

ASK COMMISSION TO INVESTIGATE TROLLEY COS. MANY NEW TAXES LAID IN WAR REVENUE BILL

War Revenue Bill Carrying A Budget Of \$6,086,000,000 IS Submitted To Congress

Is Regarded As Assured of Adoption by Both House and Senate and of Approval by the President—Bulk of the Taxes Are Levied on War Excess Profits of Corporations and on Incomes, Individual and Corporate.

SENATE RATES ON TRANSPORTATION, CIGARS AND TOBACCO, LUXURIES, BEVERAGES, ETC., ADOPTED

House Rates on Insurance and Estates Were Reinstated—Budget Will Be \$4,000,000,000 After This Year Subject to the Revision of Future Rates Expected to Be Undertaken by Next Congress—Consideration Tomorrow.

Washington, Feb. 6.—With the submission to congress today of the conferees' agreement on the long-delayed war revenue bill, the American people were presented with their prospective Federal tax budget for 1919 and ensuing years—something over \$6,000,000 this year and \$4,000,000 thereafter, subject to the revision of future rates expected to be undertaken by the next congress.

The conference report, presented to the House by Democratic Leader Kitchin was regarded assured of adoption by both House and Senate and of approval by the President.

Except for slightly increased war excess profits rates for 1919 and corporation income tax rates for 1920, virtually all the rates are revised in the bill passed by the senate are approved by the conferees and remain in the final conference draft. Like the original House bill and the Senate's revision, the bulk of the taxes are levied on war excess profits of corporations and on incomes, individual and corporate. Rates of the senate on transportation, beverages, cigars and tobacco, amusement admissions, club dues, luxuries and semi-luxuries, stamp and special taxes all substantially were adopted by the conferees, while the House rates on estates and insurance were reinstated.

The principal rate increases agreed to in conference were to raise the corporation income rate for 1920 from eight per cent. as proposed by the Senate to ten per cent. and an increase from 60 to 65 per cent. in the second "bracket" or sliding rate on corporation excess profits for this year. The eighty per cent. war profits tax for this year was adopted and, upon insistence by House conferees, extended to 1920, but made applicable next year only upon such profits from government war contracts. The excess profits "bracket" rates of 20 and 40 per cent. for 1920 also were approved.

Virtually all the so-called relief provisions or "cushions" of the senate, designed to prevent hardships in imposition of the corporation taxes, were adopted. In the important income tax section, the bill retains all senate rates, normal and surtaxes, including that of 12 per cent. double existing law, on corporations income of last year in excess of credits previously allowed, but fixes the rate or subsequent years at ten per cent. The 12 per cent. normal rate on individual incomes earned last year and the eight per cent. rate payable in 1920 are retained with individual exemptions of \$1,000 for single and \$2,000 for married persons, and an additional exemption of \$200 for each dependent minor. Also adopted are provisions that individuals shall pay only six per cent. this year and four per cent. thereafter on the first \$4,000 subject to tax above exemptions. The senate individual surtaxes, ranging from one per cent. on income between \$5,000 and \$6,000 to 65 per cent. on more than \$1,000,000 also were approved.

Of the important general legislation and "riders," the conferees adopted the following provisions: Levying a prohibitory tax on products of child labor. Restoring pre-war postage rates on letters and postcards July 1 next. Providing a pay bonus of \$60 for all persons in the military establishment officers and enlisted men alike. Extending the Reed "bone-dry" prohibition law to the District of Columbia.

Increasing from \$25 to \$1,000 the tax on those dealing in intoxicants, including "stillies" in prohibition territory. For taxation of salaries of Federal officials, including the president and judiciary but not of state officials. For submission of all government contracts, by contractors on demand of the international revenue commissioner.

For exemption of 20 per cent. to oil prospectors. Establishing an advisory tax board of six members in the treasury. Restricting sale and use of narcotics by strengthening the Harrison Drug Act.

