

PROPOSED TAX ON FORTUNES

True Meaning of President Roosevelt's Suggestion for Inheritance Tax.

SCOPE AND POSSIBILITIES OF SUCH LAW

How it Works in a Majority of States—Great Britain's Inheritance Tax, Present Rate and Proposed Increase.

The suggestion made by President Roosevelt at the laying of the cornerstone of the office building of the house of representatives for an inheritance tax so graduated as to check the growth and prosperity of great fortunes in the United States is reviewed and analyzed by Frederick Boyd Stevenson in the Brooklyn Eagle. The writer calls attention to the fact that such a law was in force for four years in this country following the Spanish-American war, and also that the majority of the states now have complete working inheritance tax laws on their statute books. In part, the writer says: "Within a comparatively short time there have grown up in the United States the wealthiest of millionaires. There are, for instance, seventy Americans who are worth on an average \$3,000,000 each. In New York City alone the estimated total wealth is \$12,000,000,000, and it is stated that the wealth is increasing at the rate of \$1,000,000 a day. In New York there are twenty-eight millionaires in New York City. Today there are 2,000. In Philadelphia in 1845 there were ten millionaires, one of the richest of whom was Stephen Girard, whose fortune was estimated at \$1,000,000. Now there are more than 200 millionaires in that city. The concentration of wealth to which President Roosevelt calls attention has grown with the accumulation of riches. Without entering into a dissertation as to whether or not the poor are growing poorer, there seems to be no question that the rich are growing richer. It is said that one-third of the families in America have incomes of less than \$400 a year; more than one-half less than \$600; two-thirds less than \$800, and one in twenty not more than \$1,000, while on the other hand it has been computed that nine of the wealthiest Americans, after John D. Rockefeller, are worth \$1,000,000,000 between them, including Andrew Carnegie, said to be worth one-third that sum. Twenty other men, it is said, control the remaining wealth of the country represented by stocks and bonds.

Unequal Distribution.

Dr. Spahr ten years ago, in his "Present Distribution of Wealth," estimated from an examination of the records in New York state, outside of New York City, that seven-eighths of the families held but one-eighth of the national wealth, while 1 per cent of the families held more than the remaining seven-eighths. The average wealth of the nation then was \$65,000,000,000. As far back as sixteen years ago Thomas G. Shearman, a well-known corporation lawyer, prophesied that in thirty years the United States will be owned by less than one in 50 of the male population of the country. According to the 1905 issue of Social Progress, a reliable year book edited by Josiah Strong, president of the American Institute of Social Service, nearly one-half of the banking power of the United States is in New York and the other eastern states. "Of the aggregate loans made by the national banks on September 15, 1902, amounting to \$2,380,127,480," says Social Progress, "the amount outstanding in the banks of New York, Chicago and St. Louis, the three central reserve cities, was \$773,000,000. Examinations show that concentration of control of these great city banks has gone so far that a comparatively small group of capitalists possess the power to regulate the flow of credit in this country. In the last analysis it is found that there are actually only two main influences, and that these are centered in Mr. Morgan and Mr. Rockefeller. It is possible to express in approximate figures the extent of the Morgan influence. It is as follows: Insurance companies, assets, \$1,660,000,000; banks and trust companies, deposits, 600,000,000; Railroad capitalization, par value, \$4,471,371,500; United States Steel corporation, par value, 1,828,000,000; International Mercantile Marine, par value, 136,000,000; General Electric, par value, 45,000,000.

ITCHING PAINFUL SORES ON HANDS

Suffered for a Long Time Without Relief—Had Three Doctors and Derived No Benefit—One Doctor Was Afraid to Touch Them—Soreness Disappeared and Hands Now Smooth After Application of CUTICURA SOAP AND CUTICURA OINTMENT

"For a long time I suffered with sores on the hands which were itching, painful, and disagreeable. I had three doctors and derived no benefit from any of them. One doctor said he was afraid to touch my hands, so you must know how bad they were; another said I never could be cured; and the third said the sores were caused by the dipping of my hands in water in the dye-house where I work. I saw in the papers about the wonderful cures of the Cuticura Remedies and procured some of the Cuticura Soap and Cuticura Ointment. In three days after the application of the Cuticura Ointment my hands began to peel and were better. The soreness disappeared, and they are now smooth and clean, and I am still working in the dye-house. I strongly recommend Cuticura Soap and Cuticura Ointment to any one with sore hands, and I hope that this letter will be the means of helping other sufferers from truly yours, Mrs. A. E. Maurer, 2340 State St., Chicago, Ill., July 1, 1905."

