INTERNAL REVENUE BILL.

THE MEASURE AS REPORTED TO THE WAYS AND MEANS COMMITTEE.

It Starts Off With a Tax of Two Per Cent. on Incomes Exceeding $4,000—Then It Proposes a Tax of Two Per Cent. on the Incomes of Corporations, and on the Salaries of Officials in the Civil and Military Service in Excess of $4,000—It Levies a Tax on Playing Cards, and Also Increases the Tax on Whiskey to $1 per Gallon.

WASHINGTON, Jan. 22.—The following is the text of the proposed Internal Revenue bill as laid before the full Committee of Ways and Means this morning, and as subsequently amended by that committee in its session to-day:

A bill to impose a tax on corporate and individual incomes, to increase the tax on distilled spirits, and for other purposes.

That from and after the first day of January, 1895, there shall be levied, collected, and paid annually upon the gains, profits, and income of every person residing in the United states, or any citizen of the United States residing abroad, derived in each preceding calender year, whether derived from any kind of property, rents, interest, dividends, or salaries, or from any profession, trade, employment, or vocation carried on in the United States or elsewhere a tax of two per centum on the amount so derived over and above $4,000, and a like tax shall be levied, collected, and paid annually upon the gains, profits, and income from all property and of every business, trade, or profession carried on in the United States by persons residing without the United States and not citizens thereof. And the tax herein provided for shall be assessed, collected, and paid upon the gains, profits, and income for the year ending the 31st day of December next preceding the time for levying, collecting, and paying said tax.

SEC. 2. In estimating the gains, profits, and income of any person there shall be included all income derived from interest upon notes, bonds, and other securities, except such bonds of the United States as are by the law of their issuance exempt from all Federal taxation; profits realized within the year from sales of real estate purchased within the year or within two years previous to the year for which income is estimated; interest received or accrued upon all notes, bonds, mortgages, or other forms of indebtedness bearing interest, whether paid or not, if good and collectible, less the interest which has become due from said person during the year; the amount of all premium on bonds, notes, or coupons; the amount of sales of live stock, sugar, wool, butter, cheese, pork, beef, mutton, or other meats, hay and grain, or other vegetable or other productions, being the growth or product of the estate of such person, all other gains, profits, and income derived from any source whatever and the share of any person of the gains or profits of all companies, whether incorporated or partnership, who would be entitled to the same if divided, whether divided or otherwise, except the amount of income received from institutions or corporations whose officers, as required by law, withhold a per centum of the dividends, interest, gains, profits, and income made by such institutions, and pay the same to the officer authorized to receive the same; and except that portion of the salary or pay received for services in the civil, military, naval, or other service of the United States, including Senators, Representatives, and delegates in Congress, from which the tax has been deducted, and except that portion of any salary upon which the employer is required by law to and does withhold the tax, and pays the same to the officer authorized to receive it. And, in addition to $4,000 exempt from income tax, as hereinbefore provided, all national, State, county, school, and municipal taxes, not including those assessed against local benefits, paid within the year shall be deducted from the gains, profits or income of the person who has actually paid the same, whether such person be owner, tenant, or mortgagor; losses actually sustained during the year, arising from fires, shipwreck, or incurred in trade, and not covered by insurance or otherwise, and compensated for, and debts ascertained to be worthless, but excluding all estimated depreciation of values and losses within the year on sales of real estate purchased two years previous to the year for which income is estimated.

Provided, that no deduction shall be made for any amount paid out for new buildings, permanent improvements or betterments, made to increase the value of any property or estate.

Provided further, that only one deduction of $4,000 shall be made from aggregate income of all the members of any family, composed of one or both parents and one or more minor children, or husband and wife; that guardians shall be allowed to make a deduction of $1,000 in favor of each and every ward, except that in case where two or more wards are comprised in one family and have joint property interest the aggregate deduction in their favor shall not exceed $4,000; and

Provided further, that in cases where the salary or other compensation paid to any person in the employment or service of the United States shall not exceed the rate of $4,000 per annum, or shall be by fees, or uncertain or irregular in the amount, or in the time during which the same shall have accrued or been earned, such salary or other compensation shall be included in estimating the annual gains, profits, or income of the person to whom the same shall have been paid, and shall include that portion of any income or salary which is a tax base for the same paid by the employer, where the employer is required by law to pay on the excess over $4,000.

WHO SHALL MAKE RETURNS OF INCOME.

