, after a long day in the fields, is a thing for which to be grateful.

But the parasite reaps what the harvester earns. And often, at the end of the harvest, the victim begins, penniless, the quest for the next job, with the parasite still at his heels.

The gambler is not alone in exploiting the migrant laborer. That is being shown by a study of the living conditions of these wandering workers being made by the Interchurch Movement, which aims to present the details of this problem to the Protestant Churches of America, and to bring about the closer co-operation of these churches in its solution.

The harvester suffers, the survey is revealing, at the hands of almost every agency that has anything

to do with him. For he is an outcast in the sense that he has no social base. Sometimes the private employment agency, sometimes the railroads and again the local officials and the police take an antisocial attitude toward him. For he seems to them little more than a working hobo.

An unscrupulous employer will use him as a strike-breaker, with no intention of giving him a permanent place. A ward politician will buy his vote at election time. These are incidents in his migratory career. But the parasite who trails him through the harvests is constant, and the harvest of the parasite is always rich.

# Spring Suits and Dresses

Our first show of anything like a line. Twenty-five suits came in Tuesday and from now on will have them coming in all along. The suits for this season are prettier than for a long time, mostly in navy and black, tricotine and serges \$37.50 to \$75.00.



## DRESSES

50 to 75 in the lot, tricotines, serges, taffetas, satin, plain and printed georgette. They are simply wonderful, and the prices will surprise you. Look at twenty to twenty five dresses, no two alike in taffetas, jerseys, plain and printed georgettes at \$25.00 and \$27.50. At the present conditions, we cannot understand how these dresses can be sold at the above prices.

## In A Better Line of Dresses

We are showing CO-ED and Robins. When it comes to a nicer line of dresses there are no two more popular lines made. They are absolutely exclusive in design, in tricotines, taffetas and georgettes from \$37.50 to \$125.00.



## Mourning Dresses

This is a new line for us and we propose to carry a complete line in every way, from 12 to 15 beautiful mourning dresses just in. From \$27.50 to \$42.50.

A complete line of mourning georgette and crepe waists from \$9.50 to \$12.50.

# L. H. Caldwell

# Flour!

We have at last received our big car of flour. If you want something good at prices that are right come in at once and get your supply. Don't wait, come ahead of the other fellow. We sold one car last Saturday and expect this will go just as fast.

Compound and Pure Lard  
Wheat Middlings, Hay  
Feed Oats

# McINTYRE & WISHART