

WHY WISCONSIN LEVIES NO STATE TAXES

Corporations Put Millions Into Its Treasury

Wisconsin is building a new state capital to cost from \$4,000,000 to \$5,000,000. Expenses of maintaining its government are heavy, and yet its people are not to be called upon for one penny of state tax this year.

Under the law a school tax of one mill must be levied annually, yet so plethoric is Wisconsin's pocketbook that half the amount required for the schools will be paid from the state treasury, leaving but a mill tax as the only state burden imposed upon property owners.

Civil war claims to the amount of over \$1,000,000 have been collected, together with back taxes from railroads. But Wisconsin's financial prosperity is due principally to the laws requiring corporations to bear a greater share of the general burden than they have done in the past.

With a generous balance in the treasury at the beginning of the year, and a revenue expected from corporations more than equal to meeting the running expenses of government, why not relieve the people of a state tax?

Were it not for the building of the new capitol the entire school tax would have been paid from the treasury, and the people would be enjoying the unique distinction of remaining absolutely untaxed for state purposes.

With all bills paid, Wisconsin's treasury on January 1st, contained \$1,500,000, and it is estimated that the year's receipts, with state tax eliminated, will be \$4,000,000.

As total disbursements are not expected to exceed \$2,500,000, there seems no need of troubling the people with a state tax, and so none will be levied.

In fact, a tax for the maintenance of the state government has not been imposed since 1902, although the one-mill tax for schools was regularly collected.

Now, however, even half the fund required by law to be raised for school purposes will be paid from the overflowing state treasury.

Generally speaking, the people were quite satisfied with the remission of general state taxes. They didn't consider it a hardship to pay the one-mill tax for school purposes.

Rich Helped the Poor. This was not a tax for the maintenance of state government. It was simply an arrangement whereby the richer, more densely populated counties aided the poorer ones in establishing and maintaining schools.

The money all came back to the taxpayers; they were satisfied.

But when the ample pockets of Wisconsin expanded so that she must find a means of exhaust for her surplus coin, she looked around for some way to ease the burden of her children still further, and could find none except to cut this one-mill tax in half.

What could be done about it? The law said specifically that the tax must be levied. After considering other plans, the state board of assessment—the governor, secretary of state and state treasurer—hit upon one which worked admirably.

They would satisfy the law by collecting the tax; but, instead of taking all from the poor taxpayers, they would simply collect half, and trans-

fer the other half from the account of the state general fund, which was unusually large.

So only the half of that one mill was levied. The matter of remitting all the mill tax was considered, but it was decided to leave enough money in the treasury to provide for exigencies in the construction of the new capitol.

The intention of Wisconsin, clearly, is to let the railroads, telegraph and telephone companies and other corporations in the future supply all the running expenses of the state, in payment for the privileges which they obtain; but which, however valuable, are distributed almost gratis in some other cities.

It is a romance of economic achievement, this bountiful condition that Wisconsin has reached.

Now that hard-working legislator is the governor of the state, and he is carrying out the work which La Follette began. He declares that the people of Wisconsin, in all probability, will never again be called upon to pay a state tax.

The most important result of the application of the ad valorem system has been manifest in regard to the railroad companies.

Big Prizes In Prospect. Since the new system went into effect the state has collected from the railroads each year about \$620,000 more than it did under the old license fee system. This, in the aggregate, means \$1,550,000 gained to date from this one act of legislation.

Not only that, but there is a good prospect of recovering from \$900,000 to \$1,000,000 in back taxes. The La Follette administration uncovered the fact that railroads had given rebate to big shippers, amounting to \$5,000,000, without the railroads had deducted from their gross earnings, and consequently had not paid taxes on.

The state brought suit to recover taxes on that \$5,000,000, which will make a pretty penny if the courts decide to exact it, and will mean still less cause for taxation of individuals.

According to the old license fee system, the railroads in 1906 would have paid the state \$2,057,733.34. Under the new ad valorem system they actually did pay \$2,700,237.56. This is a gain of almost \$700,000 for one year.

