

CRISINGER GETS SENATE APPROVAL

Nine Other Nominations by Harding Confirmed; Many New Ones Sent In.

JOHN J. ESCH FOR I. C. C.

Senator La Follette Intends to Speak Against His Wisconsin Opponent.

Special Despatch to THE NEW YORK HERALD. New York Herald Bureau. Washington, D. C., March 11.

The Senate to-day received about a score of important nominations from President Harding, all of which, it is expected, will be confirmed.

Dr. R. Crisinger of Marion, Ohio, to be Comptroller of the Currency; Fred Morris Dearing of Missouri, to be Assistant Secretary of State; William S. Colburn of Kansas, reappointed as member of the Tariff Commission; Walter Lyon, to be United States Attorney for the western district of Pennsylvania; William J. Keefe of Boston, to be United States Marshal for Massachusetts; Capt. Charles B. McVey, Jr., to be chief of the Bureau of Ordnance in the navy, with rank of Rear Admiral; Emory A. Bryant of Washington, D. C., to be assistant dental surgeon in the navy (also to be passed assistant dental surgeon); Ernest Lester Jones, to be director of the Coast and Geodetic Survey, and E. D. Ball, to be Assistant Secretary of Agriculture.

The other nominations sent to the Senate, which may be finally acted upon to-morrow, follow:

John J. Esch, former Representative (Wis.), to be member of the Interstate Commerce Commission, and Mark W. Potter of New York, reappointed to the commission; William H. Joyce of Los Angeles, reappointed as member of the Federal Farm Loan Board; and Clarence C. Chase of New Mexico, to be a member of the board.

Medical Director Edward R. Sitt, to be Surgeon-General of the navy and chief of the Bureau of Medicine and Surgery.

Chaplain John T. Axton, to be chief of chaplains, with rank of colonel; Capt. Charles P. Daly, military storekeeper, to be storekeeper, with rank of major; Col. Gustave Lukesh, Corps of Engineers, to be a member of the Mississippi River Commission.

In the Marine Corps, the permanent rank of Brigadier-General was conferred upon the following temporary Brigadier-Generals: S. D. Butler, Logan Feland and Harry Lee.

The only sign of real opposition to the confirmation of the above nominations was manifested by Senator La Follette (Wis.) against the selection of former Representative Esch to be a member of the Interstate Commerce Commission, and a less serious objection by Senator Walsh (Mass.), Democrat, to the nomination of Thomas O. Marvin for the Tariff Commission.

Senator La Follette intends to make a speech in opposition to the confirmation of Mr. Esch. The two have been political enemies for years and the Senator made a successful fight against the nomination of Esch in the Republican primaries. Mr. La Follette is violently opposed to many provisions in the Esch-Cummings railroad act and has his opposition to confirmation largely on the ground that Esch helped to frame that law.

BURSUM U. S. SENATOR TO FILL FALL VACANCY

Governor of New Mexico Selects Former Iowa Man.

SANTA FE, N. M., March 11.—Governor Nathan to-day appointed Helm O. Bursum of Boronia, United States Senator from New Mexico to succeed A. P. Fall, now Secretary of the Interior.

Mr. Bursum has been an active figure in New Mexico politics for a quarter of a century and a candidate for Governor in two elections. He was born at Fort Dodge, Iowa, in 1868 and came to New Mexico in 1883. He is married and has three daughters and one son.

PERSHING SEES HORSES GO THROUGH FIRE HOOPS

Spectacular Drill Given by Cavalry at Fort Myer.

Special Despatch to THE NEW YORK HERALD. New York Herald Bureau. Washington, D. C., March 11.

With Gen. Pershing as the honor guest, a spectacular exhibition drill was given this afternoon by the cavalry and artillery forces stationed at Fort Myer. This was followed by a dance in the Administration Building, and the double event attracted a notable attendance.

A salute of seventeen guns announced the General's arrival at the riding hall, and he viewed the exhibition from a box where he was seated with Col. William C. Rivers, commandant at Fort Myer, Mrs. Rivers and a few guests.

