

ANNUAL BANKER SEES LIGHT AHEAD Harvey D. Gibson Writes of Year's Economic Status.

PERIOD OF 1921 BIG TEST

Country United in Hope for Stable, Improved Business Conditions for 1932.

In a letter just received in Portland, Harvey D. Gibson, president of the New York Trust company, has given his views on economic conditions at the beginning of 1932. Like many others who are endeavoring to afford careful analysis of the situation confronting the whole world, Mr. Gibson sees light ahead in the overcast financial skies.

Among other things, Mr. Gibson says: "The year 1921 furnished a supreme test of banking, as well as the conduct of individual bank policy as in the administration of national banking programs. It has provided any evidence that might have been lacking to prove that the administration of a bank must be based on a deep appreciation of the economic significance of events."

"While lacking in the aspects of general prosperity, the experience of the last year has been a valuable contribution to economic understanding, and has again emphasized that there exist in the world fundamental economic laws which no device of man seems adequate to controvert."

"In this country we have also come to realize that prosperity when it comes is a worldwide condition. We see more clearly than before that the operation of economic laws cannot be confined within national boundaries. Given a heritage of wealth and a range of resources denied to most nations, we have come to know that we cannot isolate ourselves from the misfortunes of others."

The beginning of the year witnessed the end of the critical period of readjustment immediately following after-war inflation. The country then united in a hope for stable, improved business conditions. These hopes have been realized to only a limited extent. At no time during the year has there been any stability of the structure as a whole that would permit the assumption that we were about to enter a period of early and abundant prosperity.

"As we look forward to the year 1932 we are hopeful that a better average of business will obtain."

A synopsis of the reports of the condition of 280 state banks and several trust companies in the state of Washington at the close of business December 31, 1931, according to a statement issued by the state supervisor of banking, John P. Duke, shows:

Total resources \$163,278,312 Deposits \$121,303,622 Loans and discounts \$38,974,690 U. S. bonds and U. S. securities 12,148,143 Other bonds and warrants 15,007,928 Cash on hand and in banks 1,949,926

"As compared with the condition of 237 state banks and six trust companies on February 21, 1931, which was the date of the last annual report for that year, deposits have decreased \$23,761,078 from \$160,024,766. Loans have decreased \$22,579,596 from \$117,033,162."

Income Tax Facts You Should Know

No. 12. HEAVY penalties are provided by the revenue act of 1921 for failure to file or "willful refusal" to make a return.

HEAVY penalties are provided by the revenue act of 1921 for failure to file or "willful refusal" to make a return. The act provides that a taxpayer who fails to file a return on or before March 15 if the return is filed on the calendar year basis, or if a taxpayer makes his return on the basis of a fiscal year, should be fined on or before the 15th day of the third month following the close of the fiscal year.

When a return is made in good faith and an understatement of the amount of the tax is due to no fault of the taxpayer, no penalty attaches, but interest attaches to the amount of the deficiency at the rate of one-half of 1 per cent per month. If the understatement is due to negligence or to intentional disregard of the law, interest is added at the rate of 3 per cent of the total amount of the deficiency plus interest at the rate of 1 per cent a month from the date the tax was due.

When a return is made in good faith and an understatement of the amount of the tax is due to no fault of the taxpayer, no penalty attaches, but interest attaches to the amount of the deficiency at the rate of one-half of 1 per cent per month. If the understatement is due to negligence or to intentional disregard of the law, interest is added at the rate of 3 per cent of the total amount of the deficiency plus interest at the rate of 1 per cent a month from the date the tax was due.

Retirement of Victory Notes Boosts First 3 1/2 Per Cent Issue. With the announcement of the secretary of the treasury that the 3 1/2 per cent victory notes are to be called June 15, their optional date, added impetus is reported in the bond market within the past few days with the result that the first 3 1/2 per cent liberty bonds have jumped forward materially.

