

THE OBSERVER

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TAX COMMISSION STANDS FIRM.

The fact that there has been so much said regarding the taxing of notes, and the further fact that there is a question in the minds of many relative to this important matter, has caused the commission to make a detailed statement of its stand, which is herewith reprinted:

Right now we want it to be plainly understood by the county assessors and by others who may be interested, that the letter of July 15 has not been withdrawn or amended, either in word or spirit, neither will it be. Attempt has been made in certain quarters, either through ignorance of the law or through deliberate purpose to misunderstand the law and the intention of this board, to misrepresent the letter and pervert its meaning. But anyone who is even tolerably familiar with matters of taxation knows that there are vital differences between a tax on mortgages and a tax on mortgage notes.

To summarize differences between a mortgage tax and a mortgage note tax: The former is in effect a tax on real property, the latter is a tax on a certain class of personal property; the former is applied at the situs

of the land, and the latter at the domicile of the owner, or of the person actually in possession; the former tax can be assessed against both residents of the state and against non-residents, the latter can be assessed only against residents, the note or other credit must be actually within the state, either in the hands of its owner or of an agent, or otherwise localized for permanent, as distinguished from temporary use.

It can of course be readily seen that the general effects of mortgage tax and of mortgage note tax are decidedly different. Under a mortgage tax resident and non-resident creditors are on the same footing. The tendency of such a law is to frighten outside capital and keep it away from the state. Under a tax on mortgage notes and other credits, the home creditor is at a disadvantage as compared with the non-resident creditor. Where fully understood, the tendency of such a law is to encourage investments of outside capital in the state; for the non-resident creditor, holding his notes and securities at home, cannot be taxed for them here.

We contrast this situation with one of a few years ago when capitalists living in one of the Eastern Oregon counties, requested that we direct the assessor of that county not to assess their notes for the reason that this enforcement of the law placed them at a disadvantage as compared with the capitalists living in the state of Washington. Naturally, and properly, too, they don't like the idea of being taxed on their notes, whether the money is placed at home or abroad, while Washington capitalists compete with them for Oregon loans and, holding their notes in Washington, pay no tax in either state.

In view of every fact in the case, newspaper comments about the Tax Commission trying to restore the mortgage tax are silly. We are not trying to resurrect the repealed law, and couldn't if we would; but we are trying to enforce existing laws, laws as vital and binding as any on our statute books and laws, furthermore commanded by our constitution to remain as part of our scheme of taxation.

Even if the members of this commission wished to do so they could not, without disregarding their plain duty and their oaths of office, give any other instruction to the assessors than it is possible for them to list of money and credits, including notes secured by mortgage and those not so secured. Furthermore the assessors have no discretion to exempt this property.

HOW HE SEES IT.

The North Yakima Republic editor has the following to say regarding prohibition:

"No thoughtful man who wants good government and a decent neighborhood to live in need go farther away from home than the neighboring state of Oregon for object lessons which will convince him that the county unit is no panacea for the ills of the liquor traffic. If he doesn't want to travel over that state, as this writer has done twice in the last few months, it ought to be enough for him to read in the newspapers of the fruitless efforts which are being made in all of the larger towns of 'dry' counties to enforce a law not backed up by public sentiment. Only this week, in a town not so large as North Yakima, made 'dry' against the will of its people, over 40 illicit whiskey dealers were arrested, and yet the authorities confess they are making not the slightest headway against the unlawful business."

Augmented membership to the commercial club is now a practical certainty and with it will come activity in a way that will be sure to count for much good to La Grande. The time is at hand for the business people to unite in an effort to emblazon the name of the city not only in the minds of all local people, but to carry it into other states where men are looking for good investments and a splendid place to live.

The music of a steam roller is about as sweet to the ear of the progressive citizen as notes from grand opera. The snort of the engine means a bigger and better city. Completion of hard surface streets is the initial step to permanent and lasting advancement.

CANDIDATE'S CARD

S. F. WILSON, Athena, Oregon, candidate for joint senator for Umatilla, Union and Morrow counties subject to decision of republican primaries. "I firmly believe in the direct primary law, economy in the use of public funds, good roads, better schools, strict and prompt enforcement of law, the square deal and eternal progress of man and his institutions."

Beveridge to Speak.

Indianapolis, Ind., Aug. 3.—United States Senator Albert J. Beveridge, his democratic opponent for the senatorship, John W. Kern, and Congressman J. A. Adair are among the speakers advertised for the annual reunion of the old settlers of Jay and Randolph counties, to be held at Ridgeville, Ind., today.

Miss Dix to Wed.

New York, Aug. 3.—Miss Margaret Dix, daughter of the late Rev. D. Morgan Dix, will be married today to Mr. Charles B. Lawrence of Mt. Kisco, where Mrs. Dix and her daughter are spending the summer.

Ohio Building Men.

