

CITIZENS' CHANGE TO END TAX EVILS

End Tax Conditions In Illinois Due to Constitutional Uniform Tax Requirements—To Be Voted On.

MUST HAVE MAJORITY NOV. 7

Escape of Intangible Property Values From Taxation and Increased Tax Burden on Real Estate Caused by the Uniformity Rule.

Citizens of Illinois will have the opportunity at the November election to change the basis of the present tax system and make possible modern and just tax laws.

The last general assembly in response to widespread popular demand submitted an amendment to the revenue article of the constitution and thus put responsibility for tax reform squarely up to the voters.

Taxpayers in Illinois have long been aware that the Illinois system was imperfect. They have known that it was not a good revenue producer. At the same time, in too many instances, they have realized that it is unfair—resulting in injustice—and the spectacle of laws defied. Very often, in fact, generally, our laws are just and practical, and when not enforced the failure arises from official neglect. But our tax laws are not of the enforceable class. This is due to the fact that since they were enacted the property conditions they were intended to act upon have been transformed by economic changes.

In 1840 the total full value of all kinds of property in the state was less than \$30,000,000. The state tax rate was 20 cents on each \$100 valuation. At the present time the full valuation of all kinds of property in the state is about \$8,000,000,000. The increase has been more than a hundred times. And the tax rate is two or three times as great as it was in 1840. The total receipts of the state treasury for 1940 was a little more than \$300,000. Now they are nearly one hundred times as much.

1916 Taxes on 1818 Basis.

The constitutional requirements in relation to the assessment and taxation of property now are the same as they were in 1840. In fact, they are the same as they were in 1818, when the total revenues of the state were only about \$50,000 a year.

When our taxation system was adopted there was little or nothing in the state except lands and the visible personal property of the agriculturist. The constitution and laws were built upon the supposition that all property was visible and that it would remain so. In fact, our constitution is a tangible property tax constitution—and the courts in interpreting it have tended to make it even more so.

In the economic development of Illinois new forms of property have arisen. These are known as intangible values. They are made up of secondary forms of value. There are mortgages, money and credits, bonds, stocks of out-of-state corporations, notes and other evidences of interest or debts. Practically none of these is taxed. And as a class they constitute the intangible values which have developed as the state has grown from about a quarter of a million of taxable values in the 50's to nearly eight billions.

Intangible Property Hard to Tax.

The law makes it the duty of the assessor to discover and assess these values. The very fact that they cannot be seen—like lands, railroads, factories—makes it impossible to discover and assess them by the same clerical methods. Drastic inquisitorial methods would have to be employed. All citizens would have to be haled before the assessor and made to tell everything—as persons of taxable incomes now have to submit to questioning by federal inspectors. And if this were done what would be the result? More taxes? By no means. The person assessed once on his intangibles would simply move them to another state, where taxes on them would not be confiscatory of a third or more of the income, as they are in Illinois.

The pending amendment will make it possible for the legislature to enact laws providing assessing and taxing methods for intangibles that will be as reasonable as other states have adopted. By this means intangible values will be retained in the state, will be induced to present themselves for taxation, the revenue will be increased and the assessing and taxing machinery made simple and workable.

Necessity of voting for the amendment, because it must have a majority of all the votes cast November 7, is urged.

Tax Amendment Committee.

A complete organization for educational work promotive of a full understanding of the amendment and the need for it has been effected. This committee is the agency through which all other organizations are acting and has prepared the reading matter necessary for the campaign. Literature or specific information may be obtained from Illinois Tax Amendment Committee: Frank I. Mann, Chairman, Illinois; S. B. Montgomery, Vice-Chairman, Quincy, Illinois; Douglas Sutherland, Secretary, 804 The Temple, Chicago, Illinois.

Illinois Press Comment.

Rockford Star: The present system is iniquitous. No one attempts to defend it, for it cannot be defended.

Oney Daily Mail: A constitutional amendment is offered to voters at the November election which will give unmistakable power to the legislature to afford relief.

Shawneetown Democrat: Even if the voter does not mark his ballot it will count as a vote against the amendment, because the amendment must be voted for by a majority of all those who vote for members of the general assembly in order to make it a part of the constitution.

Freeport Standard: No modern revision of our antiquated and unjust personal property tax laws will be possible if the amendment fails. It would be a sad waste of effort if this amendment should fail because of a lack of information or because a few citizens merely forgot about it.

Freeport Bulletin: While taxes are a dry subject, and their discussion in the abstract is not always of compelling interest, there is a personal concern of practically all of us in the matter of taxes.

