

IT
LAW?

The Question Asked, but as the Supreme Court Says So, We Must Admit It

The law providing for the exemption from taxation of householders' property to the extent of \$300 first went into effect in 1854. Since that time it has been continuously in operation up to the present time, with the exception of 1904, when no exemption was made, due to an act of the legislature, which was subsequently annulled.

The decision of the supreme court rendered yesterday holds that the exemption law is unconstitutional. This means that the tax list of Multnomah county will be increased approximately \$1,500,000, and the tax list of the entire state approximately \$6,000,000. This change will go into effect during the present year and will necessitate a revision of the tax lists.

By handing in a decision rendered yesterday, that the householder's tax exemption is unconstitutional, the Oregon supreme court has declared void a statute that has been in force in this state almost continuously since 1859.

Householders' exemption have been allowed every year except 1904, when the exemption law had been repealed. It was re-enacted by the special session 1905, but went into effect too late to be applicable to the assessment of 1906.

Approximately \$8,000,000 has been exempted from taxation in this state year to year, and legislators, county officers and the people generally have recognized the exemption as valid. Now the supreme court has declared all these exemptions invalid.

Reassessment Will Be Necessary.

This decision will make it necessary for county assessors in many counties make a reassessment of property in their counties for 1906 for it is the duty of many assessors not to list property that is exempt. In some counties most of the counties the assessors list the exempt property and make the deductions afterward.

The case in which this decision was rendered was a suit brought in Josephine county by E. G. and E. Wallace, residents of New Hampshire, against the county court of Josephine county, to enjoin the allowance of householders' exemptions, upon the allegation that such exemption imposed upon the plaintiffs and all other non-residents an unequal rate of taxation.

Brought by Representative Hale.

The suit was brought by W. C. Hale, who, as representative from Josephine county in 1903, introduced the bill which repealed the exemption clause. The bill passed without its real purpose being generally known. At the special session of the same year the exemption law was re-enacted, but with the strenuous opposition of Hale.

In the absence of any constitutional prohibition, the right to make reasonable exemptions from taxation rests with the legislature. Where, however, there is a doubt in a statute attempting to remit the public burden that property should bear, the uncertainty

ty will be resolved in favor of the state against the exemption.

It will be remembered that Section 1 of Article IX of our constitution limits the power of the legislative assembly to exempt property from taxation to that to be used for municipal, literary, educational, scientific, religious or charitable purposes. It is argued by defendants' counsel that the exemption of property from taxation, as evidenced by the act under consideration, is a remission by the legislative assembly of a part of the public burden for charitable purposes and therefore within the limits of the power conferred. The exemption is evidently a valuable donation, but it is certainly not made for a charitable purpose.

We believe that the clause of the constitution prohibits the legislative assembly from granting to the householders of the state the exemption from taxation of the property attempted by the statute, which though in force when the organic law took effect was inconsistent therewith and hence repealed by the adoption of the constitution, and its attempted re-enactment is void as repugnant thereto, on the ground that the rate of assessment and taxation is not uniform or equal as between householders of the state and non-residents.

"It is hard even to approximate the amount of property which will be made taxable by the decision of the supreme court," said Mr. Sigler last night, "but I believe that it will be in excess of \$1,000,000 in Multnomah, and may be as high as \$1,500,000. The exemption list of last year, which amounted to \$907,644, shows only the exemptions on owners who have more than \$300 worth of property. Those who have less were not recorded in this list at all, but would be included as a result of the new ruling.

"If the effect of the supreme court's decision is to declare the exemption clause unconstitutional, and I suppose it is, it will place a large amount of additional work upon my office and upon the assessors' offices of the other counties. The property now exempted would have to be included in the assessment roll for the present year, which is to be made out by March 1. We shall have to make a partial canvass at least of our field in order to advise the lists besides thoroughly going over our own books."

L. H. Maxwell, chief deputy to Assessor Sigler, was of the opinion when seen yesterday afternoon that the property exempted at present in Multnomah county, which will be included hereafter, amounts to as much as \$2,000,000. Multnomah pays approximately one-third of the taxes of the state, so that at this rate the new ruling would increase the total tax roll of Oregon by \$6,000,000. This amount, however, would probably be too low, as there is a larger proportion of small property-owners in other counties of the state than in Multnomah.

The decision of the supreme court affects section 8 of the amendment to Bellinger and Cotton's annotated codes and statutes of Oregon, which is as follows:

"The following property, if owned by a householder and in actual use, or kept for use, by and for his or her family: household goods, furniture and utensils; two cows, ten sheep, five swine, and the tools, apparatus, team, vehicles, harness, or library necessary to enable any person to carry on his trade, occupation or profession, by which such person earns his or her living, to the amount of \$300, and the articles to be selected by such householder; provided, however, that when the assessed valuation of the personal property above enumerated shall amount to less than \$300 then only

such amount as the total of such property herein enumerated shall be exempt from taxation."

