

NEW PLAN TO GET A HUNDRED MILLIONS BILL AIMED AT TAX DELINQUENTS. Measure Provides for First Lien on Property in Arrears—City Can Sell It.

If Father Knickerbocker could put into his trousers pockets all the money that is due him from back taxes he would receive enough to pay for the construction of the proposed Brooklyn and Bronx subways. The money could not be used for subways, for it has been spent as if it had been received from this source, instead of from bonds charged up against it. The delinquents owe the city the huge sum of \$102,834,227.64. This includes \$17,000,000 for 1907. A considerable portion of this, doubtless, will never be recovered, for nearly half of it—\$47,245,492.91—is represented by arrears in personal taxes, and of the balance, nearly one-quarter is arrears on franchises of public service corporations. Of this amount probably only three-quarters will be paid into the treasury of the city ultimately. Approximately \$30,000,000 on real estate, of the arrears on real estate about \$2,500,000 antedate the consolidation of the city. In fact, the city records show arrearages dating from each year as far back as 1841. Although the arrears for that year—\$341—recently discovered, amounted to only 66 cents, with interest bringing them up to about \$250, the owner of the title on which they lay a cloud in consequence was glad to turn into the city treasury the amount of the claim.

THE COLLECTION PROBLEM. If the various claims of the city were as modest as this one it would be little troubled. In part at least, the present method of collecting arrears is responsible for this condition of affairs. It is only recently that it has been known that the assets of the city were, the arrearages having been buried in a library of 18,000 volumes. A law which it is believed will be a solution of the problem of collecting back taxes was quietly passed by the recent session of the Legislature. The man who will not pay his taxes is a white elephant. Up to the present time he has been a problem, not alone to New York City, but to the whole country. The community, according to the general belief, is entitled to the taxes. Squeezing them from unwilling citizens or landpoor pockets is so thankless a task that many collectors shy away from it. Then the taxes pile up year after year, and the collector pays for a dead horse.

MANY PURCHASES BY CITY. In the various periods of depression which have visited this country since 1800 the city has been compelled to purchase at tax sales thousands of parcels of property in the Borough of Manhattan alone for arrearages representing over \$5,000,000. Up to date these have not been liquidated. These sales have simply been carried on the books of the city, no attempt being made to take possession of the property and collect the rents to reimburse the city. They have been carried upon the sales ledger awaiting a forced redemption when some lawyer or title company refused to guarantee a clear title. The antiquity of some of these unpaid claims is illustrated in the case of a piece of property deeded by John Wannamaker, when he built his new store at Astor Place. It was found that he could not obtain a clear title on this particular parcel because an assessment for the repair of a wooden sewer which ran in front of the place many years ago had not been paid. It amounted to \$750. With the increase in value of land on Manhattan, the value of the land bid in by the city many years ago has been greatly augmented.

LOWER THE ARREARS. When conditions reach this pass the only action which can be taken is to obtain the right to scale down the arrears, with the intention of obtaining, at least, a part of the sum. Twice the old city of Brooklyn was obliged to submit to this process, to the injury of the law-abiding citizens who conscientiously paid their taxes. In the early '80s, owing partly to neglect in the enforcement of tax payments, the arrears had accumulated to an amount in excess of \$12,000,000. One enabling act after another was passed, beginning with the law of 1886, reducing in various ways the amounts due to the city, provided the owners of parcels in arrears would settle according to the provisions of law. Every encouragement was held out to delinquents, and valuations were reduced and interest charges remitted or lowered, and taxpayers allowed at their option to pay in instalments. Many availed themselves of the benefits of the law. At the time Mayor Low entered office, however, conditions were still so bad that the arrears were in excess of \$6,000,000. Then followed the passage of the well known "Everts" law, which permitted the city to sell the property outright, giving after a certain period a deed to the purchaser, the delinquent receiving the surplus, if there was any after the arrears, interest and costs had been met. There were many reductions made in the arrears, and many citizens availed themselves of the opportunity to clear their titles. One of the most famous tax cases in the history of Brooklyn was that of the Litchfield family. The Litchfields held a considerable tract of land in the Flatbush section. A portion of it is included in Prospect Park. The Litchfield mansion being preserved and used as the headquarters of the Park Department. The family retained much land on the park slope bordering the west side of the park. The improvement of this property was long delayed by the fact that arrearages amounting to hundreds of thousands of dollars were permitted to accumulate.

