



Shall the TAX FAMILY have a NEW BABY?

This is the way the Ordinance Reads: Read Particularly Sections 1, 2 and 7

These Are The Facts— Don't Be Misled!

JOKER IS CHARGED IN THE ANTI-CHAIN STORE ORDINANCE

Every retail store in Portland, regardless of its size, will have an annual license tax of \$6 levied against it under the provisions of ordinance 41651, so lawyers insist they have unearthed from the hidden terms of its language. That was not the purpose or intent of the framers, but according to the contention now made that will be its effect once it becomes the law.

The ordinance is what is generally known as the "anti-chain store ordinance," which was passed by the council, but held up by referendum, and is now on the November municipal ballot for approval or rejection by the voters of the city.

The announced purpose of the ordinance when it was enacted by the council was to levy a graduated license tax on stores held under one ownership and control. This proposed license ranges from \$6 on a single store to \$50 for each store so operated in excess of \$20.

The unintended joker seems to lie, however, in the fact that there are something like 1900 small establishments in the city which pay no license under the existing ordinance. These would be required to pay the \$6 license under the proposed ordinance; and in addition be subjected to certain inspection regulations and fees not now provided.

Then, so it is contended there is another angle which seems to provide that all those stores which now pay a license fee to permit their operation under the proposed ordinance would be required to pay an additional fee of \$6. The penalty for violation of any of the provisions of the ordinance is a fine of not to exceed \$500 or imprisonment for not exceeding six months, or both.

Journal—Sept 28

TAX ON STORES FEARED

TRouble BELIEVED DUE ON CHAIN-STORE ACT

All Establishments, Small and Large, Will Have to Obtain License

The proposed "chain store" ordinance, submitted to the electorate on the city ballot in the November election, regulating and licensing stores, is likely to become a storm center before the campaign ends. The ordinance declares that no store can operate without a license, and the definition of "store" is: "Any store or mercantile establishment in which goods, wares or merchandise of any kind are sold, either at wholesale or retail."

Under the terms of the proposed ordinance, hundreds of small establishments which at present do not have to pay license must pay \$6 a year, and establishments which are now licensed, under the new ordinance will have to pay the additional \$6.

Following the interpretation of "store," nearly every retailer of any article in Portland will be subject to the license fee. It includes beauty parlors and barber shops, if toilet waters, tonics or face creams are sold to customers. It will include dealers in automobile batteries and everything else. The ordinance is all-embracing inasmuch as it covers every place where "goods, wares or merchandise" are sold.

A section of the proposed ordinance declares "the license provided for by the provisions of this article shall be in addition to all other licenses now applicable to any business hereby licensed required shall be issued on the payment of the highest license fee applicable."

Oregonian—Sept. 27

ORDINANCE NO. 41451

An Ordinance amending Ordinance No. 40468, as amended by adding thereto a new article to be known as Article XLV-3-4, relating to licensing and regulating stores in the City of Portland.

The City of Portland does ordain as follows:

Section 1. That Ordinance No. 40468 entitled "An Ordinance on the regulation of private business, including licenses, and declaring an emergency," passed by the Council December 21, 1921, as amended, be and the same is hereby further amended by adding thereto a new article to be known as Article XLV-3-4, reading as follows:

ARTICLE XLV-3-4
STORES

Section 1. LICENSE. That from and after January 1, 1922, it shall be unlawful for any person, firm, corporation, association or partnership, either foreign or domestic, to establish, open, maintain and/or operate through ownership, lease, general control, management, supervision or otherwise any store or stores within the City of Portland, without first having obtained a license as herein provided.

Section 2. DEFINITION. The term "store" as used in this article shall be construed to mean and include any store or mercantile establishment in which goods, wares or merchandise of any kind are sold, either at wholesale or retail.

Section 3. APPLICATION. Any person desiring a license to operate a store within the City of Portland shall make application therefor to the Bureau of Licenses on or after the first day of July in any year, which shall give the name of the owner or owners, lessee, trustee, receiver, manager or other person desiring such license, the name of the store, its location, and such other pertinent information as the Inspector of Licenses may require. A separate application shall be filed for each store which it is proposed to operate.

Section 4. DUTY OF INSPECTOR. If upon receiving such application the Inspector of Licenses finds the same in order, he shall approve the same and the Auditor shall issue the license, upon payment of the license fee or fees hereinafter prescribed; otherwise the same shall be rejected.

