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A TRAVESTY

The supreme court of the United States has relieved the individuals, great and small, of payment of taxes on stock dividends and passed the burden to those who have no profits, no dividends and no surplus.

The decision of the court is entirely at variance with the intent of the act. The supreme court is expected to interpret a law only in accordance with the expressed provisions of the constitution and the intent of congress.

The constitution is the supreme law of the land, and when the congress passes a law at variance with the constitution the supreme court can and does declare such a law unconstitutional.

If the congress passes a law which is not clear in its provisions, where the intent of the congress is not plain, where there is a possibility of misunderstanding what the law means, the supreme court interprets the law, and if the construction placed upon the law is different from the intent of congress the congress repeals or amends the law to make its provisions clear and to square it with the constitution.

Nothing of the kind was involved in the decision of the court regarding taxation of dividends in the form of stock.

Some of the stockholders that have made so much money in the last few years on a rising market because the young men, the main strength, the producing element of the people, were away at war, have been amazed at the amount of taxes that would be required of them if they received their profits in cash dividends.

So some of them, whose dividends are so large that from 50 to 85 per cent of the profits would go to the government, have said to the corporations, "Hold the money and we will tell you how and when to give it. If you pay now we must pay it out in taxes."

Eventually it was decided that instead of paying the money to the stockholder, who would be compelled to give a part of it to the government, the corporation would use the money in the business and issue stock dividends instead. The contention is that stock isn't money, and nobody knows what it is worth, and therefore it isn't taxable; and the supreme court holds the contention to be sound.

The gigantic profits made during the past few years will be distributed by the profiteers in stock dividends and the profits will escape taxation, and, in addition, because of the increased capitalization, the percentage of profit will be reduced from two and three hundred per cent to one-half that amount, provided the stock issue is doubled, and the excess profit tax will be reduced correspondingly.

The supreme court makes it possible for the corporations to get an advantage in both directions.

If there is any way to prevent the evasion, Cordell Hull, member of congress from the Fourth Tennessee district, the author of the income tax law, will find it.

Perhaps he will find that the congress can pass an act that will prohibit the issuance of stock dividends, thereby requiring the corporations to pay the stockholders cash dividends; the government then would get its tax and the stockholder could purchase additional stock with what he had left after paying his legitimate taxes, which is the way other persons are obliged to do.

Until some remedy is found that the supreme court and the lawyers cannot successfully construe in the interest of the corporate interests, the man without a surplus must pay the taxes of the man who escapes payment of taxes on his dividends.

KAPP'S ENGLISH

Commenting upon the dispatch which said Dr. Wolfgang von Kapp, leader of the recent German revolution, "speaks perfect English, having been born in the United States," the Nashville Banner pronounces the description "a glaring non sequitur," and adds that "the doctor doesn't appear to have profited in any way much by the kind of tutelage he got in America; he didn't, anyway, imbibe much democracy."

The Banner, which has a reputation for knowing all things, of course knows that the father of Kapp came to America from Germany in 1848 because of the revolution. He was a lawyer in New York.

Wolfgang von Kapp was born in New York, was highly nervous, impulsive and morose, and because of the pride the father had in him, his refusal to study German, (perhaps even then he was polishing up his English), and the belief that a German education with its strict discipline would be better for him than an education in the United States, he was taken back to Germany at the age of 12. The average American boy of 12 has had very little opportunity to learn the blessed privilege of democracy, and at that age one transplanted in another country, especially in the country of his fathers, is more than likely to take on the mental attitude of his environment.

We are more liberally disposed than the Banner. Therefore it is assumed that the fault it finds is merely one of "translation." Perhaps the dispatch in the original said of Kapp, "Having been born in the United States he speaks English perfectly awful."

THE MINORITY

An overwhelming majority of the people of the United States want the peace treaty with Germany ratified. They want the United States in the league of nations.

Fifty-six senators voting for the reservation to Article 10 of the league of nations are eight short of the two-thirds required for ratification.

The 26 senators voting against the reservation can furnish the eight votes, ratify the treaty and adopt the league covenant, or the 26 senators can defeat the treaty and the league of nations.

