

MEXICAN MOVE IN OIL CONTROVERSY TO BE NEXT STEP

Oilmen Decide to Refuse to Pay
Taxes Imposed and Let Car-
ranza Decide Upon Course.

TAXES ARE EFFECTIVE TODAY

Belief Expressed That Negotia-
tions Between United States
and Mexico Are in Progress.

Washington, Aug. 16.—(U. S. S.)—Ad-
mitting that the situation growing out of
the refusal of the Mexican government
to accept as a subject for diplomatic
discussion the oil taxes imposed by it,
which have been termed confiscatory by
the American and British oil interests,
is causing great concern, state depart-
ment officials today refused to discuss
that action is being or will be taken.
The taxes became effective today.
The oil men, at a meeting here Thurs-
day, decided that they would refuse to
pay the tax.

The next move will be that of the Car-
ranza government. If it prohibits the
movement of the oil unless the tax is
paid, then it will be up to the United
States and Great Britain to see that the
oil continues to come from the Tampico
and Tuxtepec fields.

Secretary of the Navy Daniels al-
ready is on record before a congressional
committee as declaring that the oil will
continue to come out of Mexico in suf-
ficient quantities for naval use.

Negotiations On Belief
It is believed here that further nego-
tiations are in progress between the
Mexican government and the diplomatic
representatives of the United States at
Mexico City. It has been the rule in
the past that, while apparently a posi-
tive position has been taken on matters
affecting foreign interests, the govern-
ment has later reopened the subject
when proper representations have been
taken.

The chief trouble at the present time
is the open declaration by the Carranza
government, in its note to the British
government, that its oil taxes are a mat-
ter of interest to Mexico alone and that
if the holders of the oil leases and lands
are not satisfied, they can have recourse
to the courts.

The oil men insist that the Mexican
government completely dominates the
courts and that they have little chance
to have the regulations imposed on the
tax not valid.

German Hand Is Suspected
The open statement by the oil produc-
ers, that the real reason why these con-
fiscatory taxes are imposed is that de-
livery of the oil interests of the nation
to German competitors can be made,
generally is accepted here as a fact. In
the original protest of the United States,
against the seizure of the oil interests,
it was made plain that the United States
expected Mexico to meet her in "a
friendly spirit." But up to the present
time there has been little friendliness
shown.

The Carranza government violated all
rules of diplomatic procedure in its re-
jection of the British protest. And it is
not believed here that this action was
taken by Foreign Minister Aguilar with-
out the full approval of President Car-
ranza.

BILLIONS IN REVENUE PROVIDED IN TAX BILL

(Continued From Page One)

profits of the three years, 1911, 1912 and
1913 taken as the basis of computation.
Excess profits levies, however, would
run from 10 to 60 per cent with the ex-
emptions remaining as at present. The
Kilbuck scheme would make these taxes
20 to 80 per cent. In addition there
would be a normal profits tax of 18 per
cent on undistributed profits and 12 per
cent on profits distributed.

Treasury experts say the McAdoo
scheme would yield \$2,500,000,000 as
against \$2,000,000,000 to be returned by
the Kilbuck plan. Some members fa-
vored compromise, but the majority
seemed to be leaning toward the McAdoo
plan, without change.

The bill as it now stands is the most
ambitious piece of revenue legislation
ever put before any congress. It re-
quires the payment in taxes of \$2,700,-
000,000 more than the total outstanding
currency. To prevent the chaotic condi-
tion that would result if an attempt were
made to pay all these taxes on one day
or in one month, an installment system
of payment will be provided in the bill.
The treasury department wishes install-
ment payment made mandatory. The
committee had favored payment in in-
stallments on March 15, June 15 and Sep-
tember 15 with a one and one ninth per
cent reduction for full payment on the
first date.