Retirement of Victory Notes Boosts First 3 1/2 Per Cent Issue. With the announcement of the secretary of the treasury that the 3 1/2 per cent victory notes are to be called June 15, their optional date, added impetus is reported in the bond market within the past few days with the result that the first 3 1/2 per cent liberty bonds have jumped forward materially.

ROAD TO BE REPAIRED Redmond-Bend Stretch Will Be Put in Good Condition. REDMOND, Or., Feb. 12.—(Special.)—Redmond Commercial club has received a communication from Herbert Nunn, state highway engineer, stating that the stretch of highway between Redmond and Bend will permit all bad spots on the highway between Redmond and Bend will be repaired.

FAMILIES COMING WEST Many Declare Intention to Go to Pacific County. SOUTH BEND, Wash., Feb. 12.—(Special.)—The South Bend Commercial club, the two weekly papers here and Penton Smith, postmaster, all report the receipt of a large number of letters from other states which have declared their intention of coming to Washington to live.

2634 CARS APPLES SENT Price of High-Quality Newtowns Stiffens Materially. HOOD RIVER, Or., Feb. 12.—(Special.)—Total apple shipments from the Hood River valley, according to reports received here, for the year have reached 2634 cars. It is estimated that the total remaining holdings will not reach 200 cars.

Albany Regulates Dairy Business. ALBANY, Or., Feb. 12.—(Special.)—Albany now has a city law regulating dairies and milk deliveries within the city. It provides for an inspection of dairies supplying milk to local citizens and contains regulations similar to ordinances adopted recently by some other Oregon cities.

Service in Bond Selling

The salesman who fails to measure up to his subject does double harm in the bond investment field. Both the prospective buyer and the bond under discussion get less than a square deal. Yet the careful investor need not waste time nor a good security suffer from misrepresentation. Insurance against both attends intelligent salesmanship.

BLYTH, WITTER & CO. Fourth and Stark Streets PORTLAND, OREGON

Quality superior to mere selling ability are demanded of Blyth, Witter & Co. representatives. They are investment experts, trained in this institution. Consult with one today and be certain of expert advice. Our bond experts are at your service.

The Choicest List Selected for Every Need

Table with columns: Rate, Mat., Yield. Lists various bonds like Lincoln County, Oregon, and others with their respective rates and yields.

We are Always Prepared to Buy or Sell These or Other High-Grade Bonds.

G. E. MILLER & COMPANY PORTLAND - SEATTLE

BUSINESS MEN ARE HOSTS Open House Held at Kalama; Programme Provided. KALAMA, Wash., Feb. 12.—(Special.)—Last Friday Kalama's Business Men's club kept open house at the Kalama Hotel for a group of business men from Seattle.

For Large Returns PARTICIPATE WHERE LARGE RETURNS ARE BEING MADE. Arctic Trading Co., Inc. 1219 Yeon Building

MUNICIPALITY OF ST. JAMES Dated January 1, 1922—Due January 1, 1942. Denominations \$100, \$500, \$1000. Legal opinion E. G. Long, Esq., Toronto.

MORRIS BROTHERS CORPORATION 309-311 Stark Street, Portland, Oregon. Safe Deposit Boxes.

The tide is coming in

ANGLo-FRENCH 5s rose from 61.78 in 1917 to 97 following the Armistice and before maturity were traded at a premium in the New York Stock Exchange. This \$500,000,000 joint obligation of France and England, the largest foreign loan ever floated, was paid promptly when it fell due.

Table with columns: Name, Subscription Price, Market now including 3/4% commission, Gain. Lists various international bonds like Belgium 7 1/2s, Brazil 8s, etc.

The above figures will make plain to you why the Department of the Seine 20-year 7s at 90 1/2 and accrued interest to yield 7.95% to 8.75% offer you an exceptional character of investment. Principal and interest are payable in United States gold coin in New York.

