

LAW CAN NOT STAND.

SUPREME COURT'S OPINION ON INCOME TAX.

The Measure Declared to Be Unconstitutional—Justices Jackson, Harlan, Brown and White Favor the Act—Justice Fuller is Against It.

Washington, D. C., May 21.—The supreme court of the United States declared the income tax law to be unconstitutional.

The vote on the income tax resulted: Five against the constitutionality of the law to four for the law. Those against the law were Chief Justice Fuller and Justices Field, Gray, Brewer and Shiras; for the law, Justices Harlan, White, Brown and Jackson.

Chief Justice Fuller read the opinion and the conclusions of the court are as follows:

"I. We adhere to the opinion already announced that taxes on real estate be-



JUSTICE FULLER.

ing indisputably direct taxes, taxes on the rents or income of real estate are equally direct taxes.

"2. We are of the opinion that taxes on personal property or on the income of personal property are likewise direct taxes.

"3. The tax imposed by sections 27 to 29 inclusive, of the act of 1894, so far as it falls on the income of real estate and on personal property, being a direct tax within the meaning of the constitution, is therefore unconstitutional and void, because not apportioned according to representation, all those sections constituting one entire scheme of taxation are necessarily invalid.

"The decrees hereinbefore entered in this court will be vacated. The decrees below will be reversed and the cases remanded with instructions to grant the relief prayed."

Sections 27 to 37 of the tariff act of 1894 referred to in the conclusions of the court in the opinions are all the sections of the act relating to the income tax, so that the entire income tax law is declared void specifically.

There was the usual throng of people about the United States supreme court room in anticipation of a final decision of the income tax cases, the chamber being crowded for quite a time before the court convened at noon. While there were other cases under consideration in the conference, the income tax cases received the principal share of the attention of the members of the court. The presence of Justice Jackson caused a great deal of speculation and was the basis for much gossip as to the possibility of some sort of surprise for the public. The chief justice immediately began the delivery of the main opinion in the case.

Chief Justice Fuller delivered the opinion, which is in part as follows: "Whenever this court is required to pass upon the validity of a act of con-



MR. JUSTICE JACKSON.

gress as tested by the fundamental law enacted by the people the duty imposed demands in its discharge the utmost deliberation and care and invokes the deepest sense of responsibility. And this is especially so when the question involves the exercise of a great governmental power and brings into consideration, as vitally affected by the decision, that complex system of government, so sagaciously framed to secure and perpetuate an indestructible union, composed of indestructible states."

"As heretofore stated, the constitution divided federal taxation into two great classes, the class of direct taxes and the class of duties, imposts and excises, and prescribed two rules which qualified the grant of power as to each class. The power to lay direct taxes, apportioned to their representation in the popular branch of congress, a representation based on population as ascertained by the census, was plenary and absolute, but to lay direct taxes without apportionment was forbidden. The power to lay duties, imposts and excises was subject to the qualification that the imposition must be uniform throughout the United States.

"Our previous decision was confined to the consideration of the validity of the tax on the income from real estate and on the income from municipal bonds. The question thus limited was whether such taxation was direct or not, in the meaning of the constitution, and the court went no farther as to the tax on the incomes from real estate than to hold that it fell within the same class as the source whence the income was derived—that is, that a tax upon the reality and a tax upon the receipts therefrom were alike direct; while as to the income from municipal bonds, that could not be taxed, because of want of power to tax the source and no reference was made to the nature of the tax as being direct or indirect.

"We are now permitted to broaden the field of inquiry and determine to which of the two great classes, a tax upon a person's entire income, whether derived from rents or products or otherwise of real estate, or from bonds, stocks or other forms of personal property, belongs, and we are unable to conclude that the enforced subtraction

from the yield of all the owners' real or personal property, in the manner prescribed, is so different from a tax upon the property itself, that it is not a direct but an indirect tax in the meaning of the constitution.

"We know of no reason for holding otherwise than that the words 'direct taxes' on the one hand, and 'duties, imposts and excises' on the other were used in the constitution in their natural and obvious senses, nor in arriving at what those terms embrace do we perceive any ground for enlarging them beyond or narrowing them within their natural and obvious import, and the time the constitution was framed and ratified. Passing from the text, we regard the conclusion reached as inevitable, when the circumstances which surrounded the convention and controlled its action and the views of those who framed and those who adopted the constitution are considered."

