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## TEXT OF THE OPINION

### Income Tax Decision Ready at Last.

#### DELIVERED IN THE SUPREME COURT

Rents and Bonds Exempted From Taxation—Field, White and Harlan Read Dissenting Opinions.

WASHINGTON, April 8.—Chief Justice Fuller began this morning to read the decision of the supreme court in the income tax case. He began by stating the exceptions to the law as made by counsel for the appellant as follows:

First—That the act imposes a direct tax in the respect of real estate, rents, issues and profits as well as of incomes and profits of personal property, and not being apportioned as in violation of section 2, article 1 of the constitution.

Second—That the law, if not imposing a direct tax, is, nevertheless, unconstitutional, in that its provisions are not uniform throughout the United States, and do not operate with the same force and effect upon the subject of tax, wherever found, and in that it provides exemptions in favor of individuals and corporations, while denying all exemptions to corporations, having a similar income derived from like property values, and provides for other exemptions and inequalities, in violation of section 8, article 1 of the constitution.

Third—That the act provides no exemption of tax upon incomes derived from stocks and bonds of the states of the United States, and counties and municipalities therein, which stocks and bonds are no proper subject for the taxing power of congress. The income from these securities in the United States amounts to over \$85,000,000 per annum, on which the total annual income tax would be \$1,300,000.

He then took up constitutional points involved, dwelling upon the fact that the constitution required the apportionment of direct taxes and uniformity in excises and imports. He also dwelt upon the question of representation and taxation which was, he said, the foremost one when the constitution was adopted.

He then took up the question of tax on rents, and in so doing discussed at a considerable length the question of direct taxes as considered at the time of the framing of the constitution. The framers of the constitution were, he said, well versed in the government of the colonies, and European countries, and were well versed in the literature of the period, including works on political economy, and well calculated to pass intelligently on a matter of this kind. He quoted various supreme court decisions, and sought to show that while the income tax question had been before the court, the question only had been considered as applying to the point at issue in particular cases.

Coming down to the present tariff act, he said the law was passed in a time of profound peace, and it was to be taken as evidence that congress had sought in this matter to form a precedent and establish a departure from the established lines, and it, therefore, became important to enquire into the circumstances with some attention to details, and for the purpose of comparison he went back to the enactment of the income tax during the civil war. He quoted from a decision in the Springer case, giving the history of the case and devoting much attention to it, as he said the defense had apparently relied upon this more generally than upon any other precedent. It is, he said, conceded in all cases, from Hylton to Springer, that taxes on land are direct taxes, but in some of them it was determined that taxes on rents derived from land are direct taxes, while in some of them it was determined that

taxes on rents derived from land are indirect taxes. Was there, he asked, any distinction between the tax on land and on the income derived from the land? The court had been unable to see any distinction. He closed by saying the court had reached the conclusion that a tax on rents was invalid. The chief justice then took up the question of the taxation of municipal and state bonds. The decision was also adverse to this part of the law, as repugnant to the constitution. On other points the court was divided, and therefore no opinion could be given. The lower court having ruled in favor of the law the law would stand except as to rent and state, county and municipal bonds, and on these two points it was directed that judgment be now reversed.

When Chief Justice Fuller had finished Justice Field began to read the dissenting opinion, finishing before 2 o'clock. He said:

"I am of the opinion that the whole law of 1894 is null and void." He laid stress upon the fact that the law does not exempt judges of the United States court from payment of the tax. It was not right, he said, that the supreme court should remain silent and make no protest when many United States judges drawing small salaries, would be affected because of the law. He called attention to a letter once written by Chief Justice Chase to the treasury officials protesting against the deduction of income tax from the salaries of United States judges.

Justice Field was followed by Justice White in a second dissenting opinion. His dissent was largely extemporaneous and very long. He favored upholding the whole law.

Justice Harlan followed Justice White in a dissenting opinion, and the case closed. Nothing was said as to how any of the justices stood save the three who read dissents.

