

TAX CORPORATIONS' INTANGIBLE PROPERTY

Attorney General E. T. Young Will Endeavor to Add Millions to Tax Rolls of State Thru Test Case Against Swift & Co.

Edward T. Young, attorney general, has decided to force the issue of the right of the state to assess for taxation the intangible property and the Minnesota franchises of foreign corporations.

There is no statute to govern the taxation of this class of property. There is nothing but the broad law which says all property within the state must be listed for taxation. The attorney general believes that under the protecting wing of the word "all," the intangible property and local franchises of foreign corporations can be made to pay taxes. He believes, too, that the courts will sustain collection of such taxes thru a reasonable method, altho there is no law creating such a method. The attorney general has found decisions to sustain his contention in this matter.

Add Millions to Rolls.

This all-important question, if decided in favor of the state, will add millions of dollars to the assessment rolls for taxation of corporations which pay comparatively little or no taxes at present.

The attorney general's office force has given the subject deep study of several months. The bill has been prepared by P. A. Hoffman, auditor of Dakota county, entering upon his tax rolls an assessment of an extra \$500,000 against Swift & Co. of South St. Paul for "intangible property."

There is little doubt that Swift & Co. will resist this extra assessment by at once taking it to the courts in test litigation.

Carefully Laid Plans.

In careful preparation for such an emergency, Mr. Young has prepared "conclusions of fact" for Mr. Hoffman covering his reasons for levying the additional assessment and demanding the tax at the prevailing tax rate for the year 1904. This document was taken to Mr. Hoffman at Hastings Saturday afternoon by George T. Simpson, first assistant attorney general, and there at his suggestion spread upon the tax books of Dakota county by the auditor.

Mr. Young's Statement.

The statement of the attorney general's findings of fact is in part as follows:

It having been called to my attention by the state board of equalization that the intangible property of Swift & Co., located in Dakota county, had been omitted from taxation for 1904, I instituted an investigation to ascertain the facts. I served notice on Swift & Co. that I intended to assess their intangible property which had been omitted in 1904, and that I would hear anything that they might have to offer on the subject at my office in Hastings Dec. 28, 1905. At the time and place so designated Swift & Co. appeared by their attorneys, Messrs. Davis, Kellogg & Severance and H. Yeoder, and the county of Dakota appeared by Edward T. Young, attorney general; George T. Simpson, assistant attorney general, and William Hodges, county attorney. John S. Baugs of St. Paul, manager of Swift & Co. at South St. Paul, and Emmett F. Bondolph of Chicago, assistant chief accountant of Swift & Co., were sworn and testified.

The Findings.

"I find that Swift & Co. is and was during all the times herein mentioned a corporation organized under the laws of the state of Illinois. That it was created to carry on the general slaughtering and packing business, and to that end deals in cattle, sheep, swine and all forms of dressed meats and other products derived therefrom. That the principal office it has had its usual office and principal plant in Chicago and has had branch plants and offices at Kansas City, Omaha, East St. Louis, South St. Joseph, Fort Worth, Texas; Jersey City and Harrison, N. J.; Atlanta, Ga., and South St. Paul. That each of these plants is equipped with all the necessary facilities for carrying on business on a large scale, and each such plant is and always

has been separate and distinct from any other plant in each system, each has a local management who has complete control of all the employees and business of such plant; that where sales of merchandise are made between the different plants the business is carried on in the same way and on the same terms with strangers; that all the business of each plant, both in buying and selling, is carried on thru its own corps of officers and employees.

Head Office in Chicago.

"That a general supervisory control of all plants is retained at the Chicago office and the general accounting of the business done by all plants with each other or the public is reported to the head office at Chicago. No specific part of the capital stock of the corporation is set apart for the exclusive use of either one of the plants, but each plant is fully equipped with the supplies and money necessary to carry on its business to the best possible advantage, and there is no other way of determining the proportion of the gross capital stock used for the business of any separate plant than by comparing the annual business done by each plant with the total business done by the company in each system. All annual balances are adjusted and a dividend is declared and paid by the head office in Chicago.