Although most of the Senate rates in the bill are retained, the conferees made many important changes affecting income and war excess profits taxation, re-writing scores of amendments and virtually re-drafting a substantial part of the measure.

In agreeing upon war excess profits taxes, (confined to corporations) the conferees struck out the House alternative plan to levy on war or excess profits according to the highest yield, adopting the Senate composite plan. The pre-war period standard of calendar years of 1911, 1912 and 1913 was retained, as was the system of credits. Corporations with income less than \$5,000 are exempted. Other limitations are for a maximum excess profit tax of 20 per cent. this year and 20 per cent. in 1920 on income under \$20,000 plus 30 per cent. in 1919 and 40 per cent. thereafter on income over \$20,000.

Table with 3 columns: Conference, Present Law, House Bill. Rows include Income tax, War excess profits, Estates, Transportation and other facilities, Beverages, Cigars and tobacco, Admissions and club dues, Excise taxes, luxuries, etc., Stamp taxes, Special, floor and miscellaneous taxes, Totals.

Table with 3 columns: Conference, Present Law, House Bill. Rows include Income tax, War excess profits, Estates, Transportation and other facilities, Beverages, Cigars and tobacco, Admissions and club dues, Excise taxes, luxuries, etc., Stamp taxes, Special, floor and miscellaneous taxes, Totals.

A new tax, effective May 1 next, is one cent on each ten cents or fraction of retailers' sales of ice cream, soda water, sundaes and similar confections or drinks, to be paid by consumers.

Cigar rates fixed by the conferees range from \$1.50 per thousand, instead of \$1, on cigars weighing three pounds or less per thousand to \$15 per thousand, or 15 per cent. increase on cigars sold in excess of 20 cents each. Cigarettes are taxed \$3 per thousand, instead of \$2.05 on those weighing not more than three pounds per thousand, and \$7.20 per thousand, instead of \$4.80 on cigarettes weighing more.

Tobacco and snuff are taxed 18 cents a pound, an increase of five cents. Strained provisions were adopted by the conferees to regulate dealers in leaf tobacco.

Amusement admission taxes in the bill, effective April 1, were increased only in a few instances, the general rate of one cent on each ten cents or fraction paid being retained after petitions bearing thousands of names were received protesting against an earlier agreement to double the rate.

Club dues are taxed ten per cent., the present rate upon members of organizations charging more than \$10 annually.

Excise or manufacturers' sales, taxes including so-called luxuries covering a wide range of articles include: Automobile trucks and wagons, exempting tractors, and their tires and accessories three per cent., the present rate; automobiles and motorcycles, an increase of two per cent.; pianos; organs, (excluding pipe organs), players, talking machine records, boxes and records five per cent.; increased two per cent.

Sporting or athletic goods, etc., ten per cent., increased from three per cent.; chewing gum, three per cent., increased one per cent.; cameras, ten per cent., increased from three per cent.; photographic films and plates, five per cent.; a new tax; candy, five per cent.; a new tax; fire arms, five per cent.; a new tax; yachts and motor boats, for pleasure purposes and canoes costing more than \$15, ten per cent.; a new tax; toilet soaps and soap powders, three per cent.; sculpture, paintings, statuary and other art work, ten per cent. with tax exemption for those sold to educational institutions or public art museums.

