THE INTERNAL REVENUE.

THE NEW BILL COMPLETE.

NUMEROUS AND IMPORTANT AMENDMENTS.

DISCRIMINATING AND PRODUCTIVE TAXATION.

The following is a bill to amend an act entitled "An act to provide internal revenue to support the Government, to pay interest on the public debt, and for other purposes," approved June thirtieth, eighteen hundred and sixty-four, as read before the House of Representatives:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the act entitled "An act to provide internal revenue to support the Government, to pay interest on the public debt, and for other purposes," approved June thirtieth, eighteen hundred and sixty-four, be, and the same is hereby, amended as hereinafter set forth, namely:

That section four be amended by striking out the word "five," and inserting, in lieu thereof, the word ten.

That section eight be amended by striking out after the words "shall appoint," the words "with the approval of the said commissioner, one assistant assessor, who shall be a resident of the district of said assessor, and in case of a vacancy occurring in the office of assessor, by reason of death or any other cause, the assistant assessor," and inserting, in lieu thereof, the words, on the recommendation of the said commissioner, one or more assistant assessors, who shall be residents of the district of said assessor; and in case of a vacancy occurring in the office of assessor by reason of death, or any other cause, the senior assistant assessor."

That section twenty-five be amended by inserting after the words "four hundred thousand dollars," the words, and not exceeding one million of dollars, and one-eighth of one per centum on all sums above one million of dollars; by inserting after the words "reasonable charges for," the word advertising; and by striking out all of the first proviso, and by striking out the word "further," in the second proviso.

NOTICE TO TAXPAYERS—PENALTY FOR NON-PAYMENT—LEVY AND SALE.

