

Omaha Revenue Officers Trap Big Tax Dodgers

Most Carefully Planned Conspiracy to Defraud Government Defeated With Conviction of Coopers.

By J. T. ARMSTRONG.

Tax dodgers, no matter how crafty and wealthy, cannot successfully avoid the vigilance of the government.

Officers of the Omaha revenue office recently demonstrated this fact when they uncovered what they consider the most carefully planned conspiracy to defraud the government ever brought to light under the revenue law.

As a result of their activities, almost \$1,000,000 in taxes will be collected, and two of Iowa's wealthiest citizens have just been sentenced to pay heavy fines.

These two men are A. A. Cooper, Jr., and W. F. Cooper, brothers of Dubuque, Ia. They are sons of the late A. A. Cooper, founder of the Cooper fortune, which was built on the profits of the big Cooper Wagon and Buggy company.

Fined \$10,000 Each.

The brothers were sentenced Thursday by Federal Judge Scott to pay fines of \$10,000 each. The judge denied their motions for new trials.

The investigation by the Omaha officers and the convictions obtained are without precedent. From its inception to its completion, the case has been one of amazing revelations.

Since the Cooper company was organized in 1902, revenue officers declared, it has voluntarily paid only \$58 to the government in taxes. The officers estimate the company should have paid an income tax of more than \$40,000 each year since the income tax law became effective in 1913.

More amazing still are the methods used in avoiding the payment of taxes. Records of sales of a tremendous volume of merchandise were omitted from the company's books. Bank accounts under fictitious names were opened. And insurance money collected by the company on several occasions for alleged fire losses was secreted.

Investigations of No Avail.

Previous investigations proved of no avail, so carefully was the plan to defraud the government worked out. The last and successful investigation did not start until the death of the senior Cooper in 1912.

At the time of his death, it was alleged that he died penniless. Augusta Maria King, a granddaughter, brought suit a short time later, however, asserting that her grandfather's estate constituted a fortune. She insisted that she be given her share of the estate, and asked the appointment of an administrator.

Her petition was granted, but the case was postponed, and revenue officers allege the granddaughter was paid a large sum of money to drop the case. The first administrator then was discharged, and Fred Bell, brother of A. A. (Gus) Cooper, Jr., was appointed administrator.

Petition Resisted.

As an aftermath of this case, however, the law firm of Hird, Lenehan, Smith & O'Connor of Dubuque, who represented the Cooper heirs, brought suit to collect attorneys' fees. They petitioned the court for a rule requiring the defendants to produce books and papers showing the amount and value of the estate. This petition was resisted on the grounds, among others, that such information might be valuable to the government in determining the federal tax due from the estate.

The death of the elder Cooper occurred after the passage of what is known as the federal estate tax law, which imposes a tax and requires the filing of a return on estates of more than \$50,000.

Despite reports to the contrary, officials of the collector's office were strong in the belief that the estate was amenable to this law. They asked representatives of the estate to file returns. The Cooper brothers refused this request, alleging that all their father's property had been transferred by him during his lifetime.

Real Query Starts.

Due to the insistence of the collector's office at Dubuque and the activity of Charles McLean of that office, Administrator Bell filed a return which showed no tax due on the estate.

Then the sweeping investigation, directed by James J. Drakeford, internal revenue agent in charge of the Omaha office, really was started. The fighting spirit of Mr. Drakeford was roused by the reports of field officers. He ordered the investigation to determine the correctness of the return filed by the Cooper estate. He was determined that it was to be a thorough one.

It fell to the lot of J. H. Sherlock of the Omaha office and A. J. Nelson of Dubuque to carry on the investigation. On April 21, 1921, these officers served upon William F. Cooper, president of the A. A. Cooper company, Inc., a revenue agent's subpoena duces tecum, ordering the production of the books of the concern and all the books of A. A. Cooper, Sr., which would disclose the nature and value of the assets of his estate at the time of his death.

Subpoena Makes History.

This subpoena was served under section 1305 of the revenue act of 1913. It is destined to make history in the annals of the income tax law. For previous to its service there had been no interpretation by any court of its meaning and powers.

But the subpoena failed to bring forth the necessary books and records and the officers determined to make an independent investigation. They spent many days examining the bank ledger sheets in Dubuque and eventually sorted out the larger and more active deposits in the various banks of both Dubuque and Chicago. Nor did they overlook large amounts in banks which had been collected for fire losses.