Section 5. EXPIRATION—RENEWAL. All licenses issued under the provision of this article shall expire on the 31st day of December of the year for which they are issued. Where a license is issued prior to the 1st day of July of any year, the full annual rate herein prescribed shall be paid, but where the license is issued on or after the first day of July in any year, one-half of the annual rate shall be paid. All licenses must be renewed within thirty days after date of expiration, and all applications for renewals must be accompanied by the license fee or fees herein prescribed.

Section 6. FEES. Every person, firm, corporation, association or partnership, either foreign or domestic, establishing, opening, maintaining and/or operating, through ownership, lease, general control, management, supervision or otherwise, any store or stores within this city shall pay an annual fee or fees as follows:

- (1) Where but a single store is being operated the annual license fee for such store shall be \$6.00.
- (2) Where more than one, but not exceeding five stores, are being operated, the annual license fee for each of such stores in excess of one shall be \$10.00.
- (3) If more than five, but not exceeding ten stores, are being operated, the annual license fee for each of such stores in excess of five shall be \$15.00.
- (4) If annual license fee for each of such stores in excess of ten shall be \$20.00.
- (5) Upon each and every store in excess of twenty operating, the annual license fee shall be \$50.00.

Section 7. LICENSEE TO PAY ONLY HIGHEST FEE. The license provided for by the provisions of this article shall be in addition to all other licenses now applicable to any business hereby licensed; provided, however, that all licenses required shall be issued on the payment of the highest fee applicable.

Section 8. PENALTY. Any person violating any of the provisions of this ordinance shall be upon conviction thereof, be punished by a fine not exceeding \$500.00 or by imprisonment for a period not exceeding six months, or by both such fine and imprisonment.

Passed by the Council September 23, 1921. **GEORGE L. BAKER**
Mayor of the City of Portland
Attest: **GEORGE R. FUNK**
Auditor of the City of Portland

TOO SWEEPING

It is common defect of tax measures offered for the purpose of accomplishing something other than the raising of revenues that they hit in unintended places.

The chain store tax measure on the city ballot is, as everybody knows, not especially designed as a new means of raising revenues. Rather its primary purpose is to summon the power of taxation to equalize competition between chain stores and independents.

But it is now disclosed that the measure is so sweeping that it would impose a new tax on small business whose chief revenues are from sources other than the sale of goods and commodities.

A battery repair shop, for example, which incidentally keeps a few batteries for sale, would pay a retailers' tax. The barber shop and the beauty shop that sell lotions in small quantities as a side line would pay. Plumbers whose main income is from labor, garages which subsist mainly on storage and repairs, and many other small lines of business in which sale of articles is merely incidental to their main purpose of existence would be gathered into the newly taxed group.

The times are not propitious for placing new tax burdens upon small establishments whose main function is to render personal service or otherwise expend human labor for livelihood. As a possible source of revenue they should be among the last resorts, and be taxed only when public government has stripped expenditures to the bone and still cannot survive.

Oregonian Editorial—Sept 28

The Chain Tax Situation

The motives of Portland's independent merchants in placing on the November ballot a measure to tax chain stores are undoubtedly above reproach. These merchants, who engineered the initiating of this proposed law, believe they are right.

In theory, they may be so. However, this newspaper wishes to point out to its readers the great fallacy of the bill. On every side we hear arguments about reduction in taxes. We have a great mass of persons who wish to have their tax burdens lifted.

Let us consider what will happen if this law passes and the chain stores are taxed. It will not mean anything out of the chain stores' pockets. This tax will merely be passed along to the men and women who make purchases in these stores.

In other words, by voting a tax on chain stores, the voters are merely penalizing those persons who patronize these stores. Voters should be wary of each and every tax bill on the ballot. The most of these bills strike only at the ultimate consumer.

The chain store tax bill is one of these bills. Vote against it if you wish to protect yourself against further taxation.

VOTE "501 NO."

Editorial News-Telegram, November 2,

PAID ADVERTISEMENT BY OREGON PRODUCERS' AND CONSUMERS' LEAGUE 506 YEON BLDG., PORTLAND, OREGON

Why Increase Living Costs?
Why Tax Yourself?

VOTE 501 X -NO
CITY ORDINANCE.....NOVEMBER ELECTION

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Why Tax Yourself?