High Taxes for Liquors
After a summing up that will be under-
taken when the profits taxes question is
finally decided, the committee then will
turn to special taxes, such as those on
breweries, oleomargarine plants, theat-
ers, etc., and to liquor taxes to make up
the balance. In an extremity, it is au-
thoritatively stated, the committee may
turn to the tariff to make up part of the
deficit. It is certain that if any new
import duties are levied they will be
on tea, coffee and cocoa.

The liquor taxes will be taken up last.
They will be more than doubled—possi-
bly tripled. The committee does not
wish to attack them until the last min-
ute, however, for any announcement of

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member, anyone can conduct Public
Dances or attempt to teach Dancing, but
real dancers and successful instructors
are very few. Phone M. 7655.

increased taxes would result in a rush to
withdraw liquor from bond, and the gov-
ernment would lose half a billion dol-
lars in taxes in a very few days.

The proposal for a 1 per cent sales tax
to apply generally does not appear in
the bill. This tax would have netted
\$2,000,000,000, but would have been ex-
tremely difficult of collection. The bill
will be made to yield the required
amount without it.

The principal burdens will be borne, as
the president desires, by excess profits,
income and luxury taxes. The committee
has decided that normal tax on the first
\$5000 of taxable income shall be 5 per
cent, with the existing exemptions
still in force.

Big Incomes Are Reached
The normal tax on incomes above \$5000
will be 10 per cent with the following sur-
taxes:

Three per cent on proportion of income
between \$5000 and \$7500.
Eight per cent between \$7500 and \$10,-
000.
Ten per cent between \$10,000 and
\$15,000.
Fifteen per cent between \$15,000 and
\$20,000.
Twenty per cent between \$20,000 and
\$30,000.
Twenty-five per cent between \$30,000
and \$40,000.
Thirty per cent between \$40,000 and
\$50,000.
Forty per cent between \$50,000 and
\$60,000.
Forty-five per cent between \$60,000 and
\$70,000.
Forty-seven per cent between \$70,000
and \$80,000.
Forty-eight per cent between \$80,000
and \$100,000.
Forty-nine per cent between \$100,000
and \$200,000.
Fifty per cent between \$200,000 and
\$500,000.
Sixty per cent between \$500,000 and
\$1,000,000.
Seventy per cent between \$1,000,000
and \$5,000,000.
Seventy-five per cent on all exceeding
\$5,000,000.

Inheritance Tax Heavy
The scale of inheritance taxes agreed
upon will give a heavy yield, but Rep-
resentative Rainey, Democrat, on the
committee, announced today that he
would make a fight on the floor to have
those on estates of over \$1,000,000 rad-
ically increased. There is an original
exemption of \$50,000 and the taxes there-
after follow:

Six per cent on proportion of inheri-
tance between \$50,000 and \$150,000;
nine per cent between \$150,000 and
\$250,000; 12 per cent between \$250,000
and \$450,000; 15 per cent between \$450,000
and \$1,000,000; 18 per cent between
\$1,000,000 and \$2,000,000; 21 per cent be-
tween \$2,000,000 and \$3,000,000; 24 per
cent between \$3,000,000 and \$4,000,000;
27 per cent between \$4,000,000 and \$5,000,-
000; 30 per cent between \$5,000,000 and
\$8,000,000; 35 per cent between \$8,000,-
000 and \$10,000,000; 40 per cent above
\$10,000,000.

The estate taxes may seriously inter-
fere with similar state taxes and prob-
ably will necessitate revision of state
laws so that the federal tax may be
taken out before the state tax is calcu-
lated.

Luxuries Will Have to Pay
Taxes of 20 per cent on the amount
of the selling price exceeding the follow-
ing maximum figures are levied on the
following luxuries of the second class:
Men's and women's suits, and coats
in excess of \$50.
Women's dresses ready made, \$40.
Women's hats, \$25.
Men's hats, \$5, and caps, \$2.
Men's and women's shoes, \$10.
Neckties, \$2.
Men's silk hose, \$1.
Women's silk hose, \$2.
Men's shirts, \$3, and pajamas, \$3.
Fancy vests, \$2.
Smoking jackets, bath robes, \$10.
Fans, \$1.
Umbrellas, parasols, \$4.
Purses, pocketbooks, \$7.50.
Traveling bags, all kinds, \$25.
Trunks, \$50.
Fiber carpets, \$5 a square yard.
Picture frames, \$10.

