

INCOME TAX IS UPHELD BY SUPREME COURT

Congress Contemplates Amending Act to Yield Nearly \$200,000,000 Annually.

OPINION DISPOSES OF ALL SUITS

Those Earning From \$2,000 to \$3,000 a Year May Be Assessed.

Washington, Jan. 24.—The income tax was declared constitutional today by the supreme court in an unanimous decision, which swept aside every contention raised against it and, in the opinion of the congressional leaders, opened the way for increasing the tax rate on great fortunes to help pay for national defense.

After Big Incomes.
Proposals are pending in congress to tax incomes of more than \$1,000,000 as high as fifty per cent. Leaders on all sides agree that out of the impetus which the decision today will give such proposals is likely to come a definite movement to levy on the revenues from great private fortunes for some of the millions the government must raise to carry out the army and navy increases.

Clears Way.
"The supreme court's decision has absolutely unfettered the income tax as a source of revenue," said Representative Hull of Tennessee, author of the law. "All doubt is removed and congress is left much freer to act. I believe congress will take advantage of the opportunity to amend the law materially. Without any unusual or unjust charges, it can be made to yield \$195,000,000 to \$200,000,000 a year, as against \$85,000,000 to \$90,000,000 at present."

Lower Limits.
Representative Hull is preparing amendments to carry the tax to incomes below \$3,000 and make graded increases in the sur-taxes on incomes exceeding \$20,000 a year.

So far the problem of raising the revenue for national defense, although approached from many angles, has not been carried toward any definite solution because, with the constitutionality of the income tax undecided, administration readers were reluctant to place too much dependence on it.

Settles All Points.
The decision was announced by Chief Justice White. It was rendered in the appeal of Frank R. Brushaber from the action of the New York federal court in refusing to enjoin the Southern Pacific, of which Brushaber was a stockholder, from paying the tax. The case raised substantially every point involved in all the income tax cases before the court.

JUMPS FROM THE SIXTEENTH STORY; FALLS ON DRAV

Chicago, Jan. 24.—Miss W. E. Werner, the stenographer who jumped from the sixteenth story window today, probably will recover. Her escape from death was due to falling onto a truck loaded with cardboard boxes. As it was, her skull was fractured, her arms broken and several ribs fractured. Her condition tonight did not admit of questioning as to the reason for her act.

EXPLOSION WRECKS MANUFACTURING PLANT

Buffalo, N. Y., Jan. 24.—Three men and a girl are known to have been killed, several are missing and four were injured in an explosion late today that wrecked the plant of the Kelker Blower company, manufacturers of planing mill exhausts and ventilators, on Harrison street. The financial loss was \$50,000.

Charles Kelker, head of the firm, said that from 22 to 25 employees were in the plant, and that 21 of them had been accounted for.

The building occupied by the firm was a long, two-story frame structure, the first floor and basement of which were used for the machine shop, and the second floor as a store room and living apartments.

The explosion demolished all the walls, letting the roof down on the ruins, which caught fire.

Mr. Kelker was uncertain as to the cause of the explosion.

SAYS THE ALLIES HAVE BEEN UNJUST



King Constantine.

INDEPENDENCE OF PHILIPPINES GETS SUPPORT

President Wilson Said to Be in Favor of Autonomy for Islands.

TO BE ACCOMPLISHED IN FOUR YEARS

Washington, Jan. 24.—Granting of independence to the Philippine Islands in not less than two years and not more than four years may be favored by the Wilson administration. Senator Hitchcock, chairman of the Philippine committee, discussed with President Wilson a provision to that effect, which Senator Clarke of Arkansas had introduced as an amendment to the pending Philippine bill. After conferring with the president, Senator Hitchcock, while he would not say what the president had told him, indicated it was probable the amendment would have the administration's support. He said he would have to talk with other senators before deciding definitely whether the change would be accepted. The president previously opposed another amendment proposed by Senator Clarke proposing independence for the Philippines within two years. The Clarke amendment would direct the president to invite the attention of the powers to maintain the sovereignty of the islands, and if such an agreement could not be reached, would authorize him to guarantee in behalf of the United States alone the independence of the islands in a period of four years.

Senator Clarke's amendment was the subject of an animated discussion during the day. Senator Borah, Republican, and Thomas, Democrat, both expressed themselves as believing in the good of the United States lay in cutting off from the Philippines as soon as possible.

Woman Elopes With a Negro

Salt Lake City, Jan. 24.—Raymond Dobbs, a negro, and Mrs. Viola Hood, a white woman, who eloped from San Diego last Friday, surrendered themselves to the Salt Lake City police today and both declared that their act was voluntary.