MOTHERS! MOTHERS!

To know that a warm bath with Cuticura Soap and a single anointing with Cuticura, the great Skin Cure, and purest and sweetest of emollients, will afford instant relief and refreshing sleep to skin-tortured babies, and rest for tired and worn-out mothers.

International Harvester, par value, \$20,000,000; Other industrial, par value, \$60,000,000. Total, \$80,000,000. Trust Capitalization. Moody's Manual for 1901 contains a list of 22 industrial trusts, including traction and other kindred companies. The most important of these trusts—thirty-one in number—have a capitalization of \$50,000,000 or more, the aggregate capitalization being more than \$4,000,000,000, and all bear evidence of being controlled by the same capitalists. The statement was made by Representative Charles E. Littleton that there were 730 trusts, capitalized at over \$4,000,000,000, not including the railroads, which are capitalized at over \$1,000,000,000 more.

A Working Example.

The scope of an inheritance tax is undefined so far as the practical permanent working of it in this country is concerned. However, a very good example of the system was shown by the war revenue law of 1898, amended in 1902 and in force for four years. The section relating to legacies and distributive shares of personal property provided that such property, exceeding the sum of \$10,000, passing by will or transferred by deed, grant, bargain, sale or gift, made or intended to take effect after the death of the grantor, should be subject to a duty or tax to be paid at a rate to be governed according to the circumstances governing it. Thus where one was entitled to any beneficial interest in the property as the legatee, heir, or next of kin of the deceased person, the rate of the tax was fixed at 5 cents for each and every \$100 of the clear value of interest in such property. Again, where the beneficiary was a descendant of a brother or sister of the deceased person, the rate was \$1.50 for every \$100 received. Or, in the event that the beneficiary was the brother or sister of the father or mother of the deceased person, the rate was \$2 for every \$100. Where the beneficiary was the brother or sister of the grandfather or grandmother of the deceased person, the rate was \$4 for every \$100 received. A fifth clause provided that where the beneficiary was a stranger in blood to the testator that the rate should be \$5 for every \$100 provided that all legacies or property passing by will or by the laws of any state or territory, to the husband or wife of the testator should be exempt from tax or duty. The clause enumerating the taxes on other amounts provided that where the sum bequeathed exceeded \$5,000, but not more than \$10,000, the rate of duty should be one and one-half, and where the amount of value of the property exceeded \$10,000, but not \$50,000, the rates of duty were multiplied by two; where the value exceeded \$50,000, but not \$100,000, the duty was multiplied by two and one-half, and where the sum exceeded \$100,000 the rate was multiplied by three. Requests for religious, literary, charitable and educational purposes were exempt from taxation.

War Tax Returns.

From a financial standpoint the inheritance tax during the life of the war revenue acts proved a success, the gross total receipts from that source during the four years amounting to \$14,174,702, while the gross total receipts from all the items included in those acts during the period was \$20,371,764. The fiscal year ending June 30, 1902, the inheritance tax amounted to \$5,211,886, which was about 12 per cent of the total receipts of the internal revenue department for that period. Based on the wealth of the nation, which at that time was \$65,000,000,000, the receipts from the inheritance tax today would be in a corresponding ratio, when the wealth has increased about one-third—\$65,000,000,000 annually. Or, if we take the lowest rate of the inheritance tax levied during the enforcement of the war acts, we should have receipts accruing from the inheritance tax today amounting to another of the total national wealth of today—\$4,000,000,000—the sum of \$705,000,000, about \$15,000,000 less than the total expenditures of conducting the United States government last year. But with the much higher rate for bequests where the descent is not direct it is probable that with an inheritance tax in force the government would have received last year enough additional revenue from this source to have made good the deficit of \$20,000,000 in the governmental accounts. Those who favor an inheritance tax maintain that the man worth \$50,000,000 requires just fifty times as much police protection and other care from the government as the man worth \$1,000,000, and on this basis they urge that, in receiving a fortune as a gift, for which he exerts no personal efforts, he should contribute to the general revenue of the state. Of course, the estimates that have been given might not be applied in working out a new scheme for an inheritance tax should such a measure be contemplated. They have been presented merely as an illustration of the possibilities of such a system.