Miscellaneous items are taxed at a rate of 25
per cent and cartridges at 10 per cent.
Bowie knives, dirks, brass knuckles, etc.,
pay 1,000 per cent.
Automobiles and motorcycles bear 10

per cent and wagons, trailers and trac-
tors 5 per cent.
Autos Will Be Taxed
The following are the federal license
taxes to be assessed against automo-
bile owners:
Less than 23 horsepower, \$10.
23 to 30 horsepower, \$20.
31 to 40 horsepower, \$30.
Over 40 horsepower, \$50.
In addition the owner of a gas car
must pay a two-cent tax on every gal-
lon of gasoline.
Electric cars pay \$5 per horsepower
and 50 cents for each 100 pounds of
weight. Motorcyclists pay a flat \$5 li-
cense tax.

A license tax of \$10 must be paid for
each retail establishment doing a busi-
ness of more than \$2000 a year, and a
similar tax applied against professional
men. Wholesale businesses in excess
of \$200,000 a year must pay \$25.
The tobacco taxes are practically
double the present rates. They follow:
Cigars, weight three pounds per thou-
sand, \$2 a thousand.
Cigars, weight more than three
pounds per thousand and selling at less
than four cents, \$5 a thousand.
Cigars, retailing between four and
seven cents, \$10; between seven and 15
cents, \$15; between 15c and 20c, \$20;
over 20c, \$30.

Cigarettes, weight not more than
three pounds per thousand, retailing at
less than two cents, \$4.10; and over
two cents, \$5.10.
Cigarettes, weight more than three
pounds per thousand, \$9.60 a thousand.
Tobacco and snuff, 30c a pound.

Dillon Meeting at
Omagh Is Dispersed
Dublin, Aug. 16.—(U. P.)—Police and
500 soldiers dispersed a meeting at
Omagh, where John Dillon was about to
deliver an address. There was no vio-
lence. Dillon refused to the last to de-
scend from efforts to speak, claiming the
right of a member of parliament to ad-
dress his constituents. Officers advised
him to disperse those who had gathered
to hear him and thus avoid bloodshed.
The gathering was broken up and the
Sinn Féin demonstration stopped.

Counter Attack on
Piave Is Repulsed
Rome, Aug. 16.—(U. S. S.)—An
Austro-Hungarian counter-attack on the
Piave river was repulsed with heavy
loss, the war office announced today.
Announcement of the capture of the
island of Tonale, in the Piave, by Italian
troops was made by the Italian war
office Thursday.

Praise Accorded to
Rainbow Division
Washington, Aug. 16.—(U. S. S.)—Ex-
pressing pride that the Forty-second
(Rainbow) division had been under his
command, and commending it for its
"valor, ardor and spirit," General Naulin,
commanding the Twenty-first army
corps, has issued general orders com-
mending this division. It was learned
here this afternoon.

A single wheeled motorcycle has been
invented in which balance is provided
by a gyroscope.

**After Theatre
Supper
Parties**
You'll find a dozen splen-
did specials—among
them

Cracked Crab, Mayon-
naise
Welsh Rarebit
Golden Buck
Club House Sandwich
Chicken Sandwich on
Toast
Hot Chili Shad Roe
Chicken a la King on
Toast

and there are dozens of
**Fountain
Specials!**
that are sure to delight
The Hazelwood
CONFECTIONERY AND RESTAURANT
127 Bdwy—288 Wash.

"METAL GHOULS" BECOME COMMON AMONG GERMANS

Lead Is Stripped From Coffins,
Jewelry Ripped From Bodies,
Due to Shortage in Germany.

