

\$29,000,000 Tax on Purses Here

Continued from Page One
pad of pure white paper footed up the extra bill that must be paid by consumers of whisky in Philadelphia.

Gives New "Kick" to Liquor
Yesterday when Neil Bonner, president of the Philadelphia Retail Liquor Dealers' Association, discussed the new revenue tax on booze, he asserted that it was like "kicking a dying man."

"The tax on distilled liquors," said Mr. Lederer, "has been boosted from \$1.50 to \$4.10 per gallon. Whisky constitutes the bulk of such products and in the Philadelphia district at the present time we have approximately 1,600,000 gallons. The new tax means an extra charge of more than \$4,000,000. That is called a floor tax, and a floor tax means this: Let us assume that a retail dealer has 100 gallons of whisky in stock. He has paid the regular tax of \$1.50 per gallon on it, but must pay the floor tax, which is the difference between the old and new taxes.

March 15 is the last day allowed for the filing of income and profits returns and this means a great volume of work for the collector's office. Return blanks have been sent from Washington and these will be distributed in a few days through the central and branch offices that are to be established.

INSURANCE MEN HERE PUZZLED OVER TAX

Officials of Philadelphia life insurance companies are puzzled over the provisions of the new revenue bill that affect life insurance. This afternoon they met to discuss the bill and to discuss the tax subject until they had gone over it thoroughly. Mr. Wing had taken a heavy load at the bill, but had not had time to study it.

AUTO TAGS IN DEMAND

Money Rolling Into State's Coffer From Motorists
Harrisburg, Feb. 7.—Receipts from 1919 automobile licenses are around \$2,000,000, many thousands of dollars ahead of what they were at this time last year.

REVENUE BILL EXCERPTS SHOW HEAVY INCOME TAX

Washington, Feb. 7.—The drastic provisions relating to income taxes contained in the conference committee's revenue bill, with the levy on war profits and excess profits, furnish a great part of the burden that will be imposed on the public to meet government expenses. Details of this vastly important income tax section are set forth below.

Under the general definition of "personal service corporation," the conference amended the Senate and House bills so as to exclude "any foreign corporation, or any corporation, 10 per cent or more of whose gross income consists either (1) of gains, profits, or income derived from trading as a principal, or (2) of gains, profits, commissions, or other income, derived from a government contract or contracts entered into between July 6, 1917, and November 11, 1918."

Dividends, the method for determining gain or loss, and inventories are explained in the regular returns for the fiscal years of 1918 and 1919, the conference report specifies. It makes return for a fiscal year beginning in 1917 and ending in 1918, and the revenue act of 1917 and under Title I of the revenue act of 1917, which the portion of such period falling within the calendar year 1918 is of the entire period, and (2) the same proportion of a tax for the entire period computed under this title at the rates for the calendar year 1918 which the portion of such period falling within the calendar year 1918 is of the entire period. Provided, that in the case of a personal service corporation the amount to be paid shall be only that specified in Clause (1).

"Any amount heretofore or hereafter paid in account of the tax imposed for such fiscal year by Title I of the revenue act of 1917, and amended by the revenue act of 1917, and by Title I of the revenue act of 1917, shall be credited towards the payment of the tax imposed for such fiscal year by this act, and if the amount so paid exceeds the amount of such tax imposed by this act, or, in the case of a personal service corporation, the excess shall be credited or refunded in accordance with the provisions of Section 252. (b) If a taxpayer makes a return for a fiscal year beginning in 1918 and ending in 1918, the tax under this title for such fiscal year shall be the sum of: (1) The same proportion of the tax for the calendar year 1918 which the portion of such period falling within the calendar year 1918 is of the entire period, and (2) the same proportion of the tax for the calendar year 1919 which the portion of such period falling within the calendar year 1919 is of the entire period.

"(c) If a fiscal year of a partnership begins in 1917 and ends in 1918, or begins in 1918 and ends in 1919, then, notwithstanding the provisions of subdivision (b) of Section 218, (1) the rates for the calendar year during which such fiscal year begins shall apply to such fiscal year; and (2) the rates for the calendar year during which such fiscal year ends shall apply to an amount of each partner's share of such partnership net income (determined under the law applicable to such calendar year) equal to the proportion which the part of such fiscal year falling within such calendar year bears to the full fiscal year; and (3) the rates for a personal service corporation with respect to a fiscal year beginning in 1917 and ending in 1918, the amount specified

in clause (1) shall not be subject to normal tax."
INDIVIDUAL INCOME TAX
Normal Tax
The conferees agreed upon the Senate schedule for normal income taxes as follows:
(a) For the calendar year 1918, 12 per centum of the amount of the net income in excess of the credits provided in Section 216: Provided, That in the case of a citizen or resident of the United States the rate upon the first \$4000 of such excess amount shall be 6 per centum;

(b) For each calendar year thereafter, 8 per centum of the amount of the net income in excess of the credits provided in Section 216: Provided, That in the case of a citizen or resident of the United States the rate upon the first \$4000 of such excess amount shall be 6 per centum.
Surplus
The schedule of surtaxes adopted by the conferees follows:
On entire net taxable income of

Table with 2 columns: Amount of Income, Percentage Surtax. Ranges from \$5,000 to \$100,000.

