

CARNEGIE'S ESTATE PUT AT \$26,794,761

State Appraiser Includes Fund for Income of Wife and Daughter.

NICE POINTS INVOLVED

Taxability of Famous Pension Trust Is Solved by Splitting Liability.

PICTURES WORTH \$48,432

Fifth Ave. Home Furniture \$21,984, Jewelry \$2,900 and Clothing Only \$1,500.

Andrew Carnegie left an estate of \$26,794,761.55, according to the appraisal of George Brokaw Compton, State Transfer Tax Appraiser, filed yesterday.

Not only was the appraisal one of unusual difficulty due to the question of the taxability of three items involving several million dollars each, but Mr. Compton found it necessary to take the testimony of witnesses regarding the manner in which expert appraisers had been retained to place valuations on real and personal property.

Mr. Compton's investigation disclosed an "irregularity" in the appraising, that according to the witnesses, has been customary since the appraisal of the estate of J. Pierpont Morgan, namely the hiring of the same appraiser by both the State Comptroller's office, which seeks to find as many taxable assets as possible, and by the executors of the estate, who seek as few as possible.

"Since no attempt by either party to obtain an unreasonable or unfair expert opinion regarding the value of any of these assets in this estate is apparent," his appraisal declares, "I accept and shall report to the Surrogate the affidavits of expert appraisal submitted herewith, but which fail to conform to the usual procedure. The affidavits of expert opinion should be required hereafter, I believe, to include a statement to the effect that the affiant was employed exclusively by one of the parties and that the valuations fixed in his affidavit of appraisal reflect his own independent judgment."

State Sales Experts' Fees. In the usual procedure of appraising estates, the testimony showed, the executors submit an appraisal, which the State Comptroller's office examines and either approves or submits a counter appraisal. If a counter appraisal is not thought necessary the State thereupon saves much in experts' fees.

The filing of this report was the last official act of Mr. Compton, as he resigned yesterday as State Transfer Tax Appraiser in the firm of Pease & Compton, 501 Fifth Avenue. An interesting legal question which in a similar case is now before the Court of Appeals was decided by Mr. Compton against the State Comptroller's office. This regarded the taxability of the Carnegie home at Fifth Avenue and Ninety-first street, appraised at \$37,853. The transfer tax appraiser held that inasmuch as the property was held by Mr. and Mrs. Carnegie jointly as tenants in entirety it is not subject to taxation. A point meaning much more in taxes to the State was decided in the Comptroller's favor when Mr. Compton ruled that a Federal estate tax of \$3,075,937.50 could not be claimed as a deduction from the taxable estate under New York law.

The famous pension law practice Carnegie established in 1901 and subsequently embellished until its principal consisted of \$4,250,000 par value United States Steel Corporation bonds was split by Mr. Compton as to its taxability. He agreed, as contended in affidavits by Mr. Root and Mrs. Carnegie, that the steel man intended this as a permanent charity. By resorting to actuarial figures as to the probable life of the beneficiaries and the total sums they would receive, \$1,348,043 is set aside as a charity and not taxable, but the \$2,901,957 balance may be taxed. Because of the law which prevents a man leaving a family from giving more than half his estate to charity the Carnegie Corporation gets only \$10,668,880, which is severely taxed, and the balance which Mr. Carnegie intended to leave to his wife by making his wife residuary legatee and intimating that she eventually turn over the corporation to her money he was prevented from leaving to her.

Trust Fund for Daughter. Mrs. Louise Whitfield Carnegie, the widow, receives a total of \$11,338,847. Her daughter, Mrs. Margaret Carnegie Miller, receives nothing under the will, but is provided for in the \$4,000,000 trust deed considered part of the estate. Most of the deductions allowed against the estate represents debts, totalling \$3,028,738.45. There is a \$750,000 for administration expenses, of which \$450,000 represents counsel fees; \$200,000 office expenses and disbursements, and \$100,000 the commission allowed the executor under the will. Funeral expenses of \$3,264.60 also are deducted.

Mr. Carnegie's total assets were divided as follows: Real estate, \$1,200,931.21; cash, \$245,446.85; household furniture, notes, bonds, mortgages and claims due, \$3,706,941.60; securities, \$17,543,538.57; partnership interests, \$26,406.62; other property not included in the foregoing, \$2,872,747.43. Unlike many other wealthy men, Mr. Carnegie was not a patron of art nor was his home elaborately furnished. The appraisal shows his general household furnishings in the Fifth Avenue mansion were worth only \$21,984, and pictures there were worth only \$48,432. He had only \$2,900 worth of jewelry and less than \$1,500 worth of clothing. He was living for books, household furniture, he had \$20,000 worth in his Scotch residence, Skibo Castle, and \$7,000 worth in his Fifth Avenue home. Although it forms no part of the American estate, Mr. Root submitted an affidavit setting forth the value of Skibo Castle as \$534,440.

