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EXPRESS COMPANIES.

Sec. 104. And be it further enacted, That any person, firm, company, or corporation carrying on or doing an express business, shall be subject to pay a duty of three per centum on the gross amount of all the receipts of such express business.

INSURANCE COMPANIES.

Sec. 105. And be it further enacted, That there shall be levied, collected, and paid a duty of one and a half of one per centum upon the gross receipts of premiums, or assessments for insurance from loss or damage by fire or by the perils of the sea, made by every insurance company, whether inland or marine or fire insurance company, and by every association or individual engaged in the business of insurance against loss or damage by fire or by the perils of the sea; and by every person, firm, company, or corporation who shall issue tickets or contracts of insurance against injury to persons while traveling by land or water; and a like duty shall be paid by the agent of any foreign insurance company having an office or doing business within the United States; and that in the account or return to be rendered, they shall state the amount insured, renewed, or continued, the gross amount of premiums received and assessments collected, and the duties by law accruing thereon for the quarter then next preceding.

PASSPORTS.

Sec. 106. And be it further enacted, That for every passport issued from the office of the Secretary of State there shall be paid the sum of five dollars; which amount may be paid to any collector appointed under this act, and his receipt therefor shall be forwarded with the application for such passport to the office of the Secretary of State, or any agent appointed by him, to be transmitted to the Commissioner of Internal Revenue, there to be charged to the account of such collector. And the collectors shall account for all moneys received for passports in the manner hereinbefore provided, and a like amount shall be paid for every passport issued by any minister or consul of the United States, who shall account therefor to the Treasury.

TELEGRAPH COMPANIES.

Sec. 107. And be it further enacted, That any person, firm, company, or corporation owning or possessing or having the care or management of any telegraphic line by which telegraphic despatches or messages are received or transmitted, shall be subject to and pay a duty of five per centum on the gross amount of all receipts of such person, firm, company, or corporation.

THEATRES, OPERAS, CIRCUSES, AND MUSEUMS.

Sec. 108. And be it further enacted, That any person, firm, or corporation, or the manager or agent thereof, owning, conducting, or having the care or management of any theatre, opera, circus, museum, or other public exhibition of dramatic or operatic representations, plays, performances, musical entertainments, feats of horsemanship, acrobatic sports, or other shows which are opened to the public for pay, but not including occasional concerts, school exhibitions, lectures, or exhibitions of works of art shall be subject to and pay a duty of two per centum on the gross amount of all receipts derived by such person, firm, company, or corporation from such representations, plays, performances, exhibitions, shows, or musical entertainments.

Sec. 109. And be it further enacted, That any person, firm, company, or corporation owning or possessing, or having the care or management of any railroad, canal, steamboat, ship, barge, canal boat, or other vessel, or any ferry, toll-road or bridge, as enumerated and described in section one hundred and two [three] of this act; or carrying on or doing an express business; or engaged in the business of insurance, as hereinbefore described; or owning or having the care and management of any telegraph line, or owning, possessing, leasing, or having the control or management of any circus, theatre, opera, or museum, shall within twenty days after the end of each and every month make a list or return in duplicate to the assistant assessor of the district, stating the gross amount of their receipts, respectively, for the month next preceding, which return shall be verified by the oath or affirmation of such owner, possessor, manager, agent, or other proper officer, in the manner and form to be prescribed from time to time by the Commissioner of Internal Revenue; and shall also pay to the collector the full amount of duties which have accured on such receipts for the month aforesaid. And in case of neglect or refusal to make said lists or return for the space of ten days after such return should have been made as aforesaid, the assessor or assistant assessor shall proceed to estimate the amount received and the duties payable thereon, and shall add thereto ten per centum as hereinbefore provided in other cases of delinquency to make return for purposes of assessment; and for the purpose of making such assessment, or of ascertaining the correctness of any such return, the books of any such person, firm, company, or corporation shall be subject to the inspection of the assessor or assistant assessor on his demand or request therefor. And in case of neglect or refusal to pay the duties, with the addition aforesaid, when the same have been ascertained, for the space of ten days after the same shall have become payable, the owner, possessor, or person having the management as aforesaid, shall pay, in addition, ten per centum on the amount of such duties and addition; and for any attempt knowingly to evade the payment of such duties, the said owner, possessor, or person having the care or management as aforesaid, shall be liable to pay a penalty of one thousand dollars for every such attempt, to be recovered as provided in this act for the recovery of penalties.—And all provisions of this act in relation to liens and collections by distraint, not incompatible herewith, shall apply to this section and the objects therein embraced.