That section twenty-eight be amended by striking out all after the enacting clause, and inserting, in lieu thereof, the words: That each of said collectors shall, within twenty days after receiving his annual collection list from the assessor, give notice, by advertisement published in each county in his collection district, in one newspaper in each county, if any such newspaper be, and by notifications to be posted up in at least four public places in each county in said collection district, that the said duties have become due and payable, and state the time and place within said county at which he or his deputy will attend to receive the same, which time shall not be less than ten days after such notification. And if any person shall neglect to pay as aforesaid for more than ten days, it shall be the duty of the collector or his deputy to distrain upon any goods, chattels, to be left at his dwelling or usual place of business, or be sent by mail, demanding the payment of said duties or taxes, with the amount thereof, with a fee of twenty cents for the issuing and service of such notice, and twenty cents mileage for the distance, if any, necessarily traveled in serving the same. And if such person shall not pay the said duties or taxes, and the said twenty cents and mileage as aforesaid, within ten days after such notice, shall have been left at the place aforesaid, it shall be the duty of the collector or his deputy to collect the said duties or taxes, and fees of twenty cents and mileage, and a penalty of ten per centum additional upon the amount of duties. And with respect to all such duties or taxes as are not included in the annual lists aforesaid, and all taxes and duties the collection of which may be provided for by this and other act, it shall be the duty of each collector, in person or by deputy, to demand payment thereof, in the manner last aforesaid, and if the same be not paid within ten days after such demand, it shall be the duty of the collector, in person or by deputy, to demand payment thereof, in the manner last aforesaid, and if the same be not paid within ten days from and after such demand therefor, it shall be lawful for such collector, or his deputies, to proceed to collect the said duties or taxes, with ten per centum additional thereto, as aforesaid, by distraint and sale of the goods, chattels or effects of the person delinquent as aforesaid. And in case of distraint, it shall be the duty of the officer charged with the collection to make, or cause to be made, a second or further list of chattels distrained, a copy of which, signed by the officer making such distraint, shall be left with the owner or possessor of such goods, chattels, or effects, or at his or their place of abode, or left with some person of suitable age and discretion, with a note of the sum demanded and the time and place of sale; and the said officer shall cause a notice of such distraint to be published in some newspaper within the county wherein distraint is made, if there be a newspaper published in said county, or to be publicly posted up at the post office, if there be no such paper within five miles, nearest to the residence of the person whose property shall be distrained, and in not less than two other public places, which shall specify the articles so distrained, and the time and place for the sale thereof, which time shall not be less than ten nor more than twenty days from the date of such notification, and the place, specified in the several notices, shall be a place distant from the place of making such distraint. And in any case in which any person, bank, association, company, or corporation shall neglect or refuse to make return to the Commissioner of Internal Revenue shall refuse or neglect to make such return within the time specified, the amount of circulation, deposit, and capital, or either, shall be assessed by the proper assessor or assistant assessor, and shall be certified by him to the Commissioner. And in all cases in which the person, bank, association, company, or corporation required by law to make payment of taxes to the commissioner shall neglect or refuse to make such payment within the time required, the commissioner shall certify the amount of tax due by such person, bank, association, or corporation, with all the penalties, additions, and expenses accruing, to the collector of the proper district, who shall collect the same by distraint and sale, as in other cases. And the same proceedings may be had to enforce the payment of taxes which have already accrued and which still remain unpaid. And if any person, bank, association, company, or corporation, liable to pay any duty, shall neglect or refuse to pay the same after demand, the amount shall be a lien in favor of the United States from the time it was due until paid, with the interests, penalties, and costs that may accrue in addition, and shall have precedence and rights to property; and the collector, after demand, may levy or by warrant may authorize a deputy collector to levy upon property and rights to property belonging to such person, bank, association, company, or corporation, or to any part thereof, sufficient to satisfy the payment of the sum due as aforesaid, with interest and penalty that may be added, and the costs and expenses as shall be sufficient for the fees, costs, and expenses of such levy. And in all cases of sale, the certificate of such sale by the collector shall have the same effect as is prescribed by the one hundred and nineteenth section of the revenue act of June thirtieth, eighteen hundred and sixty-four, in relation to sales of persons and officers of companies or corporations associated, and to cancel the claim of any deputy collector about to distrain, or having distrained any property and rights of property, to exhibit all books containing or supposed to contain any evidence of or concerning liability to the subject or subjects of distraint, or the property or rights of property so distrained, to any person or persons so desired: Provided, That in any case of distraint for the payment of the duties or taxes aforesaid, the goods, chattels, or effects so distrained shall not may be restored to the owner or possessor, if prior to the sale payment of the duties or taxes aforesaid shall be made to the proper officer charged with the collection of the duty aforesaid, together with the costs and fees for levying, and such sum for the necessary and reasonable expense of removing, advertising, and keeping the chattels or effects so seized and distrained, as may be prescribed by the Commissioner of Internal Revenue, to be allowed by assessor or tender, as aforesaid, the said officers shall proceed to sell the property so distrained at public auction, and shall and may retain from the proceeds of such sale the amount demandable for the use of the United States, with the expenses of keeping and advertising the distraint and sale, and a commission of five per centum thereon for his services, and shall pay the surplus, if any there be, to the person whose goods, chattels, or effects shall have been distrained: Provided, That the following shall be exempt from distraint the tools or implements of a trade or profession, one cow, arms, and provisions, and household furniture kept for use, and apparel necessary for a family.

That section thirty-eight be amended, by striking therefrom the words "thirty-five" and inserting in lieu thereof the words thirty-six.

TAX ON LIQUORS.

That section fifty-two be amended by inserting before the words "Internal Revenue," the words or any further enacted; by inserting after the word "deputies," the words revenue agents; and by striking out after the word "charge of," the word "and," and inserting in lieu thereof the word or.

That section fifty-three be amended by striking out after the word "any," and preceding the words "still in cellars," the words "and" and by striking out after the word "used," and preceding the words "shall be erected," the words "as aforesaid," and inserting in lieu thereof the words distilled and by inserting after the words "shall be erected," the words or used.

That section fifty-four be amended by striking out the words "the same," and inserting in lieu thereof the words and everything the same, and owning the building used as a distillery; and the land on which the same is located, and if the building or land is leased, the terms and conditions of the lease; and by striking out the word "one," and inserting in lieu thereof the word three.

That section fifty-five be amended by inserting after the words "said duties shall be a lien," the words on the spirits distilled, and by striking out at the end of the first proviso the words except when made and used in the manufacture of vinegar or acetic acid, in which case the distillers shall be allowed on the basis of the actual proof.