With this information in hand, Agent in Charge Drakeford directed that the Coopers as individuals and all corporations of which they were officers be questioned and investigated to determine the correctness of the income tax returns filed by them either as individuals or as officers of corporations.

The income tax investigation was

U. S. Officers Who Unraveled Huge Income Tax Plot



No. 1. J. H. Sherlock, chief estate tax officer of the Omaha division, who opened the Cooper investigation.

No. 2. James J. Drakeford, revenue agent, in charge of the Omaha division, under whose supervision the revenue agents worked in the Cooper case.

No. 3. Here are the revenue agents and Department of Justice officers who built up and won the case against the combined with the estate tax inquiry in May, 1921, and Revenue Agent Charles F. Reilly was detailed to assist. A few months later this combined investigation was completed.

No. 4. Austin A. Cooper and William F. Cooper were indicted on a number of charges by a federal grand jury at Cedar Rapids, Ia., in April, 1922.

No. 5. In brief, the indictment charged conspiracy to defraud the government in filing false and fraudulent returns as officers of the A. A. Cooper Wagon and Buggy company. Additional indictments were returned by the federal grand jury at Dubuque, one of which was directed against Katherine Cooper, a sister; and another against Phil Ryder, an officer of the Julien Hotel company. A. A. (Gus) Cooper is a principal stockholder in the Julien Dubuque hotel.

No. 6. Altogether there were 13 indictments returned against the Coopers and Ryder, charging conspiracy to defraud, false income returns and perjury.

Spectacular Trial.

The trial of the two Cooper brothers, which ended in their conviction and which was only recently completed, was one of the most spectacular legal battles in that section of the country. Expensive legal talent was employed by the Coopers and arrayed against the government.

For almost a month the battle was waged. The government, in presenting its case, introduced its discoveries that dozens of bank accounts directly under the control of the Coopers were entered under fictitious names. In an effort to throw the tax collectors off the trail.

The case ended in the conviction and resulting fines of the two men. Together other indictments remain to be tried.

Total cost of the trial is estimated at \$50,000. The Coopers were ordered to pay all of this amount in advance.

OMAHA MONDAY, JULY 9
Largest Circus in the World Giving a Daily Street Parade.



Reserve Seats on Sale on Day of the Show at Ullitt & Deekal.

Iron and Wire Fences and Gates
Railings, Window and Door Guards, Trellises and Flower Borders, Iron Clothes Posts, Door Screen Guards and Paper Burners.

Champion Iron and Wire Works
J. J. Leddy, Prop.
1505 Jackson JA cksn 1590 ANCHORITE FENCE POSTS

Cooper brothers. Front row, at the right of the picture are, left to right: Special Attorney G. N. Murdoch, Chicago; Assistant United States District Attorney H. R. Trewin and United States District Attorney G. P. Linville, both of Cedar Rapids. In the second row, left to right, are: Revenue Agents J. H. Sherlock of Omaha and F. McCann of Kansas City, Mo. At the table in the rear are Revenue Agents C. F. Reilly of Omaha, L. W. Jones of Washington, A. J. Nelson of

Dubuque and Special Agent Partridge of Washington. Court Reporters O. B. Swisher, C. J. Hamilton and R. C. Turner are in the rear on the right of the picture.

No. 4. A. J. Nelson, internal revenue agent of Dubuque, who is known in Dubuque as the "Nemesis of the Cooper brothers."

No. 5. Charles F. Reilly, internal revenue agent of Omaha, whose income tax

office. He offered the money in payment of taxes he had withheld which had not been discovered up to that time by revenue officers. It is estimated that taxes paid voluntarily as a result of the trial total many times more than the cost of the trial.

D. M. Kellier, leading counsel for the Coopers, was formerly a solicitor for the bureau of internal revenue in Washington. Accountants for the Coopers, the Murphy-Gillip-Holland company, all are former revenue service officials in the Omaha division.

More than 1,800 exhibits were introduced during the trial, and 120 witnesses were examined. Evidence gathered by the government weighed approximately two tons, and over 500,000 words of testimony were taken by court reporters. Witnesses were brought to the trial from 13 states, and truck loads of way bills from railroad companies were hauled to the federal court in Dubuque in the government's efforts to account for sales of merchandise not shown on the Cooper books.

The entire revenue service is congratulating Agent in Charge Drakeford of Omaha and the officers who worked so skillfully under his direction to unravel the plot to defraud and bring the plotters to justice.

