

FRANCHISE TAX IS DEMANDED

Big Corporations, Which Pay but Little Into the Treasury,

HOLD PUBLIC UTILITIES

Although Their Revenue Comes From Their Monopolies in the Streets, They Contribute Much Less Than a Few Merchants.

WHAT THE CORPORATIONS PAY.

Table listing various corporations and their respective franchise tax payments, including Portland Gas, Oregon Water, and others.

For use of public streets for electric light, telephone and telegraph wires, street-cars, railroads and hydraulic elevator pipes, the City of Portland, which granted franchises for these public utilities to 11 companies, is compensated less than \$1000 a year.

Therefore, the franchises on which the 11 companies do their business and maintain their monopoly and make their profits from the public do not pay the city \$1000 a year for their special privileges.

But 23 business firms, owning no franchises from the public, endowed with no special privileges, and no monopoly, yield \$2000 a year for "business licenses"; and 80 such firms contribute in that manner twice as much as the 11 companies for franchises.

Thus it is clear that the private business houses are victims of discrimination, in that they are taxed far beyond their proportion for use of the public streets and other privileges while the 11 companies, making their use of the public thoroughfares the one source of their revenue, and enjoying monopoly of those privileges, pay much less than their fair share of the burdens of government.

Hold Perpetual Franchises.

Eight of the companies hold franchises which are perpetual in the sense that no time is specified in the grants for their termination; they are the gas company, the electric light company, the Southern Pacific, the O. R. & N., the terminal company, the hydraulic elevator company and the Western Union and the Postal Telegraph Companies.

Four of these eight pay business licenses to the city—the gas, the electric light and the telegraph companies, while the four others pay nothing save regular taxes. But the 80 business firms pay licenses in addition to their regular taxes. And these firms include no saloons, restaurants or drug stores, no mercantile, banking and theater companies and the like.

Taxation of Franchises.

All this gives impetus to the popular demand for taxation of public franchises and makes this subject the most important that will come before the State Tax Commission, which has just been appointed, and which will report up a tax enactment by the next Oregon Legislature when it shall meet in January, 1907.

Has Long Time to Run.

The franchises of the company are yet to run 27 1/2 years, and as time goes on the revenue it is bound to pay the city will be increased during the period from 1907 to 1932, 22 years hence, the annual payment will be \$21,000, or \$2000 a month. This figure will probably turn out more ridiculous than that which the city is now receiving, inasmuch as the earning power of the car system is expected to be immensely greater than now, owing to growth of the city.

The car company's franchises were granted by the present Council two and a half years ago. They were put through hurriedly, in order that they might bind the city before the present charter should go into effect; for if granted under the charter now in force, a number of important limitations would have curbed the schemes of the two companies which received the franchises, and which have since been consolidated—the Portland Railway Company and the City & Suburban Railway Company.

City Auditor; and other limitations of lesser importance would have been imposed. Made a Thrifty Turn.

Consequently the car companies made a thrifty turn when they secured the franchises, turned in their old franchises in exchange and paid nothing to the city treasury for the trade.

Two companies holding franchises also profitable and relatively more so than those of the car company, since the revenue from the franchises is paid to the Portland Gas Company and the Portland General Electric Company.

These franchises cost the grantees not a dollar to acquire, not a dollar to hold. They pay no franchise tax to the city, and the only revenue the public derives from the pipes of the one under ground and the wires of the other overhead is a \$200 annual business license from the gas company and a \$300 license from the electric company.

The gas company's two franchises were granted, one by the Territorial Legislature in 1853, the other by the City Council in 1852, the electric company's by the City Council of Portland and East Portland and Albina, at various times from 1852 to 1891, one in Albina, two in East Portland and two in Portland.

Through these two companies are possessed of large privileges, granted by the public, they pay but \$600 a year into the city treasury, besides the regular taxes on their tangible property, while many business houses, not possessed of such privileges, pay as much for business licenses, as follows:

What the Firms Pay.

Table listing various firms and their respective license payments, including A. H. Averill, Baker, and others.

Revenues From Franchises.

The city's revenue last year from franchises was \$1000, as follows:

Small table listing revenue items like Pacific Coast Telephone & Telegraph, Portland Consolidated Railway, etc.

Total \$1000

The Union Market Association's payment of \$1000 for rental of what is now known as the market block, where public markets are to be maintained. The telephone company's payment is under a franchise granted three years ago for a period of 25 years.

FIRE SALE.

Thomson's corner warehouse, 56-58 Broadway, New York, damaged by fire. We secured five large cases of the best number for less than 1-3 of actual cost. The corsets are in perfect condition and will be placed on sale Monday morning at 10 o'clock.

LET US INCREASE YOUR BUSINESS.

