

PAVING THE WAY TO TAX CODE

If Enacted Into a Law It Would Work Serious Hardship on Small Depositors in Savings Institutions,

THE LABOR UNIONS ARE ALSO AGAINST IT

"The enactment of an income tax law will solve the troublesome question of taxation. I cannot even guess the class of men the proposed tax code, if enacted, will not injure."—H. P. Upham, President of the First National Bank, St. Paul.

The house committee on taxes and laws yesterday morning listened to arguments against the proposed tax code presented by representatives of the Bankers' association and the Trades and Labor assemblies of St. Paul and Duluth. The bankers were represented by A. E. Merrill, of Minneapolis, and H. P. Upham, of St. Paul. The speakers for the labor men were John Gieske, of St. Paul, and Donald O'Neill, of Duluth.

Shuman owns a Northern Pacific bond which returns an annual revenue of \$40. Under his income tax he gives to the tax collector \$2 and keeps \$38. Under the new law, if he lived in St. Paul, he would give the tax collector \$2 and keep \$38. In Duluth he would have to give up \$30 and keep \$8. And if he lived up at Excelsior he would have to give up all the tax collector and mortgage his property to pay up the balance.

REMEDY FOR TAX ILLS

LIES IN INCOME TAX.

"The remedy for our tax ills lies in an income tax. Many of the features of the proposed law are bad and will lead to ruin. Country boards can be bought, and if the matter of rate is left to them, they will not be long in doing so."



REPRESENTATIVE PETERSON, of Renville.

Mr. Upham, who was the last speaker, was before the committee for an hour. He asserted and covered his assertions with logical arguments that not only will the farmers fail to receive any benefits from the enactment of the proposed tax code, but that the jobbers and manufacturers will be driven out of business out of the state. Its effect on the banking business, he said, will inevitably drive money for loans out of the state and deprive the small merchant and jobber of his credit money, which he employs in his business, in the heavier purchasing season. He said in part:

PROPOSED PLAN WILL RESULT IN DISASTER.

"The subject of taxation is a very large one, but, considering one branch of the proposed tax code, I assure you that any scheme which looks to the assessment and taxation of all property at its full



ALBERT BERG.

money value is a bad one, and will result in serious disaster. The situation is wrong. If there is enough of them to make them worth while, some company will gladly pay a premium to get 4 per cent bonds.

"I do not believe in a tax on credits. You should have a law that will bring out all property, and instead of a tax on credits, which bear double taxation, you should substitute an income tax. In Germany the income tax, the sole source of taxation funds, is 3 per cent. In England it was 3 per cent, but was raised to 4 per cent on account of the South African war. The Englishmen are groaning under what they consider an exorbitant tax, but let us compare his lot with his Minnesota cousin, if this law is enacted. The Eng-



G. F. A. C. E. A. UMLAND

Lights a Long Torch Without Assistance.

cent. The state cannot get these securities. If there is enough of them to make them worth while, some company will gladly pay a premium to get 4 per cent bonds.

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under a system which will raise the valuation, only ruin can be expected. An income tax will bring out all tangible and nearly all intangible property. Of course, there are some scoundrels who will manage in some way to escape taxation. The idea that this proposed law will help the farmer, and the prevalent idea that the farmer is bearing more than his share of the burden of taxation, is erroneous. Tax the farmer on his income, just the same as any one else. Fix an exemption or not, as you please. In Minnesota an income tax rate of from 3 per cent to 10 per cent will be safe, and you will have arrived at the only just and equitable method of raising taxes.

"The proposed valuation with the present rates, and they would be little changed, would annihilate the profits of the banking business. We have in our bank about \$5,000,000; \$3,000,000 of this belongs to the country banks. We do not want it, but take it to maintain the commercial system of credits and exchange. We pay the country banks 2 per cent on their money. For the balance of our deposits we are not paying anything. We have no use for it. Money is too cheap. There should be no tax on credits. The great bulk of them are railroad bonds. Take for instance Northern Pacific bonds. The road put taxes in every state through which it runs. The property has paid the tax, and now you as-



REPRESENTATIVE HYMES, Said to Resemble Mark Hanna. Ohio Papers Please Copy.

same to tax the bond, which is a mortgage on the property. I don't care how drastic you make these laws, they will be full of holes. You cannot keep these men in jail. Of course you might get a few of the meaner fellows, but the big ones would fight, and anyhow the jails would not be large enough to hold those who will refuse to list the credits.

"The commission's reports on banks looks innocent enough, and reads well, but it is not all that it seems. The present law touching assessment of property is not enforced. It and the constitutional provision for it, have always been dead letters. And it came about through the pressure of the agriculturists who wanted a low valuation for their lands. City interests, banks and mercantile houses could not pay on a full valuation. The farmers paid on only 33 per cent at the very outside. So eventually the banks got an agreement for an assessment of 50 per cent on a return of full capital stock, surplus and undivided profits. Our taxes last year were \$3,000,000. Under the proposed law they would amount to \$2,000,000. We would be obliged to cut our capital in two.