BANKS AND BANKING.

Sec. 110. And be it further enacted, That there shall be levied, collected, and paid a duty of one twenty-fourth of one per centum each month upon the average amount of deposit of money, subject to payment by check or draft, or represented by certificates of deposit or otherwise, whether payable on demand or at some future day, with any person, bank, association, company, or corporation engaged in the business of banking; and a duty of one twenty-fourth of one per centum each month as aforesaid, upon the average amount of the capital of any bank, association, company, or corporation, or person engaged in the business of banking beyond the amount invested in United States bonds; and a duty of one-twelfth of one per centum each month, upon the average amount of circulation issued by any bank, association, corporation, company, or person, including as circulation all certified checks and all notes and other obligations calculated or intended to circulate or be used as money, but not including that in the vault of the bank, or redeemed and on deposit for said bank; and an additional duty of one-sixth of one per centum, each month, upon the average amount of such circulation, issued as aforesaid, beyond the amount of ninety per centum of the capital of any such bank, association, corporation, company, or person, and upon any amount of such circulation, beyond the average amount of the circulation that had been issued as aforesaid by any such bank, association, corporation, company, or person, for the six months preceding the first day of July, eighteen hundred and sixty-four. And on the first Monday of August next, and of each month thereafter, a true and accurate return of the amount of circulation, of deposit, and of capital as aforesaid for the previous month shall be made and rendered in duplicate by each of such banks, associations, corporations, companies, or persons to the assessor of the district in which any such bank, association, corporation, or company may be located, or in which such person may reside, with a declaration annexed thereto, and the oath or affirmation of such person, or of the president or cashier of such bank, association, corporation, or company, in such form and manner as may be prescribed by the Commissioner of Internal Revenue, that the same contains a true and faithful statement of the amount of circulation, deposits, and capital as aforesaid, subject to duty as aforesaid, and shall transmit the duplicate of said return to the Commissioner of Internal Revenue, and within twenty days thereafter shall pay to the said Commissioner of Internal Revenue the duties hereinbefore prescribed upon the said amount of circulation, of deposits, and of capital as aforesaid, and for any refusal or neglect to make or to render such return and payment as aforesaid, any such bank, association, corporation, company, or person so in default shall be subject to and pay a penalty of two hundred dollars, besides the additional penalty and forfeitures in other cases provided in this act; and the amount of circulation, deposit and capital, as aforesaid, in default of the proper return, shall be estimated by the assessor or assistant assessor of the district as aforesaid, upon the best information he can obtain; and every such penalty, together with the duties as aforesaid, may be recovered for the use of the United States in any court of competent jurisdiction. And in the case of banks with branches, the duty herein provided for shall be imposed upon the circulation of each branch, severally, and the amount of capital of each branch shall be considered to be the amount alloted to such branch; and so much of an act entitled "An act to provide ways and means for the support of the Government," approved March three, eighteen hundred and sixty-three, as imposes any tax on banks, their circulation, capital, or deposits, other than is herein provided, is hereby repealed: Provided, That this section shall not apply to associations which are taxed under and by virtue of the act "to provide a national currency, secured by a pledge of United States bonds, and to provide for the circulation and redemption thereof;" nor to any savings bank having no capital stock, and whose business is confined to receiving deposits and loaning the same on interest for the benefit of the depositors only, and which do no other business of banking: And provided, further, That any bank ceasing to issue notes for circulation, and which shall deposit in the treasury of the United States, in lawful money, the amount of its outstanding circulation, to be redeemed at par, under such regulations as the Secretary of the Treasury may prescribe, shall be exempt form any tax upon such circulation.

LOTTERIES.