The decision applies to three cases, the first of which was brought in the courts of the District of Columbia by John W. Moore, to enjoin the commissioner of internal revenue from the collection of the income tax, while the other two were those of Charles Pollock vs. the Farmers' Loan & Trust Company, and Louis H. Hyde vs. the Continental Trust Company. Both appealed from the decision of the circuit court for the southern district of New York. When the circuit court sustained the law, Pollock and Hyde appealed to the supreme court of the United States. The cases were then advanced on the docket and argued March 7, 8 and 11, 12 and 13. Attorney-General Olney, James C. Carter, of New York, and Assistant-Attorney General Whitney appeared for the government, and Choate, Fawcett, Guthrie and ex-Senator Edmunds for the trust companies and Moore. The argument attracted more attention than has been given to any case in the supreme court for years, and the interest then manifested appears not to have diminished since. The lawyers for Moore and the trust companies attacked the constitutionality of the law on board grounds, while Messrs. Olney, Whitney and Carter defended it.

Castellane and His Wife.

New York, April 8.—A private letter from London to a celebrated actress here, describes the mode of life of Anna Gould and her husband, Count Castellane. The countess seems devoted to her husband and intensely jealous of him, not allowing him out of her sight, and insisting on his constant attendance. After all the talk about the \$3,000,000 settlement from the Gould estate, it is now said that Castellane only received \$25,000, given to him by George Gould, to prepare properly for the wedding and purchase necessary presents. George was anxious to make a suitable settlement and the matter was discussed at a gathering of the Gould children. The only member of the family who vehemently opposed it was Anna, who said she wanted to believe the count married her for love, not money. The next day George told the count of this decision. The count was chagrined and said he

## The WREN in Business

It is characteristic of the Wren that it will sneak in and occupy the nest made by another bird, in preference to building one of its own. This same trait is often seen in business. It is shown by the imitators of



No sooner has the wonderful merit of this new vegetable shortening, so much better than lard, created for it a remarkable sale and popularity, than the business wrens are ready to move upon the market with many worthless counterfeits. Any housekeeper can be easily and cheaply convinced of the value of COTTOLENE by simply giving it a trial. They will then be unwilling to go back to lard, or go down to fraudulent imitations.



would consult his father. Marquis Castellane was furious, and urged his son to break off the match, return to France and marry Mile. DeMonbazou, to whom he formerly paid his addresses. The count said matters had gone too far and he would be made ridiculous if he broke off the match at the last moment because he did not receive a large settlement, though he said he had expected a large dot.

"Perhaps you would not think so, but a very large proportion of the diseases in New York comes from carelessness about catching cold," says Dr. Cyrus Edson. "It is such a simple thing and so common that very few people, unless it is a case of pneumonia, pay any attention to the cold. New York is one of the healthiest places on the Atlantic Coast and yet there are a great many cases of catarrh and consumption which have their origin in this neglect of the simplest precaution of every day life. The most sensible advice is, when you have one get rid of it as soon as possible. By all means do not neglect it." Dr. Edson does not tell you how to cure a cold but we will. It will relieve the lungs, aid expectoration, open the secretions and soon effect a permanent cure. 50 cent bottles for sale by Blakely & Houghton, druggists.

#### Feel Has Resigned.

LONDON, April 8.—Before a crowded house, at 8:30 P. M., the speaker of the house of commons, Right Hon. Arthur Wellesley Peel, announced his resignation, and delivered his farewell address.

#### Silver Club Formed.

BIRMINGHAM, Ala., April 8.—The new silver party formally entered the political arena in Alabama Saturday, when 500 democrats, republicans and populists all advocates of free silver, met at Athens and organized the Central Silver Club of Alabama. The platform pledges the members to vote next year only for parties, candidates and platforms—national, state and county—favoring the free and unlimited coinage of legal tender gold and silver, at 16 to 1, regardless of past, present and future political affiliations on other matters, declaring the silver question the paramount issue.

#### Colombian Exiles at Colon.

COLON, April 8.—The steamer De Lesseps has brought from Costa Rica to this port a number of Colombian exiles. The strike of laborers along the line of the Panama canal continues.

#### William Henderson Dead.

GLASGOW, April 8.—William Henderson, the last survivor of the founders of the Anchor line of steamships and of the firm of Henderson Bros., the famous boatbuilders, is dead.

All druggists sell Dr. Miles' Pain Pills.

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