"I cannot even guess the class of men this proposed law would benefit. Any such law must dry up the source of money supply. Again, tax the jobbers in the dull months and must hold for at the market, and then dispose of them at a very narrow margin of profit, and the inevitable result will be that their factories will be closed and their employees thrown out of work from January until after the listing date, or the factories will be moved over into Wisconsin.

"It is all a local matter, at best. We have paid in local taxes since 1873 over \$300,000. Our largest dry goods establishments work on such small margins that they must sell \$2,000,000 worth of goods to break even. Our wholesale grocers do business for a profit of less

than 3 per cent. Now, to return to credits. They cannot be fairly taxed. Take, for instance, the fact that I have bought every poor man he knows. He has millions of credits of that kind. You could not tax them without driving such men away from Minnesota. All of our local bonds are taken by poor people, in lots of from \$10 to \$50. The total income from those bonds is \$44,000. If the law was enforced, the tax collector would get \$2,000 of that, the poor people would get the other \$42,000 for the use of their money and as an incentive to thrift. This proposed law has been improperly named. Under the law which provides that a bill's title shall express its purpose, this bill should be entitled 'a bill for an Act to Discourage Enterprise and Industry and offer a Premium on Perjury.'

MERRILL ADVOCATES DELAY OF ACTION.

E. A. Merrill, represented the banks, savings bank and trust companies of Minneapolis. Mr. Merrill warmly advocated the plan formally indorsed by the business interests of Minneapolis—the delay for his trip to Charleston. He was in constant communication by telephone and telegraph with the college faculty.

There is no attempt to minimize the danger of an attack of pneumonia and the president and Mrs. Roosevelt are well aware that the young man's condition is serious. Everything possible is being done for him and the best physicians and nurses are in constant attendance.

The illness of his son has changed very greatly the plans of the president for his trip to Charleston. He has the expectation there. The trip possibly may have to be abandoned altogether, but the present purpose is to make a flying visit to the exposition and return immediately. No ladies will accompany the presidential party owing to the absence of Mrs. Roosevelt and the hurried nature of the arrangements. The president, instead of leaving here Monday night, will not start until Tuesday morning.

GROTON, Mass., Feb. 7.—The condition of Theodore Roosevelt Jr., son of President Roosevelt, a student at Groton school, who is ill of pneumonia, was reported at 9 o'clock tonight as being "as comfortable as could be expected."

DAVID CITY, Neb., Feb. 7.—Forged paper sold by the defunct Platte Valley bank of Bellwood has already reached an aggregate of \$150,000 and it may largely exceed this. Customers of Lasher Amos Gould, from Laporte and Michigan City, Ind., are here, and claim to be in possession of the notes and mortgages held by them are forgeries.

Real estate mortgages have been forged, including thirteen states and four territories, are here, and claim to be in possession of the notes and mortgages held by them are forgeries.

IRRIGATION IS OPPOSED

ALLEGED FRIENDS OF BILL ARE BREAKING AWAY.

FROM THE GLOBE BUREAU, Washington, D. C.



CARL WALLACE, Chairman House Committee on Taxes and Laws.

Washington, D. C., Feb. 7.—It is likely to be killed in the house of its friends. After getting together and agreeing on a bill bearing the indorsement of thirteen states and four territories, the people interested have begun fighting among themselves. Representatives from Oregon, Wyoming, Colorado and similar regions are finding excuses for not supporting the bill, but Hansbrough says it will pass the senate.

GALATZIN MAY BE DEAD.

LONDON, Feb. 8.—It is reported here from Paris that Prince Galatzin was recently wounded in a pistol duel with his brother-in-law, Count Tschernadoff, at Basle.

THEODORE JR. IS VERY ILL

MRS. ROOSEVELT HASTENING TO HIS SIDE ON A SPECIAL TRAIN—THE LAD HAS ACUTE PNEUMONIA.

WASHINGTON, Feb. 7.—Mrs. Roosevelt, the wife of the president, left Washington at 4:50 o'clock this afternoon for Groton, Mass., where their son, Theodore, is lying seriously ill of pneumonia. She will arrive at Boston tomorrow morning at 7 o'clock. From Boston the first available train will reach Groton at 10:33 a. m. Mrs. Roosevelt is accompanied only by a maid.

The first information to reach the president and Mrs. Roosevelt of the illness of their son was received at the White house by telegram at 9:30 this morning. The message was sent by the president of the college where the young man is a pupil and stated in effect that a slight indisposition had developed into an acute and sharp attack of pneumonia and that he was seriously ill.