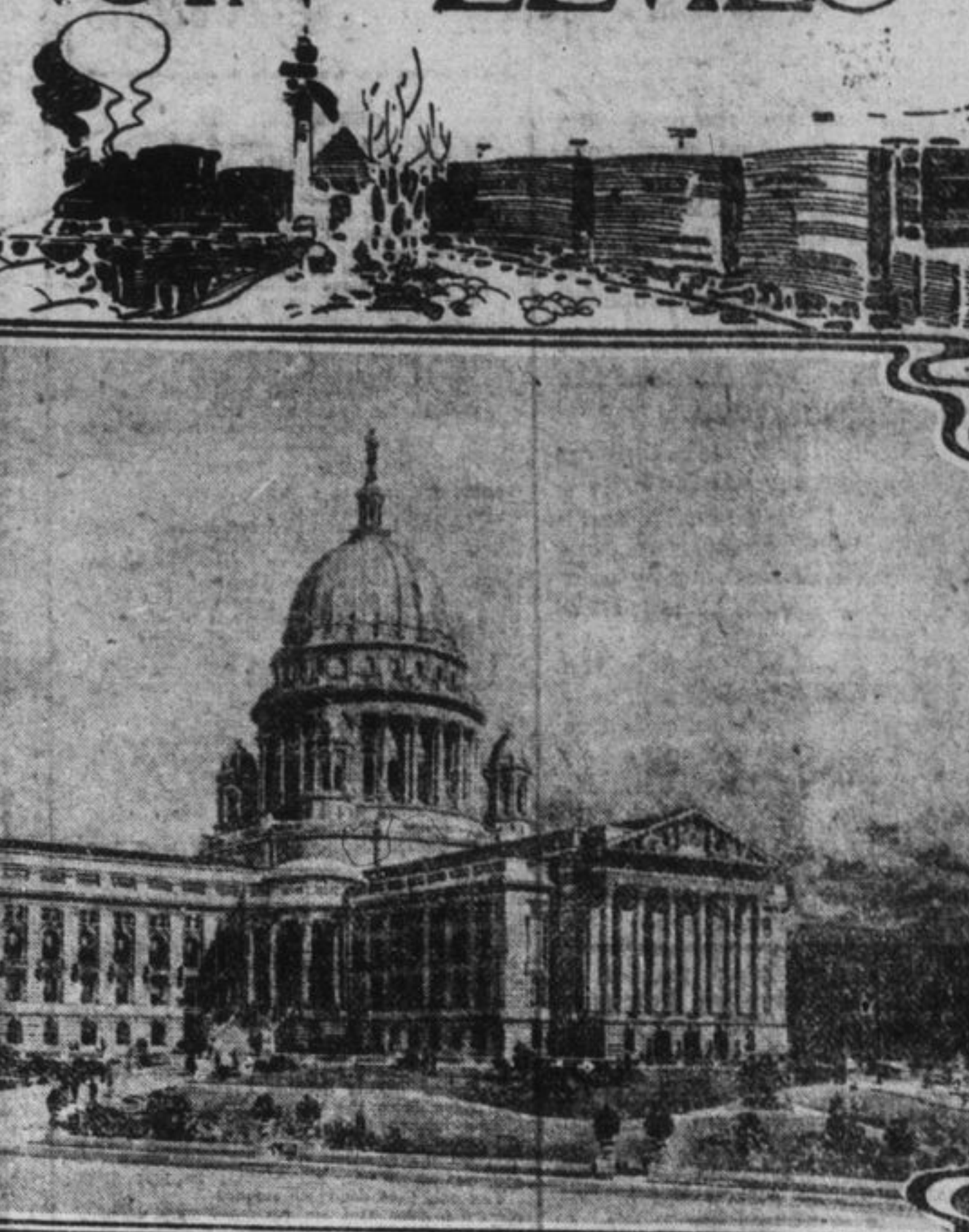
But the railroads are not alone footing the bills, which the plain citizens of Wisconsin are exempted from paying.

