

STATE OFFICIALS
HIT TAX "REFORM"Governor Joins Commissioners
in Condemning Proposed
Amendment.

SCHEME IS SHOWN UNFAIR

Oregon League Also Files Argument
Calling Measure "Ruinous to
Trade and of No Economic
Value in Real Reform."

SALEM, Or., July 23.—(Special.)—Governor West, Secretary of State Olcott, State Treasurer Kay, Tax Commissioners Galloway and Eaton and seven members of the Legislative Tax Commission have gone on record as being strongly opposed to the proposed graduated single tax amendment which will go before the people in November.

In a negative argument filed with the Secretary of State they point out the inequality of the measure, the unconstitutionality and illegality of the proposed amendment and cite examples wherein it is asserted equal protection of the laws will be denied under the bill.

"The real purpose of this measure is to impose on the people of Oregon a slightly modified form of single tax," says the argument. "It would exempt from taxation, in every county of the state, all forms of personal property and all improvements of every kind and character. The statement providing for such exemptions (paragraph 1) is involved, covered in verbiage and the casual reader is apt to be misled as to its true meaning.

Scheme is Called Unfair.
"But aside from this single tax feature of the proposed amendment, the scheme it presents for graduated, progressive taxation of land, franchises, rights of way and natural resources is arbitrary and unfair. Referring to paragraph 4 we find that certain 'annual graduated taxes' are to be imposed:

"First, upon every public service corporation on the total assessed values within the county greater than \$10,000 of all the franchises and rights of way under and by virtue of which such corporation operates in the county.

"Second, upon every person owning land and natural resources and interests therein within the county the total assessed value of which is greater than \$10,000.

"These 'annual graduated specific taxes,' which are in addition to the regular taxes levied in the taxing districts in which the property is located, begin at the rate of \$2.50 on each \$1000 of assessed value in the county above \$10,000 and not above \$20,000 owned by one person or company; then the tax rate per \$1000 increases by graded and progressive steps until it reaches \$30 on each \$1000 of assessed value in the county above \$100,000.

Injustice is Explained.
"Now to the point. Instead of imposing these 'annual graduated specific taxes' on assessed values within the state regardless of county lines, this measure places the tax on assessed values within each county. One does not have to look far or do any involved calculating to see the effect, which may be tangibly exhibited by simple illustration:

"Let A, B, C and D represent persons or companies owning lands, franchises, right of way or natural resources subject to these 'annual graduated specific taxes' if the property owned by A happens to be all within one county and has an assessed value of \$400,000, the total specific tax under this proposed amendment would be \$12,000.

"If B owns similar property of the same value, equally divided between two counties, \$200,000 in each, his tax would be \$1500 in each county, or a total of \$3000.

"If C owns similar property of the same value equally divided among three counties, his tax in each county would be \$2150, or a total of \$6450.

"If D owns similar property of the same value, but equally divided among four counties, his specific tax on \$400,000 of assessed value would be \$1500, or a total of \$6000.

Inequality is Shown.
"Again, if A, B, C and D each own similar properties of the value of \$100,000 each, taxable under the proposed amendment:

"A, with all of his property situated in one county, would pay an annual specific tax of \$1150.

"B, with similar property of the same value, but divided in equal parts by a county line, would pay a total tax of \$500.

"C, with similar property of the same value, equally divided among three counties, would pay a total tax of \$300.

"D, with similar property of the same value, distributed in equal parts among four counties, would find his tax only \$250 in each county, or a total of \$1000.

"We might go on indefinitely with these illustrations, using different values and varied proportions of the total property in each case in the different counties, but enough has been shown to exhibit the utter inequality and the arbitrary and unreasonable character of these 'annual graduated specific taxes.'

Plan Violates Constitution.
"As a scheme in taxation providing for these unwarranted discriminations against owners whose property happens to be within one county as against others whose property of similar character happens to be crossed or divided by one or more county lines, this measure is directly and openly in contravention with the 14th amendment to the Constitution of the United States, providing that no state shall 'deny to any person within its jurisdiction the equal protection of the laws.'

"In construing this requirement, the Supreme Court of the United States has rendered many decisions defining the powers and rights of the states in matters of taxation.

PROMINENT OHIOAN, VISITING NORTHWEST, WHO DE-
CLARES TAFT WILL BE ELECTED.

