Taxation of Private Corporation For Public Purposes.

Remarks of Hon. Leonard Rhone, of Centre County, in the House of Representatives Thursday June 4, 1885.

Mr. Speaker : The bill under consideration is a measure of justice and equity, and it involves the liberties and equalities of the citizens of the State.

A system of taxation cannot be just which considers only one class of industries, and imposes upon it almost the entire cost of Government; no system of revenue can be right that does net regard all the sources of wealth in the relation they sustain to each other and to the Gov-

ernment. It is greatly to be regretted that all the revenue tills which have been submitted to this House have taken into consid-ration only one department of the State Government ; and most unfortunate

I indeed, that in the principals incorporated in these measures no way was devised for supplying the deficiency in our revenues occasioned by relieving some pursuits from the burdens of Governmental support. When the income of the State 18 dimini h-1 ed in one direction care must be taken to secure revenue from other sources better able to contribute a just and equitable proportion of the necessary expenditures of Government.

It is now a question whether the rights of private property shall be protected, or our rural hom s shall be swept away from their present owners and individual happiness and prosperity be destroyed in order to further enrich the insatiable greed of corporate power.

Society is formed for the protection of the individual, and governments are fromed for the protection of society. To carry on governments, revenues must be raised. These revenues are secured by levying contributions upon the persons and property of the citizens. This is taxation. It is therefore, the duty of all who enjoy the not be denied that corporate capital has protection of government to pay their just enjoyed the fostering care of the State as

Governments, then have the right to impose taxes upon their citizens sufficient to defray their necessary expenses; but the burden of these taxes must be equally distributed, or what was a right in the government and a duty in the citizen becomes unwarranted usurpation in the former, and an unjust imposition upon the latter.

TAXATION WITHOUT REPRESENTATION. The grievance which impelled our Revolutionary fathers to take up arms against the mother country is a no more flagrant encroachment upon the rights of the individual than is the imposition of an unequal or discriminating taxation.

The framers of the present Constitution of our Commonwealth recognized this imof article rinth, strove to avert the dangers it suggests. Section one declares that All taxes shall be uniform upon the same class of subjects within the tetritorial limits of the authority levying the tax, and shall be levied and collected under general laws exempting property from taxation. other than the property above numerated, shall be void. (The exempted property referred to is "actual places of religious worship, places of burial not used or held for private or corporate profit, and institutions of a purely public charity.")

burg, Reading or Philadelphia, by reason of these descriminations. Yet granting for the sake of argument that the bill might have a tendency to cause capital employed by corporations to seek investment elsewhere, would not its place be rapidly supplied by capital furnished and directed by individual enter-prise? Is it not the fact that the monop-

oly which the favoritism of our tax laws has given to corporate capital has done much to drive individual capital out of business ? Our railroads, by their system ties. of rebates, have long since wiped out the individual shipper. Our great coal com-binations have closed and barred the mines of the individual operator ; and the mamouth manufacturing corporations, of almost every class, have killed off the

smaller establishments, and thus suppressed the spirit of private enterprise. And what has been the gain and the loss of thus paying a premium upon this just proportion of taxation ? It is true

that corporations have added much to the general welfare and prosperity of the State but cannot the same be as justly said of the individual business enterprise of our people ? Does not every successful business man contribute his portion to the commonwealth , and is it not this, after all, to which we must look for all substan-

tial and permanent advancement ? I shall never surrender the proud fact that it is to the combined energy and enterprise of the individual citizens of our great Commonwealth that she owes the exalted position she occupies among the sister Commonwealth of the Union and that upon this, and this alone, has she leaned for support in her hour of trial. There was a time, doubtless in the history of our State when it was necessary to confer special privileges upon corporations in order to concentrate capital for the accomp ishment of extensive enterprises bu', that time has long since passed. Such a trade, an encroachment on the rights of the individual, and like some of the measshould not be to exist a moment longer than those necessities continue. It will benefits which it has conferred in return does the statement of the accounts show ? While some of our large manufacturing corporations have here and there built a own and enhanced the value of land in its immediate vicinity, have they not destroyed the same business conducted by individ-

al enterprise in a score or fifty other localities? A few colossel fortunes thus have been gathered from a source which before yielded a thousand frugal competen-C168.

That the people of our sister States are facts is seen by the joint resolution report. Canals, to the House of Representatives of portant truth, and by sections one and two of the New Jersey Legislature, on the 19th of March, 1885, which reads as follows : That for the purpose of encouraging the building of Railroads and Canals, the Legislature has granted certain exemptions and immunities from taxation, reserving, to the State the power however, laws," etc.; and section two, that "All to repeal the charters, and, in some cases, to take the Railroads and Canals at the expiration of fifty years; that this policy has existed for fifty years and the immuties granted have, in some cases, been an entire exemption from taxation for many years, and in other cases have been the fixing of a rate of taxation less than that

- JAMIS VICK ESTAWITERIES .- This new and valuable berry originated with Samuel Millier of Bluffion, Montgomery county, Missouri. As a seedling it attracted attention by the unusual g'ossiness and vigor of i's foliage, before it fruite I, and this vigor and strength of growth has to a still greater degree appeared in its enormous bearing quali-

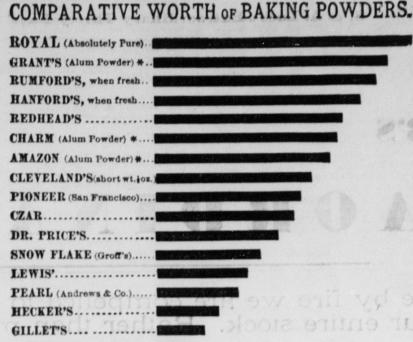
The berries are nearly round, of uniformly large size, deep scarlet and of excellent flavor. In respect to its keeping qualities, it is among strawberries what the Hansell and Souhegan are among raspberries. Its fruits has been known to stand on the vines a week species of capital by exempting it fom its after becoming ripe, without softening or rottening. It is not only a stand-by for family use but for a market berry it stands pre-eminently at the head. The originator of this berry is well known as a horticulturist, having originated the Martha Grape and other fruits of great value. He has never sent out a new variety which has not taken its place in the front rank and held it, and the fact that he has allowed the James Vick to come before the public as one of his seedlings is of itself evidence of its excellence.

