

PLEAS FOR UNION PACIFIC

Tax Commissioners Scribner and Clancy Appear Before State Board.

OBJECT TO THE STOCKS AND BONDS BASIS

Clancy Seeks to Defend Company for Refusal to Pay Last Two Years' Taxes—Payment for Schools is Too Heavy, He Says.

(From a Staff Correspondent.) LINCOLN, May 14.—(Special.)—This was the Union Pacific day before the State Board of Assessments. For over two hours in the morning H. J. Clancy, acting tax agent for this corporation, stacked up statements and figures to convince the board his corporation had been over valued during the last few years and demanded.

Clancy made the big argument of the day and from a railroad standpoint the board members admitted he did well. What effect the argument will have, however, when it is studied by the members when not under the influence of Clancy's oratory, the members did not say.

Clancy argued against the use of the stocks and bonds as a basis for finding the value of a railroad, unless the proper deductions were made—the road to build the "proper" deductions. He opposed the use of the net earnings theory for valuing the road in Nebraska, unless the board eliminated the earnings on through traffic. Gross earnings, he said, was of no significance, as on local business brought in on branch lines the expense was in many instances greater than the charge made.

He defended the action of the Union Pacific in bringing its injunction suit to restrain the collection of its taxes. He denied emphatically that any school district had been injured by reason of this suit. Had the money been paid under protest, he said, as many newspapers demanded, the amount would have been returned to the treasury of the various counties until the litigation had ended. On the other hand, he said, if the railroad lost the suit, it would pay the various counties 10 per cent interest. While the money in dispute was now drawing 10 per cent, providing the suit is won by the state, he said, the various school districts, if they are in need of money, can borrow money at less than 5 per cent.

Moreover in five of the twenty-seven counties traversed by the Union Pacific the taxes on the stocks and bonds have been paid, while all but four counties have taken the amount tendered, leaving but a small per cent of the amount unpaid. Clancy objected to a high valuation because, he said, in the western part of the state the road paid nearly all of the school tax and in these counties, by reason of that, the levy was high. On this subject he said:

In the twenty-three states and territories west of the Mississippi river the average taxes per mile of railroad are about \$20. In the state of Nebraska the average taxes per mile of the Union Pacific for 1905 was \$112.21, or about 5.5 times greater than the average tax in all the Mississippi states and territories.

Stocks and Bonds Basis. Clancy argued against the use of the stocks and bonds as a basis of valuation because, he said, the value of these was not fixed by the income, but was subject to change for various reasons. For instance, he said, while the nearest physical property of the Union Pacific was 500 miles away from the San Francisco earthquake, there was a decline in the market value of the common stock of ten points, making its market value \$15,000,000 less than before the disaster.

He filed with the board a detailed statement showing the total stocks and bonds of the Union Pacific and auxiliaries amounted to \$58,706,094, less deductions of bonds in other companies, land assets, water line property and property assessed locally, making a total of \$35,574,238 left in the Union Pacific stocks and bonds valued at \$23,131,856.

Discussing these figures, Clancy said: Main line mileage, 5,517.33 miles; per mile, \$4.19. As has been stated, however, the stocks and bonds also cover in addition 10,277 miles of double track, 285 miles of water lines and a large amount of other property locally assessed, and a proper apportionment would, therefore, greatly reduce the average value per mile as given here.

Of the physical property valuation Clancy said: In the value of the physical properties of the Union Pacific the Nebraska value is no appreciable change from last year. Making no allowance for depreciation, the value is \$17,358,410, or an average valuation per mile, as to main line and branches, of \$3.13.

The full assessed valuation in Nebraska in 1905 averaged a trifle over \$90,000 per mile, or an amount about three times greater than the average valuation. The physical mile and about \$12,000 per mile more than the average per value per net stock and bond miles not including double track, water lines and property locally assessed.

SCHULZE SHOES THE SHOES that have placed Western Shoes at the head of the Good Shoe product of the country. For Men For Women, all styles—all leathers \$3.00 to \$5.00 AT ALL DEALERS

ing no allowance for depreciation, the value is \$17,358,410, or an average valuation per mile, as to main line and branches, of \$3.13. The full assessed valuation in Nebraska in 1905 averaged a trifle over \$90,000 per mile, or an amount about three times greater than the average valuation. The physical mile and about \$12,000 per mile more than the average per value per net stock and bond miles not including double track, water lines and property locally assessed.

Clancy assured the board he was for a uniform assessment and he quoted from supreme court opinions at length that an assessing agent, if necessary, had the right to violate a statute in order to get a uniform assessment and a just assessment. He dwelt at length on the assessment of lands and held they had been assessed too low in comparison with railroads.