SEC. 3. That it shall be the duty of all persons of lawful age, having an income of more than $4,000 for the taxable year, computed on the basis herein provided, to make and render a list or return, on or before the day prescribed by law, in such form and manner as may be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, to the deputy collector of the district in which they reside, or to such officer or agent as the Commissioner of Internal Revenue may designate, of the amount of their income, and such other facts as aforesaid; and all guardians and trustees, executors, administrators, agents, receivers, and all persons acting in any other fiduciary capacity, shall make and render a list or return, as aforesaid, to the deputy collector of the district in which such person acting in a fiduciary capacity resides, or to such officer or agent as the Commissioner of Internal Revenue may designate, of the amount of income, gains and profits of any minor or person for whom they act, but persons having less than $3,000 income are not required to make such report; and the deputy collector, or officer or agent designated by the Commissioner of Internal Revenue, shall require every list or return verified by the oath or affirmation of the party rendering it and may increase the amount of any list or return if he has reason to believe that the same is understated; and in case any such person having a taxable income shall neglect or refuse to make and render such list and return, or shall render a false or fraudulent list or return, it shall be the duty of the deputy collector or officer or agent designated by the Commissioner of Internal Revenue to make such list, according to the best information he can obtain by the examination of the books or records or accounts or any other evidence, and to add to such list a penalty of ten per centum of the tax due on such list in all cases of wilful neglect or refusal to make and render a list or return; and in all cases of such wilful or fraudulent list or return having been rendered to add 100 per centum as a penalty to the amount of tax ascertained to be due, the taxes with the additions thereto as a penalty to be assessed and collected in the manner provided for in cases of wilful neglect or refusal to render a list or return, or of rendering a false or fraudulent return.

Provided, that any party, in his or her own behalf, or on such information of any person who may be entitled to claim an abatement, shall be permitted to make such or information the form and manner of which shall be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, that he or she, or his or her ward or minor, was not possessed of an income of $4,000, shall be assessed according to the provisions of the act, or that he or she has been assessed and paid an income tax elsewhere in the same year, under authority of the United States, upon his or her income, gains, or profits, as prescribed by law, and if the deputy collector, or other claim officer or agent, shall be satisfied of the truth of the declaration, shall thereupon be exempt from income tax in the said district for that year; or if he, that or return of any party shall have been increased by the deputy collector, or other designated officer or agent, such party may exhibit the books or accounts and be permitted to prove and declare, under oath or affirmation, the amount of income liable to be assessed; but such oaths and affidavits shall not be considered as conclusive of the facts so sworn to or affirmed, but such claim for abatement shall be allowed until approved by the deputy collector or other designated officer or agent. Any person feeling aggrieved by the decision of the deputy collector or other designated officer or agent, in such cases may appeal to the Collector of the district, and his decision thereon, unless reversed by the Commissioner of Internal Revenue, shall be final. If the return is dissatisfied with the decision of the collector he may submit his case, with all the facts to the Commissioner of Internal Revenue for his decision, and he is hereby authorized to issue subpoenas for witnesses to prove any relevant facts he will give notice to that effect upon the Commissioner of Internal Revenue in a manner which is then prescribed.

WHEN THE TAX IS DUE.

SEC. 4. The taxes on incomes herein imposed shall be due and payable on or before the first day of July in each year, and any sum of sums actually due and unpaid after the first day of July shall be aforesaid, and the tax shall bear interest at the rate of 6 per centum per annum from the time the same became due and payable, and be kept from the salaries of deceased, absent, or delinquent officers.

SEC. 5. That every nonresident person owning property in the United states, or receiving income from the United States, shall pay a tax on the income received or accrued, as aforesaid, to the United States, and it shall be the duty of every such person to make a return to the deputy collector of any district in which the property of such person is situated, or from which such income is derived from any source in the United States, or to the Commissioner of Internal Revenue, if required to do so, in computing income for purposes of taxation in the same manner as is required in the case of citizens, and such income shall be subject to the same rates of taxation and the same exemptions and credits as are allowed to citizens; and all property belonging to any nonresident shall be liable to distraint for tax, and the agent or representatives of such nonresident corporations shall be subject to same liability and to the remedies for collection and the collection of the tax shall be made in same manner as provided for collections of taxes against citizens of the United States.

TAX ON DIVIDENDS OF CORPORATIONS.

SEC. 6. That there shall be levied and collected a tax of two per centum on the amount of all net profits or earnings declared as dividends, wherever and whenever the same be payable to stockholders, policy holders, or depositors, or to any other persons, including nonresidents, whether citizens of aliens, as part of the earnings, profits, or income of any bank, trust company, savings institution, and of any fire, marine, life insurance company, either stock or mutual, under whatever name or style known or called in the United States or Territories, whether specially incorporated or existing under general laws, and on all undistributed sum or sums made or added during the year to their surplus or contingent funds; and all dividends, annuities, or interest paid by corporations or associations organized for profit or by virtue of the laws of the United States or of any State or Territory, by means of which the liability of the individual stockholders is in any wise limited, in cash, scrip, or substitute for money, and the net income of all such corporations in excess of such dividends, annuities, and interest, or from any other sources whatever, and said banks, trust companies, savings institutions, and insurance companies, and other companies, and all other corporations, shall pay the said tax, and are hereby authorized and required to deduct and withhold from all payments made on account of any dividends or sums of money that may be due and payable as aforesaid, the said tax of two per centum, and a list or return shall be made and rendered to the deputy collector or other officer or agent designated by the Commissioner of Internal Revenue, within thirty days after any dividend or sums of money become due or payable as aforesaid, and said list or return shall contain a true and faithful account of the amount of taxes as aforesaid, and there shall be annexed thereto a declaration of the President, cashier, or Treasurer, or the principal accounting officer of the bank, trust company, savings institution, or insurance company, or other corporation, under oath or affirmation, in form and manner as may be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, that the same contains a true and faithful account of the taxes as aforesaid. And for any default in the making or rendering of such list or return, with such declaration annexed, the bank, trust company, savings institution, or insurance company, or other corporations making such default, shall forfeit a penalty, the sum of $1,000, and in case of any default in making or rendering said list or return, or of any default in the payment of the tax required, or any part thereof, the assessment and collection of the tax and penalty shall be in accordance with the general provisions of law in other cases of neglect and refusal.