ARTHUR I. VORYS.

and that it is not a tax reform, are the declarations contained in a negative argument filed by the Oregon Equal Taxation League, to be published in the initiative and referendum pamphlets.

The argument says: "The amendment is a single tax measure, pure and simple," declares the League in its argument. "The promoters, who are the hired workers of the Joseph Fels Fund Commission in America, discovered that single tax could not be adopted in Oregon. They, therefore, are introducing the above amendment with the graduated feature, believing that the smaller land owners would not object to the introduction of such a system inasmuch as those not having land values up to and in excess of \$10,000 would not be affected by the adoption of the amendment; that inasmuch as the graduated single tax would fall heaviest on the large landholders, it was believed that it would appeal to the prejudice and envy of the average property holder and that the measure would thus be obstructed.

Industry Will Shrink.
"A careful analysis of the amendment will leave no doubt in the minds of the intelligent voters that the object of the measure is to shift all the burden of taxation on to land, thereby reducing land values, and as the land values of the large holders decline, so will values of the smaller holders decline in proportion, and as the land values decline, the tax rate must of necessity be increased; and as the tax rate is increased, a farther decline in land values must follow. As the burden of taxation falls more and more heavily upon the land, a further decline will be the result.

"Soon owners will refuse to pay the excessive rate upon unimproved lands. The result will be a large proportion of the less available unimproved lands will cease to be revenue payers. Then increased burden will fall upon the balance. And so this process of eliminating land values will continue. With the decline in land values, all forms of industry shrink in proportion. Trade and commerce would be paralyzed under such conditions.

Economic Value Nil.
"It is said by the advocates of this measure that the people are not going to be compelled to go any further with this experiment than they like—that if they find it bad, they can repeal it. Such argument should not appeal to intelligent voters. The citizens of Oregon should not be willing to experiment with any scheme that does not have 100 per cent of economic value. Single tax has no economic value. As a matter of fact it is not a system of taxation at all, and far from being a tax reform, it has but one object—namely, to destroy the public treasury by absorbing into the land, or, confining to the land, in other words the avowed purpose of single taxers in submitting this amendment for adoption is to apply the fundamental principle of single tax—the confiscation of land, the small farm as well as the large holdings.

GOOS BAY WORK STARTS
CONTRACTORS ARE ASSEMBLING
EQUIPMENT FOR CAMPS.

Porter Bros. and McArthur-Perks
Looking for Offices in Eugene.
Final Surveys Being Made.

EUGENE, Or., July 23.—(Special.)—Preparations for active construction on the Eugene-Coos Bay line are being made by Porter Bros., of Portland, who have the subcontract under McArthur-Perks & Company, Limited, for the section of the road from North Pass, 23 miles west of Eugene, to Acme and thence southward to Gardiner, where a tunnel nearly 4000 feet long will have to be cut. Six railroads of camp equipment and construction material have been received in Eugene, including 32 head of horses and mules.

All the first camp is being established on Wildcat Creek, a short distance west of the tunnel. Twohy Bros. are cutting through North Pass. A tunnel 500 feet long is to be bored near the Wildcat. Camps will be established every few miles along the Siuslaw to Acme.

Dan Bruhl, of Porter Bros., is now in Eugene seeking a location for general offices for his company and for McArthur-Perks & Company, Limited. He has so far been unable to find a first-floor location.

H. P. Hoey and W. R. Fontaine, the Southern Pacific Company's supervising engineers in charge of this extension, returned yesterday from an inspection trip over the survey. They have eight engineering crews at work setting the final stakes for the contractors.

Oregon Arouses Interest.
SALEM, Or., July 23.—(Special.)—"Everybody was asking about Oregon," said Superintendent Alderman, who has just returned from Chicago, where he attended the National Education Association. "Great interest was expressed in the rural high schools in Oregon, and especial interest was shown in the development of rural schools in general."

League Condemns Idea.
That the adoption of the amendment will spell ruin to Oregon, that trade and commerce would be paralyzed as a logical consequence of its adoption.

TAFT IS ENTITLED
TO WASHINGTONNational Committeeman From
Ohio Declares Primary
Was Illegally Held.

TARIFF WILL BE AN ISSUE

Arthur I. Vorys Says Business Inter-
ests Will Be With Republican
Party, Against Both Wil-
son and Roosevelt.