Sec. 111. And be it further enacted, That every individual, partnership, firm, and association, being proprietors, managers, or agents of lotteries, shall pay a tax of five per centum on the gross amount of the receipts from the said business; and all persons making such sales shall, within ten days after the first day of each and every month, make and render a list or return in duplicate to the assistant assessor of the gross amount of such sales made as aforesaid, with the amount of duty which has accrued or should accrue thereon; which list shall have annexed thereto a declaration, under oath or affirmation, in such form and signed by such officer, agent, or clerk, as may be prescribed by the Commissioner of Internal Revenue, that the same is true and correct, and that the said proprietors, managers, and agents shall, on or before the twentieth day of each and every month, as aforesaid, pay the collector or deputy collector of the proper district the amount of the duty or tax as aforesaid. And in default of making such lists or returns, the said proprietors, managers, and agents, and all other persons making such sales, shall be subject to and pay a penalty of one thousand dollars, besides the additions, penalties, and forfeitures in other cases provided; and the said proprietors, managers, and agents shall, in default of paying the said duty or tax at the time herein required, be subject to and pay a penalty of one thousand dollars, or be imprisoned not exceeding one year. In all cases of delinquency in making said list, return, or payment, the assessments and collections shall be made in the manner prescribed in the provisions of this act in relation to manufactures, articles, and produce: Provided, That the managers of any sanitary fair, or of any charitable, benevolent, or religious association, may apply to the collector of the district and present to him proof that the proceeds of any contemplated lottery, raffle, or gift enterprise will be applied to the relief of sick and wounded soldiers, or to some other charitable use, and thereupon the Commissioner shall grant a permit to hold such lottery, raffle, or gift enterprise, and the said sanitary, fair, or charitable or benevolent association, shall be exempt from all charge, whether from tax or license in respect of such lottery, raffle, or gift enterprise: Provided, further, That nothing in this section contained shall be construed to legalize any lottery.

Sec. 112. And be it further enacted, That each lottery ticket or certificate supplementary thereto shall be legibly stamped at the time of sale with the name of the vendor and the date of such sale, under a penalty of fifty dollars, to be paid by the vendor of each lottery ticket or certificate supplementary thereto sold without being first stamped as aforesaid.

Sec. 113. And be it further enacted, That in addition to all other penalties and forfeitures now imposed by law for the evasion of license fees or other taxes upon the lottery business, any person who shall hereafter sell or dispose of any lottery ticket or certificate supplementary thereto, or any device in the nature thereof, without having first duly obtained a license, as hereinbefore mentioned, shall incur a penalty of five hundred dollars for each and every such offence; and any person who shall purchase, obtain, or receive any lottery ticket, or any policy of numbers, tokens, certificate, wager, or device, representing or intended to represent a lottery ticket or fractional part thereof, from any person not having a license to deal in lottery tickets, as provided by law, may recover from such person of whom the same was purchased, obtained, or received, at any time within three years thereafter, before any court of competent jurisdiction, a sum equal to twice the amount paid for the same, with just and and legal costs.

ADVERTISEMENTS.