Provided that the tax upon the dividends of life insurance companies shall not be deemed due until such dividends are payable, nor shall the portion of premiums returned by mutual life insurance companies to their policy holders, now included and paid to the depositors in savings banks or savings institutions be considered as dividends; and provided further that this act shall not apply to the incomes of dividends received or paid by such building and loan associations as are organized under the laws of any state or Territory and which do not make loans except to shareholders within the State where such associations have been organized. For the purpose of this act, "dividend" shall include every payment in the way of division among the owners of the stock or capital of a corporation, or persons entitled to a share of its profits or income, whether such dividends are paid out of profits or not, or paid in cash or otherwise.

SEC. 7. That any bank, building association, or other banking institution which shall neglect or omit to make dividends or additions to its surplus or contingent fund as often as once in six months, shall make a list or return in duplicate, under oath or affirmation of the President or cashier, or principal accounting officer, to the deputy collector of the district in which it is located, or to the officer or agent designated by the Commissioner of Internal Revenue, on the first day of January and July in each year, or within thirty days thereafter, of the amount of profits which have accrued or been earned or received by said bank during the six months next preceding said first days of January and July; and shall present one of said lists or returns and pay to the collector of the district a duty of two per centum on such profits; and in case of default to make such list or return and payment within the thirty days, as aforesaid, shall be subject to the provisions of the foregoing section of this act.

Provided, that when any dividend is made which includes any part of the surplus or contingent fund of any bank, trust company, saving institution, insurance or railroad company, which has been assessed and the duty paid thereon, the amount of duty so paid on that portion of the surplus or contingent fund may be deducted from the duty on such dividends.

SEC. 8. That any railroad, canal, turnpike, canal navigation or slack water company, and any telephone, telegraph, electric light, and gas company, water company, and any street railway company, or other corporation, indebted for any money or for which bonds or other evidence of indebtedness have been issued, payable in one or more years after date, upon which interest is stipulated to be paid, or coupons representing the interest, or any such company or other corporation that may have declared any dividend in scrip or money due or payable to its stockholders, including non-residents, whether citizens or aliens, as part of the earnings, profits, income, or gains of such company, and all profits of such company or corporation carried to the account of any fund, or used for construction, shall be subject to and pay a tax of two per centum on the amount of all such interest, or coupons, dividends, or profits, whenever and wherever the same shall be payable, and it shall be the duty of every such company or corporation, in making such payments, whether of interest or coupons, or dividends, or profits, to deduct and withhold from all such payments the tax aforesaid; the tax so withheld to be paid over to the collector of the district in which the principal accounting officer of said company or corporation, shall discharge said company or corporation from that amount of the dividend, or interest or coupon so withheld by such officer, and such indebtedness so held by any person or party whatever, except where said companies or corporations may have contracted otherwise.

And full and perfect returns shall be made and rendered to the deputy collector or other officer or agent designated by the commissioner of Internal Revenue on or before the tenth day of the month following that in which the interest or coupon or dividend became due and payable, and as often as every six months; and said list or return shall contain a true and faithful account of the amount of such interest, coupons, or dividends, and there shall be annexed thereto a declaration of the President or Treasurer or other principal accounting officer of the company or corporation under oath or affirmation, in form or manner as may be prescribed by the Commissioner of Internal Revenue, that the same contains a true and faithful account of said tax.

And for any default in making or rendering such list or return, or in the payment of the tax aforesaid, the company or corporation making such default shall forfeit as a penalty the sum of $500 and one-half thereof in the amount of tax, and in case of any default in making or rendering said list or return, or of the payment of the tax, or any part thereof, as aforesaid, the assessment and collection of the tax and penalty shall be made according to the provisions of the law in other cases of neglect or refusal; provided, that whenever any of the companies or corporations mentioned in this section shall be unable to pay all of the interest on their indebtedness, and shall, in fact, fail to pay all of such interest, that in such cases the tax levied by this section shall be paid to the United States only on the amount of interest which the company pays or is able to pay.

TAX ON SALARIES OF FEDERAL OFFICERS.

