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MOVIE DOINGS

NEAL HART LIVED THE LIFE HE PLAYS

Neal Hart, who has the lead in the Gold Seal picture "Bill Brennan's Claim," is one of the picture players who is now reproducing for the camera the life which he has lived in earnest for many years.

Hart is of Scotch-Irish descent and was born in New York state, but he has



Neal Hart.

spent nearly all of his time in the West. He is a college-bred cowboy, having been educated in Bucknell university, Lewisburg, Pa., where he played half-back on the football team, and was chosen as one of the stars of his year. There is hardly a man in pictures who has had a more interesting career than Neal Hart. During the Spanish-American war he served on the U. S. cruiser Panther. Later he acted as guide for the professors of the Smithsonian in-

stitute of Washington, D. C., during the exploration of the Spanish Digging country in Wyoming.

Hart is really a civil engineer by profession and was superintendent of construction for the Thurman branch of the Delaware & Hudson railroad in the Adirondacks, with a force of 900 men under his orders. He held the same position with the Titusville Electric Traction company, at Titusville, and at Keewance, Ill.

He spent some time in South Dakota, where he drove the freight team from Fort Pierre to Rapid City. He punched cows for two years on the Sioux Indian reservation at the mouth of the Cheyenne river. He was foreman of 77 Ranch in Wyoming, and manager of another ranch at Willow for many years. He has worn the insignia of city marshal in earnest at Manville, Wyo., and been deputy sheriff and brand inspector at Courser county in the same state.

One of his "jobs" was buyer and advance man to handle all the inspections and shipping of horses for the British government, for the use of the army. He has also seen his name on the posters of the 101 Wild West Show, touring the country as a bucking horse rider. If there is any variety of Western life which Hart does not know from personal experience, it is because it exists only in the imagination of the writers of so-called "Western" stories and pictures.

He says that he went into pictures because the work is so fascinating, and he made his first hit in the Bluebird photoplay called "Love's Lariat," in which he supported Harry Carey in a role which he managed to make very funny, though there was really not so very much in it to start with.

MOVIEGRAMS

Ben Wilson, star of the Universal serial, "The Voice on the Wire," works without a make-up.

The Universal Animated Weekly has a force of nearly two hundred camera men in all parts of the country.

Ruth Stonehouse is the youngest motion picture directress in the game. She writes, directs and acts her Universal films.

Eileen Sedgwick climbed out of a nine-story window and was snatched hanging from a rope in the Universal comedy, "The \$1,000 Drop."

MOUNTAIN CLIMBING.

Care Should Be Taken to Minimize the Danger of Accidents.

At least three-fourths of the accidents that occur in mountaineering are the results of foolhardiness.

More than half of the entire number of accidents happen to persons climbing without guides, some to climbers attempting a dangerous or impossible route with guides, and there are still other forms of folly. One may carelessly engage an incompetent guide or an overbold one, who will undertake an ascent under unfavorable conditions.

Eliminating these contingencies, there remain certain risks which must be taken by every climber who ascends difficult mountains.

However fine the weather, there is the possibility that a sudden storm may render the descent perilous, though even then the chances are ten to one that a skillful climber with first class guides will return in safety. Furthermore, on certain mountains there are places where a party is exposed to danger from avalanches or falling stones.

The risk may often be reduced to the minimum by waiting for the best of weather or by making a very early start.—All Outdoors.

Our Humorists.

All we can say is that we hope any given humorist of ours will live out the greatest length of days and not stop joking before he dies. We need every moment of his threescore years and ten to keep us sane and kind, and we cannot be satisfied with a stinted measure of time for him. When he begins unsurpassably to delight the world our national pride as well as our hu-

Color blindness was discovered by the famous Dr. Priestly in 1777.

HOW SHALL WE PAY FOR THE WAR?

A Constructive Criticism on the House Revenue Bill.

LOANS BETTER THAN TAXES

Five Reasons Why Excessive Taxes at the Outset of War Are Disadvantageous—Great Britain Example Worthy of Emulation—How the Taxes Should Be Apportioned.

By EDWIN R. A. SELIGMAN,
McVickar Professor of Political Economy, Columbia University.

On May 23, 1917, the House of Representatives passed an act "to provide revenue to defray war expenses and for other purposes." In the original bill as presented by the Committee of Ways and Means, the additional revenue to be derived was estimated at \$1,810,420,000. The amendment to the income tax, which was tacked on to the bill during the discussion in the House, was expected to yield another \$40,000,000 or \$50,000,000.

In discussing the House bill, two problems arise:

I. How much should be raised by taxation?
 II. In what manner should this sum be raised?

I. How Much Should Be Raised by Taxation?

How was the figure of \$1,800,000,000 arrived at? The answer is simple. When the Secretary of the Treasury came to estimate the additional war expenses for the year 1917-18, he calculated that they would amount to some \$6,600,000,000, of which \$3,000,000,000 was to be allotted to the allies, and \$3,600,000,000 was to be utilized for the domestic purposes. Thinking that it would be a fair proposition to divide this latter sum between loans and taxes, he concluded that the amount to be raised by taxes was \$1,800,000,000.

There are two extreme theories, each of which may be dismissed with scant courtesy. The one is that all war expenditures should be defrayed by loans, and the other is that all war expenditures should be defrayed by taxes. Each theory is untenable.