Sec. 114. And be it further enacted, That there shall be levied, collected, and paid by any person or persons, firm, or company, publishing any newspaper, magazine, review, or other literary, scientific, or news publication issued periodically, on the gross receipts for all advertisements, or all matter, for the insertion of which is said newspaper or other publication, as aforesaid, or in extras, supplements, sheets, or fly-leaves accompanying the same, pay is required or received, a duty of three per centum; and the person or persons, firm or company, owning, possessing, or having the care or management of any and every such newspaper or other publication, as aforesaid, shall make a list or return on the first day of January, April, July, and October in each year, containing the gross amount of receipts as aforesaid, and the amount of duties which have accrue thereon, and render the same in duplicate to the assistant assessor of the district where such newspaper, magazine, review, or other literary or news publication is or may be published; which list or return shall have annexed a declaration, under oath or affirmation, to be made according to the manner and form which may be from time to time prescribed by the Commissioner of Internal Revenue, of the owner, possessor, or person having the care or management of such newspaper, magazine, review, or other publication, as aforesaid, that the same is true and correct; and shall also, quarterly, within ten days after the time of making said list or return, pay to the collector or deputy collector of the district the full amount of said duties. And in case neglect or refusal to comply with any of the provisions contained in this section, or to make and render said list or return for the space of ten days after the time when said list or return ought to have been made, as aforesaid, the assistant assessors of the respective districts shall proceed to estimate the duties as heretofore provided in other cases of delinquency; and in case of neglect or refusal to pay the duties, as aforesaid, for the space of ten days after said duties become due and payable, and have been demanded, said owner, possessor, or person or persons having the care or management of said newspapers or publications, as aforesaid, shall pay, in addition thereto, a penalty of ten per centum on the amount due. And in case of fraud or evasion, whereby the revenue is attempted to be defrauded, or the duty withheld, said owners, possessors, or person or persons having the care or management of said newspapers or other publications, as aforesaid, shall forfeit and pay a penalty of one thousand dollars for each offence, or for any sum fraudulently unaccounted for. And all provisions in this act in relation to returns, additions, penalties, forfeitures, liens, assessments, and collection, not incompatible herewith, shall apply to this section and the objects herein embraced: Provided, That in all cases where the rate or price of advertising is fixed by any law of the United States, State, or Territory, it shall be lawfull for the company, person or persons, publishing said advertisements, to add the duty or tax imposed by this act to the price of said advertisements, any law to the contrary notwithstanding; and that the receipts for advertisements to the amount of six hundred dollars annually, by any person or persons, firm, or company publishing any newspaper, magazine, review, or other literary, scientific, or news publication, issued periodically, shall be exempt from duty: And provided, further, That all newspapers whose average circulation does not exceed two thousand copies shall be exempted from all taxes for advertisements.

Sec. 115. And be it further enacted, That whenever by this act any license, duty, or tax of any description has been imposed on any person or corporate body, or property of any person, or incorporated or unincorporated company having more than one place of business, it shall be lawful for the Commissioner of Internal Revenue to prescribe and determine in what district such tax shall be assessed and collected, and to what officer thereof the official notices required in that behalf shall be given, and of whom payment of such tax shall be demanded: Provided, That all taxes on manufactures manufacturing companies, and manufacturing corporations, shall be assessed, and the tax collected in the district within which the place of manufacture is located, unless otherwise provided.

INCOME.

Sec. 116. And be it further enacted, That there shall be levied, collected, and paid annually upon the annual gains, profits, or income of every person residing in the United States, or of any citizen of the United States residing abroad, whether derived from any kind of property, rents, interests, dividends, salaries, or from any profession, trade, employment, or vocation, carried on in the United States or elsewhere, or from any other source whatsoever, except as hereinafter mentioned, if such annual gains, profits, or income, exceed the sum of six hundred dollars, a duty of five per centum on the excess over six hundred dollars and not exceeding five thousand dollars; and a duty of seven and one half of one per centum per annum on the excess over five thousand dollars, and not exceeding ten thousand dollars; and a duty of ten per centum on the excess over ten thousand dollars. And the duty herein provided for shall be assessed, collected, and paid upon the gains, profits, or income for the year ending the thirty-first day of December next preceding the time for levying, collecting, and paying said duty: Provided, That income derived from interest upon notes, bonds, and other securities of the United States shall be included in estimating incomes under this section: Provided, That only one deduction of six hundred dollars shall be made from the aggregate incomes of all the members of any family composed of parents of minor children, or husband and wife, except in cases where such separate income shall be derived from the separate and individual estate, gains, or labor of the wife or child: And provided, further, That net profits realized by sales of real estate purchased within the year for which income is estimated, shall be chargeable as income; and losses on sales of real estate purchased within the year, for which income is estimated, shall be deducted from the income of such year.