The express companies in 1906 paid \$9,135.40; sleeping car companies, \$5,303.96; insurance companies, \$555,292.77; telephone companies, \$27,962.12, making a total of \$3,257,908.81 in taxes from five classes of corporations, the railroads being included.

In attaining to such an important condition, Wisconsin was aided materially by the payment of \$1,156,417.58 by the national government for the maintenance of troops during the civil war, and she has other sources of income of no mean importance.

There is, for instance, her effective inheritance law, which means that a portion of every man's estate at his death goes into the state treasury.

From this source the sum of \$103,451.74 had been collected for the fiscal



New State Capitol, to cost \$4,000,000 to \$5,000,000.



U.S. Senator R.M. La Follette, Who Started the Reform.

year ending July 1st, 1906, but since that time the collections have exceeded those for any other year.

Owing to the estates of wealthy dependents falling for settlement in this period, it is estimated that the inheritance tax for 1907 will aggregate \$400,000.

Another means of increasing the revenues is the granting of higher licenses to foreign companies incorporated to do business in Wisconsin. Up to a few years ago, the incorporation fee was but \$10, no matter how large the business done; now the fee is \$10 per \$1,000 of capital stock.

In compliance with this law, a railroad company recently paid a fee of \$100,000 on the occasion of doubling its capital stock.

What effect has all this on the development of the state? Are corporations giving it a wide berth because of the method of taxing them? Are wealthy men refusing to do things because the state taxes pay of their fortunes when they die? Have rates been increased, in retaliation, to the detriment of trade? Are institutions on the contrary, the state is flourishing as a green bay tree; its development has become more rapid than ever before in its history.

Great sums have been spent upon the university and other institutions of learning; a new home for the feeble minded has been erected; a reformatory for first offenders has been built; no complaint is heard concerning appropriations to charitable institutions.

And while studying the conditions in Wisconsin, other states may do well to consider a feature of New York's legislation which has wrested from corporations in the year just ended \$7,300,000 in taxes.

The special franchise tax is assessed on valuations appraised by the state, but it is not a state tax; that is one of the so-called "local" taxes like the inheritance tax, the stock transfer tax, the mortgage tax, etc.

Valuations are certified to the tax collectors of the cities, towns, villages.

TWO TASTES AND \$6 IN CASH. The first taste you like it. Use it a month a year—the last taste proves it the most delicious part of every meal.

The finest wheat scrubbed, washed, steamed, golden, flaked, toasted into crisp, moist brown flakes that are crisp, dairy, satisfying. That is "Orange Meal." From kernel to table, no hand touches it. Machinery does it all.

Besides premiums you get THIRTY DOLLARS if you send in the largest number of coupons taken from the 15c packages.

"Orange Meal" contains more wheat sugar—the strength giving elements, than any other cereal. And each package of Orange Meal is a third larger than any other.

Save the coupons and get \$30.00. Coupons must be mailed or delivered on or before March 30th, and must reach the office of "Orange Meal," Kingston, before March 30th, when the prize will be awarded.

es and counties, and the assessments are based upon the tax rates of these localities.

Tax Franchises Like Real Estate. In other words, the tax on the franchise is just like the tax on a house, and let the owner pay it into the general purposes. The state gets no share.

Thanks to the changed method of fixing valuations under this law, last year's increase in valuations aggregated \$60,000,000, and each succeeding year is expected to show large additions.

Since 11 per cent, (estimated average) must be paid in taxes by owners of that property, it means that the franchise law lightened the general tax burden in 1906 to the extent of \$7,300,000.

How the system works may be seen from the example—although a somewhat exaggerated one—of the New York telephone company, which was assessed for \$22,000,000 worth of property in 1906, as against \$5,600,000 in 1903.

It has increased the assessed valuations in New York city \$59,285,750 in one year, the Syracuse, \$1,775,625; in Troy, \$818,909, and so on.

DISTRICT CASES.

Vicinity News - Condensed For Whig Readers. Carleton Place is organizing a board of trade, with a membership of thirty.

The mica splitting works of Carleton Place is likely to be closed down, because sufficient help cannot be secured.