SEC. 9. That there shall be levied, collected, and paid on salaries of officers, or payments for services to persons in the civil, military, naval, or other employment or service of the United states, including Senators and Representatives and Delegates in Congress, when exceeding the rate of $4,000 per annum, a tax of two per centum on the excess above the said $4,000, to be deducted and withheld by paymasters and all disbursing officers under the Government of the United states or persons in the employ thereof, when making any payment to any officers or persons as aforesaid, when such compensation is determined by a fixed salary, or upon settling or adjusting the accounts of such officers or persons, to deduct and withhold the aforesaid tax of two per centum, and the pay roll, receipts, or account of officers or persons paying such tax as aforesaid shall be made to exhibit the fact of such payment. And it shall be the duty of the accounting officers of the Treasury Department, when auditing the accounts of any paymaster or disbursing officer, or any officer withholding his salary from moneys received by him, or when settling or adjusting the accounts of any such officer, to require evidence that the taxes mentioned in this section have been deducted and paid over to the Treasurer of the United States, or other officer authorized to receive the same, and if any such paymaster, or any employee a salary or compensation exceeding $4,000 per annum, shall report the same to the deputy collector of his district, or to the deputy collector before provided to the deputy collector of his district, and such payment shall be charged against the amount due such employee. And the same rules and penalties prescribed in the case of the United States shall in every other respect apply to such corporation employees.

Section 10 amends and strengthens sections 3,167, 3,172, 3,173, and 3,176 of the Revised statutes of the United States, in regard to penalties for internal revenue officers divulging information as to incomes, &c., and the methods of entering premises to obtain information.

RETURNS CORPORATIONS MUST MAKE RETURNS.

SEC. 11. That every corporation doing business for profit shall make and render to the collector of its collection district, on or before the tenth day of the month after that in which any dividends or shares of profits, annuities, interest, or coupons become due and payable, a full return thereof containing a true and faithful account of the amount so due or payable, and if the corporation fails to make such return, then there shall be annexed a declaration of the President, Treasurer, cashier, or other principal officer of such corporation, under oath or affirmation, to the effect that the return contains a true and faithful account of all the amounts so due or payable, and of the tax thereon, as aforesaid, such return and declaration thereto annexed to be made in such form and manner as may be prescribed by the Commissioner of Internal Revenue.

SEC. 12. That every corporation doing business for profit shall, on and after the ensuing first day of its collection district, on or before the first Monday of February in every year, beginning with the year 1895, a full return, verified by oath or affirmation, as provided in the last section, in such form as the Commissioner of Internal Revenue may prescribe of all the following matters for the whole calendar year last preceding the date of such return:

First—The gross profits of such corporation from all kinds of business of every name and nature.

Second—The expenses of such corporation, interest, annuities, or dividends.

Third—The net profits of such corporations, without allowance for interest, annuities, or dividends.

Fourth—The amount paid on account of interest, annuities, and dividends, stated separately.

Fifth—The amount paid in salaries of $4,000 or less to each person employed.

Sixth—The amount paid in salaries of more than $4,000 to each person employed.

SEC. 13. That it shall be the duty of every corporation doing business for profit to keep full, regular, and accurate books of accounts, upon which all its transactions shall be entered from day to day in regular order, which books shall at all reasonable times be open to the inspection of the assessors and vice-assessors of internal revenue, and that such inspection shall only be had for the purpose of verifying the returns made by such corporations, as in this act provided for.

SEC. 14. That the taxes imposed by this act upon dividends interest, coupons, and annuities shall be levied upon and collected from all such dividends, coupons, interest, and annuities, wherever and whenever the same may be payable to all parties whatsoever, including non-residents, whether citizens or aliens, and every corporation paying any tax on such dividends, coupons, interest, or annuities may deduct and retain from all payments made on account thereof a proportionate amount of the tax so paid.

SEC. 15. That it shall be the duty of every collector of internal revenue, to whom any payment is made under the provisions of the act, to give to the person making such payment a full written or printed receipt, expressing the amount paid and the particular account for which such payment was made, and whenever such payment is made otherwise than by a corporation, such collector shall, if required, give a memorandum receipt for such tax paid by any debtor, on account or payments made to or to be made by him to accurate crediting in such form that such debtor can conveniently produce the same subsequent to his several demands from time to time of their respective demands to the amounts specified in such receipts; and such receipts shall be sufficient evidence in favor of such creditor against him in which to deduct the amount therein expressed from his next payment to his creditors; but such creditor may, upon giving to his debtor a full written receipt, acknowledging the payment to him of whatever sum may be actually paid, and stating the amount of tax paid as aforesaid (specifying the same) as a further satisfaction of the debt to that amount, require the surrender to him of such collector's receipt.

Sections 16, 17, and 18 are simply administrative.

TAX ON PLAYING CARDS.

SEC. 19. That on and after the first day of July, 1894, there shall be levied, collected and paid, by adhesive stamps, a tax of three cents for and upon every pack, not exceeding fifty-three in number, of playing cards manufactured and sold or removed, and a tax upon every pack in the stock of any dealer on and after that date, and the Commissioner of Internal Revenue with the approval of the secretary of the Treasury, shall make regulations as to dies and adhesive stamps.