Scribner Makes Comparisons. Tax Commissioner Scribner asserted the Union Pacific had been injured by the reports in newspapers of the value of stocks and bonds and he quoted from a recent article that the value of the road, based on the income, was some \$11,000,000, when, as a matter of fact, only the mileage of the Union Pacific had been taken into consideration. The director should have been, he said, the entire mileage of the holdings of the road, as well as the Union Pacific. He hoped the board would not consider those figures as they were published.

Mr. Scribner said his road expected to pay on intangible property as well as on the physical property. In Michigan, he said, the intangible property brought the assessment up 20 per cent in excess of the tangible property value, while in Wisconsin, he said, the intangible value brought up the total valuation some 23 per cent. But in Nebraska the intangible property was valued at over 200 per cent more than the tangible property. He hoped the board would seriously consider this state of affairs. He also called upon the board to remember that land had increased in value during the last two years, and to bring about uniform assessments. He hoped the board would consider this when assessing the railroads.

During Clancy's argument, when he concluded his talk on the value of the road on the stocks and bonds basis, Treasurer Mortensen dug down somewhere in the dark recesses and brought out the argument filed with the board last year, at the same time remarking that he was glad Mr. Clancy had agreed his road had been assessed at its proper value.

"According to your own statement, your road has increased over \$15,000,000 since last year. You say on the value of the stocks and bonds it is worth \$60,000,000. We assessed it last year at \$60,000,000. Last year on the stock and bond basis you argued your road was worth \$4,500,000, so I think you have at last come around to our way of thinking."

Clancy explained that material deductions should be made from the \$60,000,000 and when this was done, he said, his position would be the same as last year. The Burlington is to have its lining tomorrow. Brief in School Case. The legal department today filed a brief in the supreme court in support of an application for a writ of habeas corpus to compel the school board of Lincoln to permit the children of state officers to attend school without paying tuition. On the theory that these officers did not maintain a legal residence in the city of Lincoln the school board shut out their children from the public schools until tuition was paid. Attorney General Brown maintains the school board has no right to exact this tuition, because there is no statute for it. He holds that the constitutional provision that schools shall be free to children of the state.

Electric Line Wants Franchise. DAKOTA CITY, Neb., May 14.—(Special.)—Upon the request of Commissioners Baird and Hilman, County Clerk W. L. Ross has called a special meeting of the Board of County Commissioners for May 16 for the purpose of considering the granting of a franchise to the Sioux City, Homer & Southern railway for an electric line along the public highway from South Sioux City to Homer. A former franchise granted this company expired several months ago, but it is now stated that new capital has been interested and if another franchise is granted to run not longer than July 1 next that the line will be completed and in operation by that time.

News of Nebraska. PLATTSMOUTH—Welcome showers visited this city Monday. ALBION—The Albion High school commencement exercises will be held May 23. The principal speaker will be delivered the commencement address.

FLATTSMOUTH—A fine team of horses was stolen from A. G. Bach in the city Saturday night. Thus far no trace of the guilty parties has been secured. WEST POINT—The annual financial statement of the city treasurer of West Point shows \$9,550 on hand. This is the largest amount of available cash for many years.

HASTINGS—A local branch of the Knights of Columbus, a Catholic order, was installed today by the Lincoln chapter, which came to Hastings on a special train.

from 5 to 21 years, whose parents or guardians live within the limits of said district, and, upon application, to be admitted, to maintain a legal residence in the district. The case will be argued tomorrow.

Sheldon Declares Himself. Senator George Sheldon of Nebraska came to Lincoln this afternoon and will go to Plattsmouth.

New Corporations. The George H. Lee company of Omaha has filed amended articles of incorporation with the Secretary of State.

The Farmers' Mutual Telephone company of Bennett with a capital stock of \$10,000 has filed its articles of incorporation with the Secretary of State.

Articles of incorporation for the Farmers' Elevator company of Bee, showing a capitalization of \$5,000, have been filed with the Secretary of State.

The ev. H. H. Harmon of Indianapolis has been chosen pastor of the First Christian church of this city. The selection was made yesterday at the regular meeting of the board of trustees.

ASYLUM HEARING IS POSTPONED

Drs. Alden and Nicholson Challenge Authority of Governor. (From a Staff Correspondent.) LINCOLN, May 14.—(Special Telegram.)—The hearing granted Dr. J. M. Alden and Dr. Frank S. Nicholson, superintendent and physician at the Norfolk insane asylum, who are resisting the demand made by Governor Mickey for the right to treat inmates, started before the governor tonight and was continued after the attorneys for the doctors objected to the right of the executive to hear the case.