STORM HALTS HEAT WAVE; HEAVY DAMAGE REPORTED

Lineman Electrocuted Repairing Broken High Tension Cable—Church Struck by Lightning in East Port Chester as Members Are at Services.

The storms and rains of yesterday ended the heat wave, at least temporarily, but they also did considerable damage, particularly in New Jersey and Staten Island, where large numbers of telegraph and telephone wires were blown down. George Lander, a lineman of the Westchester Lighting Company, was electrocuted while trying to repair a high tension cable in Secaucus, which had been damaged by the storm.

The severest electrical storm in the memory of most residents struck Greenwich, putting out all lights and plunging the town in darkness for five hours. Lightning struck St. Paul's Lutheran Church at East Port Chester while the members were at services, causing about \$2,000 damage. The lines of the Connecticut Light and Power Company were blown down and the trolley lines also were out of order for several hours.

The fire alarm system of Tuckahoe was rendered useless early yesterday and fire destroyed the large frame building occupied by the Associated Charities. The loss was about \$20,000. Lightning also struck a chimney at the home of Christian Kammerer at Oceanide, L. I., ripping off a part of the roof. The building was set on fire but no one was injured.

Truck farms and orchards in many places also were ruined. Vegetables and fruits needed rain, but a hurricane accompanied by a short downpour was exactly what was needed. Corn and other grain was beaten to the ground and many orchards in New Jersey and Richmond were stripped of their fruit by the wind. A. J. Farley of the State Agricultural Experiment Station at New Brunswick, N. J., said that apple orchards suffered more than from any other storm in recent years. The orchard of John S. Barry, one of the most extensive apple growers in New Jersey, was stripped of 3,000 bushels of apples.

Leonard Hartill, horticulturist of the New York State Institute of Agriculture at Farmingdale, L. I., said the rain came too late to be of much benefit to early potatoes, which have suffered severely from the long dry period. He said, however, that a good yield of late potatoes or of corn may be expected.

Herbert Claiborne Pell, Jr., of New York and Tuxedo Park and a member of Congress from the Seventeenth Manhattan district in 1918, was elected chairman of the Democratic State Committee yesterday, to succeed W. W. Farley, resigned. Mr. Pell was nominated by George R. Lunn, Mayor of Schenectady, and his candidacy had the active approval of Charles F. Murphy, chief of Tammany Hall. It was announced that Mr. Pell was a resident of Orange county, but his last political connections there were in 1912, when he was a member of the Orange county Progressive Committee. Since then he has been a member of the General Committee of Tammany Hall.

Mr. Pell is 37 years old, is married and has one son. He defeated Frederick C. Tenner for Congress in 1918, but was himself defeated by Ogden L. Miles last autumn. His New York home is in 30 East Ninety-fourth street, which is given as his home in the Congressional Directory, the Social Register and the political enrollment books of 1920. Last year his name did not appear in the books, although that of Mrs. Pell appeared from the same address. He is a member of the Union, Grolier, Tuxedo and Knickerbocker clubs.

At yesterday's meeting the committee fixed the basis for the State and Judiciary conventions at one delegate from each Assembly district and one additional delegate for each \$250,000 of front lot area for the last Democratic candidate for Governor. A call was issued for a State convention to meet in the Hotel Commodore at 100 St. Nicholas street, to select a candidate for Associate Judge of the Court of Appeals to succeed the late Emory A. Chase.

The committee elected Robert J. Powers of Broome county as secretary to succeed Albert E. Hoyt of Albany.

U. S. GRAND JURY ASKS STRICTER DRUG LAWS

City and State Now Powerless, Presentment Says. The Federal Grand Jury in a presentment handed yesterday to Judge John C. Knox recommended that the United States District Court for the Southern District of New York appeal to Congress for a law further restricting the traffic in drugs. The presentment was made after a month's investigation into narcotic cases. It is declared city and State agencies are powerless to curb the traffic without a stronger Federal law.