If they assume the position they are commanded to take, and vote against the treaty because there are reservations to the league, then the responsibility for defeat rests with them.

The Democratic party is not prepared to go before the nation with responsibility for defeat of the treaty of peace and responsibility for the failure of the United States to become a member of the league of nations.

The people want the treaty ratified and they prefer a league of nations with reservations to no league at all.

All virtue and all wisdom are not vested in minorities. Because more than two to one of the senate membership favor reservations does not mean that the less than one-half have a monopoly on the patriotism of the senate, or represent the sum total of its intelligence.

It is true that only 26 members of the senate were patriotic and 56 were unpatriotic the nation would be in a very bad way. Only the person who thinks that is the situation is ailing.

This is not a government of minorities.

Ain't It a Grand and Glorious Feelin'—By Briggs

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Public Discussion

ABOUT THE NEW BANK BUILDING AT BLYTHEVILLE

To The News-Scimitar: It has come to my mind that the Farmers Bank and Trust company, the institution that I am president of, has been criticized, and I have been personally criticized for a matter that I want to explain to you, and I want you to give this publicity in your paper. The Farmers Bank and Trust company has an institution with \$50,000 capital and \$50,000 surplus, and has been doing a nice business and making some progress in a bank way for several years. We do not own one foot of real estate and do not intend to. We do not have a satisfactory home for our bank. The directors, Will Pyles, Herman Cross, A. C. Long, W. W. Hollister and B. F. Gay, being the larger stockholders of the bank, decided that we would build a building for the bank. Therefore, we organized the Blytheville Building company, an organization with a \$100,000 capital. The stock in this corporation is owned equally by the above named men. We are building the building that there has been so much talk about, and we are going to rent one room of this building to the Farmers Bank and Trust company. The bank will not have one dollar invested in this building. They will pay a reasonable rental. There are other rooms in the building that are rented for other purposes on long time leases. This building will bring us a rental, that is the Blytheville Building company, of \$10,000.00 per year. I will appreciate it very much if you will state these facts so that I will not be criticized and the bankers all over the United States will know that we were not so foolish as to build a building of the character, kind and cost that we are building out of the funds of the bank. Thanking you very kindly indeed, for your help in this matter, I beg to remain, Yours very truly, WILL PYLES, President.

AN OFFENDING TITLE

Before Jan Paderewski became prime minister of Poland and while he still devoted all his time to his piano, he was giving a series of concerts in London. He was haunted, while taking his walks, by a certain tune then in vogue. He asked his friends what it was, but none of them would tell him. Finally, being determined to find out, he grabbed a newsboy who was whistling "What is that tune?" he demanded roughly. The boy struggled, but would not try to find some other tune. Finally, from a safe distance, yelled back: "Get yer 'air cut." And it was not until some time after-ward that Paderewski discovered that the tune was the name of the song, and not a personal remark, as he had at first supposed.—Boston Post.

The Wonderful Stores of Oz, Old Jim, the Cab-Horse

By L. Frank Baum

The Wizard of Oz, Old Jim, the Cab-Horse

While the Wizard was explaining to Ozma what had happened to him and he ruled the Emerald City, a loud cackling noise was heard outside, you will remember me, and some boys were seen to see what it might be, and when he threw open the door with a low bow, a yellow hen strutted in. Dorothy spring forward and caught the fluffy fowl in her arms, uttering at the same time a glad cry.

"Oh, Billina," she said, "how fat and sleek you've grown."

"Why shouldn't I?" asked the hen, in a tipsy, unsteady voice, "I'm on the fat of the land—don't I, Ozma?"

"You have everything you wish for," said Dorothy.

Around Billina's neck was a string of beautiful pearls, and on her legs were bracelets of emeralds. She nestled her breast comfortably in Dorothy's lap until the latter gave a snarl of jealous anger and leaped with a sharp cry, flapping her wings and uttering a blow. But the little girl gave the angry kitten such a severe cuff that it jumped down again without daring to scold.