W. T. Bell proposes to increase this graduated scale as follows:

Table with 3 columns: Amount, Rate, and Total. Rows include: Above \$50, not exceeding \$100 (1%); Above \$100, not exceeding \$500 (2%); Above \$500, not exceeding \$1,000 (3%); Above \$1,000, not exceeding \$5,000 (4%); Above \$5,000, not exceeding \$10,000 (5%); Above \$10,000, not exceeding \$25,000 (6%); Above \$25,000, not exceeding \$50,000 (7%); Above \$50,000, not exceeding \$100,000 (8%); Above \$100,000, not exceeding \$250,000 (9%); Above \$250,000, not exceeding \$500,000 (10%); Above \$500,000, not exceeding \$1,000,000 (12%); Above \$1,000,000, not exceeding \$5,000,000 (15%); Above \$5,000,000, not exceeding \$10,000,000 (20%); Above \$10,000,000, not exceeding \$50,000,000 (25%); Above \$50,000,000, not exceeding \$1,000,000,000 (30%); Above \$1,000,000,000, not exceeding \$5,000,000,000 (35%); Above \$5,000,000,000, not exceeding \$10,000,000,000 (40%); Above \$10,000,000,000, not exceeding \$50,000,000,000 (45%); Above \$50,000,000,000, not exceeding \$1,000,000,000,000 (50%).

Exceptions to Scale—That in the case of a second death within three years of the first, the duty, only one-half of the rates be levied.

That estate should, by reason of the operation of this scale, be reduced to less than \$5,000. That duties should be allowed to be paid by annual instalments extending over ten years, with 3 per cent interest added. In the last report of the commissioner of inland revenue for Great Britain it is shown that the receipts from death duties for the year 1905 amounted to £2,089,502, three times as much as the receipts in the United States from the collection for any one year of the inheritance tax during the enforcement of the war revenue acts.

Laws of Various States.

In more than one-half the states in this country an inheritance tax is already in force. In Alabama there is no tax, but the constitution of 1901 provides that the legislature may levy such a tax. In Arkansas the inheritance rate is 5 per cent. In California all property passing by will or by intestate laws is subject to a tax of 5 per cent and the administrator is required to deduct the tax before delivering the property. In Colorado there is an inheritance tax varying from 2 to 3 per cent of each share of the property received. In Connecticut the rate is from 1/2 of 1 per cent to 3 per cent. The rate in other states and territories where an inheritance law is in force is as follows: Delaware, 5 per cent; Illinois, 1 per cent on excess of \$20,000 for legitimate issue; 2 per cent on excess over \$2,000. In all other cases 2 per cent on minimum under \$100,000; 3 per cent on \$100,000 to \$20,000; 5 per cent on \$20,000 to \$50,000; 6 per cent, over \$50,000. In Iowa,

WILL MAKE HIS OWN PENNIES

Uncle Sam Takes over the Business Hereafter Done by Private Concerns.

Uncle Sam will make his own pennies in future. The treasury has taken over the business from the private concerns, which for many years manufactured these small coins for the government, and intends for all time to come to turn them out with its own machinery.

The treasury has always stamped its own pennies with the design of the Indian's head and the wreath on the reverse enclosing the words "One Cent"; but the coins, lacking only this finishing touch, have been made for many years in Waterbury, Conn., whence they were shipped in the shape of "blanks" (otherwise known as "planchets") in strong wooden boxes. They used to cost the government, in this form, only twenty-four cents a pound, whereas today, owing to the rise in the price of copper, when home-made, for less than 20 cents a pound of blanks represents 146 pennies.