Dobbs appeared at the police station this morning and announced his identity. He said Mrs. Hood had eloped with him of her own volition, and that he had never employed threats to induce her to leave her home.

Mrs. Hood gave herself up this afternoon. She confirmed Dobbs' story, according to the police, and says she will return to San Diego, if desired, on condition that Dobbs be set at liberty. The police also say Mrs. Hood said their plan was to be married here under assumed names and make their home in Chicago. The two are held by the police for advices from San Diego.

LONDON AEROPLANES LOST.
London, Jan. 24.—Harold J. Tennant, parliamentary under secretary for war, announced in the house of commons this afternoon that in the course of the last four weeks 13 British aeroplanes were lost on the western front and nine or ten German machines were brought to the ground.

GERMANY OFFERS REPARATION IN LUSITANIA CASE

Desires to See United States Insist on Freedom of the Seas.

EXTREME REGRET IS EXPRESSED

Proposal Now Before State Department Final Word in Negotiations.

Washington, Jan. 24.—Germany has submitted to the United States through Ambassador von Bernstorff another written proposal, designed to bring about a settlement of the sinking of the steamer Lusitania.

There were indications tonight that the documents might bring to a satisfactory termination negotiations which have been in progress for eight months.

Although the greatest secrecy surrounds the negotiations, it was stated tonight, on excellent authority, that Germany had consented to eliminate from the text of the agreement any mention of the warning issued by the German embassy the day the Lusitania sailed on her last trip from New York. Mention of this warning is understood to have been contained in the proposal which was rejected after President Wilson had considered it.

It is understood also that Germany has left other proposed general reservations of admission of wrongdoing on the part of the submarine commander to which the United States objected.

It was also stated authoritatively that in its latest communication Germany makes some reference to a desire to see the United States take action in regard to the questions involving freedom of the seas.

To Confer.
The German ambassador and Secretary Lansing probably will confer regarding the proposal in the future.

Germany reiterates clearly, it is said, that the torpedoing of the Lusitania was an act of reprisal for the British blockade of the German coast. Extreme regret is again expressed that Americans lost their lives in the commission of the reprisal and Germany freely offers reparation in the form of indemnity. The attention of the United States is called to the fact that some forms of reprisals have been discontinued.

Proposals Final.
The German government is understood to be most anxious to settle the matter in a manner mutually satisfactory. It is said, however, that the proposal now before the administration is considered to be final. Germany is said to hold that she has gone as far as she possibly can honorably to meet the views of the United States.

The negotiations are treated as highly confidential in official and diplomatic circles. For that reason it has not been disclosed just how far the new proposal would go toward finally settling the controversy. An optimistic feeling seems to prevail however.

The document is said to cover about one and a-half sheets of ordinary letter size paper. Count von Bernstorff is understood to have personally drafted the proposal now under consideration.

ORATORICAL CONTEST IS SET FOR JAN. 25

Fargo, N. D., Jan. 24.—The annual oratorical contest at Fargo college will be held in the college chapel Tuesday evening, January 25, at 8 o'clock. At the present, six men have entered the contest, and it is probable that one or two more may enter before the contest is pulled off.

The winner of the contest will represent Fargo college in the state intercollegiate oratorical contest, which will be held some time in March or April. The six young orators who have already thrown their hats in the ring are: Kellogg Bascom, Mortimer Wilk, Donald Hall, Olin Shute, Luther Lawyer, and A. L. Jones.

MEASLES FATAL TO ELEVEN

Toledo, Jan. 24.—One thousand cases of measles with 11 deaths resulting therefrom were reported today by health officials.

DIES ON HONEYMOON.
David Whalen, North Dakota Insurance Man, Dead in South.

ENGLISH TRADE RULE OPPOSED IN NEW VOTE

'Trading With Enemy Act' Regarded as Hostile to American Interests.

IS BLOW TO THIS NATION'S BUSINESS

In Seeking to Injure Germany a Severe Blow Is Directed Against U. S.

Washington, Jan. 24.—Great Britain is vigorously opposed by the United States in representations prepared today for presentation to the British foreign office. They are expected to go forward immediately.

The state department considers that grave and unjustifiable injury to American commerce may follow should attempts be made to enforce provisions affecting business in this country. "The trading with the enemy act" prohibits persons resident in Great Britain from trading with individuals or corporations engaged with the Teutonic allies or having business with them. The position of the United States is that, aside from legal authority for the proposed interference with trade, the relation of German trade and capital with American industries are such that it would be quite impossible to successfully aim a blow at Germany without doing great damage to interests in this country.

The representations will not take the form of a protest because the act is limited in its immediate operations to British subjects.