The valuable qualities of this new strawberry may be summed up as follows: 1st Fine quality of fruit, great vigor and hermaphrodite (or perfect) blossoms ; 2d, Color, form and firmness course is always open to serious objections of berry ; 3rd, Ability to remain on the as it is a violation of the natural laws of vines a long time without injury ; 4th, Ability to stand drought ; 5th, ares of the late war can only be justified | Uniformity of size of fruit, which averby the urgent necessities of the case, and ages large; 6th The rapidity with which it forms new sets ; 7th. The glossy and beautiful appearance of the foliage, retaining its verdure until very proportion of taxes toward its maintenance and support. no other form of capital has. A glance at late in the fall, making it one of the inest border plants for flower beds that can be obtained ; 8th, enormous producought therefore to be greater than that of tiveness ; all these qualities uniting to all other capital combined. But what make it the most valuable market berry which has ever been produced.

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"H. A. MOTT. Ph.D."

"I have examined a package of Royal Baking Powder, purchased by myself in the market. I find it entirely free from alum, terra alba, or any other injurious sub-stance. HENRY MORTON, Ph.D., President of Stevens Institute of Technology." "I have analyzed a package of Royal Baking Powder. The materials of which it is composed are pure and wholesome. S. DANA HAYES, State Assayer, Mass."

The Royal Baking Powder received the highest award over all competitors at the Vienna World's Exposition, 1873; at the Centennial, Philadelphia, 1876; at the American Institute, New York, and at State Fairs throughout the country. No other article of human food has ever received such high, emphatic, and uni-

versal endorsement from eminent chemists, physicians, scientists, and Boards of Health all over the world.

Norg-The above DIAGRAM illustrates the comparative worth of various Baking Powders, as shown by Chemical Analysis and experiments made by Prof. Schedler. A pound can of each powder was taken, the total leavening power or volume in each can calculated, the result being as indicated. This practical test for worth by Prof. Schedler only proves what every observant consumer of the Royal Baking Powder knows by practical experience, that, while it costs a few cents per pound more than ordinary kinds, it is far more economical, and, besides, affords the advantage of better work. A single trial of the Royal Baking Powder will convince any fair minded person of these facts.

* While the diagram shows some of the alum powders to be of a higher degree of strength than other powders ranked below them, it is not to be taken as indicat-ing that they have any value. All alum powders, no matter how high their strength, are to be avoided as dangerous.

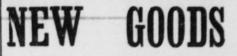


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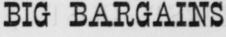
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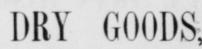
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The tax laws as they now stand upon our statute books usurp the rights of the people by the unequal and, consequently, unjust distribution of the burdens they impose. They deprive our citizens of the right to tax for local purposes the one hundred and fifteen millions of dollars of money on interest returned, which is scarcely a tithe of the sum thus invested. They exempt from taxation for the same local purposes the capital employed in mercantile pursuits, and also that employed by corporations, the former aggregating at the lowest estimate one-tenth, and the latter three-fourths the value of the real estate in the state, exclusive of the millions of dollars invested in corporate bonds, which are absolutely exempt from all taxation. They collect three hundred and one thousand dollars taxes from mercantile capital, three million and eighty-four thousand dollars from corporate capital, and about five million dollars from all other personal property in the state; while they impose a burden of more than thirty millions on the real estate in the Commonwealth.

Shall these laws remain longer in force? Should not others more just and equitable in their provisions be substituted for them? The people, by the flood of petitions they have poured in upon us, answer this latter question in the affirmative, and in their name the bill under discussion, is present-ed to this House for its consideration. We rest its merits upon the principles con-tained in the provisions of the constitution which we have quoted; and without further discussion of them at this time, proceed to answer some of the objections urged against it.

Among some of the principal objections that may be urged against this bill is that it will drive capital from the State. This proceeds on the assumption that all the working capital of the State is employed by corporations. But it has not yet been shown, and we do not believe that it can be shown, that this would be the effect of the bill. This allegation admits the fact the bill. This allegation admits the fact that capital employed by corporations can-not compete with that employed by pri-vate firms or individuals without being paid a royality or subsidy in the shape of exemption from taxation. If this be true, then ought it not give place to private cap-ital 2 ital ?

Again, it is urged as a reson why real estate abould continue to pay the taxes of manufacturing corporations, that they create a home market for agricultural products. Now, plausible as this may seem at a casual view, it is true in only a limit-ed sense. In the first place, the unjust discriminations made by the transporta-tion corporations enable the Illinois farm-

opments of the Railroads and Canals of the too firmly established to be shaken. State ; therefore,

Resolved, That the time has come when all such immunities and exemptions should cease, and that any further continuance of the same is unjust to the people and en-dangers the welfare of the State; and the State hereby declares its purpose to bring to a speedy end all such immuties and ex-emptions, either by the enforcement of the general law respecting taxation, the repeal of the charters of such companies, the taking of said Railroads and Canals, or the condemnations of such alleged contracts, if any exist, and by such other powers of the state, as it may be expedient to em-ploy, to the end that just taxation may be established throughout the State. [Concluded next week.]

A. V. SMITH,

GROCER. -Everthing in the line of-