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and receiving his chief support from the taxpayer, if such dependent person is under eighteen years of age or is incapable of self-support because mentally or physically defective.
(c) In the case of a nonresident alien individual who is a citizen or subject of a country which imposes an income tax, the credits allowed in subdivisions (c) and (d) shall be allowed only if such country allows a similar credit to citizens of the United States not residing in such country."

Under the terms of the bill, every individual is required to make a return on his or her income. This applies to single persons whose net income is \$1000 or over, and to married persons whose aggregate income is \$2000 or over. No change is made in the date for filing returns. All returns must be filed on or before March 15 of each year.

U. S. Consular Agency Burned
Washington, Feb. 7.—The American consular agency at San Pedro Sula, Honduras, was destroyed by fire January 31, the State Department was informed today. All official records were lost.

Two occupants of a touring car narrowly escaped death last night when they were struck by an electric train on the Pennsylvania Railroad in North Woodbury, N. J. They were Ray Morgan and his wife, of Salem, N. J., who were on their way to Philadelphia. Both suffered bruises but no serious injuries, although the car was badly demolished. Morgan declares that he saw a red light at the crossing, but believed it to be a rock pile.

URGENT NEW TAX PLAN
Realty Men Suggest Other Levies Besides Present Ones
Suggestions for legislation to raise additional revenue in Philadelphia from sources other than real estate, which they contend is already carrying more than its just proportion of the burden, are contained in a letter addressed yesterday to the subcommittee of Councils on legislation affecting Philadelphia by the Philadelphia Real Estate Board's committee on legislation. The letter recommends that the Legislature grant the Councils of Philadelphia "broad and liberal powers to

ELECTRIC TRAIN HITS AUTO
Touring Car Operator Thought Rock Pile
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ADVANCE SHOWING OF EXCLUSIVE 1919 SPRING STYLES
The New Belgian Pump
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The most beautiful pump for the coming season on sale exclusively at our stores—guaranteed to fit perfectly, comes in Black Glove Skin, Nut Brown Vici, Patent Glassed Colt, Satin and Genuine Black Suede Smart Calf Oxford, long yamps with graceful lines. \$10 and \$12 values. Ladies—see this new number in a genuine Patent Coltskin Pump, with full Louis Heel, opera style—riveted arch supported shank. Special Friday and Saturday Only—Men's genuine Mahogany Calfskin Vamps Shoes and many others to suit the individual taste, \$4.95—The only Market St. store selling shoes of \$8, \$9 and \$10 values at \$4.95.

Soldier Sons Return
Mr. and Mrs. Thomas C. Loomis, of Newtown Square, received a pleasant surprise when their two sons, Sergeant Wilmer F. and Corporal Raymond W. returned unexpectedly, the former from

the battlefields in France and the latter from Camp Meade. The boys met accidentally at the Sixty-ninth Street Terminal. They are first cousins of Captain L. Howard Fielding, of Delaware County, who was killed at Chateau-Thierry.

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What Union Labor Will Demand at Peace Table

The man with the hoe has broken the silence of the centuries. Almost every dispatch from Paris emphasizes the fact that the most potent voice in the reconstruction of the world after the great war is that of labor. It is speaking at the peace table itself. The laboring forces of almost every country are making demands. What every American, be he employer or employee, desires to know is what demands American labor is making and should make at the conference.

To answer this question, THE LITERARY DIGEST has asked the editors of journals voicing various phases of labor opinion in this country to give it their opinions, and the result is published in this week's LITERARY DIGEST, dated February 8th, together with the demands of English, French, Belgian and other labor leaders. These spokesmen for organized labor have very clear ideas as to what ought to be done in Paris and Bern, and there is no doubt that this highly informative article will be widely read and discussed.

Other articles in this exceptionally interesting number of THE DIGEST are:

- Irish and English Views on the Sinn-Fein Republic
A Summary of Opinion As Gathered From Leading British and Irish Newspapers
The Peace League Launched To Halt Immigration
"Wilson Diplomacy" and the Bolsheviki
Efficiency and Horse Sense
Compulsory Training in Nursing
Antiquarian Opera Preferred to New
The Man Who Guided Art-Collectors
Mercy for Conscientious Objectors
Current Poetry
Personal Glimpses of Men and Events
Trying to Tame the Bolsheviki
Poland Reborn
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Corporation Dry-rot
How the Grocer Substitutes Literature Crowning Peace
Church Pews Free and For Sale
An Episcopalian View of Zionism
Norwegians in the United States
News of Finance and Commerce

Building Materials—Equipment—Engineering
For more than six years, THE LITERARY DIGEST has been the most important general clearing-house for those who need buildings and their equipment, and those who furnish building materials and technical skill. If you are going to build a private residence, a building for industrial or manufacturing purposes, a skyscraper, a garage, or any other sort of structure, you will be interested in reading the announcements of the building material manufacturers appearing in this week's issue of THE LITERARY DIGEST. There is a wealth of practical information in this number that is not only interesting but of much importance to every one. You will find interesting suggestions as to the construction, equipment and decoration of modern buildings.

February 8th Number on Sale To-day—All News-dealers—10 Cents
The Literary Digest
SAVE W.S.S.
FUNK & WAGNALLS COMPANY (Publishers of the NEW Standard Dictionary), NEW YORK