GREAT METAL DUMP BOMBED

Destruction of Mass of Material
Left Behind in Retreat Is
Sought; Chaos Is Everywhere.

By Bert Ford.
With the British Army on the Picked
Front, Aug. 16.—(U. S. S.)—"Metal
ghouls" have become common in Ger-
many. Graves are pillaged for precious
metals. Lead is stripped from coffins.
Jewelry is ripped from bodies. The seri-
ousness of the German metal shortage
has brought about a ghastly pursuit.
The shortage of metal is shown by the
conditions of the villages recaptured by
the British in their recent drive. Officers
report that vaults in the cemeteries at
Mezières have been broken into and the
lead stripped from the coffins. Prison-
ers admit taking jewelry from the bodies.

The demoralization following the re-
treat of the German armies is forcefully
shown in the chaos they leave behind.
Everywhere there are signs proving un-
mistakably the ferment of the Teuton
mind. Batteries are abandoned. Maps,
charts and important papers are scat-
tered here and there. Even boots and
other personal effects are abandoned in
the wild exodus. There is plenty of evi-
dence that the Germans will retreat all
the way back to the Hindenburg line.
Wednesday's evacuation of their for-
ward positions at Beaumont-Hamel,
Serre, Puisseux and Bucquoy strength-
ened this belief.

Retirement Is Surprising
The German withdrawal covers a
front of 4000 yards to a depth of more
than 1000 yards. The British forces are
pushing on and keeping in close touch
with the enemy. Considerable ground
has been gained in the vicinity of these
villages. The ground yielded by the
Germans is located between Albert and
Arras.

North of the Ourcq river some of the
bitterest fighting in the war took place.
The British losses were heavy in that
region. The enemy's swift, silent re-
tirement, for the purpose of taking up
stronger positions in the rear, caused
some surprise. Recently the Germans
also evacuated their positions in the
Hebuterne sector.

At Caix a dump several kilometers in
extent was found full of material, in-
cluding lead stripped from the houses.
The Germans have nightly been bomb-
ing this dump in an attempt to destroy
the material which they were forced to
abandon in their hasty retreat.

Pure Thread Silk
Lace Stockings \$3.50
—Made of heavy grade silk in
dainty lace patterns. Black,
white, grey, silver, champagne,
French tan, Cordovan and
bronze. All sizes.

Pure Thread Open
Work Stockings \$1.50
—Smart stockings in newest ef-
fect. Cordovan, bronze, nigger
brown, grey or Navy, with silk
lisle garter tops. Excellent
grade.

Buster Brown Hose
For Children at 35c
—Boys' or girls' stockings in
best grade medium weight cot-
ton. Black, tan or white, with
six thread heels and toes. Sizes
6 to 10. 3 pairs \$1.00.

Women's Burson
Stockings at 35c
—Black Burson hose, with hem-
med tops. All have reinforced
soles. Here in all sizes at 35c.
3 pair \$1.00.

Junior Full Shaped
Pure Silk Hose \$1.25
—Pure thread silk stockings in
black, white Cordovan and grey.
Good quality. Sizes 7 to 10.
Priced \$1.25.

—Main Floor,
Lipman, Wolfe & Co.

Glove Silk UNION SUITS and \$2.69
ENVELOPE CHEMISE Special
—A very special price for these excellent headed or bodice
top garments—neatly trimmed and well reinforced around
the arms. Sizes 36 to 42.

KAYSER'S LISLE THREAD VESTS
Priced 50c to 85c
—White or flesh color. Good quality, well made. Band
top style—50c and 75c.
—With crochet yokes—65c, 75c and 85c.

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THE VERY NEWEST
SMOCKS
ARE HERE AT
\$2.95

—Clever smocks—in sizes from
misses' 14 to women's 40—in slip-
over and open front styles. Some
have square necks with fancy collars
and others are collarless. Many
have touches of hand smoking or
stitching. All are neatly belted and
have novel pockets. In white with blue, green or tan trim-
ming.