Sec. 117. And be it further enacted, That in estimating the annual gains, profits, or income of any person, all national, State, and municipal taxes, other than the national income tax, lawfully assessed within the year upon the property or sources of income of any person, as aforesaid, from which said annual gains, profits, or income is or should be derived, shall be deducted, in addition to six hundred dollars, from the gains, profits, or income of the person who has actually paid the same, whether owner, tenant, or mortgagor; also 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, above the rate of six hundred dollars, per annum; and there shall also be deducted the income derived from dividends on shares in the capital stock of any bank, trust company, savings institution, insurance, railroad, canal turnpike, canal navigation, or slackwater company, and the interest on any bonds or other evidences of indebtedness of any such corporation or company, which shall have been assessed and the tax paid, as hereinafter provided; also the amount paid by any person for the rent of the homestead used or occupied by himself or his family, and the rental value of any homestead used or occupied by any person or by his family, in his own right or in the right of his wife, shall not be included and assessed as part of the income of such person. In estimating the annual gains, profits, or income of any person, the interest over and above the amount of interest paid upon all notes, bonds, and mortgages, or other forms of indebtedness, bearing interest, whether due and paid or not, if good and collectable, shall be included and assessed as part of the income of such person for each year, and also all income or gains derived from the purchase and sale of stocks or other property, real or personal, and the increased value of live stock, whether sold or on hand, and the amount of sugar, wool, butter, pork, beef, mutton, or other meats, hay and grain, or other vegetable or other productions of the estate of such person sold, not including any part thereof unsold or on hand, during the year next preceding the thirty-first of December, shall be included and assessed as part of the income of such person for each year, and the gains and profits of all companies, whether incorporated or partnership, other than the companies specified in this section, shall be included in estimating the annual gains, profits, or income of any person entitled to the same, whether divided or otherwise. In estimating deductions from income, as aforesaid, when any person rents buildings, lands, or other property, or hires labor to carry on land, or to conduct any other business from which such income is actually derived, or pays interest upon any actual encumbrance thereon, the amount actually paid for such rent, labor, or interest, shall be deducted; and also the amount paid out for actual or ordinary repairs, not exceeding the average paid out for such purposes for the preceding five years, shall be deducted, but 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, 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 six hundred dollars 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, in such manner as the Commissioner of Internal Revenue, under the direction of the Secretary of the Treasury, may prescribe.

Sec. 118. And be it further enacted, That it shall be the duty of all persons of lawful age, and all guardians and trustees, whether such trustees are so by virtue of their office as executors, administrators, or in other fiduciary, to make a list or return, under oath or affirmation, in such form and manner as may be prescribed by the commissioner of Internal Revenue, to the assistant assessor of the district in which he resides, of the amount of his or her income, or the income of such minors or persons as may be held in trust as aforesaid, according to the requirements hereinbefore mentioned, stating the sources from which said income is derived, whether from any kind of property, or the purchase and sale of property, rents, interest, dividends, salaries, or from any profession, trade, employment, or vocation, or otherwise. And in case of neglect or refusal to make such return, the assessor or assistant assessor shall assess the amount of his or her income, and the duty thereon, in the same manner as is provided for in other cases of neglect and refusal to furnish lists or returns in the provisions of this act, where not otherwise incompatible; and the assistant assessor may increase the amount of list or return, of any party making such return, if he shall be satisfied that the same is understated: Provided, That any party, in his or her own behalf, or as guardian or trustee, as aforesaid, shall be permitted to declare, under oath or affirmation, the form and manner of which shall be prescribed by the Commissioner of Internal Revenue, that he or she was not possessed of an income of six hundred dollars, liable to be assessed according to the provisions of this act, or may declare that he or she has been assessed elsewhere in the same year for, and has paid an income duty, under authority of the United States, and shall thereupon be exempt from income duty in said district; or, if the list or return of any party shall have been increased by the assistant assessor, in manner as aforesaid, such party may be permitted to declare, under oath or affirmation, the amount of annual income, or the amount held in trust, as aforesaid, liable to be assessed, and the same, so declared, shall be received by such assistant assessor as true, and as the sum upon which duties are to be assessed and collected, except that the deductions claimed in such cases shall not be made or allowed until approved by the assistant assessor. But any person feeling aggrieved by the decision of the assistant assessor in such cases, may appeal to the assessor of the district, and his decision thereon shall be final; and the form, time, and manner of proceedings shall be subject to rules and regulations to be prescribed by the Commissioner of Internal Revenue.