"How horrid of you, Eureka!" cried Dorothy. "Is that the way to treat my friends?"

"You have queer friends, seems to me," replied the kitten, in a surly tone. "Some of 'em, and some of 'em, and Billina, scornfully, "if that beastly cat is one of them."

"Look here," said Dorothy sternly, "I don't have any quarreling in the Land of Oz. I can tell you! Everybody lives in peace here, and loves everybody else, and that's the way it is. Billina and Eureka, make up and be friends. I'll take my Marie Bell and wish you were both friendly and sincere. If they were both much frightened at the threat, and promised meekly to be good. But it was never noticed that Dorothy became very warm friends, for all that."

"And now the Tin Woodman arrived, his body most beautifully nickel-plated, so that it shone splendidly in the brilliant light of the room. The Tin Woodman, who had been so long in the Land of Oz, and who had become very friendly with Dorothy, welcomed with joy the return of the little old Wizard."

"Nobody said he in the latter. 'I never can thank you enough for the excellent heart you once gave me. It has made me many friends, I assure you, and I shall be as sandy and loving to-day as it ever did.'"

"The kind to hear that," said the Wizard, "I was afraid it would get moldy in that tin body of yours."

"Not at all," returned Nick Chopper. "It keeps finely, being preserved in my air-tight chest."

Zeb was a little shy when first introduced to these queer people, but he soon grew so friendly and sincere that he soon even found some good qualities in the yellow hen. As he became more nervous again, when the next visitor was announced.

"Hello," said Princess Ozma, "my friend Mr. H. M. Woggle-Bug, T. E., who assisted me one time when I was in great distress, and is now the Dean of the Royal College of Athletic Science."

"Hi," said the Wizard, "I'm pleased to meet so distinguished a personage."

"H. M.," said the Woggle-Bug pompously, "means Highly Magnified, and T. E. means Thoroughly Educated. I am, in reality, a very big bug, and doubtless the most intelligent being in all this land. He became very nervous when he saw the Wizard, and said, 'But I don't recall your word in the least.'"

Daily Editorial Digest

This column is designed to reproduce without bias the latest comment by the leading newspapers and periodicals on the questions of the day.

Must We Join the League?

Secretary Daniels declares that if America does not join the league of nations it must build "incomparably the greatest navy in the world."

The Lincoln Star (Ind.) endorses the secretary's view, arguing that the league or against it. "We are, at present, 'the only powerful nation outside the league' and logically the task of supplying the antileague military strength falls upon this country's shoulders."

"Unless the United States is as strong as the league of nations," the Star argues, "it is subservient, in theory at least, to the league and might as well be a member of the league even though at the great sacrifice which the obstructive senators say it would mean to become a party. If the United States is not to become subservient there is but one road open, and that is an immensely enlarged navy and army."

"If we refuse to take a place in the league," declares the San Antonio Express (Ind. Dem.), "all the nations would consider themselves required, in 'defense' to go on enlarging their navies, with the result that our navy would force the United States either to discontinue all other countries in this respect, or sink to the position of second, third or perhaps fourth place among the nations of the world. The former is a humiliating position, and the latter, in the same mind, believing that 'by accepting reasonable reservations we can obtain the predominant position in the league,' and 'can escape the necessity for a great navy,' but that 'if a warring nation should suddenly appear, responsibility must be shared by the death battalion and the Wilson standing."

"The country is at peace or at war," submits the New York World (Dem.); "there is no middle condition. It must seek peace or prepare for war, and the Dayton News (Dem.) declares that, 'if the league is not accepted, the United States will be in a position to hard-headed business men, as well as the strict and predominant position in the affairs of the nation, can easily imagine that the safety of America will depend in large measure on our sea power.' The Wichita Leader (Ind.) points out that:

"A nation that lately were our associates in war owe us great sums of money, and many of them would be glad to see us with our hands on their necks and refuse to pay their debts, if they thought they could succeed in the league. If we do not join the league with them, they are bound to join a league against us."