A \$900,000 DELINQUENT. When Frederic W. Hinrichs became Register of Arrears in 1894 he found that the arrearages of this estate, with interest, were almost \$900,000. About \$90,000 of this amount represented taxes about which there could be no dispute, but the city charter forbade sales for arrears subsequent to those authorized by the laws of 1886 and 1882. In other seasons under the earlier laws had not been held, and were so large that there promised to be difficulty in collecting them, and certainly not without a dispute so long as the city officials failed to settle the questions raised over the earlier arrears.

cases, they were prevented from forcibly collecting the latter. In this fashion the delinquents could allow their subsequent taxes and assessments to pile up without interference. They were actually protected by the city charter from paying taxes. Mr. Hinrichs took the bull by the horns. As soon as he assumed office he threatened to sell a lot of the property. The day before the sale was to take place the legal guns of the big delinquents were trained, six injunctions being served on him. The injunctions were dissolved, and again Mr. Hinrichs threatened a sale. The city was again served with injunctions, and six new actions were brought in the Brooklyn City Court. This court agreed with the previous decisions, but decided to continue the injunctions for trial before Chief Judge Clement upon condition that \$250,000 be paid on account.

This sum was the largest amount which had been paid in taxes by individuals into the treasury of the city of Brooklyn. The Litchfields, however, in this transaction were able to gain something for themselves, according to Mr. Hinrichs's official report. The court gave them the privilege of selecting on which parcels the money should apply in liquidation of the arrears. They selected those on which were the smallest arrearages, and which, therefore, were the most desirable to be offered for sale by the city. The parcels on which there was a heavy incumbrance that it would be very difficult for the city to sell them were not redeemed. In the end the difficulty was settled by a compromise by which the Litchfields, it is said, saved more than \$200,000 in arrearages.

THE ELEVATED ROADS CASE. Mr. Hinrichs pushed another delinquency tax case also that made considerable noise in its day. That was the case against the Brooklyn elevated railroads. These companies, according to Mr. Hinrichs's report, were in arrears more than \$350,000, and had obtained the cancellation of more than \$600,000. In dissolving the assessors' valuation of \$200,000 a mile of road and the valuation agreed upon between the city and the railroad company of \$300,000 a mile, he showed that its bonded indebtedness, the bonds being sold in Wall Street above par at the time, was nearly \$800,000 a mile. This report of Mr. Hinrichs's is hard to find. Its author has believed for some time that an effort has been made by some one to suppress it. He has been unable to find one until recently. There is none in the Astor Library. In the copy owned by the law library in the Postoffice Building the six pages containing a reference to the elevated railroads cases were found by a representative of The Tribune to have been cut out.