That section fifty-six be amended by adding at the end of the section the following words—to wit: and in all sales of spirits, hereafter made, where not otherwise specially agreed, a gallon shall be taken to be a gallon of first proof, according to the standard set forth and decreed for the inspection and gauging of spirituous liquors out the United States.

That section fifty-seven be amended by striking out the words "twenty five," in the last proviso, and inserting fifty in its place; and by adding to the said proviso the following words, and distilled from apples or peaches, shall pay one dollar and fifty cents per gallon.

That section fifty-nine be amended by striking out the words "so inspected and," and also "forthwith," in the last clause of the first sentence; by striking out the said sentence after the word "warehouse," the words before the day prescribed by law for making return of the same; and by striking out the words "twenty hundred, and inserting in lieu thereof the words three hundred.

That section sixty-four be amended by striking out "one dollar," and inserting "five dollars," and inserting in lieu thereof the words one dollar and fifty cents.

PUNISHMENT.

That section sixty-eight be amended by inserting after the word "with" the words "fraudulent intent" and by striking out the words "shall be deemed guilty of a misdemeanor, and be subject to imprisonment for a term not exceeding one year, and the proviso to the said section be amended by adding after the words "forfeiture shall have" the word been; and by striking out the words "shall make oath or affirmation according to the form to be prescribed by the Commissioner of Internal Revenue, that all the transactions are made for a commission;" by striking out the proviso at the end of paragraph "twenty-eight;" by striking out all of paragraph "forty-two," and inserting in lieu thereof the following—to wit:

MINERS.

Forty-nine. Miners shall pay for each and every license the sum of ten dollars. Every person, firm or company, who shall employ others in the business of mining for coal, or gold, silver, copper, lead, iron, zinc, quicksilver, or other minerals, not having taken out a license as a manufacturer, shall be regarded as a miner under this act.

EXPRESS AGENTS.

Fifty. A license of ten dollars shall be required of every person, firm, or company, engaged in the carrying or delivery of money, valuable papers, or any articles for pay, or doing an express business whose gross receipts therefrom exceed the sum of six hundred dollars per annum.

SUBSTITUTE BROKERS.

Fifty-one. Substitute brokers shall pay one hundred dollars for each and every license. Every person who shall furnish or offer to furnish, for pay, fee, or reward, volunteers, representative recruits, or substitutes for men drafted, or liable to be drafted, for the military or naval service of the United States, shall be deemed a substitute broker under this act.

INSURANCE BROKERS.

Fifty-two. Insurance brokers shall pay twenty-five dollars for each license. Any person who shall negotiate or procure insurance in behalf of another person or party, for which he shall receive any pay, commission, or compensation, shall be regarded as an insurance broker under this act.

That section eighty-one be amended by striking therefrom the words "seventy-three," and inserting in lieu thereof the words "seventy-four;" and by striking out the words "to vintners," and inserting in lieu thereof the words "not to vintners."

That section eighty-three be amended by inserting after the words "within his district, monthly," the words, "within ten days from the twentieth day of each month;" and by inserting after the words "such duties within," the word "said;" and by striking out after the words "ten days," following the words, "after demand in writing delivered to him in person, or left at his house or place of business, or manufactory, or sent by mail."

That section eighty-four be amended by striking out the words "eighty-first," and inserting in lieu thereof the words "eighty-second;" and by striking out the words "eighty fourth," and inserting in lieu thereof the words "eighty-fifth."

That section eighty-six be amended by striking out the words "deposit at the time of sale," after the words "freight from the place of," and inserting in lieu thereof the word "manufacture;" and in the next following paragraph, by striking out the word "that," where it first occurs, and inserting in lieu thereof the word "the."

TOBACCO, SNUFF, AND CIGARS.

That section eighty-seven be amended by striking out after the words "accurately selling," the word "cigars," and inserting in lieu thereof the word *forth*; and after the words "description of the manufactured article," by striking out the words "the proposed market of the same, whether foreign or domestic," and by inserting after the word "assessor," and preceding the word "assistant," the word or.