SEC. 20. That in all cases where an adhesive stamp is used for denoting the tax imposed by this act upon playing cards, except as hereinafter provided, the person using or affixing the same shall write thereon the initials of his name and the date on which such stamp is attached or used, so that it may not again be used. And every person who fraudulently makes use of an adhesive stamp to denote any tax imposed by this act without so cancelling and mutilating such stamp shall forfeit the sum of $20. The Commissioner of Internal Revenue is authorized to prescribe such method for the cancellation of stamps as a substitute for, or in addition to the method prescribed in this section as he may deem expedient and effectual. And he is further authorized in his discretion to make the application of such method imperative upon the manufacturers of playing cards.

SEC. 21. That every manufacturer of playing cards shall register with the collector of the district his name or style, place of residence, trade, or business, and the place where such business is to be carried on, and a failure to register as herein provided and required shall subject such person to a penalty of $500.

Section 22 provides for the preparation and distribution of the stamps for playing cards, and section 23 provides penalties for counterfeiting or using any other internal revenue stamp.

Section 24 provides penalties for removing for consumption or sale, playing cards, whether of domestic manufacture or imported, upon which a tax is imposed by law without affixing thereto an adhesive stamp denoting the tax.

Section 25 provides penalties for re-using stamps for playing cards.

Section 26 provides penalties for evading the tax on cards.

SEC. 27. That the tax on playing cards shall be paid by the manufacturer thereof. Every person who offers or exposes for sale playing cards, whether the articles so offered or exposed are of foreign manufacture and imported, or are of domestic manufacture, shall be deemed the manufacturer thereof and subject to all the duties, liabilities, and penalties imposed by law in regard to the sale of domestic articles without the use of the proper stamps denoting the tax paid thereon, and all such articles shall be forfeited to the United States in addition to the import duties imposed on the same, be subject to the stamp tax prescribed in this act.

SEC. 28. That whenever any spirits upon which a tax is required to be paid by means of a stamp is and or removed for sale by the manufacturer thereof, without the use of the proper stamp, in addition to the penalties provided by law for such unlawful removal, it shall be the duty of the Commissioner of Internal Revenue within a period of not more than two years after such removal or sale, upon such information as he can obtain, to estimate the amount of excise tax which has been omitted to be paid, and to make an assessment therefor upon the manufacturer or producer of such article. He shall certify such assessment to the collector, who shall immediately demand payment of such tax, and upon the neglect or refusal of payment by such manufacturer or producer, shall proceed to collect the same in the manner provided for the collection of other assessed taxes.

ONE DOLLAR A GALLON ON WHISKEY.

SEC. 29. That on and after the first day of the second calendar month after the passage of this act, there shall be levied and collected on all distilled spirits produced in the United states from fruit, or other products not taxed before that day a tax of one dollar on each proof gallon of wine gallon when below proof, to be paid by the distiller, owner, or person having possession thereof, or to whom the same may first be delivered, and within eight years from the date of the original entry for deposit in any distillery or special bonded warehouse, except in cases of withdrawal therefrom without payment of tax, for exportation under such warehousing bonds, covering the taxes on all distilled spirits entered for deposit into distillery or special bonded warehouse prior to the date named in the first section and remaining therein on the fifth day of the following month, shall be given by the distiller or owner of said spirits as required by existing laws, conditioned for the payment of taxes at the rate imposed by this act and before removal from warehouse and within eight years, as to fruit brandy, from the date of the original gauge, and as to all other spirits from the date of the original entry for deposit in the distillery, the owner of the spirits may request regauge of same prior to the expiration of six years from the date of the original entry or original gauge, and the owner or owners of such spirits shall or refusee to give the bonds for the additional tax, and before the expiration of the original bonds shall prescribe rules and regulations for recentry for deposit for the new bonds as provided in the first section of this act and conditioned for payment of tax on the rate imposed by this act and before removal from the distillery or special bonded warehouse, within eight years, as to fruit brandy, from the date of the original gauge, and as to all other spirits from the date of the original entry for deposit in the distillery or special bonded warehouse.

SEC. 30. That warehousing bonds or transportation and warehousing bonds covering the taxes on distilled spirits now held by or for the collector or special bonded warehouses prior to the date named in the first section of this act, and on which taxes have not been paid prior to that date, shall continue in full force and effect, and the warehousing period of three years for which tax is paid on or after the aforesaid date, pursuant to the provisions of the warehousing or transportation and warehousing bonds aforesaid, there shall be added to the period of eight years for taxable gallon an additional tax sufficient to make the tax paid equal to that imposed by the 29th section of this act. The Commissioner of Internal Revenue may require the distillers or owners of spirits to give bonds for the additional tax, and before the expiration of the original bonds shall prescribe rules and regulations for recentry for deposit for the new bonds as provided in the first section of this act and conditioned for payment of tax on the rate imposed by this act and before removal from the distillery spirits be regauged, and thereupon the Collector shall direct the gauger to regauge the same, and mark upon the packages so regauged the number of gauge and proof and the proof gallons thereof ascertained. If upon such regauging it shall appear that there has been a loss of distilled spirits from any cask or package without the fault or negligence of the distiller or owner thereof, taxes shall be collected only on the quantity of distilled spirits contained in such cask or package at the time of the withdrawal thereof from the distillery warehouse or special bonded warehouse.