Semi-luxury taxes of ten per cent., effective May 1 next, are retained although reported subject to possible modification later by separate resolutions. They are to be charged to consumers of high-priced articles of personal wear, and returnable to the treasury by retailers. The ten per cent. tax is levied on the excess paid above cost standards prescribed for various articles, including the following: Carpets and rugs, except of wool, \$5 per square yard; picture frames, \$10 each; trunks, \$50; valises, traveling bags, suit-cases, hat boxes and fitted toilet cases, \$25; purses, pocket-books, shopping and hand-bags, \$7.50; portable lighting fixtures, including lamps and shades, \$25; umbrellas, parasols and sun shades, \$4; fans, \$1; hand or smoking coats or jackets and bath or lounging robes, \$7.50; men's separate-waist coats, \$5; women's and misses' hats, bonnets and hoods, \$15; men's and boys' hats, \$5; men's and boys' caps, \$2; boots, shoes, pumps and slippers, \$1 per pair, with special appliances for crippled persons exempted; men's and boys' neckties and neck wear, \$2; men's and boys' silk stockings or hose, \$1 per pair; women's and misses' silk stockings or hose, \$2 per pair; men's shirts, \$3 each; pajamas, nightgowns and underwear, kimono, petticoats and waists, \$15 each.

Jewelry and imitations, precious stones, clocks, watches and similar articles are taxed five per cent., a new levy, effective April 1, when sold by dealers. Moving picture leases or licenses are taxed five per cent. of their total monthly rentals in lieu of the present footage tax on films. Perfumes, toilet waters, cosmetics, tooth and mouth waxes, pills, powders, patent medicines and similar articles are subject to a retail sales tax, effective May 1 and payable by purchasers, of one cent on each 25 cents paid, in lieu of present stamp taxes.

Special taxes provide for retention of the \$1 capital stock tax of corporations and makes effective January 1, upon brokers; theatres, concert halls, etc., bowling alleys, billiard and pool tables, shooting galleries, taxicabs and sightseeing cars. Special taxes on cigar and cigarette manufacturers were also retained. Yachts, pleasure boats, power and motor boat taxes also were approved, with taxes based on net tonnage and at double present rates. Stamp taxes as now provided by law were kept in the bill, including one cent for each 25 cents or fraction on parcels sent by parcel post. The conferees made many amendments in important administrative and basic interpretative sections of the war excess profits, income tax and other sections of the bill. Among these was retention of a modified provision for consolidated tax returns of affiliated corporations, except those with war contracts. Another defining corporate dividends, affects stock dividends and provides that stock dividends shall be considered as "income" to the amount of earnings or profits distributed. Provision for allowance of net losses, recently discovered losses, submission of inventories and for exemptions from income taxes for those in the military establishment were other important amendments retained in the bill.

BULLET PIERCED DIARY TELLS TALE OF BEATEN HUN

Bartholomew Hurley Has Interesting Souvenir of Machine Gun Battle.

RUSSIAN SOLDIER FIRST OWNED THE LITTLE BOOK Canadian Fighter Took It, German Took it From Him and At Last American Got It.

Bartholomew Hurley of 528 Stillman street, this city is the proud possessor of a diary which he took from the person of a dead German soldier after an action in the Argonne. Hurley, formerly of the 56th Artillery, of which regiment the Bridgeport company recently returned from active service in France, has had the diary translated with the result that its contents are very interesting to his friends. The diary, while new and before it was much used was the property of a Russian soldier from whom it went into the hands of one Algy MacDonald, a Canadian soldier. MacDonald was killed in action and the diary taken from his body by Corporal Stephen Schuelke of the 2nd Machine Gun Company, 2nd Battalion, 426th German Infantry. These many transfers of possession occurred early in the war and the book was carried by the German for three years until the Americans arrived in the Argonne when it went into the possession of Hurley.

Pertusing its pages we find that Schuelke was not a particularly bloodthirsty Hun. On the other hand he daily complains about the long marches and poor food. Transportation of the German soldier seems to have been poorly provided for as the writer often describes long waits with little food. Most of the traveling was done in box cars.

Although the German appears to have been a man of very little education he had ambitions to become a playwright. Most of the little book is taken up in the writing of a drama, the scene of which is laid in the city of Berlin. The principals are called Gretchen, a beautiful, credulous maiden, and her lover, Fritz. This work is written in verse and is not to be read in polite society.