The Branches in Minnesota.

"That on May 1, 1904, for several years theretofore, the South St. Paul plant of Swift & Co. maintained at Minneapolis, Duluth, Brainerd, St. Paul and other cities of the state, warehouses and selling agencies for the sale and distribution of the products of the plant, all of which selling agencies account to the South St. Paul plant for all business done by or thru them, and the South St. Paul plant constitutes the head office for the business of the plant in said Swift & Co. in Minnesota.

"That on March 12, 1903, Swift & Co. received a charter and franchise as a foreign corporation, and in Dakota county for the purpose of taxation and assessment property to the aggregate amount and value of \$177,112, and no more, and that the items thereof were as follows:

Horses, mules and asses, 3 years old and over	\$210
Wagons, carriages, sleighs and bicycles	\$202
Office furniture	\$207
Manufacturers' materials and manufactured articles	150,000
Manufacturers' tools, implements and machinery	23,000
Total	\$177,112

"That there was likewise to Swift & Co. in Dakota county certain real property to the aggregate value of \$216,900, a grand total of \$394,012.

What Swift Garnered.

"That the total gross receipts of Swift & Co. from business transactions at all of the plants in the year ending May 1, 1904, was \$229,049,202.18.

"That the total gross receipts of Swift & Co. at its packing plant at South St. Paul, Minn., all business transacted thereat for the year ending May 1, 1904, was \$14,429,642.46.

"That in the year ending May 1, 1904, and for more than one year prior thereto, the total outstanding corporate stock of Swift & Co. consisted of 330,000 shares of the face value of \$10 each, and was then worth in the market \$7,450,000.

"That the total bonded debt of Swift & Co. on May 1, 1904, was \$5,000,000, which had heretofore been sold at par and that the proceeds thereof and the proceeds arising from the sale of stock of Swift & Co. theretofore, had been and was then invested in the business of Swift & Co.

Proportion in Minnesota.

"That the proportionate part of the corporate capital of Swift & Co. employed in South St. Paul, Minn., on May 1, 1904, and for the year prior thereto had been .0633 per cent thereof, as shown by the comparison of the volume of business done by the South St. Paul plant with the total annual business done by the company.

"That after deducting all the tangible property, I find that Swift & Co. had on May 1, 1904, permanent real estate located at its South St. Paul plant as a part of its business there carried on, intangible property, including its franchise granted by the state of Minnesota, to the amount of \$500,000, which was not listed or assessed, but entirely escaped taxation for said year."

VISITATIONS POPULAR

Royal Arcanum Lodges Enjoy Communion with Brethren.

The second in the series of Royal Arcanum visitations took place at the hall of Minnehaha council last Wednesday evening. Minneapolis council, accompanied by the Past Regents and Regents' association, being the visiting body.

Good addresses, laudatory of the order, were made by Grand Regent Barber, Grand Secretary George T. Hughes, Grand Trustee Decker and others. On Friday evening Minnehaha visited Gopher council at its hall at Bloomington avenue and Lake street. The ceremony was repeated, and remarks were made by the prominent Arcanians of St. Paul and Minneapolis.

CELL FOR VAN AUKEN

Worthless Check Shover Is Convicted at Manistique.

Special to The Journal.

Manistique, Mich., Sept. 29.—Henry A. Van Auker, wanted in several Wisconsin cities for issuing worthless checks, was tried in circuit court here for obtaining money under false pretenses and found guilty and was this afternoon sentenced to not less than two years nor more than four years in the state reformatory at Ionia.

Pullman Tourist Berths \$1.00 to Chicago Via Wisconsin Central.

Pullman tourist cars have been put in service in addition to Pullman standard sleeping cars, on Wisconsin Central evening train leaving Minneapolis at 7:05 p.m. and St. Paul at 7:40 p.m., with double berths for only \$1.

Minneapolis at Art Exhibit.



"SERENITY." Painting in Art Exhibit, Public Library Building, by Caroline Nettleton Thurber, Formerly of Minneapolis.