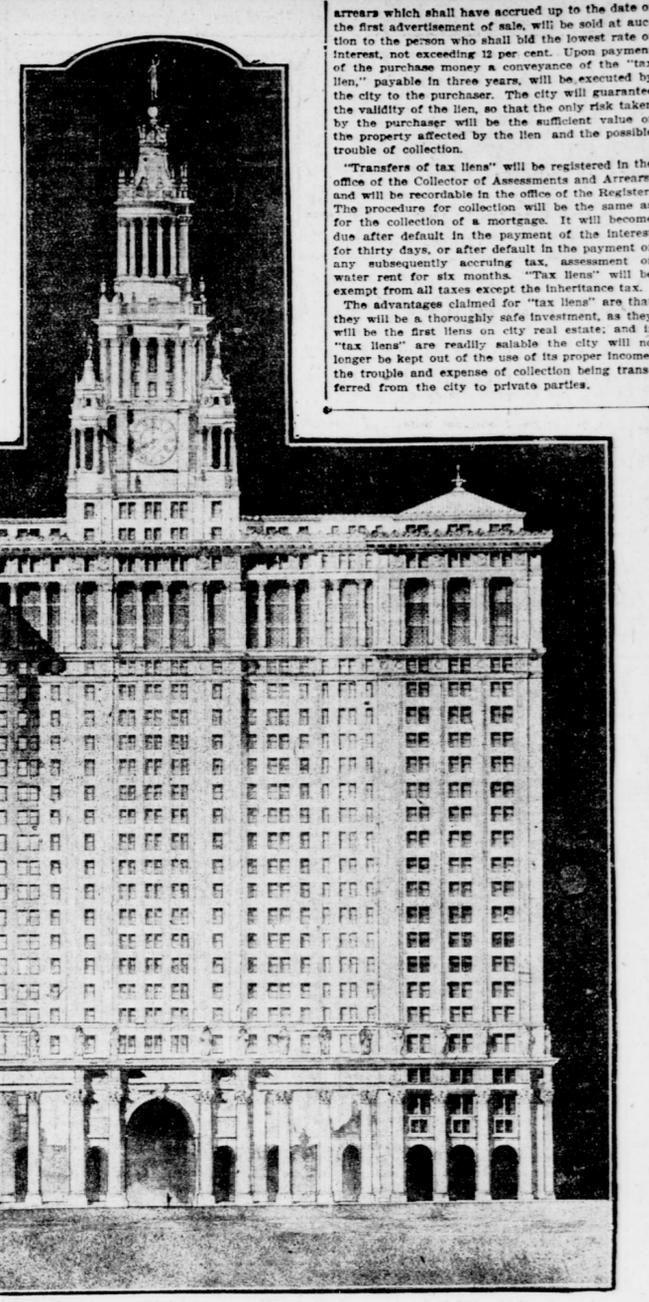
STATE IN ARREARS TO CITY. There are various methods of collecting arrears still operative in New York City. All arrears antedating consolidation may be collected in the manner prescribed by the laws affecting those particular sections. Portions of Queens and Richmond boroughs were formerly under the tax system prescribed for country districts. In the country it is the custom to assess property in the name of the owner. In the city the property assessed is made the debtor. In the country when taxes are in arrears the collection is finally turned over to the Controller of the State in lieu of state taxes (whenever a state tax is levied). As a result, there are many parcels in outlying portions of the city which have been bid in at different times by the state at tax sales. Many of these the state has disposed of, and some of them are still held by the State Controller. In the old townships of Brooklyn, Queens and Richmond are many parcels which have passed through the state's hands. A list of these properties has just been obtained by Mr. Mornahan, the Collector of Arrears and Assessments. The pile of sheets containing the records of those in Richmond alone is four inches high.

TAX TITLES BAD. New York tax titles are notoriously bad. The penalties which have been put upon the owner have been so great that the courts have shown that they will do what they can to protect the owner who is in danger of losing possession of a parcel worth a number of thousands of dollars because he cannot pay a hundred dollars in arrears. The technicalities of a tax sale are scrutinized most carefully when the owner appeals for protection, and when there is a loophole they give him the benefit of it. For this reason it is commonly believed that a valid lease sold for arrears is almost unknown.

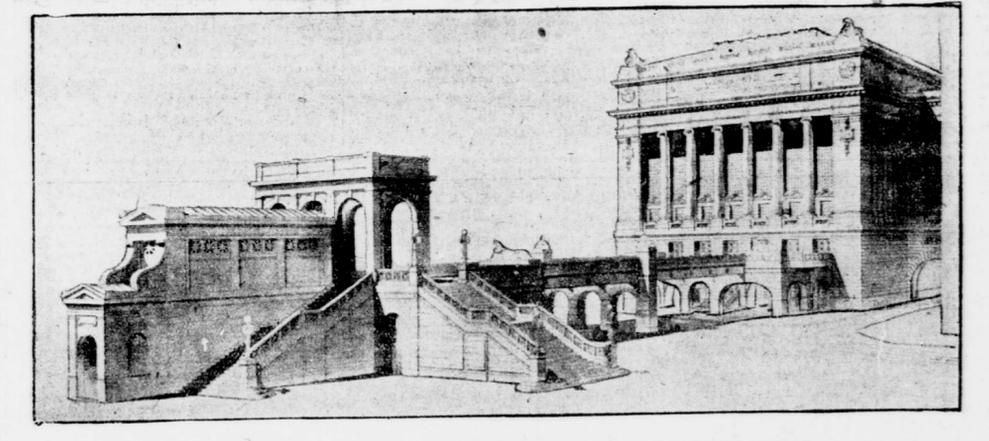
Under the charter the land is not sold outright. A lease of the property is given by the city to the person who will agree to pay the taxes with interest and cost. The term of the lease is determined by bidding, the bidder who will take it for the least number of years being the one to whom it is given. Owing to the difficulty of defending the title of leases, there is not a voracious demand for them. Not infrequently the leases are knocked down for one thousand years, this being the shortest term for which any one will undertake to pay the incumbrances. In the great majority of