Sec. 119. And be it further enacted, That the duties on incomes herein imposed shall be levied on the first day of May, and be due and payable on or before the thirtieth day of June in each year, until and including the year eighteen hundred and seventy, and no longer; and to any sum or sums annually due and unpaid for thirty days after the thirtieth of June, as aforesaid, and for ten days after demand thereof by the collector, there shall be levied, in addition thereto, the sum of ten per centum on the amount of duties unpaid as a penalty, except from the estates of deceased and insolvent persons. And if any person liable to pay such duty shall neglect or refuse to pay the same, after such demand, the amount due shall be a lien in favor of the United States from the time it was due until paid, with the interest, penalties, and costs that may accrue in addition thereto upon all the property and rights to property belonging to such person; and in default of the payment of said duty aforesaid said lien may be enforced by distraint upon such property, rights to property, stocks, securities, and evidences of debt by whomsoever holden; and for this purpose the collector, after demand duly given as aforesaid, shall issue a warrant, in form and manner to be prescribed by the Commissioner of Internal Revenue, under the directions of the Secretary of the Treasury, and by virtue of such warrant there may be levied on such property, rights to property, stocks, securities, and evidences of debt a further sum, to be fixed and stated in such warrant over and above the said annual duty, interest, and penalty for non-payment sufficient for the fees, costs, and expenses of such levy. And in all cases of sale, as aforesaid, the certificate of such sale by the collector shall vest in the purchaser all right, title, and interest, of such delinquent in and to such property, whether the property be real or personal; and where the subject of sale shall be stocks the certificate of said sale shall be lawful authority and notice to the proper corporation, company, or association to record the same on the books or records in the same manner as if transferred or assigned by the person or party holding the same, to issue new certificates of stock therefor, in lieu of any original or prior certificates, which shall be said whether subscribed or not. And said certificates of sale of the collector, where the subject of sale shall be securities or other evidences of debt, shall be good and valid receipts to the person holding the same, as against any person holding, or claiming to hold, possession of such securities or other evidences of debt.

Sec. 120. And be it further enacted, That there shall be levied and collected a duty of five per centum on all dividends in scrip or money thereafter declared due, and whenever the same shall be payable to stockholders, policy-holders, and persons, as part of the earnings, income, or gains of any bank, trust company, savings institution, and of any fire, marine, life, inland, insurance company, either association or manual, under or by the name or style known or called, in the United States or Territories, whether specially incorporated or existing under general laws, and on all undivided sums, or sums made or added during the year to their surplus or contingent funds, and such banks, trust companies, saving institutions, and insurance companies shall pay the said duty, and are hereby authorized 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 duty of five per centum. And a list or return shall be made and rendered to the assessor or assistant assessor in duplicate, and one of said lists or returns shall be transmitted, and the duty paid to the Commissioner of Internal Revenue within thirty days after the time when any dividends 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 duties as aforesaid; and there shall be annexed thereto a declaration of the president, cashier, or treasurer of the bank, trust company, savings institution, or insurance company, under oath or affirmation, in form and manner as may be prescribed by the Commissioner of Internal Revenue, that the same contains a true and faithful account of the duties 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, making such default, shall forfeit as a penalty the sum of one thousand dollars; and in case of any default in making or rendering said list or return, or of any default in the payment of the duty as required, or any part thereof, the assessment and collection of the duty and penalty shall be in accordance with the general provision of law in other cases of neglect and refusal: Provided, That the duty upon the dividends or life insurance companies shall not be deemed due or to be collected until such dividends shall be payable by such companies, nor shall the portion of premiums returned by mutual life insurance companies to their policy holders be considered as dividends or profits under this act.