The representations will serve the purpose of warning Great Britain that the act is regarded as being wholly unfair and that proper compensation will be expected for any injury sustained by American trade.

ARMED LINER AGAIN ARRIVES IN PORT

Question of Armed Merchantmen Will Be Taken Up at Washington.

Washington, Jan. 24.—Arrival of the Italian steamship Verona in New York today with two guns mounted on her stern probably will result in the Austro-Hungarian government taking up diplomatically with the United States all the broad questions involved in the arming of merchant ships for defensive purposes. It was indicated tonight that the charge of the Austrian government here would inform his government of the arrival of the ship, and call on Secretary Lansing in the near future to determine the position of the United States.

It was freely predicted in Teutonic circles, when the Italian ship Giuseppe Verdi was allowed to sail recently from New York with guns mounted, that a communication on the subject was immediately to follow the arrival of another Italian ship similarly armed. It was authoritatively stated tonight that the Austro-Hungarian government probably would inform the United States that any Italian ship encountered by an Austrian submarine would be sunk without warning, regardless of who is aboard.

Air Raids Over Dover

London, Jan. 24.—Air raids have taken place in various localities. Germans again have passed over Dover in an aeroplane, which was engaged by all anti-aircraft guns and pursued by British airmen.

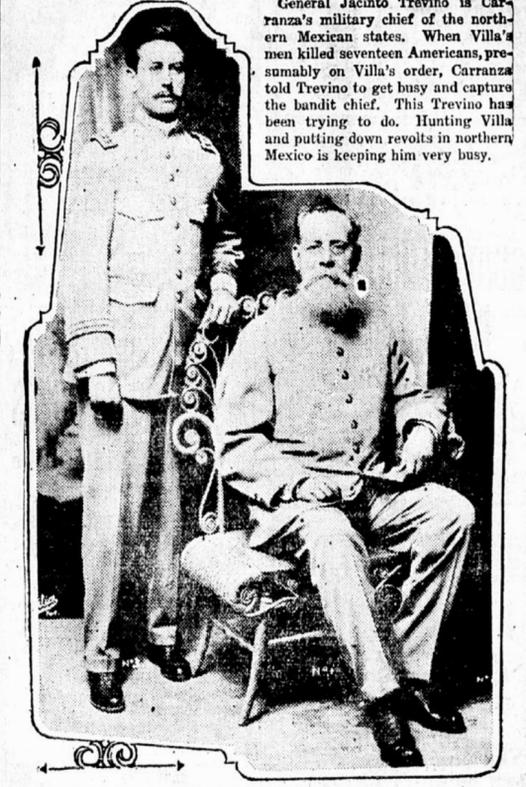
Whether bombs were dropped is not stated. This was the third venture of the kind in two days. In the other visit, bombs having been dropped on the docks and stations at Dover, and aviation sheds at Hovvahan, near Dover, according to Berlin official reports, which say "heavy fires were observed" at Dover.

On the French and Austrian fronts, the usual bombardment continues but without great gains for either side. The British explosion of a mine near St. Lo, in the Arras region, did considerable damage to German trenches and also silenced German trench mortars by artillery fire near Ypres.

Floods and generally bad weather are hampering the operations of the British against the Turks in Mesopotamia.

In northwest Egypt the British have been successful in an attack on the camp of Seussi tribesmen, the tribesmen being dispersed and their camps destroyed.

QUELLING REVOLTS AND HUNTING VILLA KEEPS CARRANZA CHIEF IN NORTH BUSY



General Jacinto Trevino (standing) and General Carranza.

Carranza General Lodges Complaint Against Soldiers Of United States Army

El Paso, Jan. 24.—General Gabriel Gavra, commandant of the Carranza garrison at Juarez, presented to the military authorities here today a request that a United States soldier named Harrison be punished for having fired on and wounded a Mexican civilian, Sollo, last Saturday afternoon.

At the same time representation to the United States custom collector here were made that American cattle thieves were stealing cattle from Mexican owners south of the border. A demand was made that the thieves be apprehended and punished.

The Mexican authorities, in their report, referred to the prompt punishment they meted to the Duran brothers, Mexican cattle thieves, who were executed yesterday for the murder of Bert Akers and Americans killed last Friday when seeking to recover stolen cows.

According to the Mexicans, Sollo was shot while aiding a Carranza soldier in watering some horses in the Rio Grande river. A preliminary investigation, already made by army officers on this side, is said to have shown that Sollo was on American territory and armed at the time. He is said to have defied the soldier and threatened to use his own rifle when Harrison opened fire. A doubt was expressed also that Sollo had been wounded.