Dr. Alden was represented by Attorneys Robertson, Mapes and Tyler of Norfolk, while Dr. Nicholson was represented by Attorney E. M. Harmon of Lincoln. They asserted under the law it was the duty of the Board of Public Lands and Buildings to hear the complaints and to make a report to the governor. The latter then asked for time in which to consult with the legal department and the hearing will be set some time in the future.

It is charged by the governor, based on information received from a former employe of the institution and from Dr. Nicholson, that Dr. Alden was incompetent to properly manage the institution; that he did not maintain harmony among the employes; allowed employes to brutally treat the inmates; failed to make reports of condition to the governor. Practically the same charges are made against Dr. Nicholson. As evidence to sustain his action in removing the two officers, Governor Mickey has a letter from a former employe named Wolfe, who told of the death of two inmates who had been beaten by employes. After receiving this information Governor Mickey wrote Dr. Nicholson for the facts in the case. In answer to his inquiry Dr. Nicholson wrote that a patient named Milton Shockley had been beaten by a guard and later had been jabbed in the side by a guard, who used a broomstick. A week later, the letter said, the man died from the injuries received. John Prosser, aged 58 years, he wrote, had been kicked and later died from the effects of the blow.

A guard, he wrote, had jumped on the stomach of James Baird, who later died from the effects of his ill-treatment. Other patients, he said, had been cruelly treated and Dr. Alden was aware of the fact. Governor Mickey asserts also that Nicholson kept a false record in order to hide these facts. On the other hand attorneys for the two doctors assert they will be able to refute all of this testimony. Dr. Alden did not appear at the hearing, though Dr. Nicholson was in attendance.

RIOT THREATENED AT CRAWFORD

Killing of Watchman and Soldier May Lead to Further Trouble. A night watchman at Crawford, Neb., was killed last night by a colored soldier from Fort Robinson. James Moore, the watchman's brother, killed the soldier and a friend of the latter struck James Moore and broke his arm. Officials are investigating the case, which threatens to lead to a riot.

Knights of Columbus at Chadron.

CHADRON, Neb., May 14.—(Special.)—A council of the Knights of Columbus will be initiated at Chadron, Neb., Sunday, May 14, by Arthur F. Mullen of O'Neill, Neb., district organizer of the Knights of Columbus for northern Nebraska. William Chisholm was elected grand knight; J. E. Haaberg, deputy grand knight; Bruce Hamilton, financial secretary; J. W. Finnigan, treasurer; Rev. Father Barry, chaplain. A large delegation of knights is expected to attend the meeting, resulting in a very pretty and close game. The score stood 2 to 1 in favor of the Albion High school team. The Indians did not score until the ninth inning.

PLATTSMOUTH—Mrs. Sidney Mackey, who was killed by her husband near Reynolds, former resident in this city for a number of years with her daughter, Miss Ethel Young. She was a widow at that time and was well known, but some said unkind words about her.

PAPILLION—John Schaub died this morning aged 75 years. Mr. Schaub came to Nebraska in 1862 and built the flouring mill in Papillion. He leaves one son, George Schaub, a banker in South Omaha, and one daughter, wife of C. D. Brown of Papillion, where he died.

FREMONT—Some time Sunday someone entered the house on the Sioux City farm east of town, which is being rebuilt, and broke up the porch posts and windows and took castings so badly that new ones will have to be put in. The loss to the contractor was estimated at \$100.

LOUP CITY—Cement foundations for the new Catholic church in this city have been completed. The building will cost \$15,000. Building on the new Presbyterian church, to cost \$5,000, will be commenced this week. Bids for the Presbyterian manse will be submitted to bidders this week.

THE PROSPECT for an enormous fruit crop this season is bright. Apples are in bloom now and the blossoms are now, cherries, apricots, peaches and pears are blossoming freely. The early apples are in bloom now and the blossoms on the plum trees have almost all fallen off.

AINSWORTH—Last night Ainsworth was struck by a rain storm which did no damage done. The rain was needed on the parched soil and window and doors did not need any. The prospect is good for a large crop of all kinds of farm produce and stock, as the frost did not do much damage.

ALBION—The state veterinary surgeon was here yesterday and condemned three horses belonging to a farmer by the name of Woods and ordered them killed. The horses were shot in the city and will be killed in this county within the past month. Persons owning valuable horses are insisting on a thorough investigation.

