

Francis' Bill Would Bring \$2,000,000 To State

\$200,000,000 Of The Best Property In State Exempted From Taxation

Under the above caption, the Raleigh News and Observer ran the following editorial on the bill recently introduced by Senator W. R. Francis of this county. While here, Senator Francis told the members of the assembly that it is possible for the passage of this bill would bring into the state more than \$2,000,000 additional revenue.

The members of this General Assembly are faced with the serious question of how to raise the revenue to balance the budget. For three weeks the Finance Committee has been hearing representatives or attorneys of all concerns paying State taxes, and those which the Budget Commission says should pay tax, or whose tax should be increased. "With one accord they began to make excuses" and undertook to show that their business would not justify the present tax or any increase. And in many instances they proved their case, for in most lines of business incomes have greatly slumped.

In view of the inability to obtain the needed revenue from some of the sources counted upon by government expenses, drastic cuts in governmental expenditures are being made. When these cuts are completed, it will still be necessary to obtain large revenues to balance the budget. That fact is universally conceded. From what sources of revenue shall revenues for the counties, cities and the State be obtained? For too many years the Legislature until 1931 has seemed indifferent as to the final situation of the State. County and city distress now compels consideration of their needs. The Finance Committee is sweating blood to get some new source not hitherto touched, from which revenue can be obtained to pay. Up to date they have found such sources. Back of all this is said there looms up a source of some character. When the Government considers a sales tax, it is generally admitted it is scrapping the bottom.

In all the search for a new source, it will be heartened to know that in the past year there has been revealed the existence of property owned in this State worth \$196,608,333 which pays no tax at all, though the dividends on the stock representing the property do pay a tax which in the past year reached the amount of \$707,790. If taxed according to all tangible property, this untaxed property would bring in a revenue of \$2,449,995 instead of the \$707,790 received in 1931-32, the first year revenue has been received from that source.

Up to 1923 the law imposed a tax upon stock in foreign corporations, the same as upon notes and mortgages and like property to be assessed and collected in the counties. No adequate machinery for the assessment of such property was provided and no serious attempt was made to secure its assessment for taxation. The amount of such property was small then in comparison to the large value it attained in 1923-1929. The Legislature of 1923, in violation of the spirit of the Constitution demanding "equality," repealed the law taxing property in the stocks of foreign corporations, thus giving a total exemption from taxation upon the best paying species of property in the State. What was the result? Seeing ever-mounting taxes on every other species of property in which they could invest their money, thousands of people ceased to buy land or stock in home corporations or banks and a rush was on to buy untaxed stock in foreign corporations. It was the one certain way to escape taxation. As many of these corporations paid good dividends their stocks were advertised as "sound and untaxable." No wonder these stocks became favorites with the investing public. In the meantime the tax on all owners of visible property was going up by leaps and bounds. Those people who were developing the state helping to pay the cost of schools and roads and government were having their backs bent under burdensome taxation. All the while the man who had been foresighted enough to put his money in foreign stocks was living on Easy Street, paying no taxes whatever on that species of property.

There were those in North Carolina who opposed the 1923 act of favoritism to owners of foreign stock, and who later demanded a repeal of that piece of favoritism so that the principle of equality should be restored and the owners of tangible property would not be utterly crushed. Biennially The News and Observer called attention to this indefensible exemption from taxation on the best-paying property in the State. But these tax evaders somehow managed to hold on to their exemptions. However, the agitation was continued from year to year. It was so vigorous in 1931 that something had to be done. The complete exemption could no longer be excused or condoned. That Legislature, being persuaded that to order this property taxed like other property would not be "feasible," undertook to impose a character of taxation that would bring in some revenue to the State, but deny the counties and cities their just right to tax it like other property is taxed. It, therefore, incorporated the following provision in the Revenue Act:

"Income from stock in foreign corporations, either in cash or stock dividends, received by individuals, fiduciaries, partnerships or corporations, resident in this State, or by a non-resident fiduciary if held for a resident of this State, as a condition of exemption of such shares of stock from ad valorem taxation, conditional as provided in Section Two Hundred and Fifteen (215) (g) of this act, shall be subject to a tax of 6 per cent,

AN ACT FIXING THE SITUS AND PROVIDING FOR THE TAXATION OF SHARES OF STOCK IN FOREIGN CORPORATIONS.

THE GENERAL ASSEMBLY OF NORTH CAROLINA DO ENACT:

Section 1. Personal property, taxable under the laws of this State, shall in addition to all other such property as defined by the revenue and machinery acts, or other statute, be held and deemed to mean and include all shares of stock in foreign corporations, the legal and beneficial ownership of, and title to, which is in any resident of this State, and the situs for ad valorem taxation of such shares of stock in foreign corporations shall be at the residence of such legal or beneficial owner.

Section 2. That all such shares of stock in foreign corporations shall be listed for, and subject to, ad valorem taxation in the local sub-division of government in which such legal or beneficial owner resides. Returns and listing of such shares of stock in foreign corporations shall be made by such owners to the Commissioner of Revenue, as of the date, and during the period fixed by law for the listing of other personal property.