Canton, O., Aug. 3.—The Ohio State League of Building and Loan Associations convened here today for an annual meeting. The session will continue through tomorrow.

Bids for New Bridge

Rochester, N. Y., Aug. 3.—Bids will be opened today for the proposed Central avenue concrete bridge. The estimated cost of the structure and its approaches is \$160,000.

Rochester Harness Meet.

Rochester, N. Y., Aug. 3.—Rochester will have two days of harness racing at Crittenden park today and tomorrow. Today's program consists of three trotting and three pacing races.

Anglers Tell Fish Yarns.

Thousand Island House, N. Y., Aug. 3.—The St. Lawrence River Anglers' Association met here today in their annual meeting.

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Ballot Is of No Use to Women.

By HENRY WATTERSON, Journalist.

MAN has no inalienable rights that woman has not. But God and nature have given a woman a FIXED PLACE IN THE WORLD—a great place, which she cannot change. I deplore the agitation for woman suffrage and the other related subjects, because I think it tends to create sex antagonism. Woman is the moral light of the world. Without her influence men would be ravaging wolves and there could be no civilization, but the BALLOT WILL NOT HELP MATTERS.

WOMAN SUFFRAGE MAY WORK FAIRLY WELL IN SPARSELY SETTLED COMMUNITIES LIKE COLORADO, BUT IF IT PREVAILED IN THE COUNTRY AT LARGE IT WOULD DEBASE WOMANHOOD.

You will find that most of the advocates of woman suffrage are DISCONTENTED OR CHILDLESS unless they are the society women who, having exhausted the excitement of other amusements, have taken it up as a fad.



Daddy's Bedtime

Story—How the Little Pig Was Fooled

"PIGS are not very clever animals, are they, daddy?" asked Evelyn, who had seen a performing pig at a circus and thought it great fun to see the animal go through its tricks.

"No," said daddy. "As a rule they are not. But I once heard about a piggy which fooled a farmer and was later fooled himself by the farmer. I shall tell you about it this evening."

So that evening daddy began: "Once upon a time there was a farmer who had a large patch of potatoes. The potato plants were coming up finely, and when the farmer looked after the potatoes he saw that they were doing very well indeed. They were about the size of hen's eggs, and the farmer thought he would have a fine crop. But one morning the farmer noticed something wrong with his potato patch. Some of the vines were rooted up, and some of the potatoes were gone. Of course he wanted to learn who the thief was—he wasn't going to grow potatoes for any one who wanted to visit his fine patch and help himself, said the farmer—so he made up his mind to watch until the thief should come along and then surprise him.

"He hid himself among some bushes. But he saw nothing for a long time, and he was just about to give up, greatly puzzled, when he saw one of his own pigs, a fine, young, half grown porker, come slowly up the road. 'That can't be the potato thief,' said the farmer. 'He can't get into the patch through the new fence. It must be some one else who is helping himself to my nice young potatoes.'

"But couldn't he, though! That was a pretty wise young pig, I tell you. He had found a way to get at the potatoes, and this was the way: One corner of the rail fence rested on a large hollow log. That hollow log was shaped like a stovepipe elbow. One of its ends was inside and one was outside the potato patch. The pig went straight to the log, crawled through and, coming out at the other end, found himself in the field. He was just starting in to root up the potatoes when the farmer called his dog and drove him out of the field.

"I'll fix Mr. Pig," said the farmer. Then he turned the hollow log around so that both its ends were outside the field. Then the farmer hid again and waited. Along came Mr. Pig again. He crawled through the hollow log as before, but instead of finding himself in the patch there he was out in the road again. He was the most surprised pig in the world. He wondered what was wrong. He tried again and again, but it was no use. The farmer laughed at him, and at last poor Mr. Piggy gave up trying to reach the nice new potatoes."

THE BLACK HAND.

Origin of the Name of This Group of Daring Criminals.

According to the United States secret service, the Black Hand is a title common to innumerable groups of criminals operating under the direction of some secret central government. These men are blackmailers, using murder, arson, kidnaping and bomb throwing as punishments for those who will not submit to their iniquitous demands. Black Hand is, in short, a handy name for a brand of crime peculiar to Italian criminals who are successful in it because of the temperament of the foreign immigrants and their inborn dread of the extortionist. Whether the central government which guides the Black Hand society is located in the United States or in Italy is something which neither the Italian nor American authorities can discover. United States officers say the name of the American Black Hand emanated from Chicago about ten years ago, when one of the first of many mysterious murders in the Italian quarter remained unsolved. The victim of the murder had received a warning that death would follow his failure to contribute a specified sum of money. The letter was embellished with a crude drawing representing a fist clutching a dagger. The fist and dagger gave the name Black Hand—later to become unpleasantly familiar to every citizen of the country—and the sinister sketch was soon a source of terror to all law abiding Italians.—Wide World Magazine.

FARMERS' BUSINESS

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