Decatur Review: The tax amendment can be helped along materially by action taken by campaign committees of the different parties.

Plainfield Enterprise: The present law places a premium on lying and dishonesty. It is hardly to be wondered at that the man who has a modest saving account in bank fails to schedule it for taxation.

Galesburg Republican Register: It is important that the attention of all be centered on this amendment to the end that it may receive the necessary vote to adopt it.

Rockford Register Gazette: The present Illinois system exempts illegally a vast amount of wealth of certain kinds and taxes other property doubly and trebly.

Canton Register: The proposed amendment will give the legislature power to adjust the taxing system to present needs. Without doubt practically all who vote on the amendment will vote for it. There is almost no opposition. The danger is in indifference. Unless the people are sufficiently interested to mark the little ballot the amendment will fail.

Danville Commercial News: The idea of the tax amendment is to pass a law which will enable the collection of taxes from intangible property owners, who at present evade taxation, because the rate is so high they cannot pay it.

Piano News: The Illinois tax system is a school for dishonesty, with the state for teacher. For that reason every voter in the state should post himself on the amendment that is to be voted on November 7.

Paris Beacon: The approval of a majority of the male vote of the state will be necessary to make this amendment a part of our constitution.

The Prairie Farmer: Of most direct interest to farmers, of course, is the double taxation of mortgaged land.

Chicago Tribune: Give the voters the fact, the truth, and they will vote emphatically to abolish the impossible general property tax.

Chicago Examiner: There can be no excuse for a failure to give Illinois the very best tax system pointed out by the research and experience of our sister states.

DOUBLE TAXATION FAULT OF SYSTEM

Undue Taxation of Evidences of Indebtedness Makes Debtor Pay Twice.

A conspicuous injustice which the constitutional amendment, to be voted on November 7, will make it possible to remedy, is double taxation.

The taxation of mortgaged property, and of mortgages as well as some other forms of intangible value occasions frequent complaint of "double taxation." Most farms and most homes in Illinois today are bought on the part-payment plan, a little cash and a note secured by mortgage being given by the purchaser.

A mortgage on land is taxable. And in effect is double taxation. Two tax values have been created where only one before existed. In paying the interest the mortgagor must pay all or part of the tax which the mortgagee is obligated to pay. The fact that the mortgagee evades taxation generally does not benefit the mortgagor. Mortgaged land is land burdened with double taxation.

Suppose that a man sells a horse for say \$200 and takes a note for it, the note becomes taxable. Suppose, further, that the buyer sells the horse to another man for another note. This second note becomes taxable. This same horse may be sold indefinitely on credit creating a taxable value each time that it is sold.

Many other examples might be cited. The merchant who buys a stock of goods on credit may have to pay his assessment day the money to pay his debt. In that case, the money, the goods and the credit are all three subject to taxation and the merchant cannot, now, offset his debt against his money in bank nor the goods on his shelves.

Modern laws regard mortgages and kindred values as differing in character from other property and tax acter from other property and tax acter according to ability to bear the tax. Greater justice and a better basis for revenue result.

The Rexall Store

ONE CENT SALE!

OUR ONE CENT SALE last March was such a success and was so well patronized that the amount of goods sent us fell far short of supplying the demand and scores of people were turned away not being able to buy the articles advertised. Thus the United Drug Co., lost the opportunity of introducing these goods in that many homes. At this Sale our allotment is about double the last one and the assortment a great deal larger. You will find over 200 high class Household Articles to select from, ranging in price all the way from 5c to \$2.00 each, at the regular standard prices. These will all be sold two of the same kind for the price of one and One Cent More. Just to advertise and let you learn the merits of these goods. It has been demonstrated that where people once try the United Drug Co., Goods they become steady customers. This is going to come the nearest to giving away goods of anything you have ever seen, don't ask how can it be done But Come and See.

Three days of Advertising October 26-27-28

Schumacher's Drug Store

A big new discovery in cigarette blending

The big thing about Chesterfields is their unique blend. The Chesterfield blend is an entirely new combination of tobaccos. This blend is the most important new development in cigarette making in 20 years.

As a result, Chesterfields produce a totally new kind of cigarette enjoyment—they satisfy! Just like a "bite" before bedtime satisfies when you're hungry.

But with all that, Chesterfields are MILD, too! This new enjoyment (satisfy, yet mild) comes ONLY in Chesterfields because no cigarette maker can copy the Chesterfield blend.

Legal & Myers Tobacco Co.

"Give me a package of those cigarettes that SATISFY!"

Chesterfield

CIGARETTES

20 for 10¢



Women Can Vote for President November 7th, 1916