Up to the present time, so far as can be discovered, no practical method has been put in operation of enforcing the collection of arrears which at once preserves to the owner an equity in his property and provides an attractive investment for the person who undertakes to pay the taxes of the delinquent. A few days ago Mayor McClellan signed a bill the main features of which were worked out by Joseph Hane, of the finance department; Lawson Purdy, president of the Department of Taxes and Assessments, and others interested in obtaining a better method of collection.

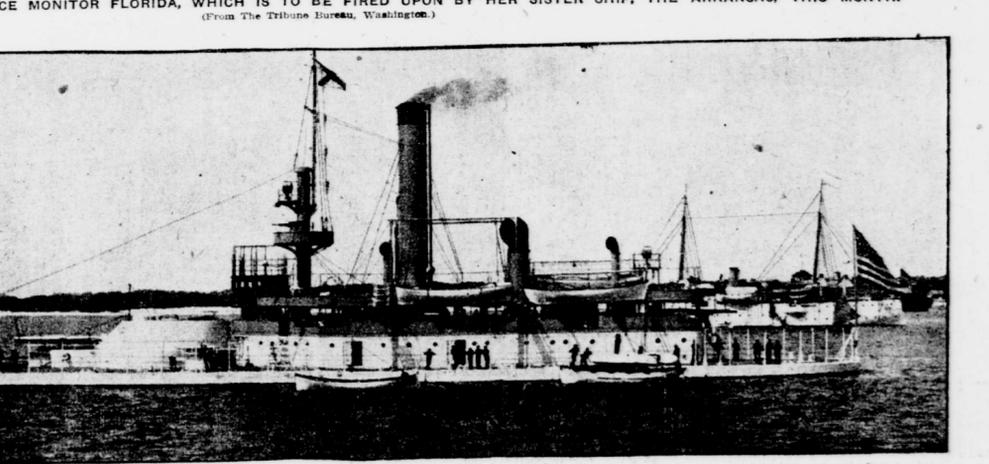
NEW "TAX LIEN." The proposed remedy is a "tax lien," which can be foreclosed just as if it were a mortgage. As soon as taxes, assessments and water rents are laid a lien attaches to the property in favor of the city, which is prior to any and all other liens. When taxes or assessments are three years in arrears, or water rents four years, the lien of all



ACCEPTED DESIGN FOR NEW YORK'S NEW MUNICIPAL OFFICE BUILDING. McKim, Mead & White, architects. It will cover the triangular space bounded by Park Row, Centre and Duane streets. Chambers street will run right through the building in an arcade. Estimated cost, \$7,000,000. Thirty-four stories in height.



NEW MANHATTAN TERMINAL AND APPROACH FOR THE BROOKLYN BRIDGE. Marble and granite structure to take the place of the present unsightly building and stairways. Hoppin, Koen & Huntington, architects.



UNITED STATES COAST DEFENCE MONITOR FLORIDA, WHICH IS TO BE FIRED UPON BY HER SISTER SHIP, THE ARKANSAS, THIS MONTH. (From The Tribune Bureau, Washington.)

MAKING A TARGET OF A WARSHIP

U. S. Monitor Arkansas to Fire on the Florida.

Washington, May 2.—About the middle of this month the United States Navy will conduct a series of experiments with high-power projectiles and torpedoes against the most modern marine target ever assaulted. The object of these experiments is to obtain complete and accurate information, in a practical way, concerning the actual effect upon the internal fittings and other portions of a ship's structure of the shock of a high-power projectile, and of a torpedo attack under present conditions. The Florida, a comparatively modern ship, was selected because her internal subdivision permits a