Arrivals from Madero, Chihuahua, today reported General Francisco Villa was at Santa Ana on the Babri-cora ranch, the headquarters property, making preparations for an extensive campaign. It was said that he had gathered 1,000 men and had taken 500 colts from the Babri-cora ranch for mounts.

DEAD IN G. N. WRECK HIDDEN IN THE SNOW

Seattle, Wash., Jan. 24.—The snow in which four of the eight victims of the avalanche which struck the Great Northern Limited train last Saturday were buried had not given up its dead tonight, despite ceaseless efforts of gangs of laborers.

ILLINOIS CITIES ARE UNDER WATER

Peoria, Ill., Jan. 24.—The Illinois river continued rising tonight and the weather bureau predicted a further rise of two feet by Wednesday noon. Reports of heavy losses came in from the districts.

Two thousand men are working tonight on levees between Havana and La Salle. Steamboats, with barges, loaded with sand, were put into service today and the dikes protecting three thousand acres opposite Leoh has been strengthened to the 25-foot mark.

The terminal levee at Mahaas broke tonight flooding 4,000 acres of land.

Water is pouring over the levee in the Spring Lake district. The marine railway has been swept away and 12,500 acres of land is under water.

SCUTARI TAKEN BY AUSTRILIANS; NO RESISTANCE

Most Important Town in Albania Evacuated Without Any Fighting.

POPULATION RECEIVE TROOPS WILLINGLY

City Was Bone of Contention in the Recent Balkan Wars.

Berlin, Jan. 24.—Scutari, in northern Albania, has been occupied by Austro-Hungarian troops, according to an announcement issued today by headquarters. Several thousand Serbians who formed the garrison retired toward the south without offering any resistance.

The statement follows: "Scutari has been occupied by Austro-Hungarian troops. Several thousand Serbians who formed the garrison retired toward the south without resistance."

"Austro-Hungarians also have occupied Niksic, Danilovgrad and Podgoritza.

Country Disarmed.
"The disarming of the country has been carried on up to the present without friction.

"The population generally has received our troops in a friendly manner and in some instances with ceremonies. Riots, such as occurred at Podgoritza, ceased as soon as the first Austro-Hungarian detachment appeared."

Scutari is the most important training town in Albania and has a population of 20,000. It lies on the east bank of Lake Scutari and has been rebuilt since the earthquake of 1905.

Object of Contention.
During the Balkan war Scutari was the object of contention between Montenegro and the great powers.

The Austrian occupation of Scutari appears to confirm previous statements that no negotiations are now proceeding between Austria and Montenegro, as according to the report concerning the original Austrian offers of peace it was understood that the Montenegro were to hold Scutari as compensation for Austria's occupation of Mount Lovcen.

The Austrians in their invasion are now in possession of all the chief ports and towns of Montenegro, and in addition, the most important training town in Albania.

London, Jan. 24.—French aero squadrons yesterday made important raids on the towns of Monastir and Gjevgjil, according to a dispatch from Saloniki to Reuter's Telegram company, dropping in all 30 bombs. The dispatch adds:

"All the machines returned safely, though they were subjected to a heavy fire. It is believed the bombs did great damage."

EARTHQUAKE IN RUSSIA

Petrograd, Jan. 24.—The seismograph in the government observatory located 20 miles southwest of here registered an earthquake shock at 9 o'clock this morning. The intensity of the oscillations was estimated at double those experienced in the great Messina earthquake. The center of the disturbance was fixed at a point 15 miles distant.

DYNAMITE FED TO STOVE

Explosion Damages Home, But No One Is Injured.

Hazelton, N. D., Jan. 24.—A small piece of dynamite fed into a cook stove along with some lignite coal damaged the L. C. Malchert residence. Fortunately the piece of explosive was small and no one was near the stove when it let loose. A miner either dropped the piece of dynamite accidentally or through some freak of circumstances it failed to explode when a charge was shot.

MILITARY SERVICE BILL PASSED

London, Jan. 24.—The military service bill passed the third reading in the house of commons tonight by a vote of 383 to 36.

The bill was immediately sent to the house of lords and given its first reading. The second reading will be taken to the house of lords on Wednesday and parliament will probably be prolonged.

The fact that the minority against the bill was virtually only a third of that on its first reading is considered a great triumph for Premier Asquith, who directed its course and, although tonight's debate showed that many labor members are still suspicious, there is no doubt that general opposition to the measure has diminished enormously since its introduction and that the feeling of the country is strongly with the government.

THE WEATHER.
North Dakota: Fair Tuesday; colder in east portion; Wednesday probably unsettled, with slowly rising temperature.