Nicholas Oil Company to Give Patrons Souvenirs

The Nicholas Oil corporation of Omaha will celebrate its 11th anniversary July 3. Souvenirs will be given patrons of its 12 filling stations on that day.

First filling station in Omaha was established by the company at Twenty-fourth and Hickory streets July 3, 1912. Later the company leased the corner it now occupies at Seventeenth and Jackson streets. It also claims to have originated the drainage pit service line.

Officers are L. L. Marcell, president; Judge W. A. Redick, vice president; Michael Shirley, director, and

Stockton Heath, manager and treasurer.

Airplane "White Elephant" on Storage Firm's Hands

Gordon Van and Storage company has an airplane it wants to get rid of. It is a JN4D.

The plane was stored with them by the Curtiss company.

The Gordon company, according to a petition filed in district court to recover money due them, charges the plane has been stored since April 27, 1920, and that it paid the freight and insurance on it.

Boe Want Ads Bring Results.

Investigation aided materially in the government's victory.

No. 6. More than two tons of evidence were obtained by the government for use against the Coopers. Here is a picture of some of the evidence, taken in the court room of the Federal building in Dubuque. United States Marshal Davis, standing, and Deputy United States Marshal Gilmore are also in the picture.

No. 7. Charles F. Reilly, internal revenue agent of Omaha, whose income tax

office. He offered the money in payment of taxes he had withheld which had not been discovered up to that time by revenue officers. It is estimated that taxes paid voluntarily as a result of the trial total many times more than the cost of the trial.

D. M. Kellier, leading counsel for the Coopers, was formerly a solicitor for the bureau of internal revenue in Washington. Accountants for the Coopers, the Murphy-Gillip-Holland company, all are former revenue service officials in the Omaha division.

More than 1,800 exhibits were introduced during the trial, and 120 witnesses were examined. Evidence gathered by the government weighed approximately two tons, and over 500,000 words of testimony were taken by court reporters. Witnesses were brought to the trial from 13 states, and truck loads of way bills from railroad companies were hauled to the federal court in Dubuque in the government's efforts to account for sales of merchandise not shown on the Cooper books.

The entire revenue service is congratulating Agent in Charge Drakeford of Omaha and the officers who worked so skillfully under his direction to unravel the plot to defraud and bring the plotters to justice.

Slayer of Girl, 14, Hears Life Term Pronounced

James Corbino was sentenced to life imprisonment by District Judge Goss yesterday for the slaying of Anna Greco, 14, at her home the night of April 28.

Corbino, who protested throughout his trial that he was unable to speak English, when asked whether he had anything to say, declared, in perfect English, that he did not shoot the girl.

"Well, you are pretty lucky with the sentence you got," the judge advised him.

He overruled a motion for new trial, made by Corbino's attorneys.

Society Flocks to Horse Show and Tennis Tourney

Olympia Lacks Brilliance of Prewar Days—Holland's Queen Travels Incognito—American Women's Club Opened.

By Universal Service.

London, June 30.—Society flocked to the horse show at Olympia and to Wimbledon for the tennis matches this week. While the presence of the king and queen and the prince and Wales at Olympia gave impetus to the success of this gathering of society many are of the opinion that the show is not as brilliant as it was before the war when Judge Moore, the Vanderbilts and others gave the functions a truly international flavor.

Of course everybody went to Wimbledon to see Suzanne Lenglen, Mrs. Mallory, Little Bill Johnston and the boy cyclone Richards. The meeting was the most successful in the history of international lawn tennis.

Queen Wilhelmina in England.

One of the interesting events of the week was the welcome given here by King George and Queen Mary for Queen Wilhelmina of the Netherlands, who was traveling incognito with Prince Henry as the Count and Countess Vanluren. The royal visitors will spend five weeks as guests of the famous DeFlemings, at Rydall Hall and will then return to The Hague to celebrate their silver wedding.

Several society women have recently been noticed with butterflies pinned on their arms.

Princess Mary has put Master George Lascelles, who is now five months old and a chubby, healthy baby, into short clothes.

American Women's Club.

Tuesday afternoon occurred the formal opening of the new home of the American Women's Club at 46 Grosvenor street, formerly the residence of Sir Edgar Speyer. Mrs. Curtis Brown, the president, received the guests.

The Spanish shawl craze is being revived, and every one is wearing white and scarlet over their gowns.

Irish Girls Not Modest, Charge

Rebel Tendency Blamed for Loss of the Virtues for Which Isle Is Famed.

