

### ESTATE TAX UPHELD BY SUPREME COURT

Hundreds of Millions of Dollars Are Involved.

### PURDY APPEAL SETTLED

No Less Than Five States Already Had Collected on Turnover of Parts of Big Estate.

WASHINGTON, D. C., May 16.—Through decisions of the supreme court today, the government won two important victories in controversies involving interpretation of income provisions of the revenue acts of 1916 and 1917.

Increased value of a capital asset could not be added to "invested capital," the court ruled in the appeal of the Labelle Iron Works, an Ohio concern, from a ruling by the treasury officials, but on the contrary must be considered in computing profits of the corporation on which the taxes were to be assessed.

In the other decision the court ruled that inheritance or succession taxes, paid to a state, are deductible from the net estate taxed under the revenue act.

### Suit Is Important One

The suit was characterized by a high government official as "the most important legal suit affecting federal finances to arise in several decades."

The specific point at issue was whether ore lands in the Mesabi range of Minnesota, purchased for \$190,000 prior to 1904, could be returned by the iron company at a new valuation of \$1,900,000,000 in 1917.

"We think the meaning of the act as to 'invested capital' is clear," said Justice Pitney, in delivering the decision. "It defined this term to mean (1) actual cash paid in, (2) actual cash value at the time of payment of assets other than cash paid, and (3) paid in or earned surplus and undivided profits, less those employed in the business, but not to include money or other property borrowed.

### Legislative Purpose Cited

"When speaking of the capital of a business corporation or partnership, to 'invest' imports a laying out of money or money's worth with a view to obtaining income or profit from the conduct of a business.

"To adhere to this restricted meaning and avoid exaggerated valuation, the draftman of the act resorted to the test of including nothing but money or money's worth, actually contributed or converted in exchange for shares of capital stock or actually acquired through the business activities of the corporation or partnership and coming in an extra way by way of increase over the original capital or stock.

### Millions Hang on Decision

Hundreds of millions of dollars in taxes hang on the decision, there being but few partnerships or corporations which did not have on their books an item showing material sums resulting from appreciated value of capital assets.

The inheritance tax case was brought to the supreme court by executors of the estate of the late J. Harsen Purdy of New York.

No less than five states had collected tax on the turnover of portions of the estates within their jurisdiction and the executors claimed all these sums should be deducted before federal taxes on the "net estate" could be legally computed. Refusal of tax collectors to this contention was upheld by the treasury department and the federal courts and today by the supreme court.

### TAX PLANS ARE PLENTIFUL

Senate Committee Is Swamped With Revision Suggestions.

WASHINGTON, D. C., May 16.—The senate finance committee was swamped at hearings today with suggestions for revision of the federal tax laws. It heard for the first time a defense of the excess profits tax as well as pleas for reduced taxes and elimination of alleged discriminatory provisions against business.

C. C. Hanch of Indianapolis and G. M. Graham of Buffalo, speaking for the National Automobile chamber of commerce, were chief witnesses from the industrial ranks and urged removal of the excess profits, luxury, excise, transportation and consumption taxes.

H. A. Harris of Chicago, a certified public accountant, was the champion of the excess profits tax. Mr. Harris also urged exemption of corporation dividends from personal income surtaxes.

Frank E. Heldman of Grand Rapids, Mich., took still another tack on the profits tax question, suggesting a tax on undistributed earnings of corporations to make good losses caused by repeal of the profits taxes.

Attempts of officials during the war to differentiate between essential and non-essential industries has

left bad spots in the nation's commercial life, said Mr. Graham. The subject of high taxes got on to the senate floor today. Senator La Follette, republican, Wisconsin, a member of the committee, charged that there was a definite trend among members of the finance committee to "shift the tax burden from the rich to the great common people."

### FUND FOR WIDOW GROWS

Soldiers Raise \$2000 for Woman Whose Husband Was Murdered.

TACOMA, Wash., May 16.—(Special.)—Continuation of the campaign started by soldiers to aid Mrs. Karl A. Timbs will bring her several thousand dollars at least, men from Camp Lewis said. They will try to clear the blemishing mark from the name of the 4th medical regiment at the cantonment, four members of which brutally murdered Timbs, a Tacoma taxi driver, by striking him on the head with a rock, chloroforming him and then throwing him into a field to die.

Members of the regiment raised \$1500 the first day. The sum had passed the \$2000 mark today and donations were still coming in from other regiments at camp.