Provided, however, that the allowance which shall be made for such loss of spirits as aforesaid shall not exceed one proof gallon for two months, or part thereof, of one and one-half gallons for three and four months; two gallons for five and six months; two and one-half gallons for seven and eight months; three gallons for nine and ten months; three and one-half gallons for eleven and twelve months; four gallons for thirteen, fourteen, and fifteen months; four and one-half gallons for sixteen, seventeen, and eighteen months; five gallons for nineteen, twenty, and twenty-one months; five and one-half gallons for twenty-two, twenty-three, and twenty-four months; six gallons for twenty-five, twenty-six, and twenty-seven months; six and one-half gallons for twenty-eight, twenty-nine, and thirty months; seven gallons for thirty-one, thirty-two, and thirty-three months; seven and one-half gallons for thirty-four, thirty-five, and thirty-six months; eight gallons for thirty-seven, thirty-eight, thirty-nine, and forty months; eight and one-half gallons for forty-one, forty-two, and forty-three months; nine gallons for forty-five, forty-six, forty-seven, and forty-eight months; nine and one-half gallons for forty-nine, fifty, fifty-one, and fifty-two months; ten gallons for fifty-three, fifty-four, and fifty-five months; ten and one-half gallons for fifty-seven, fifty-eight, fifty-nine, and sixty months; eleven gallons for sixty-one, sixty-two, sixty-three, sixty-four, sixty-five, and sixty-six months; eleven and one-half gallons for sixty-seven, sixty-eight, sixty-nine, seventy, seventy-one, and seventy-two months, and no further allowance shall be made.

And provided further, that taxes may be collected on the quantity contained in each cask or package as shown by the original entry of deposit into the warehouse, less a fair and reasonable allowance for which the owner or distiller does not request a regauge before the expiration of six years from the date of original entry or gauge.

Provided, that the foregoing allowances of loss shall apply only to casks or packages of a capacity of forty or more wine gallons, and that the allowance for loss on casks or packages of less capacity than forty gallons shall not exceed one-half the amount allowed on said forty-gallon cask or package. But no allowance shall be made on casks or packages of less capacity than ten wine gallons.

And provided further, that the proof of such distilled spirits shall not in any case be computed at the time of withdrawal at less than one hundred per cent.

SEC. 31. That all parts of acts inconsistent herewith are hereby repealed.

The only amendment of importance made by the full committee was that excluding from the operation of the income tax building associations incorporated under the laws of and operating in the several States. All the Democrats were present except Mr. Stevens of Massachusetts. The committee will meet again at 10:30 to-morrow, at which time a vote will be taken on reporting the bill. One of the Republican members of the committee this evening said the minority would probably refrain from voting. One and possibly two of the Democrats may oppose the motion to report the bill, but there is no doubt that it will carry.

CONDITION OF THE TREASURY.

A Gain of $100,000 in Gold—Expenditures Still Run Ahead of the Receipts.

WASHINGTON, Jan. 22.—A gain of $100,000 was made in gold to-day in the Treasury, the figures standing $69,971,022; currency, $22,070,430, less $7,109,857 paid on account of interest on bonds. The receipts for the two-thirds of the month aggregate $17,750,000. Ordinary expenditures, $19,472,000, to which is to be added $7,109,000 paid on interest on bonds, making the net expenditures for the month so far, in round figures, $20,000,000. The amount paid on pensions so far has been $9,000,000. The receipts indicate a total for the month of about $24,000,000, and the expenditures a total of about $35,000,000.

The customs receipts at New York for the first twenty days of the month aggregated $5,404,000, as against $10,337,000 last year. The customs receipts were paid as follows: Gold coin, 25.5 per cent.; silver coin, 0.1 per cent.; gold certificates, 0.7 per cent.; silver certificates, 62.4 per cent.; United States notes, 5.1 per cent., and Treasury notes, 6.3 per cent. These figures show a decline in the percentage of gold coin paid for customs duties, and an increase in the percentage of silver certificates paid for the same purpose.

Bell Telephone Patents that Expire This Month.

WASHINGTON, Jan. 22.—These portions of the Bell telephone patents which will become public property on the 30th of this month are officially described as follows:

"The combination with an electro-magnet of a plate of iron or steel or other material capable of inductive action which can be thrown into vibration by the movement of surrounding air, or by the attraction of a magnet.

"The formation in an electric telephone of a magnet with a coil upon the end or ends of the magnet nearest the plate.