By lighting your stores and show windows with our new methods of electric and gas lighting, we can increase your business 50 per cent. Telephone or see us at our showrooms, 241 Washington street, corner of Seventh, for estimates.

BUY STREET RAILWAY

Eastern Banking-Houses Now Are the Owners.

PLANS OF CORPORATION

It Proposes to Extend the Suburban Lines Greatly and May Ultimately Build as Far South as Salem.

The Portland Consolidated Street Railway Company is now the property of Eastern banking houses and great things are to be expected from the change.

Yesterday morning the change of ownership was made when the holders of the majority of the stock in the Portland Consolidated Company transferred their holdings to the firms of Seligman Brothers of New York, and E. W. Clarke & Co. of Philadelphia.

The capitalization of the Portland Consolidated Company is rated at a total of \$5,000,000, of which \$1,000,000 is treasury stock and not issued. It is held as a reserve fund for future contingencies that it was thought wise to provide for at the time of the reorganization of the company some months ago, when the two old companies were consolidated.

The value of the company's property is not in excess of the capitalization, if it is so great. A great effort is now being made, or has been in the immediate past, to increase the rolling stock and general equipment in order to be able to handle the crowds consequent upon the Exposition. The company has added new cars and improved its lines throughout the city, but has not as yet finished all that has been planned.

Should remember that the Oregon Optical Co. is the best equipped optical institution in Oregon. All glasses bought of us kept in repair one year. This includes broken lenses (the rimless kind included) whether specially ground or otherwise.

SEEN ON THE BIOGRAPH

GOVERNMENT READY TO GIVE INSTRUCTIVE EXHIBIT.

THEATRICAL TRUST AGAIN

PIANOS DELAYED

SOULE BROTHERS PIANO CO.

STORIES OF OREGON

JONES' BOOK STORE

FOR EXHAUSTING

THE W. G. McPHERSON COMPANY

COVELL'S

CALEF BROS.

Furniture 130 6th Street We Will Soon Move To East Morrison Street Between East 3d and Union Ave.

Before moving we will reduce our stock as low as possible. To do this we must have your help.

For the next two weeks the profits are yours.

Come and get something, for you will save from 10 to 40 per cent.

Remember our stock reducing sale is on at 130 Sixth street.

STRANGERS IN THE CITY



Should remember that the Oregon Optical Co. is the best equipped optical institution in Oregon.

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Oregon Optical Co.

Fourth and Yamhill, Y.M.C.A. Bldg.

death occurred June 1 at the residence of F. Hackman, in Crook County, was a pioneer of this state. He came to Oregon in 1846, and for several years conducted an iron foundry at Oregon City.

COMMENCEMENT.

Commencement exercises of the Gillespie School of Expression, Arion Hall, Friday evening, June 10.

June 24. Watch it grow. Greatest holiday of the year. That's all.

PIANOS DELAYED

SOULE BROTHERS PIANO CO.

372-374 MORRISON ST., COR. W. PARK.

STORIES OF OREGON

Is a very interesting and thrilling account of true Indian adventures and frontier life in crossing the plains to Oregon in the year of 1827 by George A. Waggoner. Price, postpaid, \$1.50.

JONES' BOOK STORE

31 Alder St., Portland, Oregon.

FOR EXHAUSTING

Smoke, steam, vapor, gases, foul air, fumes, or any light solid material, such as wool, cotton, grains, shavings, no system approaches The Fan System in point of efficiency.

THE W. G. McPHERSON COMPANY

Heating, Ventilating and Drying Engineers 47 FIRST STREET

COVELL'S

Formerly New York Furniture Co. 184-186 FIRST STREET

The Best Ever

LAST WEEK

we received

144 Men's Suits

better than any we have ever sold for \$15.

To replenish our broken lines we place them on our

Ten Dollar TABLES

Never Again

will you be able to secure such bargains.

WHEN YOU SEE IT IN OUR AD IT'S SO

MOYER THIRD and OAK STS.

Oregon Optical Co.

Fourth and Yamhill, Y.M.C.A. Bldg.

In this country, and that this course of procedure has given Mrs. Pliske considerable free advertising. She has clever press agents.

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372-374 MORRISON ST., COR. W. PARK.

For free estimate for tuning, polishing, refinishing and repairing pianos, call up Main 517.

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Do you know how little it takes to furnish your parlor, or your entire house, for that matter, in a manner at once as neat and tasteful as any standard of social taste requires?

It's the same in buying Furniture for the trade. A glance over our stock will convince you that the things that go to produce the very best effects, no matter how much or how little the cost, are here, and are arranged in so suggestive a way that your selections are easily and quickly made, and this is a real consideration to the busy housekeeper.

We make terms suit the convenience of your income. Have no hesitancy whatever in making your wishes known in this respect. If you want the goods, we can do business with you in a way that will make and keep you our exclusive customers.

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