"Besides the cost of building the largest navy in the world," the Albany Argus (Ind. Dem.) reminds us, "thousands of our young men will have to be taken from their homes to pursue a course of man, the extra warships," and the Utica Observer (Ind.) thinks it "unfortunate that the United States is not in advocating arbitration, international courts and law, reductions of armies and navies, and other measures in support of Secretary Daniels' position. Of the other side, the Fargo Forum (Rep.) denounces Mr. Daniels as 'our chief Jingo,' pointing out that we need no great navy for 'defensive purposes,' and that we are already over-equipped."

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The Question Box

Q. How did the custom of tipping originate? A. E. S.

A. The custom is believed to have had its origin in the "King's Head," a coffee house in London, about a century ago. It was there that the custom of tipping originated, which abbreviated tips "T's."

Q. How long has soap been in use? A. G. W.

A. Soap was known to Phoenicia, the historian, both as a medical and cleansing agent. He speaks of it as a Gallic invention used to give brightness to the hair. Soap is believed to have been brought to Rome from Germany. The first factory for the manufacturing of soap was established at Marseilles, France, in the 13th century.

Q. What church did Washington belong to? A. W. W.

A. Washington was a member of the Protestant Episcopal church. Shortly after his marriage Washington was chosen vestryman in a church near Mount Vernon, Va., and also in Christ church, Alexandria, Va. Each of these churches is still in existence.

Q. Why is 13 considered unlucky? A. M. J.

A. This superstition is supposed to be based on Leonardo De Vinci's famous painting, "The Last Supper," which shows 13 figures, the central one being that of Christ. Some people, among them President Wilson, do not regard 13 as an unlucky number. The fact, they say, is shown by the fact that Christ appeared on earth 13 times after he was crucified.

Q. When was the first world's fair held? A. E. H.

A. The first important world's exposition was held at Crystal Palace, London, in 1851. In the United States the earliest notable exposition was that held in Fairmount Park, Philadelphia, in 1876, marking the centennial festival of the American Declaration of Independence. This was followed in 1893 by the World's Columbian Exposition at Chicago.

Q. Did the idea of war savings stamps originate in this country? A. P. F.

A. The sale of war savings stamps originated in Germany, where the British government to raise money for the carrying on of the war. When the United States entered the war, Frank K. Vanderbilt, one of the leading bankers in the country, suggested that the plan be used here.

Q. What is meant by "sterling silver"? A. B. A.

A. It means pure or genuine silver. Sterling purity refers to the content of Great Britain, which is 92.5 per cent of the metal. The high standard of the gold and silver in the United States is the same as that of the position of Britain, that standard can stand for a silver of high quality.

(Any reader can get the answer to any question by sending it to the Editor of the Mercury in care of the Editor of the Mercury, Washington, D. C. This offer applies strictly to inquiries of a general nature, and not to legal, medical and financial matters. It does not attempt to settle questions of fact, or to give authoritative research on any subject. Write your question plainly and briefly, give full name and address, and enclose a one-cent stamp for return postage. All replies are sent direct to inquirer.)

HOROSCOPE

FRIDAY, MARCH 19, 1920. (Copyright, 1920, by the McClure Newspaper Syndicate.)

This day the sun smiles on mankind according to astrology. Early in the morning Mercury is in benefic aspect. Fair fortune should attend all who have personal ambitions to promote. It is a favorable time for business, and seek place or honor that can be bestowed by persons of wealth or high position.

The signs are promising for the president of the United States, who will gain much acclaim through some public document or diploma. It should be a lucky away under which to be recalled, that changes in the president's cabinet were prognosticated long ago and now the seeds of change that in the coming year there will be a vacancy caused by illness or disability.

The national capital comes under a government of the stars that presages metropolitan growth. Increase in real estate values will be seen greater than not expected, owing to some condition not usually taken into consideration.

Great heat will be experienced in Washington, D. C., during the coming summer. If the stars are read aright, the children born on this day are likely to be quick and clever. These subjects of Pisces are on the cusp and so are likely to have Arctis trua.

The young lady across the way says we don't seem to have statesman any more of the type of Abraham Lincoln and Daniel Webster and the other signers of the Declaration of Independence.