Sec. 121. And be it further enacted, That any bank legally authorized to issue notes as circulation which shall neglect or omit to make dividends or addition 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, to the assessor or assistant assessor of the district in which it is located, 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 and received by said bank during the six months next preceeding 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 five 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 made which includes any part of the surplus or contingent fund of any bank, trust company, savings 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. 122. Be it further enacted, That any railroad, canal, turnpike, canal navigation, or slackwater company indebted for any money 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, of any such company due or payable to its stockholders, as part of the earnings, profits, income, or gains of such company, and all profits of such company carried to the account of any fund or used for construction, shall be subject to and pay a duty of five per centum on the amount of all such interest, or coupons or profits, whenever the same shall be payable; and said companies are hereby authorized to deduct and withhold from all payments, on account of any interest, or coupons and dividends due and payable as aforesaid, the duty of five per centum; and the payment of the amount of said duty so deducted from the interest, or coupons, or dividends, and certified by the president or treasurer of said company, shall discharge said company, from that amount of the dividend, or interest, or coupon, on the bonds or other evidences of their indebtedness so held by any person or party whatever, except where said companies may have contracted otherwise. And a list or return shall be made and rendered to the assessor or assistant assessor in duplicate, and one of said lists or returns shall be transmitted, and the duty paid to the Commissioner of Internal Revenue within thirty days after the time when said interest, coupons, or dividends become 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 the duty, and there shall be annexed thereto a declaration of the president or treasurer of the company, under oath or affirmation, in form and manner as may be prescribed by the Commissioner of Internal Revenue, that the same contains a true and faithful account of said duty and for any default in making or rendering such list or return, with the declaration annexed, or of the payment of the duty as aforesaid, the company making such default shall forfeit as a penalty the sum of one thousand dollars; and in case of any default in making or rendering said list or return, or of the payment of the duty, or any part thereof, as aforesaid, the assessment and collection of the duty and penalty shall be made according to the provisions of law in other cases of neglect or refusal.

Sec. 123. And be it further enacted, That there shall be levied, collected, and paid on all salaries of officers, or payments of 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 six hundred dollars per annum, a duty of five per centum on the excess above the said six hundred dollars; and it shall be the duty of all paymasters, and all disbursing officers, under the Government of the United States, or in the employ thereof, when making any payments to officers and persons as aforesaid, or upon settling and adjusting the accounts of such officers and persons, to deduct and withhold the aforesaid duty of five per centum, and shall, at the same time, make a certificate stating the name of the officer or person from whom such deduction was made, and the amount thereof, which shall be transmitted to the office of the Commissioner of Internal Revenue, and entered as part of the internal duties; and the pay-roll, receipts or account of officers or persons paying such duty as aforesaid, shall be made to exhibit the fact of such payment. And it shall be the duty of the several Auditors of the Treasury Department, when auditing the accounts of any paymaster or disbursing officer, or when settling or adjusting the accounts of any such officer, to require evidence that the duties or taxes mentioned in this section have been deducted or paid over to the Commissioner of Internal Revenue: Provided, That payments of prize money shall be regarded as income from salaries, and the duty thereon shall be adjusted and collected in like manner.

LEGACIES AND DISTRIBUTIVE SHARES OF PERSONAL PROPERTY.

Sec. 124. And be it further enacted, That any person or persons having in charge or trust, as administrators, executors, or trustees, any legacies or distributive shares arising from personal property, where the whole amount of such personal property, as aforesaid, shall exceed the sum of one thousand dollars in actual value, proper, after the passage of this act, from any person possessed of such property, either by will or by the intestate laws of any State or Territory, or any personal property or interest therein, transferred by deed, grant, bargain, sale, or gift, made or intended to take effect in possession or enjoyment after the death of the grantor or bargainor, to any person or persons, or to any body or bodies politic or corporate, in trust or otherwise, shall be, and hereby are, made subject to a duty or tax to be paid to the United States, as follows, that is to say:

First. Where the person or persons entitled to any beneficial interest in such property shall be the lineal issue or lineal ancestor, brother, or sister, to the person who died possessed of such property, as aforesaid, at the rate of one dollar for each and every hundred dollars of the clear value of such interest in such property.

Second. Where the person or persons entitled to any beneficial interest in such property shall be a descendant of a brother or sister of the person who died possessed, as aforesaid, at the rate of two dollars for each and every hundred dollars of the clear value of such interest.

Third. Where the person or persons entitled to and beneficial interest in such property shall be a brother or sister of the father or mother, or a descendant of a brother or sister of the father or mother, of the person who died possessed, as aforesaid, at the rate of four dollars for each and every hundred dollars of the clear value of such interest.

Fourth. Where the person or persons entitled to any beneficial interest in such property shall be a brother or sister of the grandfather or grandmother, or a descendant of the brother or sister of the grandfather or grandmother of the person who died possessed, as aforesaid, at the rate of five dollars for each and every hundred dollars of the clear value of such interest.

T. be continued next week.