Another message received during the cabinet meeting stated that the young man's temperature was at 104. Arrangements were immediately set on foot for Mrs. Roosevelt's departure for Groton and since the first intelligence was received the president has been in almost constant communication by telephone and telegraph with the college faculty.

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COULD WENT IN VERY DEEP

SHORTAGE IN THE PLATTE VALLEY BANK IS LIKELY TO EXCEED \$150,000

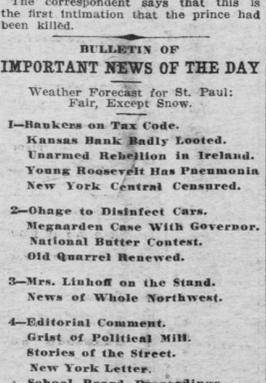
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POLICY OF DUPLICITY

SENATOR TURNER THUS CHARACTERIZES ADMINISTRATION'S TREATMENT OF FILIPINOS

INSTRUCTIVE FACTS LEARNED

Philippine Revenue Tariff Bill Is Criticized as Being in Conflict With the Constitution and Court Decision.

FRITCHARD GROWS HOSTILE

WASHINGTON, Feb. 7.—When the senate convened today it disapproved the amendments of the house on the urgent deficiency bill agreed to by conference and appointed Senator Halle and Addison as conferees on the part of the senate.

Mr. Gallagher (R., H.), chairman of the pensions committee, called up the pension appropriation bill, and offered an amendment, which was adopted, prohibiting the collection of any fee for aiding in securing the passage by congress of any special pension bill.

Senator Turner as Critic.

Mr. Lodge then called up the Philippine revenue bill. Mr. Turner criticized the bill, saying that it proceeded on the theory that we have international and constitutional dominion and sovereignty over the Philippines; but, arguing the case from that standpoint, he said it was in conflict with the clause of the constitution which requires uniformity in the laying of taxes, duties and imports.

MR. COCHRANE WAS SEVERE

ATTORNEY FOR WEST TURNS HIS BATTERIES ON STATE'S WITNESSES

P. McDONNELL TRIMMED UP

Because of the Character of His Testimony, and the Elks Also Come in for Some Criticism in Caustic Vein.

Special to The Globe.

GRAND FORKS, N. D., Feb. 7.—Mr. Cochrane continued his argument for the defense in the West case today, and at 4 o'clock he announced that he would reserve two or three points until morning, and it is not likely that there will be more than time for Mr. Bangs to testify for the state. The court's charge will be from 12:00 to 1:00 noon, and it will probably not be delivered tomorrow.

Mr. Cochrane today took up the doctrine of the "bullet through the path of the bullet through March's body was downward, descending over an inch and a half, and toward the left. By the use of a diagram drawn on a mammoth sheet of paper, he argued that with the bullet traveling at this angle from the horizontal, if the pistol was held at the high point indicated by any witness, the man could not have stood more than eight feet apart, if March stood erect, and that the lower gun was held the closer the men must have been together, if March was at a greater distance he must have been bent forward, therefore advancing. The path of the bullet from right to left, when March stood erectly facing West, showed that March must have had his right foot advanced. The elaboration of this theory was given considerable attention by the jury.

The morning session was marked by the scoring given P. McDonnell, who swore that March did not kick. Mr. McDonnell was given such a trimming as has seldom been administered in a courtroom. The Elks who had testified against West also came in for their share of the eloquence of the pleader. The roasting of McDonnell furnished a demented comedy which tickled the crowd, and there were numerous outbursts of laughter.

DULUTH BOY IS KILLED

FELL ON ICY PAVEMENT AND EXPLODED VERY QUICKLY.

Special to The Globe.

DULUTH, Minn., Feb. 7.—Christopher Maginnis, twenty-year-old son of John Maginnis, a prominent land attorney, slipped on an icy sidewalk tonight and fell, his head striking the pavement, and he died five minutes later. It has not been decided yet whether death was due to heart disease or concussion of the brain. The young man was with a friend and both were en route to a skating rink.

HIBERNIANS PROTESTING

AGAINST VISIT OF MISS ROOSEVELT TO ENGLAND.

Special to The Globe.

CINCINNATI, Feb. 7.—The United Irish Societies of Cincinnati, through their president, Joseph P. Kealy, have made a public protest against the visit of Miss Alice Roosevelt, daughter of the president, to England to attend the coronation of King Edward.

"Alice," the protest reads, "should be careful not to let the enemy-making English government use her presence in England to engender enmity between our nation and any one of England's many enemies. Her visit may be productive of much good if Alice could be induced to carry a prayerful petition containing the signatures of a million mothers for mercy for the Boer babies."

"If Alice should, through the hearts of the mothers of England, free a thousand Boer babies' heavy hearts from anguish, every four weeks she would not return to meet the sullen scorn of an offended people, but she would be met by love, the approbation and the joyous acclaim of every American mother and patriotic father in the land."