SPOKANE, Wash., July 23.—(Special.)—The contest brought by the Washington Roosevelt men at the Republican National convention possessed no merits whatever, according to Arthur I. Vorys, who sat on the National committee representing Ohio and also in the convention as one of the delegates at large from the Buckeye state. Mr. Vorys is in Spokane attending the Insurance Commissioners' convention.

"Basing my statement on the King County case, I am frequently referred to by the Roosevelt men, I fail to see where Roosevelt had any claim to the Washington delegation," said Mr. Vorys today. "I remember the situation as presented to us, well.

"The county central committee called the primaries was not regularly constituted. Out of some 200 members, 130 were members, appointed by the chairman, Murphy.

Law Was Not Complied With.
"Even if the primary had been properly called, it was not conducted in accordance with the law of Washington, and therefore is not provision for primary except by law.

"Furthermore, the fact that only 6000 people voted is proof that the primary was not a true test of sentiment. It was shown conclusively at Chicago that the county central committee was empowered, under the Washington law, to select delegates to the state convention; that this power had been delegated to the executive committee and that this committee had selected the delegates. I was rather surprised to find that the Washington law allowed this manner of selection, but since these delegates had been chosen under the law, and the others had not, we had no choice but to seat the Taft delegates."

Republicans Will Win on Tariff.
"The tariff has been made the issue by Woodrow Wilson, who asserts that the tariff is at the bottom of the high cost of living problem," he said. "It is impossible to take the tariff off the necessities of life. On that issue the Republican party will win."

"The business interests will be with the Republican party as against both Wilson and Roosevelt, and the same will be true in regard to the wage-earner."

"A venture with Wilson and his untried theories would affect business, and the same would be true as to Roosevelt."

Clarkes Woman Is Dead.
OREGON CITY, Or., July 23.—(Special.)—Mrs. Christina Haas, of Clarkes, died Sunday after a short illness. She was born in 1853 in Russia, and came to Oregon many years ago. Mrs. Haas is survived by her husband, Chris Haas, and several children.

Pine Irvington Home.
For sale by owner, 412 East Twenty-first street North. Phone East 5696.

In the
Bath
Room
Use
Pearline
Cleans Every thing

Manufactured only by
JAMES PYLE & SONS, New York

UNIVERSITY SUITS
FINALLY DISMISSEDSupreme Court Decrees Refer-
endum Petitions May Go
Before Voters.

GALLOWAY IS REVERSED

Opinion Written by Justice McBride.
Burnett Concurs Only in Result,
While Eakin Dissents Upon
Single Point.

SALEM, Or., July 23.—(Special.)—Reversing the lower court of Marion County, William Galloway, judge, and dismissing the suits, the University of Oregon referendum cases, involving approximately \$25,000, were disposed of finally by the Supreme Court today and the two referendum petitions will go before the people to be voted on in November.

Several contentions of the defense were overthrown in the opinion of the court, which was written by Justice McBride, although the defense won the suits. The defense contended that the words "legally sufficient," as referring to petitions, meant that the petition should be regular on its face and if such a petition is presented, the court cannot go behind its apparent regularity to inquire into its genuineness. The court refused to assent to this view.

The defense also contended that the filing of a petition is a legislative act and consequently beyond the jurisdiction of the court to investigate. The court held the contention to be unavailing, declaring that the filing of the petition is only preliminary to the legislative act.

Defense's Contentions Upheld.
Perhaps the most important phase of the case decided was in favor of the defense and in reference to whether petitions which contain the form of signature only on part of the sheets of signatures are valid. It was contended by the University attorneys that on every separate sheet of signatures the form of the petition should be attached. Analyzing the act, the court holds that this is true in relation to initiative petitions, but that the law as to referendum petitions that such sheets, though duly attached, are only auxiliary to the petitions, from which language it is clearly to be implied that a full and correct copy of the proposed measure need not be printed on the petition.

The court reaches the conclusion that there are 7813 names on the petition which have not been attacked successfully and as a result the petition must stand.

In a manner the Supreme Court absolves H. J. Parkison from guilty knowledge in connection with alleged forged signatures on the petitions. Justice McBride declares that he does not think the evidence shows that Parkison was in any way cognizant of the fact that forged names were upon the petition when presented, but "that the petition when presented, but 'that the names had been eliminated.'"

Burnett Concurs in Result.
Justice Burnett concurred only in the result of the opinion, while Chief Justice Eakin dissented to one point—that in relation to petitions being attached to separate sheets.