Several new and spectacular features were introduced into the drill. One group of horsemen and their mounts made their entrance through the window, and as a grand finale the horses were jumped through a hoop of flames while pistols were fired beneath their feet.

The Administration Building was gay with flags, bunting and greens, the General's flag and the flags of the regiments on the post being grouped behind the receiving line. Mrs. Rivers greeted the guests and introduced them to Gen. Pershing.

WILSON ENTERTAINS TWO OLD ASSOCIATES

Baruch and Davis Guests at Private Dinner.

WASHINGTON, March 11.—Woodrow Wilson rounded out the first week of his return to private life to-night with a private dinner, at which F. M. Baruch of New York and Norman H. Davis, former Under Secretary of State, who has been retained in the Harding Administration as the American member of the International communications conference, were guests. It was said to signalize Mr. Wilson's intention to keep in touch with men and affairs.

The former President, it is said, is now fully established in his new home and has suffered no setback in health. His principal household difficulty, his friends report, has been to find room in his new house for his library of 4,000 volumes.

Mr. Wilson spends some part of every day dictating to a stenographer, attempting to dispose of a very heavy correspondence, and, with Mrs. Wilson, frequently takes motor drives in the afternoon.

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SUSTAINS BAN ON LIQUORS ABOARD SHIPS IN U. S. PORTS

Department of Justice Reported to Have Refused to Review Its Decision, Protested by British Embassy, on Transshipment of Intoxicants.

WASHINGTON, March 11.—The Department of Justice was said to-night to have refused to review its decision to prohibit the transshipment of liquor from one foreign country to another via this country. Legal and ships touching at American ports with intoxicants abroad to be violators of the national prohibition act. The refusal was made on the ground that search of the authorities revealed no reason for reversal.

Request for the review was made some weeks ago by the State Department, to which the British Embassy made representations, and by the Treasury Department. The review was asked because of the international questions involved.

The Justice Department's refusal is not expected to end the matter, according to prohibition officials, who say they have been informed that the British Embassy will urge the State Department to renew its request, and in doing so will cite existing commercial treaties, especially with regard to Canada.

Until the question finally is settled, officials said, customs regulations on the subject would be held in abeyance and the status, both of transshipments of liquor and vessels touching at American ports, would remain unchanged.

J. A. WILSON OF N. Y. FOR SHIPPING BOARD

Harding Likely to Name Brooklynite in Announcement This Morning.

Special Despatch to THE NEW YORK HERALD. New York Herald Bureau. Washington, D. C., March 11.

President Harding and his Cabinet met for the second time to-day, and after a session lasting two hours, devoted chiefly to a discussion of important appointments, the President had all the Cabinet and Vice-President Coolidge as his guests at luncheon.

The selection of the chairman and members of the Shipping Board and of a new Allen Property Custodian is requiring the close attention of the President just now.

These appointments formed the chief topic of discussion at the Cabinet meeting. Mr. Harding would like to submit these nominations to the Senate before it ends its special session to-morrow, as well as the names of important departmental assistants who have not yet been named.

No information was available as to the names before the Cabinet, but it was intimated that announcement of the selections for the Shipping Board might be expected in the morning. There is a report that James A. Wilson of Brooklyn is a possibility for the Shipping Board.

Senator Lodge (Mass.), Republican floor leader, called to see the President late this afternoon and discussed with him the Senate adjournment and the date to be fixed for the extra session of Congress.

While the President has made no announcement of the date of the extra session further than to say that it would be either April 4 or 11, it is generally understood that he has about made up his mind to call it for the earlier date.

President Harding soon will resume his conferences with Republican leaders of the House and Senate which were so auspiciously begun at the White House dinner last Monday night. No date has been fixed for the next affair, when a new list of his guests will be invited.

Representative Mondell (Wyo.), Republican floor leader of the House, will discuss with the President the question of the extra session date to-morrow or Monday. The call will be issued by the President within a few days. Mr. Mondell also will go over with the President the legislative outlook in the House and they are expected to talk over the list of Representatives whom the President will invite to his next informal soiree.