SUTHERLAND—The school board has elected teachers for the ensuing year as follows: L. F. Krainger of Ashland, principal; Prof. A. R. Moore, who has resigned to accept a position at Sutherland, Bertha E. Reynolds, grammar department; Ella Hannah, primary department; Nellie L. Lute, primary department.

LEIGH—Boston Corbett post, Grand Army of the Republic of this place, together with the citizens, are making arrangements to observe Memorial Sunday and Decoration day. Rev. G. L. Shull, pastor of the Congregational church, will preach the Memorial sermon and Judge W. N. Hensley of Columbus will deliver the Decoration day oration.

PAPILLION—The Grand Army post of

Schlitz beer advertisement with large logo and text: Distinguish Schlitz beer from the common. Other beer may be equal to Schlitz in your liking. But perhaps it is green beer—insufficiently aged; and the after-effect is biliousness. Or it may be impure, unfiltered, unsterilized; and the after-effect unhealthy. More than half the cost of our brewing is spent to insure purity. That is how important we deem it. Ask for the Brewery Bottling. Common beer is sometimes substituted for Schlitz. To avoid being imposed upon, see that the cork or crown is branded.

The Beer That Made Milwaukee Famous. Phone 918. Jos. Schlitz Brewing Co. 719 So. 9th St., Omaha.

the county convention was fixed early in June. The leaders of the party are working for a non-instructed delegation which, under the circumstances, everyone knows to be against Hon. Norris Brown for senator. LEIGH—Rev. G. L. Shull, formerly of Crawford, Neb., began a pastorate here yesterday as pastor of the congregational church. Rev. Shull is a forcible speaker and gives promise of lending new energy to the church. WEST POINT—It is rumored that the Independent Telephone company, doing business around Beemer Sunday, Wistar, is about to petition the West Point city council to be allowed to establish an exchange in this place. WEST POINT—The horse exporting firm of Schinckel Bros. of West Point has bought and sold during the past year over 4,000 head of horses and mules, the bulk of which have been shipped to western points for use in railroad grading. FREMONT—Plans were received here today for the new Sioux City & Western passenger depot. It is to be built of red brick, directly south of the Union depot and will be about 100 feet long by 25 feet wide. It is estimated to cost \$9,000. FREMONT—Mayor Miles has received authority from Adjutant General Culver for the organization of an independent company of infantry in this city and meeting the preliminary steps for the formation of the company. ALBION—The Genoa Indian base ball team met the High school team of this place on the diamond today, resulting in a very close game. The score stood 2 to 1 in favor of the Albion High school team. The Indians did not score until the ninth inning. PLATTSMOUTH—Mrs. Sidney Mackey, who was killed by her husband near Reynolds, former resident in this city for a number of years with her daughter, Miss Ethel Young. She was a widow at that time and was well known, but some said unkind words about her. PAPILLION—John Schaub died this morning aged 75 years. Mr. Schaub came to Nebraska in 1862 and built the flouring mill in Papillion. He leaves one son, George Schaub, a banker in South Omaha, and one daughter, wife of C. D. Brown of Papillion, where he died. FREMONT—Some time Sunday someone entered the house on the Sioux City farm east of town, which is being rebuilt, and broke up the porch posts and windows and took castings so badly that new ones will have to be put in. The loss to the contractor was estimated at \$100. LOUP CITY—Cement foundations for the new Catholic church in this city have been completed. The building will cost \$15,000. Building on the new Presbyterian church, to cost \$5,000, will be commenced this week. Bids for the Presbyterian manse will be submitted to bidders this week. THE PROSPECT for an enormous fruit crop this season is bright. Apples are in bloom now and the blossoms are now, cherries, apricots, peaches and pears are blossoming freely. The early apples are in bloom now and the blossoms on the plum trees have almost all fallen off. AINSWORTH—Last night Ainsworth was struck by a rain storm which did no damage done. The rain was needed on the parched soil and window and doors did not need any. The prospect is good for a large crop of all kinds of farm produce and stock, as the frost did not do much damage. ALBION—The state veterinary surgeon was here yesterday and condemned three horses belonging to a farmer by the name of Woods and ordered them killed. The horses were shot in the city and will be killed in this county within the past month. Persons owning valuable horses are insisting on a thorough investigation. SUTHERLAND—The school board has elected teachers for the ensuing year as follows: L. F. Krainger of Ashland, principal; Prof. A. R. Moore, who has resigned to accept a position at Sutherland, Bertha E. Reynolds, grammar department; Ella Hannah, primary department; Nellie L. Lute, primary department. LEIGH—Boston Corbett post, Grand Army of the Republic of this place, together with the citizens, are making arrangements to observe Memorial Sunday and Decoration day. Rev. G. L. Shull, pastor of the Congregational church, will preach the Memorial sermon and Judge W. N. Hensley of Columbus will deliver the Decoration day oration. PAPILLION—The Grand Army post of