very close approximation to the framing and internal subdivision of the latest battleships. The tests will be in two series—a gunfire test and a torpedo test. These tests will take place under the joint cognizance of the bureau of construction and repair and ordnance. For the former, the Arkansas, a sister ship, will fire a 12-inch projectile, loaded with high explosive, in such a way that most of the fragments will fly across the bows clear of the ship. It is not intended to penetrate the turret armor, and the test is in no respect a contest of gun against armor or armor against gun, the effect of the shock only being desired. The shock, under the conditions above noted, will be approximately the greatest that could be experienced in battle. This will probably be the only shot fired against armor, but another glancing blow against one side of the turret may possibly be decided. After the inspection of the results of this test

several shots from the 4-inch and 12-inch guns of the Arkansas will probably be aimed at the experimental military mast that has been erected on the stern of the Florida. It is not desired to make known the details of the torpedo test, for obvious reasons, but it will suffice to say that one or two torpedoes may be exploded against the bottom of the Florida under such conditions that salvage operations, if necessary, will not be difficult. It is not intended to destroy the vessel or do more than local injury, and she will be restored to her former condition of usefulness as soon as practicable after the necessary experimental data have been obtained. These tests will probably occur about the middle of May, and for obvious reasons it is not desired that any but officials directly concerned should be present. The general results, so far as may be permissible or proper, will be given to the press as soon as practicable after the conclusion of the tests and the submission of all reports in relation thereto.

arrears which shall have accrued up to the date of the first advertisement of sale, will be sold at auction to the person who shall bid the lowest rate of interest, not exceeding 12 per cent. Upon payment of the purchase money a conveyance of the "tax lien," payable in three years, will be executed by the city to the purchaser. The city will guarantee the validity of the lien, so that the only risk taken by the purchaser will be the sufficient value of the property affected by the lien and the possible trouble of collection. Transfers of tax liens will be registered in the office of the Collector of Assessments and Arrears, and will be recordable in the office of the Register. The procedure for collection will be the same as for the collection of a mortgage. It will become due after default in the payment of the interest for thirty days, or after default in the payment of any subsequently accruing tax, assessment or water rent for six months. "Tax liens" will be exempt from all taxes except the inheritance tax. The advantages claimed for "tax liens" are that they will be a thoroughly safe investment, as they will be the first liens on city real estate; and if "tax liens" are readily salable the city will no longer be kept out of the use of its proper income, the trouble and expense of collection being transferred from the city to private parties.

CITY TO LODGE IN A SKYSCRAPER EXPECTED TO BE A LANDLORD, TOO. Plans for Home for Municipal Departments Call for \$7,000,000 Structure of 34 Stories.

If the plans which have been prepared by McKim, Mead & White and selected from a number of others by a jury of award, composed of Messrs. Kimball, Fay & Shoring, and the Board of Estimate, New York will some day have one of the most imposing municipal buildings in the country. The structure provided for in the designs selected is to contain thirty-four (counting the tower) stories and to occupy practically all of the big triangle bounded by Park Row and the big Duane streets and divided by Chambers street. Its estimated cost is \$7,000,000, and provision is made for housing within it not only all of the city departments, with the exception of the Police, Fire and Health departments, but for a large amount of space which may be rented at a considerable annual income to the city. It is estimated that \$200,000 will be saved the city each year through the centralizing of various city departments in this way.

AN ARTISTIC SKYSCRAPER. An attempt has been made in the design selected by the jury to provide a building as near the truly artistic as the architects thought possible when dealing with skyscraper construction. The style is French Renaissance, with exterior columns. The architects have made no attempt to save space by material to be used, but some light stone will probably be employed. Final decision on this and other points as well as just what shall be done about actual construction this year is in the hands of Mayor McClellan, Bridge Commissioner Stevenson and the Board of Estimate. The building will front in Centre street, and a peculiar feature of the construction is the fact that Chambers street is to be continued through it by means of a big arcade. This provision for the continuation of Chambers street as well as constructing over the subway without interfering with the passage of trains made the architectural problem presented a rather unusual one. Another feature of the proposed building is that no interior court has been provided for. It is found feasible to do away with such courtyards because of the location of the building in a triangle well lighted on practically all sides.