LAHEY BACK ON JOB AS CHIEF INSPECTOR

Suspended Since February 24 on Charge of Neglect. Chief Inspector William J. Lahey, who has been under suspension from the Police Department since February 24, when an indictment for neglect of duty was found against him by the Grand Jury, which, with Charles S. Whitman as its counsel, considered a number of charges against city officials, returned to his desk at Police Headquarters yesterday following the dismissal of the indictment against him in the Supreme Court. Flowers covered his desk and his blotting pad was piled with letters and telegrams of congratulation from friends. Inspector Murphy, who had been holding his post in his absence, relinquished it when Mr. Lahey came in and returned to duty in Brooklyn.

AIR SCHOOL OPENED FOR DISABLED SOLDIERS

Year's Free Course in All Mechanical Lines. The first school for the training of partly disabled soldiers in aeronautics was opened yesterday in College Point, L. I., under the direction of the Vocational Training Board. The course, paid for by the Government, will last one year and will include instruction in airplane engine mechanics, airplane rigging, construction and repair of airplanes, electricity, wireless telegraphy and photography. Major William Shauffer, who served as an aviator in France, is head of the school.

THIEF STEALS MOTOR BELONGING TO POLICE

Car Taken From in Front of Patrolman's Home. Patrolman George Petty drove an automobile belonging to the Headquarters staff of the Police Department to his home in 943 St. Nicholas avenue last night and left the machine in front while he went to his apartment to leave his overnight. Patrolman Petty was gone only a few minutes, when he returned the automobile was stolen. He reported the theft to the West End street station.

CEMENT MEN SUE BY U. S. AS A TRUST

Dissolution of Manufacturers Association Asked Under Sherman Law.

FILED IN NEW YORK

First Action Taken as Result of Exposures Made by Undermyer.

19 COMPANIES ARE NAMED

Accused of Conspiracy in Restraint of Trade by 'Open Price' Consultations.

A civil suit under the Sherman anti-trust act for the dissolution of the Cement Manufacturers Protective Association was begun by the Government in the United States District Court here yesterday. The complaint, filed by United States Attorney William Haywood, accuses the manufacturers of having built up, by means of a so-called "open price" association, a great combination amounting to a conspiracy in restraint of trade, resulting in enormous profits to the corporations, "unconscionable prices" for their product and the restriction of building, "thus depriving men of employment and preventing relief from the grave shortage of housing facilities."

This is the first of many dissolution suits likely to be undertaken throughout the country as a result of the exposures made by Samuel Undermyer and the Lockwood committee. It is described as supplementary to the criminal action in which seventy-four cement corporations and forty-two individuals were indicted on March 1 last charged with violating the criminal provisions of the Sherman act.

The association involved in the present case has headquarters at 19 West Forty-fourth street, New York. It comprises nineteen manufacturers having mills in New York, New Jersey, Pennsylvania, Maryland, Virginia and West Virginia and selling cement in the Eastern States. All but one of these corporations are under criminal indictment. Their annual output is about 30,000,000 barrels of cement, or a third of the total output in this country.

Two Women Indicted. The nineteen corporations named in the suit are: The Atlas, Allentown, Alpha, Bath, Coplay, Dexter, Edson, Giant, Glens Falls, Hercules, Knickerbocker, Lawrence, Lehigh Valley, Nazareth, Penn-Allen, Pennsylvania, Phoenix, Vulcanite and security cement companies. Forty-two individuals, two of them women, are named. They are E. P. Alker, president of the association; C. Raymond Hulbert, vice-president; Miss M. B. Phalen, secretary, and Marion S. Ackerman, treasurer.

The complaint says that the regional associations are unincorporated bodies whose fundamental principle is the exchange of statistical data, enabling each member to know what his competitors are doing and to conduct his business accordingly. Most of the members of the regional associations also are members of the National Portland Cement Association, the dissolution of which also may be asked.

"Against the concerted action of the defendants," the complaint says, "the dealers and the public have stood and now stand defenceless. The outstanding result of the combination and conspiracy is the uniformity accomplished between defendant corporations."

APPEAR TO SANCTION EXTORTION.

All companies, it is alleged, quote the same price for cement, f. o. b. at the traffic without a stronger Federal law. Freight and delivery amount which he pays for the cement. The manufacturers sell only to dealers. The public has to pay any price the dealer desires, as high as \$7 and \$8 a barrel in the last two years. The Government charges that the policy of the manufacturers was "tantamount to sanctioning the extortion engaged in by the dealers."