The news that the supreme court had declared this law unconstitutional was not received with surprise by those who were in close touch with the situation.

"I am not at all astonished at the decision," said Frederick W. Mulkey, chairman of the state tax commission. "It seems to me that the finding is a very sound one. It has always impressed me that the exemption law is contrary to section 1, article 9, of the constitution, which provides that taxation shall be uniform upon all property, with the exception of certain exemptions that are made by the constitution."

The state tax commission in its last report advanced the opinion that the exemption of personal property is not legal under the constitution of Oregon. The report did not advocate the elimination of the law, but did advise that the constitution should be amended to allow a personal property exemption. If the suggested changes of the commission were put into effect there would be no question of the constitutionality of the householders' exemption law.

The law providing for the exemption of \$300 worth of personal property has been in effect in Oregon ever since 1854, with the exception of a single year. From 1854 to 1859 there can be no question of the legality of the law, as the constitution was not adopted until February 14 of the latter year. Since that time, however, the law has always been at variance with the provisions of the constitution, according to the decision rendered yesterday morning.

In 1904 there was no exemption of personal property in Oregon. The legislature passed an act early in 1903 which annulled the exemption law. This bill was filed February 24 of that year. So much protest arose against paying taxes on property of less than \$300 value that the special session of the legislature which also convened in 1903 passed a new act renewing the old exemption clause. This act was filed December 24, and as it was necessary for 90 days to elapse before it became effective, the time extended beyond March 1, when the tax lists were made out. For this reason, all exemptions were illegal for the year 1904, and none were made in most of the counties, including Multnomah. In some counties, however, it is said the assessors allowed the exemption law to remain in effect, and made out their lists just as they had done in the past.

INCREASE TAXABLE PROPERTY

In Multnomah County Alone Tax Roll Will Be Raised \$1,250,000.

A large amount will be added to the total tax roll of Multnomah county and of the state as the effect of the supreme court decision, rendered yesterday, which declares the householders' tax exemption law unconstitutional. It is impossible to compute with any degree of accuracy the total amount of property which will be placed in the revenue paying class by this decision, but estimates made by those best able to know approximate the increase of the state roll at from \$5,000,000 to \$6,000,000.

B. D. Sigler, assessor for Multnomah county, is inclined to think that the tax roll in Multnomah alone will be increased from \$1,250,000 to \$1,500,000 by the ruling of the supreme court. The exemption list under last year's assessment amounted to \$907,644. Under the new ruling this will be brought under the class upon which taxes must be paid at the regular rate. This amount, however, does not represent the total property which will be affected in this county, as many of the smaller holdings are not included in the assessment at all, and are therefore not shown in the list of exemptions.

Only 82 Years Old.

"I am only 82 years old and don't expect even when I get to be real old to feel that way as long as I can get Electric Bitters," says Mrs. E. H. Brunson, of Dublin, Ga. Surely there's nothing else keeps the old as young and makes the weak as strong as this grand tonic medicine. Dyspepsia, torpid liver, inflamed kidneys or chronic constipation are unknowns after taking Electric Bitters a reasonable time. Guaranteed by J. C. Perry, druggist. Price 50c.

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Chinese and Japanese fancy and dry goods, all kinds. New line of summer dress goods; silks in all colors. We make up all kinds of wrappers, waists and white underwear. Bargain sale—very low prices.

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CAPTURE THOMAS BOYD

Toots His Own Horn But Probably Tells Truth About Conditions

Captain Thomas Boyd, formerly in the service of the Pacific Coast Steamship Company, who, because of illness, has returned from Champerico, Guatemala, where he had for months filled the position of superintendent of the Compania de Angecias, brings an interesting story of the revolution in Guatemala, where President Cabrera's troops were being recruited and pushed to the front to oppose expected invasions on the border. At Champerico 700 men were assembled, some of them being scattered along the beach, north and south of the town, the remainder being stationed out on the end of the long pier, where two brass muzzle-loading guns were pointed north and south to cover the approach of invaders, either from Ocos, on the northern border, or from the south. Fighting took place daily, and all night long there were skirmishes along the beach between the Guatemalan troops and the revolutionists. Shots were fired at intervals of a few minutes, for two weeks before Boyd left Champerico. He saw many a wounded man brought into the town to receive treatment. But the cannon out at the end of the pier were never used. They were in readiness, however, for the Empire or any other vessel that might have approached.

Business Demoralized.

Boyd reports that business was demoralized as a result of the revolution, not only in Champerico, but in the city of Guatemala, where he spent a day or two on his way to this port. Everywhere there were soldiers—half-fed and half-clad fellows who had been impressed into service from the coffee fincas and the rancherias. As a result of this, nearly every one of the big coffee fincas will suffer loss, for the time had arrived for the gathering of the crop, and the usual available force was absent at the front, bearing arms.