The diary is perforated with three large calibre bullet holes. If the little volume could talk it might relate a tale of how the Second Machine Gun Company of the 426th German Infantry, in a counter charge against the American line held by a barrage from the Fifty-Sixth Artillery, were met and repulsed by our machine gunners equipped with Browning guns made right here in Bridgeport, during which action its German possessor was killed by bullets entering his body through the pages on which are written his last literary attempt.

COMMISSION FOR CZECHO-SLOVAKS Appointed After Claims Had Been Presented to Conference.

Paris, Wednesday, Feb. 5.—The Supreme Council of the Peace Conference received from M. Kramarz and M. Benes a statement of the claims of the new Czechoslovak republic. These delegates asked that Czechoslovakia comprise Bohemia, Silesia, Slovakia and the Ruthenian section of Hungary, as well as outlying regions where the Czechoslovaks are largely in the majority. This would embrace territory populated by about thirteen million people.

The necessity of giving the new state an outlet to the sea was emphasized, it being pointed out that a way should be found northward by the Elbe and Vistula to the North and Baltic Seas eastward by the Danube to the Black Sea, or southward through Trieste or Plume to the Adriatic. To this end the delegates asked for the internationalization of waterways and railways giving them these outlets.

The hearing given the Czechoslovaks resulted in the decision by the Supreme Council to name a commission of eight members, two each from France, Great Britain, Italy and the United States to look into the technical aspects of the Czechoslovak claims. After the session it was announced that the next meeting of the council would take place at 3 o'clock Thursday afternoon, when the negotiators for the Hedjaz would be heard.

NEW DRAW BRIDGE OPENED. New London, Feb. 6.—The new draw bridge of the New Haven road over the Thames river was opened to traffic this morning. Train No. 5 westbound from Boston, due here at 7 o'clock was the first regular train to pass over the structure.

Soviets Ready To Confer With Allied Powers

TO INVESTIGATE STREET RAILWAYS Legislature Asked to Create Commission For This Purpose.

Hartford, Feb. 6.—The legislative committee on railroads today sent to the Senate a bill creating a commission to inquire into the condition of trolley companies in Connecticut, as suggested by Governor Holcomb in his inaugural message. The bill provides that the commission shall consist of three senators, four representatives and five citizens to be named by the governor. This will be known as the "street railway investigation commission" and shall serve without compensation but with assistance to be given compensation up to \$1,000. The commission shall sit in the capitol and have power to call witnesses and books and shall make a report not later than April 1 with recommendations for legislation.

The finance committee favorably reported in the Senate the bill to transfer six million dollars from the civil list funds to the sinking fund created by the general statutes, treasurer buy and cancel state bonds or invest in bonds of the United States or in various other bonds issued in the state under authority of the state laws. The House received from the Senate the federal prohibition amendment on motion of Mr. King of Windham, the Republican leader, the matter was made the order of the day for noon Tuesday.

Favorable reports to the House were made on these bills: Increasing salaries of Waterbury city court judges, clerks and probation officers; increasing salaries in the Southington court and providing for an assistant clerk in the Orange court. The senate received favorable reports on these bills: From Judiciary: Regarding justices of the peace elected in November, validating such exception if oath is taken by January 1, 1920, this covering soldiers in service who have been unable to take their justice oath; increasing certain salaries of officials in the Greenwich court. From the insurance committee, favorable reports on bills extending time of organizing the American Re-insurance Company, Brotherhood Life and Casualty Co. of Hartford, the Connecticut Indemnity Co., the Travelers Fire Insurance Company and the Life and Guarantee Company of Hartford.

From insurance committee: Extending time of organizing the American Re-insurance Company and change its name; extending the time of organization of the Brotherhood Life and Casualty Company of Hartford; do with Connecticut Indemnity Company; Life & Guarantee Company of Hartford, Travelers Fire Insurance Company; amending the charter of Security Insurance of New Haven in relation to directorate. Mr. Hall of Willington and Mr. Eaton of North Haven as a committee reported that the comptroller would secure additional accommodations for committees. Announcement was made that all workmen's compensation law bills and amendments would be held on March 11 and not on March 4. Both branches adjourned until Tuesday. The calendar is now heavily laden with matters assigned for hearings and legislators hope for completion of all hearings by April 1. In view of the creation of a trolley investigating commission it is expected all trolley matters will go to it.