Dublin, June 30.—There are not likely to be many poems written or songs sung in the future about the modesty and purity of the Irish maidens unless the collectors mend their ways, in the opinion of Rev. Dr. Hackett, Catholic bishop of Waterford. In an address at Clonmel, Bishop Hackett asserted that the conduct of many Irish young women had come to be one of the blackest blotches upon the country's escutcheon.

"Many young girls," the bishop said, "seem to have lost all sense of shame. For them modesty has become a thing of the past."

The blame for this condition is placed by the bishop upon the anti-government movement that has so upset the Emerald Isle.

"If this unfortunate struggle continues any longer," Bishop Hackett said, "and if purity does not assert itself and religion does not step in Ireland's plight will indeed be sad. To up to now the purity of Irish maidens has been a thing in which every Irishman has gloried. The whole continent has looked to Ireland as a moral nation. I am sorry to say that it is not true today."

"I sincerely hope that my voice will reach the ears of those young women whose conduct is an outrage on decency. If these young women are not made to realize their position the condition of Ireland will be the same."

Knickerbockers

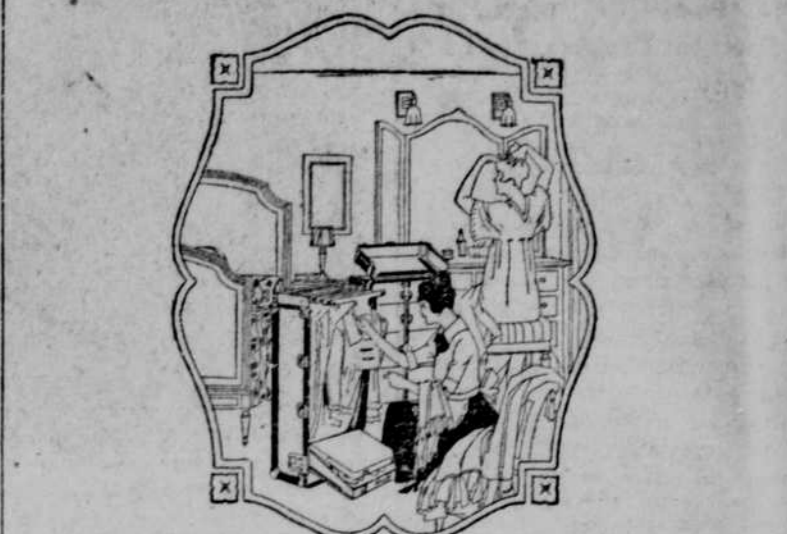
\$4.00 Khaki Knickers	\$2.95
\$5.00 Khaki Breeches	\$3.95
\$6.00 Tweed Knickers	\$4.95
\$12.50 Linen Knicker Suits	\$9.75

Home's Shop
1512 Farnam

Omahan Succeeds Britton as Electric Body Official
J. E. Davidson of the Nebraska Power company, received word yesterday of the death of John Britton of San Francisco. Mr. Britton was first vice president of the National Electric Light association, of which Mr. Davidson was second vice president. Mr. Davidson now becomes first vice president.

Orchard & Wilhelm Co.

SIXTEENTH AND HOWARD STREETS



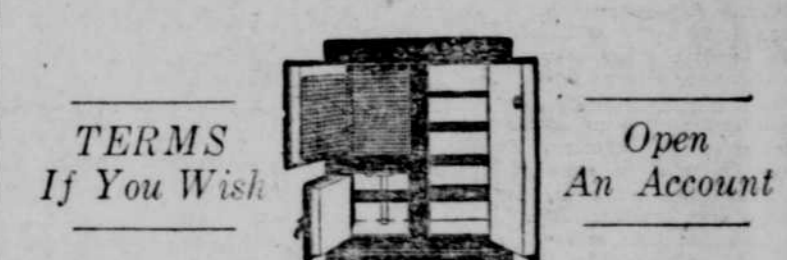
Sale of Trunks Bags and Suit Cases

We are closing out about forty Belber Wardrobe Trunks at very low prices. Unquestionably this constitutes an excellent opportunity to purchase for your vacation.