The chief justice next discussed the reasons for the constitutional provisions regarding direct taxation. The states had plenary powers of taxation, he said, but gave up the great sources of revenue derived from commerce and retained the power of levying taxes and duties covering anything other than excises, but in respect to them the range of taxation was narrowed by the power granted to the federal government over interstate commerce. While they granted the power of apportioning direct taxation they secured to the states the opportunity to pay the amount apportioned and to recoup from their own citizens in the most feasible way. The founders anticipated that the expenses of the federal government would chiefly be met by indirect taxation. They knew that the power to tax involved the power to destroy.

The opinion continued, "It is said that a tax on the whole income of property is not a direct tax, but a duty. We do not think so. Direct taxation was not restricted in one breath and the restriction blown in another." The Federalist was then quoted from to show that Hamilton considered all internal taxes, except duties and excises on articles of consumption, to be direct taxes. The opinion next took up the argument that a tax on property is not a direct tax within the meaning of the constitution, and on this point it says: "The constitution prohibits any direct



JUSTICE BROWN.

tax unless in proportion in numbers as ascertained by the census; and in the light of the circumstances to which we have referred, is it not an evasion of that prohibition to hold that a general unapportioned tax imposed upon all property-owners as a body for or in respect of their property is not direct in the meaning of the constitution, because confined to the income therefrom? Nor can we conceive any ground why the same reasoning does not apply to capital in personality for the purpose of income or ordinarily yielding income, and to the income therefrom. All the real estate of the country and all its invested personal property are open to the direct operation of the taxing power if an apportionment be made according to the constitution. The constitution does not say that a direct tax shall be laid by apportionment on any property than land. On the contrary, it forbids all unapportioned direct taxes; and we know of no warrant for excepting personal property from the exercise of the power, or any reason why an apportioned direct tax cannot be laid and assessed, as Mr. Gallatin said in his report when secretary of the treasury in 1812, 'upon the same objects of taxation on which the direct taxes levied under the authority of the state are laid and assessed.'

The stress of argument is thrown, however, on the assertion that an income tax is not a property tax at all; that it is not a real estate tax nor a crop tax nor a bond tax; that it is an assessment upon the taxpayer on account of his money-spending power, as shown by his revenue for the year preceding the assessment; that rents received, crops harvested, interest collected, although once not taxable, have become transmuted in their near form into taxable matter; in other words, that income is taxable irrespective of the source from whence it is derived."

THE MONROE DOCTRINE.

English Officers Make a Startling Public Declaration.

Managua, Nicaragua, May 21.—It is said that Admiral Stephenson and other officers of the British squadron which invested Corinto, both before and after the occupation of the town, publicly declared to a party of Americans that the Monroe doctrine was a myth which the United States would not and could not enforce, and that the British occupation of Corinto was simply intended as a test to definitely dispose of that question.

ATTACK PRESIDENT DOLE.

Exiled Hawaiians Speak in Harsh Terms of His Government.

St. Paul, Minn., May 21.—United States Senator C. K. Davis of this city, in an article in the North American Review sharply criticised the course of the Washington government in relation to Hawaii. The senator has received a letter from eight Hawaiians who were recently exiled from Dole's domain in which they deny the principal assertions of the senator's article. They refer to the Hawaiian government as one which, while "masquerading under a republican label, is the veriest despotism of modern times," and repeat the charge that the monarchy was overthrown and the republic established in direct consequence of the efforts of the American Minister Stevens.

MANY BLOCKS BURN.

Destructive Blaze at St. Albans, Vt.—Five Hundred People Homeless.

St. Albans, Vt., May 21.—Flames raged in the heart of this town from 3 o'clock yesterday afternoon until late at night. The loss is estimated at half a million dollars. Practically six streets in the business portion of the town are laid waste, and with the other sections burned over, seventy-five acres of ground are covered by smoldering ruins. About five hundred people are homeless. The town is strewn with the household goods and personal effects of those who managed to save their property, or part of it, from the flames. In addition to this, the streets and park are littered with the stock of merchants and the household furniture of countless families, who moved out in anticipation of the spread of the fire. The courthouse, schoolhouses, and the public buildings have been opened for the shelter of the homeless, and numerous instances of pitiful destitution demand the sympathy of the more fortunate. Forty business houses and at least 100 tenements have been wiped out of existence.

In the excitement of the hour it is impossible to determine with certainty the cause of the disaster. All that is known is that the fire was first seen in the lumber yard of W. B. Fonda. The alarm was sounded at 3 o'clock, but in a twinkling the flames had completely enveloped the property, and when the fire companies reached the spot there was no hope of saving anything in the immediate vicinity. A high southerly wind prevailed, and at a glance it was evident that the most if not the entire business section of the town was doomed. The flames quickly spread to adjoining buildings. The fire was carried by sparks to the roofs of houses and business blocks fully half a mile away, and in five minutes was raging in a dozen different places at the same time.