The coffee crop, according to Captain Boyd, is exceptionally large in Guatemala, but it is feared that the revolution will demoralize the business. Commerce at Champerico was practically at a standstill when he left the port, and the same stagnation existed at Ocos and San Jose de Guatemala.

Regiment after regiment of men, quickly gathered together, marched into the seaport towns of Guatemala, only to collapse upon going into quarters on the beach. The men were of the lowest class and knew not why they had been impressed into service. Their daily food consisted of beans and coffee, and the beans and coffee formed the bill of fare for every succeeding day. Some of these soldiers, too, were in ignorance as to their nationality—whether they belonged to Guatemala or to Mexico—but they were ready to obey orders. Their bravery, says Captain Boyd, is never questioned. They will go wherever their commanding officer directs, with all the stubbornness that is born of ignorance and their idea of loyalty.

In Constant Fights.

In the fights back of Champerico these government troops met revolutionists and overcame them without difficulty, having the advantage of superior leadership, many of the officers

\$15,000

In purses for racing events, including a \$2000 pace and a \$2000 trot, at

Oregon State Fair 1906

Beginning September, 10, and ending September 15

\$10,000

In premiums on live stock, agricultural and manufactured products.

It will be the greatest State Fair in the history of Oregon. It belongs to all the people of this state; all are interested, and tens of thousands of them will be in attendance

being adventurous Americans and Englishmen who had had experience in recent wars. When the troops were not fighting with guerrilla parties immediately back of the coast towns they were, however, fighting among themselves. Many a good coffee picker, in the camps on the beach, gave up his life in quarrels that resulted from the assembling of the worst elements of the nation's bone and sinew. All night long, for days and days, the muskets of the troops along the beach resounded, and in the camps knives flashed and sank deep. It was not altogether a fight against revolutionists.

Captain Boyd was the only American in Champerico. Although surrounded by all this turmoil of war, he was not afraid, for the Guatemalans took particular pains to avoid him, perhaps acting upon instructions from their superiors. He was left free to look after the remnant of business that remained in the port, and when this remnant disappeared under the stress of warfare, his departure was apparently not noted by the stolid men who were bearing arms and looking for enemies of Cabrera.

A Tragic Finish.

A watchman's neglect permitted a leak in the great North Sea dyke, which a child's finger could have stopped, to become a ruinous break, devastating an entire province of Holland. In like manner Kenneth Melver, of Vanceboro, Me., permitted a little cold to go unnoticed until a tragic finish was only averted by Dr. King's New Discovery. He writes: "Three doctors gave me up to die of lung inflammation, caused by a neglected cold; but Dr. King's New Discovery saved my life." Guaranteed best cough and cold cure, at J. C. Perry's drug store. 50c and \$1.00. Trial bottle free.

A Singular Incident.

Not long ago a singular incident occurred at the brickyard at Seabrook, illustrating a faculty in animals which closely approximates reason.

There are in the yard a horse and mule which are much attached to each other, the mule especially showing attachment to the horse.

After work hours they are turned loose on the high ground formed by the canal bank through the marsh, flanked on one side by marsh land

which is not firm enough for them to walk over, and the other by a deep canal with steep banks.

The other evening they were turned loose as usual. Not long afterward the hand who lodged in a little house by the brick kiln heard a most unearthly bray. At first he paid but little attention to it, recognizing that it was the mule's unmusical voice. Soon it was repeated even more startlingly than before. Leaving his supper, the colored man went to the door and looking up the bank saw the mule standing on the verge of the canal with every indication of intense alarm. He repeated the bray and the man ran to warn him. When he came near, the animal made a sound expressive of delight, but remained looking into the canal.

The cause was soon found. The horse in grazing too near the canal had slipped in, and, with his head only out of water, was vainly struggling to climb the steep bank. With difficulty he was finally brought to a place at the bridge, where he could be helped out, the mule accompanying the process with every mark of delight. Without the mule's intelligent call for help the horse, a valuable one, would have been lost. We have often heard of horse sense, but in this case the mule certainly exhibited a high degree of it.—Florida Commonwealth.

Twenty Year Battle.

"I was a loser in a twenty-year battle with chronic piles and malignant sores, until I tried Bucklin's Arnica Salve; which turned the tide, by curing both, till not a trace remains," writes A. M. Bruce, of Farmville, Va. Best for old Ulcers, Cuts, Burns and Wounds. 25c at J. C. Perry's drug store.

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Children's Overalls, only.....25c pair
Ladies' gray cotton hose, good quality, only.....10c pair
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60-inch gray suitings, only.....75c yard
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A visit to the State Fair of 1906 will be a liberal education.

It will show you what Oregon has done, and, more important, it will point the way to the magnificent possibilities of the future.

No one can afford to miss the Oregon State Fair for 1906. Few patriotic people who can spare the time will miss it.