HUGE WOOD FUEL BILL.

WASHINGTON, March 11.—Farmers burned up 68,244,000 cords of wood valued at \$246,856,000, for fuel last year. Department of Agriculture figures disclose the average was 19.6 cords per farm.

MACBETH GALLERY

EXHIBITION OF PAINTINGS

Connecticut Landscapes—DAVIS

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SOCIETY OF ANIMAL PAINTERS & SCULPTORS

450 FIFTH AVE. AT 40TH ST.

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Let our representative tell you the story of Borden's Grade A service.

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\$100,000,000 TAXES TO BE REPAID BY U. S.

Government Reverses Policy on Sales of Capital Assets.

NEW RULING ON PROFITS

Classed as Income Only When Selling Price Exceeds That of Purchase.

Special Despatch to THE NEW YORK HERALD. New York Herald Bureau. Washington, D. C., March 11.

More than \$100,000,000 will be returned to taxpayers as the result of the Federal Government reversing its policy on one class of income taxes in the United States Supreme Court to-day.

The taxes in question arose under the provision of the 1916 income tax law providing that profit derived from the sale of capital assets—stocks, bonds and other securities—is taxable as income.

The law then provides that as assets purchased before March 1, 1913, but sold after the income tax law became effective, the tax is to be based on the increased value at the time of sale as compared with the market value on March 1, 1913.

That arbitrary method of determining an alleged gain—that is, by using the value on March 1, 1913—cannot be sustained, the Federal Government admitted in a brief filed with the court by Solicitor-General Friereson. The action of the Government undoubtedly will result in the court knocking out this provision when its final decision is announced.

In the past the Government has contended that it could determine the taxable gain in the manner stated, and in addition to collecting a large amount of taxes as the result has won suits on this point in lower courts.

The position of the Government now is, according to the brief of Mr. Friereson, that the income tax can be applied to capital assets only when it is clear that a profit was obtained from selling them for a greater amount than the purchase price. The computation on the basis of the value of the securities on March 1, 1913, is to be eliminated. The suits resulted from action of Congress in making income tax law retroactive in this respect.

The present position of the Government, however, is still being opposed in the Supreme Court by several big taxpayers, and hundreds of millions are involved. The opposing contention is that any gain derived from the sale of capital assets is capital, not income, and therefore is not taxable.

The Government's concessions were filed with the court in two cases which were being argued to-day. One was brought by Frederick F. Brewster of Connecticut and the other by David M. Goodrich of New York. Both were to recover taxes under that section. Following is an example of the taxation practice which the Government admitted was wrong:

A man purchases bonds costing \$200,000 in 1911. He sells them for the same amount in 1916, thus realizing no profit. But on March 1, 1913, the market value of the bonds was down to \$160,000. The Government under its past policy collected an income tax on the difference between the sale price and the value on March 1, 1913, or \$40,000, despite the fact that the holder made no profit. It now admits that it can collect the tax only on the difference between the actual sale and the actual purchase prices.

In the Goodrich case, Mr. Goodrich actually sold securities at a loss, but because the sale price was greater than the value on March 1, 1913, he was compelled to pay an income tax on the difference.

MOVES TO END POSTAL CIVIL SERVICE ORDER

Fess Asks Views of Colleagues on Postmasterships.

Special Despatch to THE NEW YORK HERALD. New York Herald Bureau. Washington, D. C., March 11.

A movement to determine the views of the Representatives of the House on whether appointments of postmasters should be based on civil service examinations or "political qualifications" was started to-day by Chairman Fess of the Republican Congressional Campaign Committee.

It is understood that a majority of the Representatives do not favor the civil service system which was put into effect by an executive order of President Wilson. As a result the movement of Mr. Fess is looked upon as a plan to inform President Harding of the views of the Republicans in the House.

Mr. Fess has addressed a letter to all the Republican Representatives asking them to state whether they favor the continuation, the modification or the revocation of the Wilson order. The belief prevails in the House to some extent that the civil order was promulgated to keep many Democrats in office upon the change of Administration.

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