That section ninety be amended by striking out all after the enacting clause, and inserting in lieu thereof the following: That there shall be levied, collected, and paid annually upon the annual gains, profits, and income of every person residing in the United States, or of any citizen of the United States residing abroad, whether derived from any kind of property, rents, interests, dividends, or salaries, or from any profession, trade, employment, or vocation, carried on in the United States or elsewhere, or from any other source whatever, a duty of five per centum on the excess over six hundred dollars and not exceeding three thousand dollars, and a duty of ten per centum on the excess over three thousand dollars. And the duty herein provided for shall be assessed, collected, and paid upon the gains, profits, and income, for the year ending the thirty-first day of December next preceding the time for levying; collecting, and paying said duty: Provided, That income derived from interest upon notes, bonds, and other securities of the United States shall be included in estimating income under this section, and shall also include all premiums on gold coupons: Provided further, That only one deduction of six hundred dollars shall be made from the aggregate income of all the members of any family, composed of parents and minor children, or husband and wife, except in case where each separate income shall be derived from the separate and individual estate, gains, or labor of the wife or child: And provided, further, That no profits realized by sales of real estate purchased since January 1st, eighteen hundred and sixty-four, shall be chargeable as income, and losses on sales of real estate purchased since January 1st, eighteen hundred and sixty-four, and sold within the year for which income is estimated, shall be deducted from the income of such year.

INCOME TAX.

That section one hundred and seventeen be amended by striking out all after the enacting clause, and inserting in lieu thereof the following: That in addition to the annual gains, profits, and income of any person, all national, State, and municipal taxes paid within the year shall be deducted from the gains, profits, or income of the person who has actually paid the same, whether owner, tenant, or mortgagor; also the amount or pay received for services in the civil, military, naval, or other service of the United States, including Senators, Representatives, and delegates in Congress, above the rate of six hundred dollars per annum; and there shall also be deducted the income derived from dividends on shares in the capital stock of any bank, trust company, savings institution, insurance company, road, canal, turnpike, canal navigation, or slackwater company, and the interest on any bonds or other evidences of indebtedness of any such corporation or company, which shall have been assessed and the tax paid, as hereinafter provided; also the amount paid by any person for the rent of his homestead used or occupied by himself or his family, and the rental value of any homestead occupied by any person by virtue of his or her right or in the right of his wife, shall not be taken or assessed as income to the person occupying the same. In estimating the annual gains, profits, or income of any person, there shall be deducted all taxes, interest, notes, bonds, and mortgages, or other forms of indebtedness bearing interest, whether paid or not, but no more than shall be equal to the amount of the same so provided for in this act: Provided, That manufactured tobacco, snuff, or cigars, whether of domestic manufacture or foreign, may be transferred, without payment of the duty, from one bonded warehouse, established in conformity with law and treasury regulations, under such rules and regulations and upon the execution of such transportation bonds or other security as the Secretary of the Treasury may prescribe, said bonds or other security to be taken by the collector of the district from which such removal is made, and may be transported from such warehouse to a bonded warehouse used for the storage of merchandise at any port of entry, and may be withdrawn from bonded warehouse for consumption on payment of the duty, or removed for export in the same country without payment of duty, in conformity with the provisions of the internal revenue laws, and the regulations of the Secretary of the Treasury, and shall be subject to such rules and regulations as shall be established by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, and upon the execution of such transportation bonds or other security as the Secretary of the Treasury may prescribe, said bonds or other security to be taken by the collector of the district from which such removal is made, and may be transported from such warehouse to a bonded warehouse used for the storage of merchandise at any port of entry, and may be withdrawn from bonded warehouse for consumption on payment of the duty, or removed for export in the same country without payment of duty, in conformity with the provisions of the internal revenue laws, and the regulations of the Secretary of the Treasury, and shall be subject to such rules and regulations as shall be established by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury: Provided, That the duties on distilled spirits, all the rules, regulations, and conditions of which, so far as applicable, shall apply to distilled spirits, shall be paid, drawn, or withdrawn from bonded warehouse. And no drawback shall in any case be allowed upon any quicklime upon which any duties duty has been paid, either before or after it has been placed in bonded warehouse. And no drawback of any tobacco, snuff, or cigars, upon which any excise duty has been paid, either before or after it has been placed in bonded warehouse. And ending in the end of the paragraph relating to "copper and lead ingots," the following proviso: Provided, however, That manufactures of copper and zinc, not exceeding the value of three per centum ad valorem shall have been assessed and paid, shall be assessed and pay a duty of three per centum on the increased value only thereof; by inserting in the paragraph relating to "rolled brass," after the word "sheets," the words copper, zinc, and brass nails; by adding to the paragraph relating to "patent, enamelled, and japanned leather" the words, Provided, That when a duty has been paid on the leather in the rough the duty shall be assessed and paid only on the increased value; by striking out all of the first sentence of the proviso in the paragraph relating to "wines or liquors," and inserting in lieu thereof the words, Provided, That the return, assessment, collection, and the actual collection of the duties on such wines and wine made of grapes, shall be subject to the regulations of the Commissioner of Internal Revenue; by inserting in the paragraph relating to "cloth," after the word "felted," the words or articles; after the word "warps," in the proviso of said paragraph, by striking out the word "for," and inserting in lieu thereof the words sold before the first instant; by striking out relating to "ready made clothing," after the word "trees," the words not otherwise assessed and taxed; by inserting in the paragraph relating to "paper hangings or cotton," after the word "cloths," in the first proviso, the words or articles, and after the word "bricks," in the second proviso, the words or articles; by striking out the words "as aforesaid," before the word "or," and by striking out the words "other articles," at the end of said proviso the words and when made wholly by the same manufacturer shall be subject to a duty only of five per centum ad valorem; by striking out of said section the several paragraphs from the words "on cavendish, plug, twist," down to the words "exclusive of the tax," inclusive, and inserting in lieu thereof the following:

TOBACCO MANUFACTURES.

On snuff, manufactured of tobacco or any substitute for tobacco, ground dry or damp, pickled, scented, or otherwise, of all descriptions, forty cents per pound.

On cavendish, plug, twist, and all other kinds of manufactured tobacco, not herein otherwise provided, forty cents per pound.

On tobacco twisted by hand, or reduced from leaf into convenient form for manufacture, without the use of any machine or instrument, and without being pressed, sweetened, or otherwise prepared, thirty cents per pound.

On fine-cut chewing tobacco, whether manufactured with the stems in or not, or however sold, whether loose, in bulk, or in packages, papers, wrappers, or boxes, forty cents per pound.

On chewing tobacco, except as hereinafter otherwise provided for, thirty-five cents per pound.

On smoking tobacco made exclusively of stems, and not mixed with leaf or leaf and stems, in or out of cake, and shorts, and scraps of tobacco, the refuse of cigars manufactured, and also of all scraps or refuse of plug manufactured, when sold for smoking tobacco, or for consumption, or otherwise, twenty cents per pound.

On cigarettes made of tobacco enclosed in a paper wrapper and put up in package containing not more than twenty-five cigarettes, five dollars per thousand.

On all cigars, cheroots, and cigarettes made wholly of tobacco or of any substitutes therefor, whether imported or of domestic manufacture, forty cents per pound and no tare for the box or package in which any cigars or cigarettes are packed shall be allowed in ascertaining the weight And the duty as aforesaid on all cigars, cheroots, or cigarettes imported shall be levied, collected, and paid under such regulations as the Secretary of the Treasury shall prescribe; by inserting in the last paragraph relating to cigars, after the word "imprisonment not exceeding thirty days," the words: And the assistant assessor or inspector of the district to have the power to administer oaths; and by striking out the words "receiving a certificate of the weight, for which such fee as may be prescribed by the Commissioner of Internal Revenue shall be paid by the owner thereof, and the duty, or removed for export to a foreign country without payment of duty, in conformity with the provisions of the internal revenue laws, and the regulations of the Secretary of the Treasury, and shall be subject to such rules and regulations, and the conditions of which, so far as applicable, shall apply to quicklime in bond in the warehouse. And no drawback shall in any case be allowed upon any quicklime