NEW FIBRE SILK SWEATERS
FOR GIRLS—PRICED \$6.95
—Smart sweaters in pretty shades—turquoise, coral, gold—
made with sailor collar, cuffs and sash belt. Sizes 30 to 36.

New TOODLE
ROMPERS \$1.75
—For little tots 2 to 6 years old. Romp-
ers of checked materials combined with
solid pink or blue or rompers of solid
colors trimmed in contrasting color.
Just as cunning as can be! Some in
pure white, with color trimmings.

GIRLS' SEPARATE SKIRTS \$2.25
—Skirts for girls 7 to 14 years old!
Made of Holland Cloth in Cadet blue or white Jean. Full
pleated style to be worn with smocks or middies.

Clearance of Spring and Summer COATS
—All Spring and Summer coats in fancy checked or plain
colored materials and silks in taffetas and poplins. All are
neatly made and attractively trimmed.

Sizes 2 to 6—Special at \$3.30—\$3.95 to \$12.95.
Sizes 6 to 14—Special at \$4.25—\$6.65 to \$19.95
Sizes for Juniors and Small Women \$6.35 to \$24.95

DAINTY SUMMER DRESSES FOR GIRLS
—Tub frocks that can be worn all Winter long! Sizes 14
to 17. Crisp, new organdies or fancy flowered and checked
voiles. Some with the new round collars, and all in the
very daintiest of styles.

Priced \$8.50—\$9.95 to \$15

THE POPULAR CECILE DRESSES \$7.50
—The most popular frocks made of good quality jean, with
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Some New Hats— IN TAILORED STYLE AND Some New Hats— IN SPORTS STYLES



have just been unpacked and they're
wonderfully smart. The tailored hats
included silk beavers in straight brim,
square crown style in all the popular
shades—brown, sand, purple, taupe and
black.

—The sports hats are on the becoming,
soft, somewhat droopy lines with wide
stitched brims, and brims bound with
soft yarns and bands of gaily colored
threads.

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Luxite Silk Hose \$1.15

—Women's splendid silk stockings with silk lisle double
tops. More than 60 shades including those most in demand
for Fall and Winter wear. All sizes from 8½ to 10½.

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—Made of heavy grade silk in
dainty lace patterns. Black,
white, grey, silver, champagne,
French tan, Cordovan and
bronze. All sizes.

**Pure Thread Open
Work Stockings \$1.50**
—Smart stockings in newest ef-
fect. Cordovan, bronze, nigger
brown, grey or Navy, with silk
lisle garter tops. Excellent
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For Children at 35c**
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—Pure thread silk stockings in
black, white Cordovan and grey.
Good quality. Sizes 7 to 10.
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—With crochet yokes—65c, 75c and 85c.

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—Clever smocks—in sizes from
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—All Spring and Summer coats in fancy checked or plain
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—Tub frocks that can be worn all Winter long! Sizes 14
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Priced \$8.50—\$9.95 to \$15

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They're all worth ever so much more! Sizes 9½ to 11½.
Three pairs for \$1.75.

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Short sleeve, ankle length suits. MILL
RUNS OF A FAMOUS BRAND.

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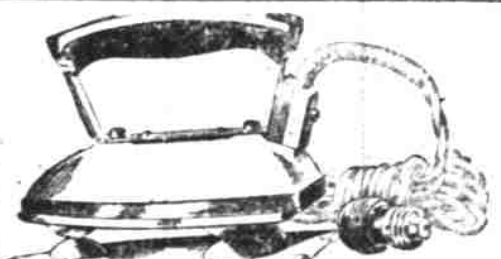
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—I'm Sorry I Made You
Cry.
—Oh, Frenchy.
—Keep Them Drooping
—I've Adopted a Belgian
Baby.
—When Sammie Crosses
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—And other numbers.
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This Westinghouse CINDERELLA IRON \$3.50

—An iron that is guaranteed
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