The local fire companies were powerless to stay the progress of the conflagration. No sooner were efforts directed toward extinguishing it in one place than it suddenly burst forth with redoubled fury in another. A remarkable feature of the fire was that as soon as the lumber yard was well ablaze the fire jumped at least 500 yards and began to devour the buildings in the very heart of the business portion of the town.

Leaving the original source of the conflagration, the firemen hastened to stay its progress to the northward, but without avail. The flames made headway in a nest of wooden rookeries in the center of the block made by Lake foundry, Main, and Kingman streets, and from here spread northward to the very limits of the business section. The fire companies were absolutely helpless. Fire was bursting out in place after place in remote sections and confusion reigned supreme.

Hundreds of men, women and children rushed frantically about, carrying their belongings to some supposed place of safety, only to remove them as the fire swept onward or to see them consumed before they could be reached again.

At 5:30 help arrived from Burlington and Swanton, but by this time the fire was practically under control, although it broke out here and there at intervals and destroyed dwelling-houses and some remote business place before assistance could reach the scene. The town is in complete darkness, the electric light and gas being cut off by the fire. One theory as to the cause of the fire is the explosion of a lamp by which a woman was curling her hair.

A meeting of citizens was held and measures taken to provide relief for the destitute.

AGENTS \$75 A WEEK... PLATING DYNAMO... W. P. HARRISON & CO., Clerk No. 15, Columbus, Ohio.

Berkshire, Chester White, Jersey Red and Poland China Pigs... A. W. SMITH, Cochranville, Chester Co., Penna.

THE OK HAY PRESS... FULL CIRCLE... SOLD ON EASY TERMS... SCOTT HAY PRESS Co., 810 West 8th St. Kansas City Mo.

CAMERON'S Home Grown Seeds... SEND FOR CATALOGUE... Beaver City, Nebraska

You will ride a Bicycle... Of course you will ride. All the world will—fashion, pleasure, business—men, women, children. It takes a while sometimes for the world to recognize its privileges; but when it does it adapts itself promptly. Therefore, you who are in the world will ride a bicycle—

COLUMBIA bicycle if you desire the best the world produces; a Hartford, the next best, if anything short of a Columbia will content you. Columbias, \$100; Hartfords, \$80; for boys and girls, \$50. POPE MFG. CO., Hartford, Conn. Boston, New York, Chicago, San Francisco, Providence, Buffalo.

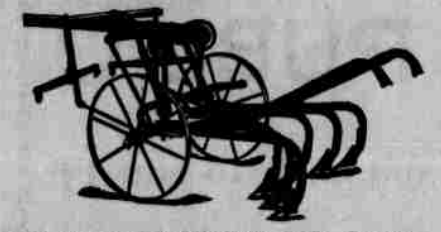
HAVE YOU FIVE OR MORE COWS?



If so a "Baby" Cream Separator will earn its cost for you every year. Why continue an inferior system another year at so great a loss? Dairying is now the only profitable feature of Agriculture. Properly conducted it always pays well, and must pay you. You need a Separator and you need the BEST—the "Baby." All styles and capacities. Prices, \$75.00 upward. Send for new 1895 Catalogue.

THE DE LAVAL SEPARATOR CO., Branch Offices: ELGIN, ILL. 74 COURTLAND ST., NEW YORK.

SAVE MONEY and LABOR



THE SUCCESS CULTIVATOR. Power Hand. Works Easy. Lock Lever. Beam Spring—saves hooking up. Special features not in others. Cheapest and best. A. W. BUTT IMPLEMENT CO., 75 Euclid Ave., Sp. Ingfield, Ohio.

THE OLD RELIABLE PEERLESS FEED GRINDERS

Grinds more grain to any degree of fineness than any other mill. Grinds corn, oats, etc., fine enough for any purpose. Warranted not to choke. We warrant the Peerless to be the BEST and CHEAPEST MILL ON EARTH. Write us at once for prices and agency. There is money in this mill. Made only by the JOLIET STROWBRIDGE CO., JOLIET, ILL. Jobbers and Manufacturers of Farm Machinery, Carriages, Wagons, Windmills, Bicycles, Harness, etc. Prices low. Quality best.

World's Fair Highest Awards... Medal and Diploma... A. J. Adams, BRADSHAW, NEB., Breeder of Black Langshan Chickens.

Black Langshan Chickens. The greatest general purpose chicken of the age. My flock scores from 90% to 94. EGGS FOR SALE.