SAVE THIS LIST These bonds are quoted daily in newspapers and you can keep in touch with their market. FREEMAN, SMITH & CAMP CO. LUMBERMEN BLDG., PORTLAND

Your Savings Account At the Hibernia You can start a savings account at the Hibernia any time during regular banking hours. —Or Saturday evening from 6 to 8. —Or indorse your check "for deposit with the Hibernia Bank," pin a memo to it saying you want to open a savings account, and mail it to us.

HIBERNIA COMMERCIAL AND SAVINGS BANK 4th & Washington

Rio de Janeiro, Brazil 6% Gold Bonds Denomination \$1000 Due May 1, 1929. Payable, Principal and Interest, in New York City in U. S. Gold Free From All Brazilian Taxes.

RALPH SCHNEELOCH COMPANY MUNICIPAL AND CORPORATION FINANCE LUMBERMEN BUILDING PORTLAND, OREGON

Banking Service Your banking requirements may be entrusted to this Bank with every confidence that careful and efficient service will be rendered. The Canadian Bank of Commerce Portland Branch. Fourth and Stark Streets.

A. W. NORINS & CO. INVESTMENT BANKERS. Est. 1889. 5 COLUMBUS CIRCLE, NEW YORK, N. Y.

Other foreign loans distributed in this country have advanced greatly in market value by reason of the fall in interest rates and the improved understanding among the American people of financial conditions abroad. The following tables of values show subscription prices of these bonds at the time issued and what they cost today:

Table with columns: Name, Subscription Price, Market now including 3/4% commission, Gain. Lists various international bonds like Belgium 7 1/2s, Brazil 8s, etc.

The above figures will make plain to you why the Department of the Seine 20-year 7s at 90 1/2 and accrued interest to yield 7.95% to 8.75% offer you an exceptional character of investment. Principal and interest are payable in United States gold coin in New York.

SAVE THIS LIST These bonds are quoted daily in newspapers and you can keep in touch with their market. FREEMAN, SMITH & CAMP CO. LUMBERMEN BLDG., PORTLAND

Your Savings Account At the Hibernia You can start a savings account at the Hibernia any time during regular banking hours. —Or Saturday evening from 6 to 8. —Or indorse your check "for deposit with the Hibernia Bank," pin a memo to it saying you want to open a savings account, and mail it to us.

HIBERNIA COMMERCIAL AND SAVINGS BANK 4th & Washington

Rio de Janeiro, Brazil 6% Gold Bonds Denomination \$1000 Due May 1, 1929. Payable, Principal and Interest, in New York City in U. S. Gold Free From All Brazilian Taxes.

RALPH SCHNEELOCH COMPANY MUNICIPAL AND CORPORATION FINANCE LUMBERMEN BUILDING PORTLAND, OREGON

Banking Service Your banking requirements may be entrusted to this Bank with every confidence that careful and efficient service will be rendered. The Canadian Bank of Commerce Portland Branch. Fourth and Stark Streets.

A. W. NORINS & CO. INVESTMENT BANKERS. Est. 1889. 5 COLUMBUS CIRCLE, NEW YORK, N. Y.

NOTICE OF REDEMPTION TO HOLDERS OF VICTORY NOTES AND OTHERS CONCERNED. Notice is hereby given as follows: 1. Call for redemption of 3 1/2 per cent Victory Notes. All of these 3 1/2 per cent series of United States of America convertible gold notes of 1921-1922, otherwise known as 3 1/2 per cent Victory Notes, are hereby called for redemption on June 15th, 1932, pursuant to the provision for redemption contained in the notes and the treasury department circular No. 135, dated April 21st, 1931, under which the notes were originally issued.

Developing the West As the purchaser and distributor of millions of dollars' worth of Good Bonds, each year the Lumbermen is playing an important part in our western development. Build the West by Buying Its GOOD BONDS From a Responsible Bank Paid-Up Capital \$500,000. Lumbermen Trust Co. BANK Broadway and Oak.

A. W. NORINS & CO. INVESTMENT BANKERS. Est. 1889. 5 COLUMBUS CIRCLE, NEW YORK, N. Y.