The present art exhibit at the public library is especially interesting to some of the older residents on account of the paintings of Caroline Nettleton Thurber. Mrs. Thurber is the daughter of General Nettleton, who, some thirty-five years ago, came to Minneapolis to take charge of the Tribune.

Mrs. Thurber, then known to her friends as Carrie Nettleton, was a favorite in society and gifted with unusual beauty. She will be remembered as being associated with the work of Bethel settlement in its early days.

Her talent in drawing was noticeable then, altho her professional career did not begin until many years later. Her friends will remember especially an etching of her sister which she had heretofore been sold at par and that she showed great promise and was an excellent likeness. She was married to Dexter Thurber, a partner of John S.

Bradstreet, in 1855. After a few years, on account of Mr. Thurber's failing health, they moved to Bristol, R. I., and soon after went abroad. Mrs. Thurber finally determined to cultivate her talent, and to that end spent several years studying in Paris. Her work received prompt recognition. The Duchess of Devonshire admired one of Mrs. Thurber's saloon pictures and invited her to her castle in Scotland, where she painted several portraits.

In the collection at the library there are several pictures from her brush. The most interesting is the life-sized portrait of her mother, which is catalogued as "Serenity." All of Mrs. Nettleton's former acquaintances who see the picture of the beautiful lady in the gray gown sitting before a casement window opening upon a misty landscape, will at once recognize the mother of the artist.

BIBLE SCHOOL OPENS FOR ITS FIFTH YEAR

Preparations Have Been Made to Operate Institution on Advanced Line of Instruction.

The northwestern Bible and missionary training school will open its fifth session tomorrow. The three-story brick buildings, Nos. 2 to 5, Eleventh street S., purchased some time ago, has been undergoing repairs and improvements, and will be in shape for the new students.

The curriculum shows a fair array of ability in the teaching force of the school. In Bible studies there are three regular teachers by the provision of the First Methodist church; classes in preparation and delivery of discourse by Rev. C. A. Hilton of the Fremont Avenue Congregational church; classes in missions by Dr. Stephen B. Roberts of Bethlehem Presbyterian church; classes in parliamentary practice by Mrs. Mary B. Lewis. Music will be looked after by S. Clay Gilbert and Mrs. T. D. Bell.

CALLAWAY WORRIES THE EASTERN ROADS

G. P. A. of the Soo Line Wants to Know if the Steamship Commission Scheme Is Legitimate.

Dispatches from Chicago say that W. R. Callaway, general passenger agent of the Soo line, has threatened the eastern lines with another \$18 rate offer from the twin cities to the seaboard. Mr. Callaway put in such a rate last May to bring to time the other lines which he believed were doing underhand work in the transportation of large parties for European destinations. In the present case, however, he has made no threat, but has simply asked the interstate commerce commission whether payment of commissions on the business is legitimate. Other lines are immediately thrown into a panic and the rumors of a brewing storm are thick around headquarters in Chicago.

CAPITOL COMMISSION KEEPING TAB ON FUEL

Engineer in Charge of Power House Ordered to Weigh Every Barrow of Coal Used.

The state authorities have determined to ascertain to a pound just how much coal it is taking to heat and illuminate the new state capitol. For this purpose a set of special scales have been installed at the heat and power house of the capitol, a block below the big white state house, and every wheelbarrow load of coal thrown into the great furnaces is carefully weighed before a shovelful is thrown on the fires.

Alec Nichols, capitol engineer, when asked by chairman Channing Seabury of the state capitol commission some time ago what amount of fuel he thought was being burned for heat and light, responded, "Seven tons a day."

"You must be crazy, man," was the unbelieving response. At present, however, averages for several years past show that during the summer months about 3 1/2 tons a day are used, and that the average for the entire year, including winter steam heating, is about 6 1/2 tons a day, within half a ton of Engineer Nichols' estimate.

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FOR MONDAY Some Rattling Bargains in New Fall Suits and Coats

FRESH, desirable Fall Merchandise, including many of this season's most popular and attractive new styles. In these garments good quality vies with good workmanship for supremacy, and PRICE is battened down to the lowest notch, making this a matchless purchasing opportunity for all.