### Petition for Divorce Is Filed in Rhyme

"The Home That She Kept Was Like a Pig Sty," Says Husband.

TIPTON, Ind., May 15.—(Special.)—Probably one of the most unique petitions for a divorce in the history of the state was filed in the Tipton circuit court by O. W. Mount, attorney for the plaintiff, James L. Anderson, living near Curtisville, in the northeastern part of Tipton county, who seeks a legal separation from his wife. The complaint, in rhyme, follows:

"That plaintiff is now, and for years two, in the state resided, in this county, too. In the town that is known as Curtisville. Two years last October, and lives right there still.

"That seven years past he the defendant wed. But two months ago she left his home and bed. And said she was going home to stay. And that he's not seen her since that same day.

"That during the time that she lived with him. She constantly cursed and scolded poor Jim. And failed and refused her home work to do. And caused this plaintiff till the air was blue. No meals would she cook, no beds would she make. No sweeping she'd do, no food would she bake. And he was compelled his own meals to stew. While she cursed and scolded, sure an old shrew.

"His garments she never would try to mend. His needs for laundry she would not attend. The home that she kept was like a pig sty. To make it pleasing she never would try. That he all these years did all that he could. And really did more than any man should try to live as should husband and wife. But all, all in vain; she kept up the strife.

"Because of the cruel, inhuman way The defendant acted, day after day. And since she has left, he begs now, of court, That he be granted a complete divorce.

"No children involved; defendant and he All to be concerned in the decree. So this judgment he asks, as in his bed. Divorce he should have and all other relief.

### Downpour Saves Range Grass

ONTARIO, Or., May 16.—(Special.)—A rain and hail storm which lasted nearly an hour hit the Malheur and Snake River valleys Sunday afternoon, and was declared by stockmen to have been worth thousands of dollars to them. Though of short duration the total precipitation was heavy for this season of the year and materially will aid stockmen by saving the grass on the lower ranges, which was drying rapidly.

### Dr. Doney to Address Students

CORVALLIS, Or., May 16.—(Special.)—Carl G. Doney, president of Willamette university, Salem, will preach the high school baccalaureate sermon here Sunday evening. The senior assembly programme probably will be given Thursday evening, May 26. Rabbi Jonah B. Wise of Portland will deliver the commencement address at the graduating exercises Friday evening, June 3.

### Army Deserters Surrender

HENNELA, Mont., May 16.—Two men giving the names of Osborne A. Lyons and John George, gave themselves up to the police here last night and admitted, officers said, that they had deserted the army at Seattle recently while on detached duty from Camp Lewis.

Headaches can be relieved in 20 minutes with Fox's headache powder. Guaranteed harmless and effective. At your druggist. Sample on request. A. T. Fox, 6416 Toon st., S. E.—Adv.

### Practical Psychology

Four free lectures for women only, by Dr. Zamora Criswell Cauffman, member of Universal Psychology Association and licensed psychologist.

### Multnomah Hotel

Thursday and Friday, May 19 and 20, 3 P. M. and 8 P. M. daily, eighth floor Auditorium. Private interviews by appointment only.

### SEAFARERS' STRIKE TIES UP 142 SHIPS

Secretary Hoover Reports 496 Craft in Service.

### WEST COAST HARDEST HIT

From May 1 to May 15, Inclusive, 10 Vessels Leave Portland, While but One Is Detained.

WASHINGTON, D. C., May 16.—Official reports to the department of commerce show that during the first two weeks of the shipping strike, from May 1 to May 15, inclusive, 496 American vessels sailed from Atlantic and Pacific ports, as against 142 held in port through lack of crews.

A table made public today by Secretary Hoover showed the number of vessels held at each port and the number sailing during the two weeks against 17.

Portland, Me., three against none; Boston, one against six; New York, five against 120; Philadelphia, 15 against 80; Baltimore, two against 13; Norfolk, 19 against 22; Wilmington, N. C., none against none; Charleston, two against six; Savannah, none against 13; Tampa, two against 41; Mobile, one against five; New Orleans, 11 against 35; Galveston, two against 11; Los Angeles, 14 against 40; San Francisco, 55 against 43; Portland, Or., one against 10; Seattle, nine against 17.

This table showed that the Pacific coast felt the effect of the strike to a greater extent than either the Atlantic or Gulf coasts and that San Francisco was the hardest hit of all the ports.