SUBWAY STATIONS AND LOOPS. Of the total thirty-four floors in the proposed building the arrangement is as follows: The subway level will be one floor under ground; above that at the street level will be the subway entrance, and over that, on a mezzanine floor, will be the machinery for the building. Above these three transportation floors will be twenty-three office floors, and there will be eight stories in the tower surmounting the building. From the bottom or track level of the subway to the head of the figure surmounting the tower the total height is 559 feet and 8 inches. Deducting from this total height the twenty feet representing the height of the subway leaves the city's projected skyscraper a height of 539 feet and 8 inches above the street. In other words it will be nearly twice as high as the Flatiron building, exceeding it by 253 feet and 8 inches. In fact, the city's skyscraper home must at once take place with the "top-notchers." It will be a close rival of the famous Philadelphia City Hall, which has an extreme height to the top of the figure surmounting the central tower of 512 feet 11 inches. Here in New York the new municipal building will rank second only to the 612 feet high Singer Building downtown and to the Metropolitan Life structure uptown, the tower of which under altered plans is now to be carried to a height of 700 feet above the skyline line.

New York's municipal skyscraper will, however, differ from the other buildings mentioned in that it will not depend almost entirely upon a slender tower for its great height. In the proposed structure a great amount of floor space is desired and the building itself will be the most conspicuous part of the structure. The tower being a secondary consideration. From the sidewalk line to the roof of the main structure the building will be 329 feet high. The height from the roof to the top of the figure surmounting the tower will be 210 feet and 8 inches. The figure itself will measure from the top of its foot to the top of its head 24 feet, and the diameter of the clock face will be 25 feet. Of the twenty-three floors intended for office use it is thought probable that the city will need only eleven and that the remainder can be rented. There will be thirty-two elevators in the building. A representative of the architects said of the plans the other day: "In studying the problem it was the aim of the architects while keeping in mind the practical uses of the building, to give it the municipal character which such a building should possess. The classic style was chosen, both as following the accepted traditions of buildings of a civic character throughout the country, from the earliest times down, as well as on account of the proximity of the Hall of Records, the courthouse and the City Hall—all of them classic or in styles derived therefrom."

This proposed imposing municipal office building in connection with the new Brooklyn Bridge approach, plans for which have been prepared by Hoppin, Koen & Huntington, will work a wonderful change in the present appearance of Park Row at the bridge. In time the present unsightly steel structure thrown across the street and the army terminal and approach, the cost of which, with the changes involved, has been estimated at about \$2,000,000. This structure will be in three distinct parts—the main bridge approach occupying the site of the present approach, a smaller "City Hall approach" on the City Hall side of Park Row, and a bridge with the ornamental bronze facing to be thrown across Park Row. The exterior will be of granite and limestone, artistically carved and ornamented.

In addition to four exterior stairways the small City Hall approach will have a double escalator leading from the sidewalk to the level of the bridge over Park Row, and in the main bridge approach there will be three sets of double escalators in addition to stairs. The central set of escalators will extend from the street level to the train level and the others from the mezzanine floor, at the level of the bridge, across Park Row to the train level above. The trolley cars will come in at the mezzanine level, and in addition to the escalators there will be stairs leading from the street level up between the different track levels. The train level on the floor above is to be equipped after the style of a regular railroad station, with ticket booths along either side and signs at each track terminus. The interior of the approach will be of glazed terra cotta, and architecturally it will be thoroughly in keeping with the attractive exterior.

A SECRET OF THE CORN BELT. Here is the secret of the success in corn growing in both Wisconsin and Iowa. Counting short courses and long courses, there are at the agricultural colleges and experiment stations about a hundred students a year in each state. When these go out from the schools they are organized into farmers' experimental associations, each association to be a nucleus of improvement for its district. Incidentally, it may be said, the boys are told not to go home and brag, but to let their studies speak. To these students the seed corn is distributed. It is not a fancy seed, but a hardy one. While common corn sells at from 40 to 50 cents, an average of 50 cents, seed corn properly cured, tested and guaranteed to give high averages of yield sells for from \$3 to \$4 a bushel. I actually have record of a fancy lot sold at \$20 for the bushel. The boys of the Wisconsin boys of the agronomy department are taking in \$100,000 a year for pure pedigree seed. I know of one boy whose father told him he could go in for the fancy seed business in corn and make all he liked out of it, and the young man, in one summer, beating his father's income. I know of another boy paying \$100,000 for a fancy lot who sold it for \$200,000. The Outing Magazine.