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New tight-fitting and box front suits reduced for one day's selling. Made of plaids, fancy mixtures and diagonal suitings, satin lined, plain tailored or trimmed with velvet and braid, full flare and perfect hanging skirt.
 - \$25.00 Women's Suits, \$14.95**
100 new suits for your choosing at this one day sale of reduced suits; styles are the new blouses, tight-fitting Eton, long coat and box effects, satin or taffeta lined, in blue, black, gray and fancy mixtures. Cannot be duplicated in the Twin Cities for less than \$25.00.
 - \$10.00 Misses' Coats, \$5.98**
42-inch Misses' Coats of plaid and mixtures, velvet collar, sizes 16 and 18 years.
 - \$12.50 Women's Coats, \$6.98**
This is a great bargain—made of extra quality Scotch mannish material, strictly hand tailored, double-breasted, sizes 32 to 42.
- WAISTS REDUCED**
- \$6.00 Embroidered Silk Waists **\$3.98**
 - \$6.00 All Over Lace Waists **\$3.98**
 - \$3.50 Albatross (all colors) Waists **\$1.98**
 - \$2.00 Lawn (black and check) Waists **\$1.19**
 - \$1.50 Polka Dot Waists **98c**

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What do you get? A good violin, a well-made case with lock, a serviceable bow, an extra set of strings, instruction book and rosin.

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A FIRST AID ACTRESS



MYRTLE VINTON.

The Minneapolis actress who won deep gratitude by her presence of mind and prompt aid to the injured following last week's wreck at New Prague, Minn. Tearing her underwear into strips, she improvised bandages for suffering survivors and when professional medical aid arrived she turned her attention to the impromptu commissary car, where she gave valued service. In private life she is Myrtle Vinton Bulmer, residing at 110 East Thirteenth street, Minneapolis.

MEMORIAL HALL WILL BE OFFICIALLY OPENED

Bryant Post Prepares Program of Addresses and Music to Dedicate New Courthouse Assembly Rooms.

Under the auspices of James Bryant post, No. 3, the new Grand Army memorial hall in the courthouse will be formally opened tomorrow evening. A program of speeches and musical selections has been arranged and an oil painting of General Philip Kearney will be presented to the memorial hall committee by M. C. Brady on behalf of No. 7, A. O. H. follows: Opening remarks, post commander, C. W. Curtiss; song, "Flag Without a Stain," Bryant Post quartet; address of welcome, Mayor D. P. Jones; response, Department Commander Levi Longfellow; response, Department President Mrs. Ida K. Martin; song, "Our Home" (original), Bryant Post quartet; history of Bryant post, Captain B. M. Hicks; song, Mrs. C. W. Gærdner; history of Bryant corps, Mrs. Eugenia A. Dennis; president's song, "The Old Camp Ground," Bryant Post quartet; original poem, H. S. Goff; presentation of oil painting of General Phil Kearney, M. C. Brady on behalf of Division No. 7, A. O. H. response, A. W. Guild of memorial hall committee. All members of the Grand Army, with their friends, are invited to attend the ceremonies, which will be the first official recognition on the part of a Grand Army post of the completion of memorial hall.

LANPHER FUR LINED COATS

There are more fur-lined coats made in St. Paul than in any other city in America—probably more than all else made together. The highest priced fur designers and furriers—the top-notchers in their art—are at St. Paul. A man may be a good custom tailor but he may not be able to build a fur-lined coat that will have the right hang and keep it.

Our coats are designed and made from start to finish in our own factory for export in St. Paul—largest in America—they simply must be right in every part.

The shell—as we call the cloth part—is made by our own tailors in our factory. They are made of the finest selected Kersey, Broadcloths, thoroughly shrunk. The fur lining is made by our most experienced furriers and the trimmings are all the very best. The coats fit properly and hang properly and wear until they become a part of yourself.

Here is a practical coat for the business man. It looks rich, hangs well, is light weight and will wear years.

DIFFERENT STYLES Kersey Coat with unplucked Otter collar and facings. \$85.00

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