FOWLS and PIGS... I have a choice lot of White Holland Turkeys, Barred Plymouth Rocks and Pekin Ducks. Also some choice Large English Berkshire Pigs. Write me for price on anything you want in my line, and I will guarantee satisfaction. Send stamp for circular. W. T. WHITE, Outler, Illinois.

Elkhorn Valley Herd of Poland-China Swine. I have all the leading strains including Free Trados, Wilkes and Black U. S. families. The best lot of pigs I ever raised sired by Paddy Chip 1638, Pa. Wagon maker 1853, Col. U. S. 10605. My sows are mostly Free Trados and Wilkes strains.

L. H. SUTER, Neligh, Neb.

Furnas County Herd. L. E. Berkshires. Poland-Chinas, Holstein Cattle.

H. S. WILLIAMSON, Beaver City, Neb.

H. S. ALEY, M. D. SPECIALIST IN FEMALE, NERVOUS AND CHRONIC DISEASES.

Office 1215 O St., Lincoln, Neb. Write for terms and question blanks.

Broke the Record No Cultivator ever had such a remarkable run the first season. Sales nearly 20,000 in 1894 and this year will be greatly increased. The C. H. D. is simply the best Walking Cultivator ever made and as yet has no imitator. It sells at sight. For sale by one dealer in a town. See it before you buy. Write us for illustrated circular. Deere & Co., Moline, Ill.

A RICH MAN'S PLOW AT A POOR MAN'S PRICE * PLOWS HARD TIMES FOR HARD GROUND. Right-Left Hand. Send for the "PROOF" and read what is said by those who have used them. MANUFACTURED ONLY BY THE ROCK ISLAND PLOW CO. ROCK ISLAND, ILL.

Are You Ready For the Harvest? 1895.

There's only one way to get ready so that you can be sure that you are ready—and we are ready to get you ready with the World-Besting.

LIGHT-RUNNING McCORMICK STEEL BINDERS AND MOWERS. BEST IN THE... WORLD

World's Fair Tests We might to-day be selling a line of so-called "cheap" machines at a price which would still be high, but prefer to sell the high-value McCormick at a price which experience will most assuredly prove is low. Glad to show our friends these machines at any time. Come in and see them.

Farmers will please call on R. BINFORD, Lincoln, LEISVELD & TROMPEN, Hickman, J. P. PRATT, Bennett, MEYER & SEVERIN, Hallam, WELLER POLK & CO., Raymond, G. W. PETERSON, Eagle.

A SCHOOL FOR THE PEOPLE Because, Its equipments are more complete, its buildings are better, its faculty is larger and abler and the expenses lower than those of any other Normal School in Nebraska. LINCOLN NORMAL UNIVERSITY.

Leading Summer School in Nebraska This year. Term opens June 4th, 1895. Continues 10 weeks. Total expenses, \$3.00 per week. Send for catalogue, free. Address, LINCOLN NORMAL UNIVERSITY, Normal, Neb.

IRRIGATED * FARMS--\$1,000. Out of a thousand farms in Southwest Kansas, of 160 acres each, we are selling a limited number equipped with an independent and permanent irrigation plant sufficient for at least ten acres on each farm. The price at which these 160 acre farms are selling is merely about what the ten acres and irrigation plant are worth. Before buying a farm investigate this. Special terms made for Colonies. Call on us or write for particulars. THE SYNDICATE LANDS & IRRIGATING CORPORATION, Room 412 New England Life Building, 9th & Wyandotte Sts., KANSAS CITY, MO.

SHIP to the Largest FUR and HIDE House in North America All Parties who SHIP Receive Highest Prices. You will keep on when you once begin to SHIP JAS. McMILLAN & CO. (Incorporated.) 200-212 FIRST AVE. NORTH, MINNEAPOLIS, MINN. Write for Circular Giving Latest Market Prices.

WOOL YOUR WOOL is not our WOOL. But your INTEREST is our INTEREST when you ship us your wool, and when any firm makes their shippers interest their interest they will succeed as we have done in the wool business. Our Success has electrified the wool houses in this market. Our PROMPT SALES AND QUICK RETURNS have astonished and pleased our shippers. We have fully demonstrated that it is not necessary to wait three to six months before making returns for wool. We frequently make returns in that many days. Don't dispose of your wool until you write for our Wool Report and see our prices and the testimonials of our shippers. Let us hear from you. REFERENCE: Metropolitan National Bank, Chicago, and this paper. SUMMERS, MORRISON & CO. 174 SOUTH WATER STREET, COMMISSION MERCHANTS, CHICAGO, ILL.