Mrs. J. S. Crothers died in Belleville, on Sunday, aged sixty-one years. Her maiden name was Wallace.

Rev. Father Brennan, curate of St. James church, Eganville, was the recipient of an address and a handsome coat from his parishioners recently.

A. Crocker, Sudbury, has been appointed chief of police for the town of Massy. Last summer "Ab," was showing wiles for McKenzie and Mann, at Whamitico.

Norman Ratney, for the past few years ledger clerk in the Merchants bank, Eganville, is receiving promotion. He takes a position in the Niagara branch, being succeeded by W. H. Madden, Napanee.

Pembroke lost two old and esteemed residents last week in the persons of Samuel Edw. Brown and John B. Fleair. Both gentlemen were well known in Pembroke, and they will be missed.

At Clayton, N.Y., the handsome residence of William D. Clark was recently destroyed by fire, on last Thursday evening. The whole attic was a mass of flames before the fire was discovered. The household effects were about all saved. W. D. Clark, owner of the building, is a hardware merchant.

Sully Werden, jeweler, found dead in his shop in Rochester, N.Y., belonged to Prince Edward county, Ireland, where she went a day or two ago to undergo an operation for appendicitis, which took place on Friday. The late Miss Kennedy was for some time in the office of White & Williams, barbers, which position she resigned only a few days ago. It being her intention to go west in a couple of weeks.

A home without a cradle is a health without a fire.

LIVE STOCK MARKETS.

The Prices Paid at Various Centres. Toronto Junction, Jan. 21.—At the Union Stock Yards, the quality of fat cattle was medium, trade was brisk, export prices ranged from \$4.75 to \$5.30; the bulk selling at \$4.90 to \$5.10. Export bulls sold at \$5.00 to \$4.25. Butcher's prices for pickled lots of choice ranged from \$4.60 to \$4.80; good from \$4.25 to \$4.50; medium, \$3.90 to \$4.15; common, \$3.60 to \$3.75; butcher cows, \$3.75 to \$3; canners, \$1.25 to \$1.75. Veal calves sold at \$4 to \$7 per cwt. Milch cows and springers, at \$35 to \$38. Export cows from \$4.75 to \$5.25; bulk \$3.90 to \$4; spring lambs, at \$6.50 to \$7. Hogs, select sold at \$6.00; light, \$6.35; sows, \$4 to \$5; stags, \$2.90 to \$3.50 per cwt.

Montréal, Jan. 21.—About 1,200 head of butchers' cattle, 35 milch cows, 50 calves, 60 sheep and lambs and 200 fat hogs were offered for sale at the East End Abattoir to-day. The severe cold weather did not prevent the butchers from coming out in large numbers and trade was brisk with firm prices all round. Prime beefs sold at 42c to 51c; per lb.; pretty good cattle at 32c to 42c, and the common stock at 24c to 31c per lb. A large bull, weighing 1,300 lbs., was sold at 42c per lb. Milch cows were slow of sale, as the roads are too slippery and cold severe for driving them any distance. Calves sold at from \$3 to \$8 each. Sheep sold at 42c to 44c per lb., and the lambs at about 6c per lb. Good lots of fat hogs sold at 74c to near 75c per lb.

East Buffalo, Jan. 21.—Cattle, receipts, 4,200; light active, 10c to 11c; higher; prime steers, \$5.65 to \$6.15; shipping, \$5 to \$5.75; butchers, \$4 to \$5; heifers, at \$3.50 to \$5.25; cows, \$3 to \$4.50; bulls, \$3 to \$4.50; stockers and feeders, \$3 to \$4.25; stocker heifers, \$2.50 to \$3; fresh cows and springers, \$2 to \$3 per head lower.

Veals, receipts, 800 head; active and steady, \$4.25 to \$9.50.

Hogs, receipts, 19,200 head; active, 10c to 25c; higher; heavy, \$9.00 to \$9.50; Yorkers, \$7; pigs, \$7.25; roughs \$6.10 to \$6.25; stags, \$4.50 to \$5.25.

