ASSESSORS SAID EVADING STATUTE

Governor Pierce Points Out That Property Is Not Assessed 100 Percent

The law provides that every county assessor in the state shall assess property in his county at 100 per cent of its value, but it has been found by experience that assessors do not comply with this requirement. For that reason, the law provides that the state tax commission, consisting of the governor, the secretary of state, the state treasurer and the state tax commissioner, shall meet annually, take testimony, examine into the facts and fix a ratio showing at what percentage the property has been assessed in each county.

Conforming to that law, the state tax commission, at the regular November meeting in 1924, fixed 42 per cent as the ratio at which the county assessor of Clackamas county had assessed property in that county, and 55 per cent as the ratio at which the assessor had assessed property in Multnomah county. The law further provides that the property of public utilities shall be assessed by the state tax commission at its actual value, and this amount is then reduced by using the ratio that the county assessor used in assessing other property in the county where the public utilities are operating.

The following table shows, for the past four years, the amount assessed against the Portland Electric Power company by the state tax commission and the amount upon which that company actually pays taxes after the county ratios are applied:

Year—	Amount Assessed	After Applying County Ratios.
1922 —	$25,498,064.53	$14,479,324.91
1923 —	35,972,412.60	19,246,753.01
1924 —	29,436,092.90	20,035,447.40
1925 —	41,963,059.10	21,000,000.00 (Approx.)

The value fixed upon the property of the Portland Electric Power company by the Public service commission of the state of Oregon, upon which that company is allowed to earn dividends, is $71,575,215.62. The actual selling price of the stocks and bonds of the company is approximately $61,000,000. Their operating income for the last few years has been as follows:

1922	$2,849,603.23
1923	3,216,478.91
1924	3,326,193.48

The foregoing figures represent the net earnings after all operating expenses have been paid. The figures show that the Portland Electric Power company earned in 1924 a little less than 5 per cent upon the amount fixed by the public service commission as the amount upon which they could earn dividends. The net earnings of $3,326,193.48 for 1924 is more than 15 per cent of the amount on which this company will pay taxes in 1925. In other words, their net earnings, after paying all operating costs and all overhead, except interest and dividends on stock, is more than 15 per cent of their taxable value. This is far in excess of the earning power of the ordinary property upon the tax rolls of the state of Oregon. Only a very small percentage of the real property in this state is earning anything like 15 per cent upon its assessed value.

Another conspicuous example of under-assessment is that of the California-Oregon Power company, reflected in the following figures:

Year—	Amount Assessed	After Applying County Ratios.
1922 —	$1,248,037.00	$ 851,039.21
1923 —	2,125,137.00	1,363,272.33
1924 —	3,050,526.00	1,960,876.98
1925 —	4,050,751.00	2,400,000.00 (Approx.)

The value fixed upon the Oregon property of the California-Oregon Power company by the public service commission, upon which that company is allowed to earn dividends, is $5,892,615.94. Their operating income for the last few years has been as follows:

1922	$180,030.39
1923	288,609.96
1924	427,651.85

In 1924 the California-Oregon Power company earned approximately 7 per cent upon the amount fixed by the public service commission as the mount upon which they could earn dividends. The net earnings of $427,651.85 for 1924 is more than 15 per cent of the amount on which this company will pay taxes in 1925.

"The foregoing figures represent two conspicuous examples of underassessment of the property of public utilities in the state of Oregon," Governor Pierce said Saturday. "That this method of assessment applies to other utilities in the state is proved by the fact that during the past year there has been invested in such corporations in this state over $26,000,000, and the total raise made by the state tax commissioner on all utilities in the state for 1925 is only $14,000,000, which is extremely low when we consider that all of these properties are paying dividends and their rates are regulated by the public service commission of the state so that they may make dividends and pay all of their costly overhead. They should bear their equitable portion of the tax burden.

"It is my judgment that there should have been a material increase over the assessment of the state tax commission on the property of such companies for the year 1925. Being only one member of the state tax commission, it is not in my power to raise the values assessed by the tax commissioner.

"The argument that it is necessary to give public utilities advantages over other property, so that they may show to eastern capitalists that they are earning large dividends, thus encouraging the investment of more money, does not appeal to me. It is just another form of subsidizing a rich corporation for the benefit of the fortunate few at the expense of the general taxpayer.

"I believe that all property should be assessed at the actual value, and that utilities should be assessed at an amount not less than the amount fixed by the public service commission upon which they are allowed to earn dividends."

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"The Little Karoo," Pauline Smith.

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"Youth in Conflict," Miriam Van Waters.

"My Ford; Its Care and Repair" H. F. Blanchard.

"The Messiah," G. F. Handel.

"Civilian Seamen in War," Nelson Collins.

"Recognition of Soviet Russia", J. G. Hodgson.

For The Children

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"Two Alike," E. B. Delano.

"Animal-land Children," Margaret Flora.

"Jack Among the Indians," G. B. Grinnell.

"Jack the Young Ranchman," G. B. Grinnell.

"Famous Stories Every Child Should Know," H. W. Mabie.

"Prince and Rover of Cloverfield Farm," H. F. Orton.

"The Boy Captives of Old Deerfield," M. P. W. Smith.

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"Scouting in the Wilderness," E. T. Tomlinson.

"Cudpo's Cave," J. T. Trowbridge.

"The Weaver's Children," Eva Wilkins.

"Fairy Tale of a Fox, a Dog, a cat, and a Magpie," Lois Bates.

"The Green Fairy Book," Andrew Lang.

"Pinocchio," Lorenzini.

"Old Fashioned Fairy Tales," M. F. Washburne.

"Jimmie," (a story of a black bear cub) E. H. Baynes.

"When Mother Lets Us Give a Party," E. D. Yale.

"The Filed Third Reader," W. T. Field.

MACHINIST IS KILLED

WALLACE, Idaho, Nov. 7.—C. E. Puckett, 48, a machinist at the Coeur d'Alene foundry company's shop here, was killed this afternoon when he was dragged into a lathe machine after a sleeve of his shirt had been caught in a revolving shaft. His neck was broken and he died while being taken to a hospital.