- | | | | |
|--|---------|---|---------|
| \$44.00 full size Belber Wardrobe Trunk, equipped with drawers and hanging section with open top. | \$33.50 | \$44.00 full size Belber Trunk with shoe pockets, hat box, laundry bag and hanging section with open top. | \$35.00 |
| \$36.00 full size Belber Wardrobe Trunk, equipped with drawers and hanging section, etc. | \$27.50 | Steamer size Tray Trunks of genuine veneer construction and hard fiber cover. | \$14.00 |
| \$30.00 steamer size Belber Wardrobe Trunk, with drawers and hanging section. | \$22.75 | Steamer size Tray Trunks of genuine veneer construction and hard fiber cover, full size with two trays. | \$19.75 |
| \$40.00 three-quarter size Belber Trunk with shoe pockets, hat box, laundry bag and hanging section with open top. | \$30.00 | \$87.00 full size Belber Wardrobe Trunk, fully equipped in every particular, lever locking device. | \$65.00 |

Phone Us Your Order for Victor Records for 4th of July

- | | |
|--|--------|
| 2432. Parade of the Wooden Soldiers—Patrol. Walter B. Rogers and His Band. | \$.75 |
| Boy Scouts of America—March. Walter B. Rogers and His Band. | |
| 5055. America (My Country 'Tis of Thee) Collegiate Choir. | 1.00 |
| Dixie—Criterion Male Quartet. | |
| 2007. American Fantasie—Part I. New York Police Band. | .75 |
| American Fantasie—Part II. New York Police Band. | |
| 2002. National Emblem March. Brunswick Military Band. | .75 |
| Jack Tar March. Brunswick Military Band. | |



Refrigerators at Special Prices

- | | | | |
|---|---------|--|---------|
| 30-lb. White Enamel Lined Refrigerator, top icer. | \$14.50 | 65-lb. Galvanized Lined Refrigerator, side icer. | \$27.50 |
| 45-lb. White Galvanized Lined Refrigerator, top icer. | \$16.50 | 50-lb. Galvanized Lined Refrigerator, side icer. | \$21.00 |
| 45-lb. Galvanized Lined Refrigerator, side icer. | \$22.50 | 100-lb. 3-door "Herrick" refrigerator, spruce lined. | \$46.50 |
| 65-lb. 2-door "Herrick" refrigerator, white enamel lined. | \$39.50 | | |

LEG TROUBLE

quickly relieved with our

Laced Stocking
NO RUBBER WASHABLE
Open or Swollen Limbs
Varicose Veins
ADJUSTABLE
Laces like a legging.
\$2.75 each, \$4.25 two for same limb.
If you have an ulcer write us.
Call or send for measurement Blank No. 35
CORLISS LIMB SPEC. CO.
1476 BROADWAY, NEW YORK, N. Y.
CUT THIS OUT
ADVERTISEMENT.

WOMAN SICK TWO YEARS

Caused by Troubles Women Often Have—Relieved by Lydia E. Pinkham's Vegetable Compound
Medina, New York.—"I had a great deal of trouble such as women often have, and this affected my nerves. For over two years I suffered this way, then I read in the Buffalo Times about Lydia E. Pinkham's Vegetable Compound and have taken it with very good results. I am very much better and feel justified in praising the Vegetable Compound to my friends and neighbors who suffer from anything of the kind."—Mrs. Wm. H. Atkins, 311 Erin Road, Medina, N. Y.

Feels Like Girl Sixteen
Rochester, N. Y.—"After my twin girls were born I was all run-down. My neighbors thought I was going to die. I saw your advertisement in the paper and bought Lydia E. Pinkham's Vegetable Compound. The first bottle helped me and I kept on taking it. I only weighed ninety pounds when I began taking it, and I have gained in weight and feel like a girl of sixteen. I never can say enough for Lydia E. Pinkham's Vegetable Compound."—Mrs. NELLIE DOREY, 16 Saxe Park, Rochester, N. Y.

The Chicago Great Western

Operates through fast freight trains daily between Chicago, Minneapolis, St. Paul and Omaha, South Omaha, Council Bluffs. Connecting with ALL LINES west of the Missouri river, insuring unexcelled through service between ALL POINTS east and west.

We Have Service to Trade for Business

You will appreciate the Personal Service rendered by

CHICAGO GREAT WESTERN R. R.

1419-1420 First Nat. Bank Bldg. JA cksn 0260

B. J. DE GROODT
Assistant General Freight Agent

D. NORTUP
Commercial Agent

Iron and Wire Fences and Gates
Railings, Window and Door Guards, Trellises and Flower Borders, Iron Clothes Posts, Door Screen Guards and Paper Burners.

Champion Iron and Wire Works
J. J. Leddy, Prop.
1505 Jackson JA cksn 1590 ANCHORITE FENCE POSTS