Referring to the genuineness of the signatures to the petition, Justice McBride says: "We believe that the 7813 names upon the petitions which have not been successfully attacked, it requires 6135 signatures to place this measure upon the ballot and we, therefore, hold that it is entitled to be so placed. Many details of the evidence are not discussed in this opinion, not because they have been carefully looked for, they have been carefully weighed and examined, but because the time within which this measure must appear in the voters' pamphlet is now drawing near its close, and to consume a more extended opinion might prevent friends and opponents of the measure from discussing its merits in that document."

"The decree of the Circuit Court will be reversed and the suit dismissed."

Railway Franchises Vetoed.
SALEM, Or., July 23.—(Special.)—

COULD NOT SLEEP NIGHTS
SUFFERER FROM SKIN TROUBLE
TELLS HOW HE FOUND RE-
LIEF IN SAXO SALVE.

"I suffered from a severe skin affection so I could not sleep nights. I was almost crazy with itching. I would scratch and almost tear myself to pieces. I tried the greatest many remedies without relief. When I saw Saxo Salve advertised I decided to try it and one tube entirely cured me. The medicine is wherever I go."—A. L. Morgan, Endicott, N. Y.

Many persons around here suffer so much from eczema that they cannot sleep at night. Saxo Salve stops the terrible itching and soothes and heals the eruptions.

In all kinds of eczema, salt rheum, tetter, barber's itch, etc., Saxo Salve has wonderful healing power because it penetrates the skin pores and destroys the germs at the very seat of the disease.

We give back your money if Saxo Salve does not help you. Woodard, Clarke & Co., Druggists, Portland, Oregon.

Sanare
for the Hot Weather

To keep away the flies, roaches and ants.
To destroy bad odors, purify the garbage can and stable.

Sanare for the washing makes the clothes whiter than white.

Sanare for the bath, sink and lavatory.

Sanare for the chickens, it keeps them free from vermin.

For sale by all grocers and druggists in 15c and 25c packages.
If you cannot get it call
Sanare Manufacturing Co.
Portland Branch
PHONE MARSHALL 2239

Here Is the Season's Biggest Bargain
Pongee Suits and CoatsThat Sold at \$18.50 to \$27.50
in a Quick, Decisive Clean-Up at

\$7.45

Can you imagine such a bargain and not one bit of exaggeration? Actual former prices of these garments, \$18.50 to \$27.50; most of them being \$24.75. The Suits very finely tailored; some perfectly plain, others slightly trimmed, lined with best quality peau de cygne, panel back and front skirts. The Coats are plain tailored or fancy styles with large trimmed collars. The biggest snap ever offered—\$7.45 would not buy the material. Come early.

ASK TO SEE THE NEW
"MACKINAW" COATS

CLOAKS
PORTLAND'S
Emporium
126 SIXTH ST.
SUITS

Tub Dresses Worth \$5.00, in
Big Clean-Up Sale for \$2.69

Here's an opportunity to buy two Dresses at the ordinary price of one. Smartly styled Dresses in ginghams, lawns, chambrays and voiles; good assortment of styles, colors and sizes. They're sold usually at \$5.00; in this clean-up at only \$2.69

NEW FELT HATS

Mayor Lachmund vetoed the Portland, Eugene & Eastern franchise recently passed by the Council yesterday. The veto is sanctioned by members of the Council. Differences over the extension of tracks on Twelfth street are given as reasons for the veto, and it Leon Ray, graduate of the University of Oregon this year, and president of the student body, is at the home of his parents near here suffering severely as the result of being trampled and kicked by a horse.

Former Student Is Injured.
EUGENE, Or., July 23.—(Special.)—French physicians are considering a general advance in their prices.

Schlitz
BROWN BOTTLE
Our Agencies Dot the Earth
is now Standard
the World over

For sixty years we have used the best materials and inventions to make Schlitz pure and keep it pure.

We go to Bohemia for hops.

We go 1,400 feet down to rock for pure water.

Our yeast, from which we propagate the mother cell, has been carefully guarded for sixty years.

There is no purer beer brewed. We keep it pure, too, from the brewery to your glass, by using the Brown Bottle. Light starts decay, even in pure beer.

ROTHCHILD BROS.,
DISTRIBUTORS,
20-22-24-26 N. First Street,
Portland, Oregon.
Phones, Main 153, A 4066.

See that crown or cork
is branded "Schlitz."

Schlitz
The Beer
That Made Milwaukee Famous.