Sheep and lambs, receipts, 21,300; active, steady; lambs and yearlings are higher; lambs, \$5 to \$8; yearlings, \$6.50 to \$6.65; wethers, \$8; \$9 to \$5.65; and ewes, \$4.75 to \$5.25; sheep, mixed, \$3 to \$5.25.

Had Inside Information. A Christian Scientist, says the New York Tribune, while walking, encountered a small boy, who was sitting under an apple tree crying bitterly and doubled up with pain. "My little man," said the scientist, "what is the matter? Has matter gained the ascendancy over mind with you?" "No, mangled the boy. "I ate some green apples, and oh, how I ache."

"You don't ache," asserted the follower of Mrs. Eddy, "you only think so." The boy looked up in astonishment at such a statement, and as he lapsed into another spasm of pain, said: "That's all right, you may think so, but I've got inside information."

If you are constipated, dull or bilious, or have a sallow, lifeless complexion, try Lax-tis just once to see what they will do for you. Lax-tis are little zephyrous, candy tablets—nice to eat, nice in effect. No gripping, no pain. Just a gentle laxative effect, that is absolutely desirable. Handy for the vest pocket or purse. Lax-tis meet every desire. Sold by all dealers.

Sometimes a woman doesn't meet her ideal man until she is too old for him to recognize her.

THE EVENING HOUR.

The Gossip of a Wide-Awake Press.

An Egyptologist has exclaimed a comedy written in a language that antedates that of the earliest Egyptians of whom the world has knowledge. The chances are that it contains the same old jokes.

Rockefeller predicts an industrial crisis and George Gould predicts increased prosperity. As Pudd'nhead Wilson was fond of observing, "It is a difference of opinion that makes horse racing."

Civilization is a deadly foe to romance. Think of a cogwheel railway up the Matterhorn, its tracks winding through gullies and bridging glaciers. Within sixty feet of the summit on an artificial cavern the tourist may sip chocolate or coffee, feast on sandwiches, and warm his feet before a gas log. The Matterhorn has taken a royal air toll of lives since Whymper conquered the giant peak in 1865, but it must give way before modern improvements.

Among five thousand cab drivers in Vienna, there are four hundred knights, fifty barons, and four counts. The nobility has always been noted for its fondness for horses.

A "distinguished" New York scientist recommends the apple as a brain food. It didn't make Adam so very brainy.

Not many years ago a first-class buffalo robe could be bought for \$15. Now that the project of placing a herd of buffaloes in Adirondack State Park, it comes to public notice that a bison coat \$350 each. The buffalo robe has practically disappeared.

These foggy mornings make the English immigrant feel perfectly at home.

Dr. Felix Adler says the desire to accumulate vast fortunes is a sign of insanity. Then we need many more asylums.

The queer thing is that the sultan of Turkey should have been privately backing the bandit chief Basuli in Morocco, who was raising a row which was within an ace of removing Morocco from Mohammedan to Christian domination. But, after all, why should a sultan of Turkey be anything but a good deal of an ass politically?

Dr. Felix Adler and Dr. Crapsay declare that there never was a Garden of Eden. Then we have been wasting a great deal of time all these years blushing for Adam and Eve.

Columbia University professors announce that a new incandescent lamp which they have invented will cut down the present cost of electric light two-thirds. They have been looking for three years for a better medium than carbon and have at last found it in a substance which they call helion.

They are going to build a fifty-story skyscraper in New York; but at that, there will be still a lot of sky left unoccupied.

A man robbed near Pittsburg was tied to the railroad track. Those highwaymen are getting as heartless as college hazers.

Now that war is threatened between Nicaragua and Honduras, conditions in Central America may be described as again normal.

Zion City has at last decided to admit outside business enterprises. This seems to open a rich territory to palmists, clairvoyants and healers.

The new governor of Colorado took the oath of office in a church. As all the office-seekers doubtless attended, it is safe to say that not a pew was empty.

Present, Brock street will give a choice of \$18 and \$20 suitings, made-to-order for \$15. Good fit and good trimmings, a genuine bargain.

Progresses
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The new kind contains no alcohol

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