If 1 cent a pound be added for the expense of stamping them with dies, it will be obvious that Uncle Sam is able to manufacture 146 being next in point of size, while Massachusetts was third and Pennsylvania fourth. To make this number of cents required 525,228 pounds of copper, 16,548 pounds of tin and 11,252 pounds of zinc, the two latter metals entering into the composition of these coins to the extent of 3 per cent and 2 per cent respectively, for as a matter of fact the so-called copper cent is in reality a bronze cent, the alloy employed having the advantage of hardness, durability and satisfactory retention of polish.

SUNNY SIGNS OF THE TIMES

Joys that Took the Rough Edge from Misfortune in San Francisco.

It is not difficult to understand why it was that Nero fiddled while Rome was burning. The signs on the walls of San Francisco seem to be written in the same spirit of humor that led Nero to fiddle. It was altogether the most amusing thing that anyone in Rome was doing at the time.

On the side of one of the curbstone kitchens on Sacramento street some uncrowned Nero wrote:

"Eat, drink and be merry, for tomorrow there may be another earthquake."

It wasn't meant to be taken too seriously. Anyone could see that it was a joke. And as a joke it was more helpful than another wall sign, which read:

"Unless ye repent, ye shall all likewise perish."

And, by the way, the context from which that sentence was taken admonishes us not to imagine that those who perished were sinners.

A church in the Western addition had a sign painted over its door. One word was in big, flaming letters, and that one word was—"hell."

An inscription below, in smaller characters, gave the added information:

"At 7:45 p. m. Sunday."

But to return to the humorous side of it. Those inscriptions on the sides of the curbstone kitchens represent the greatest comfort of the hour, and they were literally covered with jesting.

"Don't kiss the cook!" That was what somebody chalked on the side of his cook house. "Balmi of duck all the time; lobster Neuberger ready soon," was the cheerfull, if not accurate, bill of fare displayed on another.

All the famous restaurants of San Francisco had located on the curbs—if you believed the signs on the streets. One was called the "Fairmont" and another across the street advertised the greatest delicacy, "The Wayside Inn" and the "Inside Out" were neighbors, and the "House of Mirth" looked a little like one of those New England barnyard structures that are put up at Thanksgiving for the smoking of hams and bacon.

"Earthquake shakes" were advertised at 5 cents per glass, and the "Do-drop In" was the caption of a rustic kitchen composed of window blinds, re-enforced with matting. One, less optimistic, wrote:

Out in the cold world, Out in the street, But it was not long before someone added:

But what's the use of kicking When you've got your feet on the street? Someone advertised here:

"House of Mystery pies, 11."

Over the tables in one of the more pretentious restaurants was the printed advice:

"If the waiter does not please you, shoot him; but for God's sake don't shoot the cook, for we can't get another. He's doing his best."

"Water, both fried and boiled," was some humorous idea of what the Board of Health meant by writing in chalk on all the blind walls advice not to drink uncooked water.

Appropos of the Board of Health, its industry led it to placard the city with minute instructions, which were usually unmentioned things.

One unconscious humorist advertised "fried eggs" at a reasonable rate, but he was almost equaled by two doctors who advertised that they "has moved." Evidently the trembler made them both feel small.

The commercial signs took the spirit of humor where the rustic kitchen left off, when the gas was turned on in the houses.

"Bates opened free for those who are unable to pay," was the rather puzzling sign displayed at the foot of Market street.

At the top of a flight of marble steps that no longer led anywhere was a marble slab taken from the ruins and doing duty as a directory of the tenants who had been "forced to move on account of alterations on April 11."

"We want you to know that we are still alive and quite well," was the sign that appeared at the peak of a heap of ruins on Market street.

"Pushed to the wall, but coming through, and expect to land at No. — street," indicated that one firm had not lost its ability to see the funny side of things.

Over the skeleton of a temporary structure on Fillmore street is the following poetic flight:

Hold the fort, for we are coming, And coming mighty strong; I won't be long till things are humming, And we'll help you along.