Shipping board records, officials said, showed sailings of government-owned merchant craft the first two weeks of May were practically none. It was said between 90 and 100 shipping board vessels cleared from American ports, compared with approximately 89 during the first two weeks of April.

W. S. Brown, president of the Marine Engineers' Beneficial association, declared independent ship operators were offering to chief engineers, members of the association, wages as high as \$10,000 for ten months, despite the ruling of Chairman Benson that wages should be reduced 15 per cent. Mr. Brown said that the operators presumably would pay at the government scale with the addition in the form of "extras."

In a statement Chairman Benson announced that the shipping board was "entirely satisfied" with the record of sailings last week and declared that "the achievement of obtaining the requisite number of men to sail these vessels is taken to indicate the real feeling among the men."

Engineers, he said, continued to report and sailors and firemen have been available in numbers, while the percentage of Americans was in excess of the percentage prior to May 1, when the wage cut was made effective.

"The fleet corporation," he said, "does not anticipate a declaration that an emergency exists, because such action is not necessary. All ports report the situation well in hand."

### Creole State Fails to Sail

SAN FRANCISCO, May 16.—Sailing of the shipping board combined freight and passenger liner Creole State, under operation by the Pacific Mail Steamship company, to far eastern ports was postponed from today until tomorrow on account of the strike

### FIRE FIGHT PREPARED

Every Provision Made to Handle Blazes in Forests.

Every provision is being made to guard against fires this summer in the wind-swept area in the Olympic national forest, according to Shirley Buck of the local office of the forest service, who returned yesterday from the region visited by the storm several months ago. Mr. Buck delivered to the forest two trucks of two tons each, which will be used as reserves in fighting fire.

There are three of these large trucks, each equipped with 600-gallon tanks for water, 1000 feet of hose, a pumping engine and fire-fighting tools. They will be stationed at strategic points in the forest. Three lighter trucks will patrol the roads of the forest. They will also be equipped with material to fight fires and will carry portable telephones so that messages may be sent for help to the larger trucks when necessary.

The patrolling of the forest will begin as soon as the rain stops and the ground begins to be dry.

### INDIAN COUPLE MARRIED

Teacher on Reservation Bride of Cascade Fisherman.

VANCOUVER, Wash., May 16.—(Special.)—Henry Sam, an Indian, born on the north bank of the Columbia river 47 years ago, and Miss Ida M. Corvallis, two years, an Indian reservation, who was born on the reservation, were married here today. They were accompanied to Vancouver by John Clark, also an Indian, who acted as witness.

All were dressed in the latest American-style clothes. The bride wore a well-tailored suit. Frank E. Waughan, justice of the peace, performed the ceremony. Thomas will take his bride to Cascade, where he is a fisherman.

### Obituary

ALBANY, Or., May 16.—(Special.)—John H. Rutter, resident of Albany for 15 years, died last night at his home here, aged 39 years. His death occurred in a beautiful home, one of Albany's most modern residences, into which he moved recently and which is not quite completed. Mr. Rutter came to Oregon 15 years ago. He lived in Corvallis two years. He is survived by his widow and one daughter, Della Rutter.

Mrs. James A. Hays. TACOMA, Wash., May 16.—Mrs. James A. Hays, widely known among clubwomen of the Pacific northwest, died at her home in Tacoma last night after a short illness of pneumonia. She was the wife of James A. Hays, insurance man, member of the Tacoma metropolitan park board and president of the Tacoma rose society. Mrs. Hays had been president of the Tacoma Young Women's Christian association for the last three years and was president of the president's council of women's clubs three years ago. She was 52 years old. Her husband and two sisters survive her.

George W. Wisnom. Funeral services for George W. Wisnom, well known in this city, were held in Fondu Lac, Wis., May 10, according to word received by his brother, William A. Wisnom, resident of Portland. Mr. Wisnom died in New Haven, Conn., May 6, from pneumonia. He was a prominent merchant of Fondu Lac and was a member of one of Wisconsin's pioneer families. His last visit to Portland, where he had many friends, was made seven years ago.

Amanda M. Owen. ASTORIA, Or., May 16.—(Special.)—Mrs. Amanda M. Owen, wife of Andrew



## The Memory

of pleasure in quality, service and environment of dinner here, will linger long after what you save at the rate of \$1 a plate is forgotten.