"The activities of the defendants," the complaint says, "have resulted in eliminating every semblance of competition to which the public is entitled, which the law contemplates and which, by a combination and conspiracy described, would exist. Another result is the control and regulation of production. Having knowledge of each member's capacity to produce, the quantity actually produced, the quantity actually in stock, the quantity under contract, and in addition meeting frequently and discussing the probable demand for cement, it is a simple matter to produce only what it is believed the market will absorb without breaking prices, and plaintiff alleges that defendant corporations have materially restricted production."

The petition is signed by William Haywood, Attorney General Daugherty, and four of the Attorney General's special assistants—James A. Fowler, Oliver E. Pagan, Ben A. Matthews and Roger Shale. The defendants have twenty days in which to submit an answer. Their counsel is Archibald Cox of 232 Broadway.

SEVEN INDICTED FOR DEATH OF VAROTTA BOY

Five of the Men Already Are in Custody. Seven men, five of whom are in custody, were indicted by the Grand Jury yesterday for the murder of five-year-old Giuseppe Varotta, kidnapped from his home at 344 East Thirtieth street, held for ransom and murdered while the police were searching for him. The indictments were handed up to Judge McIntyre in General Sessions. Bench warrants were issued for the arrest of the two indicted men who are at large. The five, who have been held in the Tombs since June 2 on a charge of kidnapping, are John Milichone, 23, Victoria House, Bowery and Chatham Square; Roberto Raffaele, 34, 173 Pallada avenue, Union Hill, N. J.; Antonio Marino, Santo Casemano and James Ruggiera, all of 349 East Thirtieth street, near the Varotta home. The men will be arraigned this morning before Judge McIntyre.

TAXI PASSENGER SHOT; COMPANIONS MISSING

Man on Sidewalk Said to Have Fired at Group. Three men engaged a taxicab driven by John Kaufman of 202 East Seventh street at Second street and Avenue B last night and told the chauffeur to drive them around the East Side for a while. Kaufman drove to Fourth street and then across to Avenue C, and as he reached the corner he heard several shots. Kaufman told the police that he did not want to see who was shooting, but that he stopped his car, jumped to the street and hid under a stoop. When he came out, he said, one of the three men who had engaged his machine was lying on the floor of the car, wounded, and the others were gone. The wounded man was sent to Bellevue Hospital, where he gave his name as Abraham Short of 301 East 190th street.

Detectives who investigated the shooting said they were told by witnesses that the shots were fired by a man on the sidewalk at the three men in Kaufman's automobile.

John Wanamaker Store. Broadway at Ninth Street, New York. Business Hours—9 to 5. Telephone Stuyvesant 4700.

Tomorrow Will Be the First Saturday of July. which, for the convenience of the public, requires the store to be open to help the people prepare for Monday's Holiday the 4th of July. We are, of course, all closed up tight on 4th of July and ready Tuesday morning with lots of new things of every kind, suitable for better enjoyment of the summer holidays, now beginning. Write to your friends passing through the city to meet you at the store, that you may show them around and take them with you to luncheon wherever you prefer to lunch. We are reducing all prices as rapidly as possible, but we go slow on food, as we shall always insist on having only the best and freshest of food. [Signed] John Wanamaker. Friday, July 1, 1921.

Hints for Holiday Reading! What better than a hour with a good book? THE WALL, by John Coynon, \$2. A sequel to "The Mask." Did you read it? THE DEATH OF SOCIETY, by Romer Wilson, \$2. An Englishman steps into a strange Norwegian family life. FORESHADOWED, by F. E. Mills Young, \$1.90. Personal relations again—men and women, of course. BUFF, A collie, by Albert Payson Terhune, \$2. For the dog-lover this story has a strong appeal.

Tuxedo Sweaters at \$4.75. 150 at this price. Black, navy blue, buff, gray, jade, brown, hyacinth, henna. These sweaters are of light-weight wool, knitted in the Shetland stitch alternating with purling which gives the effect of stripes—a new favorite with Fashion. Second Floor, Old Building.

Blouses specialized at \$5.50. Especially designed for wear with the three correct types of sweaters. All reproduced in an excellent quality of imported white dimity organdie—crisp, cool-looking, and launders beautifully. Price is absurdly low. Blouses at \$2.25. Smart tailored model with long roll, but pointed collar in white lawn. Second Floor, Old Building.

Women's two-in-one Bathing Suits, \$7.50. In black or navy blue worsted jersey, with bands of self color, white, contrasting colors, or varicolored stripes. Sizes 34 to 46. Satin bathing suits, \$7.50 to \$65. Taffeta bathing suits, \$10.50 to \$32.50. Caps, hats, shoes and boots at many prices. Second Floor, Old Building.