"In combination with an electric telephone, the employment of a speaking or hearing tube for conveying sounds to or from the telephone."

It is stated that there are many improvements and attachments to what is commonly known as the "Bell telephone" now in use and which are covered by patents which will not become public property for many years.

$5,000 for an Injured Knee.

Harry C. Jacobs, who brought suit against Herman Stursberg and William O'Gorman in the Court of Common Pleas for $20,000 damages for injuries to his knee, sustained by falling in front of 541 East Forty-first street, got a verdict yesterday for $5,000. The accident was caused by a misplaced flagstone, against which Jacobs stubbed his toe. The defendants own the building at 541.

Highest of all in Leavening Power.—Latest U. S. Gov't Report.

Royal Baking Powder

ABSOLUTELY PURE

LIVE WASHINGTON TOPICS.

A New Bridge Bill to Be Reported to Meet the President's Objections.

WASHINGTON, Jan. 22.—Representative Covert, who was the originator of the New York and New Jersey Bridge bill in the House, says the veto message of the President has been referred to the Committee on Commerce, and the result will probably be the report of a bill framed to overcome the objections urged against the measure by the President. Mr. Covert says he believes that the present temper of the House would warrant an attempt to pass the rejected bill over the veto of the President. A number of members, who gave the bill an interested support, are now ready to pull off their coats and do some missionary work in its favor. It is understood that a similar sentiment prevails in the Senate. Mr. Covert says that the friends of the bill, after considering the circumstances under which it was passed, concluded that it would be impracticable to try to override the President's veto. The bill, as amended, was thought to meet every reasonable demand, as it relegated the whole subject to the Secretary of War, and under its provision authority was given him to decide any question to which the President makes objection in his message. Under the circumstances Mr. Covert says nothing could be gained by passing the bill over the President's veto, as he could then rely upon the Secretary of War to defend the operation of the act under the authority given. The surest and best way to meet the opposition to the bill will be to have the Commerce Committee report back a bill that will commend itself to the President, provided his objections were offered in good faith. The veto message goes to the committee on the motion of a recommittal, and therefore it will not be necessary to formally introduce a new bill in the House.

The joint Committee on Printing of the House and Senate, after holding a number of meetings, endeavored, but unsuccessfully, to agree upon a site for the proposed new Government printing office. Each branch of the committee will therefore report its own conclusions, and to that end the Senate Committee to-day reported in favor of purchasing ground immediately south of the present site, which can be had for $175,000, and the erection thereon of a six-story fireproof building, at a cost of $120,000, to be constructed under the supervision of the chief of engineers, Gen. Casey. There is now an unexpended appropriation of $250,000 for this purpose, and the committee, in its bill which was reported to the Senate this morning, asks for an additional appropriation of $51,000 only.

"The despatch from Des Moines, Ia., that I will appear before the courts in this district as the representative of Grand Master Workman Sovereign to enjoin the issue of bonds contemplated by Mr. Carlisle is partly correct and partly wrong," said Senator Allen this morning. "I have telegraphed that I would join with the counsel of the order in such a suit, but I cannot undertake to do it alone, as I have not the time. I imagine Judge Cole will come on here for that purpose if any one does. He is the ex-Chief Justice of the Iowa Supreme Court, the best lawyer in the State, and one of the best in the West. I believe an injunction would lie against the issuance of the bonds, inasmuch as there is not the shadow of authority to issue bonds, but whether we could get an injunction is another question. My own impression is that the best way to test the subject would be to bring an action against the holders of the bonds to enjoin them from collecting either the interest or the principal."

The total number of fourth-class Postmasters appointed to-day was sixty-four, of which thirty-seven were to fill vacancies caused by resignations and deaths. Among the appointments were the following:

New York—William H. Smith, South Glen Falls, vice A. M. Davis, removed.

New Jersey—N. W. Emens, Monmouth Junction, vice H. E. Hutnaway.

In the Senate to-day Mr. Aldrich (Rep., R. I.) presented petitions from woollen manufacturers, clothing dealers, and others interested in the woollen business, remonstrating against the proposed reduction of duties on woollen manufactures, together with a copy of resolutions on the same subject adopted at a mass meeting held in New York city on the 18th inst. It is said that these industries gave employment to 500,000 people and to $500,000,000 of capital.

A like remonstrance was presented by Mr. Hoar (Rep., Mass.) from the Home Market Club of Boston, with a protest from workingmen expressing indignation at the suggestion that their signatures to such petitions were influenced by their employers.

The application of A. Hermann of New York for Assistant Appraiser of Merchandise at the Port of New York was filed in the Treasury Department this morning.

Rear Admiral Benham cabled Secretary Herbert from Rio Janeiro to-day that Lieut. T. B. M. Mason, executive officer of the cruiser New York, was sick and would be sent to the United States by way of Southampton. Admiral Benham said that Lieut. Mason was not seriously ill. One of the promotions that will follow the retirement of Admiral Belknap to-day will be that of Lieut. Mason to be Lieutenant Commander.