Severe Cough---Consumption Threatened. Mrs. Mary Painter, who was reduced to a shadow and threatened with consumption, is restored to health and strength by Duffy's Pure Malt Whiskey. Mrs. Mary Painter, Fremont, Mo., Sept. 2, 1905. "It is with great pleasure I write to tell you what I think of Duffy's Malt Whiskey. I sincerely believe it is the greatest medicine ever made. I took a cough this spring and it got so bad my friends thought I had consumption. I was as thin as a skeleton, had given up, and the doctor said I was a long time on the way to the grave. I bought a bottle of Duffy's Malt Whiskey. As soon as I began to take it my cough lessened, so we were able to get on our feet. I am now as well as ever. My husband and I have been taking it all summer. He was down with backache till he could hardly move, and now he is as well as anybody. I am stouter than I have been since we were married. Please send me another dozen bottles, as we cannot get along without it. MRS. MARY PAINTER, Fremont, Mo., Sept. 2, 1905. Duffy's Pure Malt Whiskey. For more than fifty years has been prescribed by doctors of every school, recommended by temperance advocates and ministers of the Gospel, and used in over two thousand leading hospitals as the greatest tonic stimulant and health builder known to medical science. Duffy's Pure Malt Whiskey cures coughs, colds, consumption, grip, bronchitis and pneumonia. It stimulates and enriches the blood, aids digestion, builds up the nerve tissue, tones up the heart and fortifies the system against disease germs. It prolongs life, keeps the old young and the young strong. Duffy's Pure Malt Whiskey contains no fuel oil and is the only whiskey recognized by the Government as a medicine. This is a guarantee. CAUTION—Be careful to get the genuine when you ask for Duffy's Pure Malt Whiskey. Sold in sealed bottles only; never in bulk. Look for the trade-mark, the "Old Glenlivet" on the label, and be sure the seal is unbroken and the cork unbroken. Reliable druggists and grocers or direct \$1.00 a bottle. Doctor's advice and mark booklet free. Duffy Malt Whiskey Co., Rochester, N. Y.

Can You Cut Out the "Yellow" Streak? All got one, you know. Some small, some large. The more "yellow" in your make-up, the less the yellow gold in your character and pocketbook. Is your yellow streak the coffee habit? Does it reduce your working force, kill your energy, push you into the big crowd of mongrels, deaden what thoroughbred blood you may have and neutralize all your efforts to make money and fame? It does that very thing for thousands who don't suspect it. Languid, half sick with stomach and bowel troubles, heart weak and hardly half alive, you cannot succeed under such fearful handicaps nowadays, when the world only yields the crown for the best efforts of keen people. Try leaving off coffee for 10 days. Build back to a clear-cut mind and healthy body by Postum Coffee. That's the true route to health, and with bounding, exuberant health you acquire "Energy plus." Then to "do things" is easy. "There's a Reason." Have a try at Postum. NOTE—Postum is only good to the taste when well boiled. Then it is prime and toothsome.

NO PLACE. The Lazy Ones Must Stand Aside. The dull and heavy feeling from coffee may not amount to much in itself, but it's a great obstacle in the way of fame and fortune, for it kills ambition and makes one lazy and finally sick. The successful men or women must first conquer themselves. The way to conquer that dull, stupid feeling 9 times out of 10 is to pay a little attention to proper food, coffee in particular will dull the senses and make one feel lazy and stupid after the first effects of the cup have worn off an hour or so after drinking it. "I was a lover of coffee," says a New York man. "It seemed to me breakfast was nothing without it, but I noticed an hour or so after breakfast a dull, stupid feeling came over me, accompanied frequently by nausea. "Thinking perhaps it was caused by coffee, I wanted to make sure of it, so I gave up the use of coffee and drank Postum in its place. My old trouble disappeared and I learned to look forward to my Postum with as much eagerness as I used to look to coffee, and instead of being bad in its effect, Postum is very healthy, and I feel better than I have for ages."—Jane Smith, given by Postum Co., Battle Creek, Mich. There's a reason why Postum helps toward fame and fortune when used in place of coffee, the drug dealer. Look in each package for the famous little book, "The Road to Wellville."