BIG STRIKE IS ON IN SEATTLE Called on Schedule Time—City Generally Tied Up.

Seattle, Wash., Feb. 6.—Seattle's general strike was called at the scheduled time, 10 a. m. today. First reports from the down-town section said union street car men started the cars for the barns at 10 o'clock, union elevator operators in all the large buildings abandoned their cars, and restaurants closed their doors when their union cooks and waiters left. Most of the city stores announced they would remain open as long as their stocks last. They will be unable to replenish them, as the truck drivers are striking.

Telephone operators remained at their posts, according to reports. Seattle expects to have lights tonight, as the strike committee of the Central Labor council exempted the engineers in the municipal lighting plants from the strike order.

Willing If There Be An Occasion to Enter Into General Agreement. TO RECONCILE DIFFERENCES Small Nations Win Four More Places on Commission of League.

London, Feb. 6.—M. Tchitcherine, the Bolshevik foreign minister of Russia, announces in a wireless despatch picked up here that the Soviet government is willing to participate in the Princess Islands conference. The message bears the date of Tuesday and was sent from Moscow. The despatch declares the Soviet government is ready, "if there be occasion, to enter into a general agreement with the Entente powers on their undertaking not to interfere with Russian internal affairs."

It then announces that the government is disposed to confer on the basis indicated in the note from the Peace Conference, at Princes Island or elsewhere, "with all the Entente Powers or some of them separately, or with some of the Russian political groups at the request of the Entente Powers."

Paris, Feb. 6.—The Supreme Council, on receiving the acceptance of the Russian Bolshevik government of the invitation to attend the conference on the Princess Islands, immediately made arrangements to send a joint committee of two representatives from each of the five Great Powers to meet the representatives of the Soviet government. The wireless despatch from the Soviet government, accepting the invitation, was received by wireless last night while the conference commission on a Society of Nations was in session. The members of the committee will be announced soon. One of the American delegates will be a personal friend of President Wilson, who has been a resident of Europe a number of years, and the other will be an American newspaper editor well known in the middle west. The original date for the meeting on the Princess Islands, February 15, probably will be changed in order to give the committee time to reach the island.

No further response from the other Russian factions has been received and it is not known if the other factions will be represented. It is stated, however, that in any event the conference with the representatives of the Soviet government will proceed. Positive steps for reconciling differences between the greater and lesser nations at the Peace Conference, which were begun yesterday, are continuing today. In addition to winning four additional places on the commission on the Society of Nations, it seems probable that the lesser powers will also be granted adequate representation in the executive body of the society as well as the legislative sections. The smaller powers are insisting on being given a greater voice in the society, and plans under consideration are being revised to meet the situation.

When the commission on the Society of Nations meets tonight, representatives of Poland, Rumania, Greece and Czechoslovakia will be present, together with those of China, Brazil, Belgium, Portugal and Serbia and the five Great Powers. President Wilson expects to be present every night this week, as he regards the work of framing the plan for the Society of Nations as extremely important. The Society of Nations commission of the Peace Conference has virtually covered one-third of its task, it was announced this afternoon.

CONSIDER IRLANDS CLAIMS Washington, Feb. 6.—The House Foreign Affairs Committee today ordered favorably reported a resolution expressing hope that the Peace Conference would "favorably consider the claims of Ireland to the right of self-determination." NEW PROVISIONAL GOVERNMENT Amsterdam, Feb. 6.—A new provisional government, composed of five Majority Socialists, have been proclaimed in Bremen. It takes the place of the Bremen government composed of "people's mandatories" and the Workmen's Council.