"Lots cleaned" was a sign of doubtful import, but the statement of one art repairer that "No job is too difficult for us" expressed the spirit of the times to a nicety.

"The bakery that fed San Francisco without light and without power" acknowledged its pride all over the town, and a merchant who got a corner lot for his temporary shack expressed his pleasure in large letters by the statement that "he hasn't got the clothing market cornered, but he has got a corner in the new clothing district," and he added that his stock was coming "as fast as the choo-choo cars can bring it."

"As soon as the kinks are straightened out," is the way a railroad office set the time for its return to its Market street office; and a lawyer hung out a sign from the tenth story of a ruined skyscraper with the information that he had "moved because the elevators were not running."

San Francisco Chronicle.

No trouble to find lost articles if you advertise for them. "Lost" columns on the Bee want ad pages.

YOUR CREDIT IS GOOD

Money Refunded If Purchase Not Satisfactory

as devised by THE PEOPLES' STORE for the benefit of its many customers is founded on broad principles and improved methods. It does not discriminate. It has no embarrassing or restricting clauses. It is a business courtesy which we are glad to extend to you upon the most liberal arrangements. We make the terms of payment to suit each individual purchaser. No ironclad rules. Just an easy payment system devised for your accommodation.

LADIES' WASH SKIRTS—Just received a new shipment of new wash skirts, made of linen, new lawn effects, very new, tucked flounces, circular styles, regular \$5.00 values, special for Saturday at \$2.95.

LADIES' PONGEE COATS—Made of washable pongee embroidered collars, loose box back, regular \$5.00 values, on sale Saturday—special, at \$2.95.

LADIES' WASH SUITS—Waist made tucked, embroidered front, Valenciennes lace edging, skirt cut full and tucked, never sold for less than \$5.00—special for Saturday, at \$2.95.

MILLINERY All our five and six dollar hats, in our millinery department, will be sold Saturday at \$2.95. No reserve—this means all.

The Montgomery Clothing Sale That we started last week, has proven such a success that we decided to continue it one more week. The original stock was very large and there still remains a good assortment of the latest styles and patterns to select from. One sale Saturday at—

\$10.00 - \$8.50 - \$7.50

MEN'S UNDERWEAR We have a very large assortment of men's plain and fancy summer underwear, at— 50c and 25c

MEN'S STRAW HATS Hot weather brings the demand for straw hats. Our line is a large one and includes the newest shapes, at— \$1.50, \$1.00, 50c

BOYS' PLAY SUITS Made in rough rider style, in light weight materials for summer wear, sizes 4 to 12 years—special sale price— 50c

DOCTORS FOR MEN

First symptoms of men's diseases

Stricture, Varicocele, Emissions, Nervo-Sexual Debility, Impotency, Blood Poison (Syphilis), Rectal, Kidney and Urinary Diseases,

STATE MEDICAL INSTITUTE 1308 Farnam St., Between 13th and 14th Sts., Omaha, Neb.

Letter's GOLD TOP The Perfect Beer Commands Attention

Because of its purity, healthfulness and unsurpassed flavor.

The lady with a case of GOLD TOP is always prepared for unexpected guests, for what could be more welcome when the weather is hot than a glass of the sparkling foam-created Gold Top.

We will send a case to your home.

Letter Brewing Co. Tel. No. 8, South Omaha.

ALLEN'S FOOT-EASE A Certain Cure for Tired, Hot, Aching Feet. DO NOT ACCEPT A SUBSTITUTE.

Advertisement for THE PEOPLES STORE, LEADERS OF LOW PRICES, 16th & FARNAM STREETS, OMAHA. The Peoples Furniture and Carpet Co. Established 1887.

Advertisement for THE MONTGOMERY CLOTHING SALE, featuring men's underwear, straw hats, and boys' play suits.

Advertisement for DOCTORS FOR MEN, featuring State Medical Institute and Letter's Gold Top beer.

Advertisement for ROCK ISLAND EXCURSIONS, listing various routes and rates.

Advertisement for ALLEN'S FOOT-EASE, a certain cure for tired, hot, aching feet.