Secretary Carlisle to-day called for the resignations of Andrew L. Drummond, chief of the secret Service division, and G. W. Robertson, chief of the redemption division, Comptroller's office, Treasury Department.

DUTIES PAID IN CASH AGAIN.

The Dangerous and Cumbersome Old Method Irritates All Hands.

Secretary Carlisle's order that all duties at the New York Custom House must be paid in cash went into effect yesterday. This order of the Secretary is the result of a decision of Judge Lacombe, who, in a case brought by Schmidt & Peters, decided that, inasmuch as Collector Hendricks had accepted the firm's check for duties, that check was in itself a receipt, and that the Collector was responsible for the application of checks so received to their legitimate uses.

The system of accepting payment of duties by check was inaugurated by Collector Magone, and it ran along smoothly until the Schmidt & Peters case came up. Yesterday there was a return to the old primitive methods, and the Custom House brokers and importers were compelled to pay in cash. All told, there was received during the day $400,000, chiefly in small bills and silver. There was little or no gold. The bankers naturally objected to this method of doing business, as it inconveniences them, and Assistant Treasurer Jordan, who receives every afternoon the deposit from the New York Custom House, was in a quandary as to what disposition he should make of the $400,000, and it took time.

The importers intend to send a committee to Washington to ascertain if some change cannot be effected, and Collector Kilbreth is puzzling over some way of modifying the order. There is danger in transferring this great amount of money from the Custom House to the Sub-Treasury every afternoon. The guards were doubled yesterday.

"Inexplicable Papers" Returned by "A Noble Crook."

HINGHAM, Mass., Jan. 22.—A letter was received this morning by Wilder & Elmtall from the man who broke into their office and blew open the safe on Jan. 16. The letter is dated "Providence, Jan. 21, 1894," and is signed "A Noble Crook." The writer expressed disappointment in not securing more cash from the safe, and at the same time a desire to return a lot of private and, as he expressed it, "inexplicable papers." He drew a careful and accurate plan of the premises of Wilder & Elmtall and the surroundings, and indicated precisely where a jar might be found which contained the missing papers, and, on following the directions of the note writer, everything was found precisely as indicated.

The Brewers Will Give $10,000.

At a meeting of the Brewers' Board of Trade, yesterday, J. C. G. Hupfel presiding, it was resolved that $10,000 should be given to the relief of the unemployed of New York, Brooklyn, Jersey City, Staten Island, and Newark. The trustees will decide on Friday how the money is to be paid out. It will probably be given for distribution to the Mayors of the cities named.

The Mayor's fund amounts to $17,205.31, yesterday the employees of the Herald sent $40.80, and R. H. Macy & Co. sent $1,305.18, their second weekly subscription.

A TRAIN'S NARROW ESCAPE.

Robbers Had Apparently Planned to Wreck It and Set It On Fire.

ORADELL, Jan. 22.—An attempt was made last night to wreck a train on the New Jersey and New York Railroad between this place and Etna. When Conductor Reeves J. Werkheiser's south-bound train, due here at 8:22 o'clock, was rounding the curve near Veldran & Son's sawmill, Engineer James R. Ackerman saw by the light of the moon a large object on the track. The train was running about twenty-five miles an hour. Engineer Ackerman applied the air brakes at full power and stopped the train so quickly that some of the passengers were thrown from their seats. The locomotive struck the obstruction, but not with force enough to do harm.

The object on the track was found to be a heavy two-wheeled truck, used by Veldran & Son for hauling tree trunks from the woods to their mill. A heavy log that must have required the efforts of several men to move and a pole used in the mill yard were also lying across the track. The manner in which these obstructions were placed indicated unmistakably an effort to wreck the train. One hundred feet further down the track there was a barrel of kerosene oil which had been stolen from the freight depot. It is suspected by the railroad men that the train wreckers expected the locomotive to smash the oil barrel, and thus set fire to the wreck. The three cars of the train were filled with people returning to the city after spending Sunday in the country.

Superintendent Drake at once began a search for the wreckers, which has thus far been without result. Engineer George Nicholson of Conductor Kaufman's train, which left here at 8.50 o'clock, reported on his arrival at Hillsdale that he saw three men lying down beside the track between here and Etna. Superintendent Drake took a locomotive and hurried down the road in the hope of intercepting them, but he saw nobody.

The theory that the attempt to wreck the train was the work of robbers seems to be supported by the great number of robberies committed recently in this section. The house of Mrs. Katrina Busselman at Poetzburgh, about a mile from Oradell station, was robbed about midnight yesterday of money and jewelry. In the past three months the railroad stations at Westwood, Etna, Oradell, New Milford, River Edge, Cherry Hill, Fairmount, Anderson street, and Central avenue, Hackensack; Hasbrouck Heights, and Carlstadt have been robbed, some of them two and three times. Many houses along the road have also been robbed, and wholesale depredations have been committed upon poultry yards. In two cases horses have been stolen, and in one case