Section 3. It shall be the duty of the Commissioner of Revenue, his deputies, and all other subordinates and employees in the Department of Revenue, to use every endeavor to procure and enforce the provisions of this act for the return and listing of shares of stock in foreign corporations so owned by residents of this State. The Commissioner of Revenue shall prescribe and provide forms for the return and listing of such shares of stock, and on or before the time fixed for the listing of other personal property, shall send two copies of such forms to all residents of the State who, he has reason to believe, either from an examination of the records of his office, or from any other source of information, or such owners of such shares of stock. The forms for such returns shall be sufficient to show the number of such shares of stock so owned, the corporation issuing the same, and the par value thereof, as of the date fixed by law for listing other personal property. And it shall be the duty of all residents of this State so owning such shares of stock in foreign corporations, to make request and application to the Commissioner of Revenue, on or before the date fixed for the listing of personal property, for copies of such forms, and to make the returns and listing thereof in the form so prescribed by the Commissioner of Revenue, under the same oath as required by law for the listing of other personal property for taxation.

Section 4. It shall be the duty of the Commissioner of Revenue, upon the information contained in such returns, and such other information as he may have, to assess, for taxation at its par value, all such shares of stock so returned to him, and to certify copies of such returns, with the assessment of the value of such shares of stock so made by him, to the Register of Deeds of the county of the residence of each such owner of such shares of stock. And it shall then be the duty of the county supervisor of taxation, or other county officials having similar power or authority, to enter the said shares of stock and the valuation thereof, as so fixed by the Commissioner of Revenue, upon the tax list for said county, and for the appropriate sub-divisions thereof, and, or municipality therein, of which such owner of such shares of stock shall be a resident. And the said shares of stock shall be subject to taxation, and the levy of ad valorem taxes thereon, by the Board of Commissioners of such county, and the tax levying authorities of any sub-division thereof, or municipality therein, in the usual way and manner with respect to other personal property.

Section 5. All laws and clauses of laws in conflict with this act are hereby repealed.

Section 6. This act shall be in force and effect from and after its ratification.

Dr. Pate Moves Office

Dr. J. F. Pate, of Canton, has moved his offices from the Branson building on Main street to the S. M. Robinson building across the street. He is occupying the two offices in the rear of the building.

She: "Let me have five dollars, will you?"
The Boss: "See here, young lady, I'll have you to strictly understand that I make no advances to my stenographer."

Two famous French Detectives Outwitted by a Bogus Marquis and His Clever Sister and \$1,000,000 Worth of Jewels Stolen. Another Secret of the Paris Police, Revealed by Ashton-Wolfe, in The American Weekly, the Magazine Distributed with Next Sunday's Baltimore American.

A Laxative that costs only 1¢ or less a dose

NEXT TIME you need medicine to act on the bowels, try Theodor's Black-Draught. It brings quick relief and is priced within reach of all. Black-Draught is one of the least expensive laxatives that you can find. A 25-cent package contains 25 or more doses. Refreshing relief from constipation troubles for only a cent or less a dose—that's why thousands of men and women prefer Theodor's Black-Draught.

"Blind Man's Bluff" — Thrilling Novel of Mystery and Murders, Beginning in The American Weekly, the Magazine Distributed with Next Sunday's Baltimore American.

NOTHING FUNNY ABOUT IT

She insisted on taking innumerable frocks with her, and they arrived at the station loaded with baggage. "I wish," said the husband thoughtfully, "that we'd brought the piano." "You needn't try to be sarcastic," came the feigned reply: "It's not a bit funny."
"Try not trying to be funny," he explained sadly. "I left the tickets on it."

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WAKE UP YOUR LIVER BILE— WITHOUT CALOMEL

And You'll Jump Out of Bed in the Morning Rarin' to Go

If you feel sour and rank and the world looks pink, don't swallow a lot of salts, mineral water, oil, laxative candy or chewing gum and expect them to make you suddenly sweet and buoyant and full of sunshine. For they can't do it. They only move the bowels and a mere movement doesn't get at the cause. The reason for your sour and out-of-color, in your liver. It could pour out two pounds of liquid bile into your bowels daily. If this bile is not flowing freely, your food doesn't digest. It just stays in the bowels, throbs about your stomach. You have a thick, bad taste and your breath is foul, skin often breaks out in blotches. Your head aches and you feel down and out. Your whole system is poisoned.
It takes those good, old CARTER'S LITTLE LIVER PILLS to get those two pounds of bile flowing freely and make you feel "up and up." They contain wonderful harmless, gentle vegetable extracts, amazing when it comes to making the bile flow freely.
But don't ask for liver pills. Ask for Carter's Little Liver Pills. Look for the name "Carter's Little Liver Pills" on the red label. Beware of a substitute. 25-cent all stores. © 1931 C. M. Co.

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Pure Bred Blood-Tested, Rocks, Reds and White Leghorns.
We hatch every Wednesday and Thursday.
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Train Travel Bargain Fare
SATURDAY, FEB. 11th.
\$10.00 Jacksonville, Fla.
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Good returning until February 11th.
Extension of final limit to and including February 19th. (being five days after final limit) upon payment of fee of one dollar per day (24 hours).
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The above fare will apply from all stations, Morristown-Spartanburg and Intermediates, Asheville Statesville and Intermediates.
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SOUTHERN RAILWAY SYSTEM

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When your clothes come back after being laundered our way, they are as fresh and sweet as if they had been smiled on by a summer sun and fanned by a summer breeze. Because we use warm, pure, odorless air in drying your things. Quite a contrast to stuffy, smoky cellars, or in yards where soot and dust are.

And of course, you know that our service saves you time, your temper and your DOLLARS. Why not let us start with this week's washing?

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