Japanese Lanterns for the Fourth. GIFU lanterns have just been received from Japan. Lovelier than any we have had for years. Bottoms that don't drop out. Candle holders that really hold the candles upright. YOKE shaped wood-top hangers on pretty tasseled cords. Lovely colors—those delightful combinations of color which the Japanese know so well how to make. Three sizes, 25c, 40c, 85c.

The Sailor's Light. A regular lantern, only very diminutive, which with its red, green or clear white glass makes a gay decoration for the Fourth. It burns oil like any lantern, has a wick and a regulator and swings on its handle. The children will love it. 25c. Third Gallery, New Bldg.

Keep your white shoes WHITE. By actual test this S. A. P. white shoe dressing (1) will not rub off and (2) it will not show on darkest cloth. It is claimed to be superior to any white preparation made, gives a smooth, velvety, lasting finish, and may be used for shoes, leather goods, belts, bags or riding breeches. In liquid form, quickly and easily applied. S. A. P., 25c, 50c. On sale in Shoe section, First floor, Old Building, Burlington Arcade floor, and Down-Stairs Store.

Vacuum Bottles. Hotakoid and Universal bottles. Green; nickel-plated and leather covered cases—pint size, \$2.25 to \$4.50; quart size, \$3.65 to \$8.75. Seventh Gallery, New Bldg.

IT is not big type and big talk in the newspapers, but the quality, fashion and fair price of the goods in the store which make value and give lasting satisfaction.

TODAY Important Sale of Hosiery From America's Finest Mills. So we think. And so think thousands of our customers, who ask for this hosiery by the well-known name, and buy it by the dozen pairs. 4,452 pairs women's silk stockings, seconds \$1.65 of our \$2.35 to \$3.50 grades. 900 pairs women's silk stockings, seconds \$1.15 of our \$1.95 grade. 2,556 pairs women's silk stockings, seconds of our \$1.45 and \$1.75 grades. 1,560 pairs women's silk stockings, seconds of our \$1.10 grades. 7,200 pairs children's mercerized cotton socks—perfect—sizes for babies of 6 mos. to girls of 16 years; our 35c, 50c and 55c grades. 372 pairs children's silk socks, seconds of 75c grade. 3,288 pairs children's silk and silk-plated socks, three-quarter length, seconds of 75c, 80c, and \$1 grades. 696 pairs of children's silk socks, three-quarter length, seconds of \$1.15 grade.

Silk Skirts. 150, fashioned of well-known trademarked sports silk. \$9.50. For \$15 and \$16.50 grades. In white, white-and-black, and all the smart sports colors. Majority are in beautifully pleated models, others are plain and have smart straight lines. Waistbands 26 to 36 inches. All lengths. Substantial Reductions on Beacon Cord Tires. Substantial Reductions From the List Price. 30x3 1/2 \$17.50. 32x3 1/2 \$22.25. 32x4 \$27.75. 33x4 \$28.63. 34x4 \$29.63. 32x4 1/2 \$31.50. 33x4 1/2 \$32.18. 34x4 1/2 \$33.55. 35x4 1/2 \$34.00. 35x5 \$41.63. 37x5 \$43.20. Guaranteed 8,000 miles. Burlington Arcade Floor, New Building.

THE SHOPS FOR MEN. On the street floor at Ninth Street. Entrance from Broadway or Fourth Avenue. Get what you want —EARLY—. A SUIT?—we will lend our best efforts to make such alterations as may be necessary before store-closing. Mid-year prices, \$33, \$39, \$43. A GOLF SUIT?—we are selling some \$45 and \$47.50 and \$50 suits (coat and knickers) for \$32. Two models, (1) coat with inverted pleats, (2) coat with gathered fullness at waistline. Grays and browns. Good suits for general country wear and for steamer wear, as well as for golf. WHITE FLANNEL TROUSERS?—a few at \$6.85 pr., less than half pre-war prices. English flannel, imported by us, and made up to our order, here. WHITE OXFORD SHIRTS?—\$1.75 for long sleeves, buttoning cuffs. Collar attached. NECKTIES?—Foulards at \$1; wide choice of other silks, \$1 to \$5. Bat-wings, 50c up. WHITE SHOES?—Oxfords of Sea Island cotton duck, Neolin rubber soles and spring heels, at \$8 pr. Keds. Bathing shoes. Tan oxfords. All the shoes a man needs on the holiday visit. Burlington Arcade Floor, New Building.