A la carte service continuous; club breakfasts and merchants' lunch at popular prices.

## Imperial Hotel

Phil Matcham, Manager

S. Owen, died at the family residence here this afternoon as the result of a stroke of apoplexy. The deceased was a native of Sweden, 62 years old, and besides her husband, is survived by two daughters and two sons. The latter are Mrs. G. F. Peeke, Ida M. Otto A. and Leonard A. Owen, all of Astoria.

Theodore Himmier. OREGON CITY, Or., May 16.—(Special.)—Theodore Himmier, well-known resident of Clackamas county, died at the family home at Parkplace this morning. Mr. Himmier was a native of Grison, Germany, and came to the United States when 16 years of age. He came to Oregon City in 1885. Mr. Himmier is survived by his widow, Mrs. Mary Himmier of Parkplace, four sons, Henry, Fred, George and Louis Himmier of this city, and a daughter, Mrs. Pearl Bernier of Parkplace. Funeral services will be held at the family home Wednesday afternoon at 2:30 o'clock.

Fred T. Merrill Jr. Funeral services for Sergeant Fred T. Merrill Jr., whose body arrived yesterday from overseas for final burial here, will be held at 2:30 o'clock this afternoon at the 53rd temple, with the American Legion in charge of the services. All veterans of company B, 162d infantry, which was Sergeant Merrill's organization, are requested by Captain Fred M. West to be at the armory at 1:30 o'clock to form an escort for the body of their late comrade.

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will make the price seem, as it is, insignificant . . . \$2.35

—Breakfast coats and kimonos of character and charm. The kimonos are made in straight, loose style and waist-line effects. Some in plain shades, others in fancy flowered and figured patterns. The breakfast coats are made with wide flounce, large square collar, two pockets and sash. Some with fancy shirred pockets, reverse or fancy painted collars of self-material and satin bindings. Elastic at waist or tie sash. These come in plain shades of rose, coral, blue, Copenhagen, lavender, pink and contrasting colorings.

Actual reproductions. Fourth Floor—Lipman, Wolfe & Co.

Values that will astound you in

## Silk Flounce and Heatherbloom Petticoats

An Exceptional Offering, Presenting Fine Petticoats at the Special Price of

**\$1.95 Each**

—Unusually attractive skirts; some of cotton taffeta with deep shirred or tucked silk flounces in plain shades or fancy plaid ruffles; others of all genuine heatherbloom with fancy acetate pleated ruffles in two-toned shades, and still others in fancy figured patterns. All finished with elastic at waist. In plain shades of black, blue, navy, green, purple and contrasting shades.

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A Beautiful Stock Plaids, Stripes and Velour Checks

**\$7.00 Yd.**

—We have just received several lots of the most beautiful and fashionable materials to be made into suits or separate skirts. There are 56-inch plaid and striped fabrics for making into those handsome pleated skirts, and velour checks, the material so popular for suits. These materials are the finest grade of fine all-wool yarn, made by the foremost woolen mills in America. See our window display.

Second Floor, Lipman, Wolfe & Co.

Those Scarce, Full-Fashioned All-Pure Silk Stockings

**\$3.50 Pair**

—A hose, too, that, while we have a splendid line of them just now, you will not be able to duplicate after this lot is gone. They are all-pure silk, full fashioned, with silk foot and tops, heavy weight; in black and brown.

Street Floor—Lipman, Wolfe & Co.

Exquisite NEW Tints and Shades in Italian Silk Vests!

Beautiful Garments Priced Reasonably at

**\$3.25 Each**

—We have just received a new line of these exquisitely lovely garments in the most subtle and beguiling tints and shades, such as Nile, corn, pink, orchid and lavender. The vests are plain and drop stitch with bodice top. Of heavy silk with band neck.

Street Floor—Lipman, Wolfe & Co.

This Store Uses No Comparative Prices—They Are Misleading and Often Untrue

Richly varied assortment of plants for window box and garden planting.

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"Lower prices is the world's need today in all lines. Lower prices bring increased consumption, increased consumption calls for more production, more production means more work for the worker, and more work for the worker means more money for the worker, and when all is said and done, that is what most of us are after, all claims to the contrary notwithstanding. But neither the business man nor the worker gets the money for any length of time unless he 'delivers the goods.'"

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Last Month Was Our Biggest Business.

SQUARE DEAL  
Breakfast 25c Lunch 20c Dinner 40c

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