KING ATTACKED BY AN OSTRICH

BIG BIRD TOOK A KILLING DISLIKE TO KING GEORGE OF GREECE AND TRIED TO KILL HIM.

Special to The Globe.

LONDON, Feb. 7.—Anarchy has broken out in a novel and sensational way. It has made its dreaded appearance in the zoological gardens at Athens. Not only that, but, as in most cases, royalty has been the target for malicious vindictiveness.

The offender in the case is a huge ostrich, and its intended victim is the king of the Hellenes. Had it not been for timely assistance a throne might have become vacant and the courts of Europe might be thrown into mourning. King George paid a visit the other day to the gardens. One of the ostriches took a special dislike to the king. After uttering a peculiar shriek it made a dive at the aged monarch, but he dodged just in time to avoid a vicious kick, and the director of the gardens was almost felled by the onrush of the enraged bird.

It is said that the king at this critical juncture made for the entrance of the enclosure. The director had a severe battle with the ostrich, and only by the use of a heavy stick was he able to beat off the feathered anarchist and escape.

ORGANIZED FOR A FIGHT

MINNESOTA THRESHER COMPANY CREDITORS WILL GET A RUN FOR THEIR MONEY.

Special to The Globe.

BOSTON, Mass., Feb. 7.—New England stockholders in the Minnesota Thresher Manufacturing company are preparing for a battle royal in the courts against the creditors who seek to collect some \$500,000 from the defunct concern. They have organized and selected a committee, consisting of Frank H. Dewey, president of the Merchants National bank, Worcester; H. Howard Noyes, president of the Georgetown National bank; Christopher H. Wells, of the Great Falls National bank, Somersworth; N. H. Preston B. Keith, of the Home National bank, Brockton, and Frank L. Woodward, Merchants National bank, Norwich, Conn.

AN UNARMED REBELLION

Is Predicted for Ireland as a Result of Contemplated Rigorous Measures by England.

Special to The Globe.

LONDON, Feb. 7.—Ireland's vote and implacable attitude toward English rule were among the subjects that were anxiously considered at today's meetings of the cabinet. It is believed that the government intends to lay a heavier hand on the Nationalist agitation lest the situation become so serious as to require something like a military campaign to restore order and vindicate law in the disaffected island.

Government organs hoot the idea expressed by George Wyndham, chief secretary for Ireland, as to a frivolous character of the United Irish league. The Globe reminds the secretary that "no fewer than 322 branches of the league have subscribed a special fund for the defense of persons prosecuted under the Criminal Law Amendment Act, and declares that the government of the utmost gravity in Ireland." The home rule press deprecates a resort to rigorous measures and predicts a reign of unarméd rebellion leading to absolute militarism.

N. Y. CENTRAL CENSURED

STATE RAILROAD COMMISSIONERS USE HARSH WORDS CONCERNING THE TUNNEL

NEGLIGENT; UNPROGRESSIVE

Is the Term Applied to the Company, for Failing to Take Measures to Make the Tunnel More Safe Than It Is.

SOME SUGGESTIONS OFFERED

ALBANY, N. Y., Feb. 7.—The state board of railroad commissioners today handed down its decision regarding the recent disaster at White Plains. The decision censures the company for allowing an inexperienced engineer to run a train through the tunnel, and recommends that some time in the future the roof be taken off the tunnel, using bridges at intersecting streets. However, in this connection, it says that such a change would be intolerable unless electricity is substituted as the motive power for trains and recommends legislation to allow such change.

The commission finds that the company "has been negligent, derelict and unprogressive in failing to take measures to increase its terminal facilities," and that it has also been negligent in "failing to examine more closely into the qualifications of new engineers."

MARIA HALPIN IS DEAD

OBTAINED UNEQUIVOCAL NOTORIETY IN A CAMPAIGN.

Special to The Globe.

NEW YORK, Feb. 7.—Marie Halpin, whose name figured prominently in the campaign preceding the election of Grover Cleveland as president, died at her home in New Rochelle, a suburb in Westchester county, today, aged fifty-five years. Her son, aged twenty-five or thirty years, was present, but immediately after his mother's death, departed.

After the exciting campaign, Mrs. Halpin removed to New Rochelle, where she became the wife of Wallace Hunt, the proprietor of a zinc and tin store. Her dying request to her husband was that her funeral should not be too public, for she dreaded having strangers studying her dead face. She had been married three times and was a widow at the time of the Cleveland campaign.

Walking on the Water.

VIENNA, Feb. 7.—Capt. Grossman, who started today to walk down the Danube from Linz to Vienna, a distance of 30 miles, with his newly invented water walking shoes, has covered twenty miles of the distance. He is towing his wife in a small boat.

The Sunday Globe

Modern Fables—By George Ade

Pages Torn from History—By Billy Mac

Verses—Larry Ho

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