It is indeed true that the burdens of the war should be borne by the present rather than the future generation; but this does not mean that they should be borne by this year's taxation.

Meeting all war expenses by taxation makes the taxpayers in one or two years bear the burden of benefits that ought to be distributed at least over a decade within the same generation.

In the second place, when expenditures approach the gigantic sums of present-day warfare, the tax-only policy would require more than the total surplus of social income. Were this absolutely necessary, the ensuing havoc in the economic life of the community would have to be endured. But where the disasters are so great and at the same time so unnecessary, the tax-only policy may be declared impracticable.

Secretary McAdoo had the right instinct and highly commendable courage in deciding that a substantial portion, at least, of the revenues should be derived from taxation. But when he hit upon the plan of 50-50 per cent., that is, of raising one-half of all domestic war expenditures by taxes, the question arises whether he did not go too far.

The relative proportion of loans to taxes is after all a purely business proposition. Not to rely to a large extent on loans at the outset of a war is a mistake.

Disadvantages of Excessive Taxes.

The disadvantages of excessive taxes at the outset of the war are as follows:

1. Excessive taxes on consumption will cause popular resentment.
 2. Excessive taxes on industry will disarrange business, damp enthusiasm and restrict the spirit of enterprise at the very time when the opposite is needed.

3. Excessive taxes on incomes will deplete the surplus available for investments and interfere with the placing of the enormous loans which will be necessary in any event.

4. Excessive taxes on wealth will cause a serious diminution of the incomes which are at present largely drawn upon for the support of educational and philanthropic enterprises. Moreover, these sources of support would be dried up precisely at the time when the need would be greatest.

5. Excessive taxation at the outset of the war will reduce the elasticity available for the increasing demands that are soon to come.

Great Britain's Policy.

Take Great Britain as an example. During the first year of the war she increased taxes only slightly, in order to keep industries going at top notch. During the second year she raised by new taxes only 9 per cent. of her war expenditures. During the third year she levied by additional taxes (over and above the pre-war level) only slightly more than 17 per cent. of her war expenses.

If we should attempt to do as much in the first year of the war as Great Britain did in the third year it would suffice to raise by taxation \$1,250,000,000. If, in order to be absolutely on the safe side, it seemed advisable to increase the sum to \$1,500,000,000, this should, in our opinion, be the maximum.

In considering the apportionment of the extraordinary burden of taxes in war times certain scientific principles are definitely established:

How Taxes Should Be Apportioned.

(1) The burden of taxes must be spread as far as possible over the whole community so as to cause each individual to share in the sacrifices according to his ability to pay and according to his share in the Government.

(2) Taxes on consumption, which are necessarily borne by the community at large, should be imposed as far as possible on articles of quasi-luxury rather than on those of necessity.

(3) Excises should be imposed as far as possible upon commodities in the hands of the final consumer rather than upon the articles which serve primarily as raw material for further production.

(4) Taxes upon business should be imposed as far as possible upon net earnings rather than upon gross receipts or capital invested.

(5) Taxes upon income which will necessarily be severe should be both differentiated and graduated. That is, there should be a distinction between earned and unearned incomes and there should be a higher rate upon the larger incomes. It is essential, however, not to make the income rate so excessive as to lead to evasion, administrative difficulties, or to the more fundamental objections which have been urged above.

(6) The excess profits which are due to the war constitute the most obvious and reasonable source of revenue during war times. But the principle upon which these war-profit taxes are laid must be equitable in theory and easily calculable in practice.

The Proposed Income Tax.

The additional income tax as passed by the House runs up to a rate of 60 per cent. This is a sum unheard of in the history of civilized society. It must be remembered that it was only after the first year of the war that Great Britain increased her income tax to a maximum of 34 per cent., and that even now in the fourth year of the war the income tax does not exceed 42½ per cent.

It could easily be shown that a tax with rates on moderate incomes substantially less than in Great Britain, and on the larger incomes about as high, would yield only slightly less than the \$532,000,000 originally estimated in the House bill.

It is to be hoped that the Senate will reduce the total rate on the highest incomes to 34 per cent. or at most to 40 per cent., and that at the same time it will reduce the rate on the smaller incomes derived from personal or professional earnings.

If the war continues we shall have to depend more and more upon the income tax. By imposing excessive rates now we are not only endangering the future, but are inviting all manner of difficulties which even Great Britain has been able to escape.

Conclusion.
 The House bill contains other fundamental defects which may be summed up as follows:

(1) It pursues an erroneous principle in imposing retroactive taxes.

(2) It selects an unjust and unworkable criterion for the excess-profits tax.

(3) It proceeds to an unheard-of height in the income tax.

(4) It imposes unwarranted burdens upon the consumption of the community.

(5) It is calculated to throw business into confusion by levying taxes on gross receipts instead of upon commodities.

(6) It fails to make a proper use of stamp taxes.

(7) It follows an unscientific system in its flat rate on imports.

(8) It includes a multiplicity of petty and unproductive taxes, the vexatiousness of which is out of all proportion to the revenue they produce.

The fundamental lines on which the House bill should be modified are summed up herewith:

(1) The amount of new taxation should be limited to \$1,250,000,000—or at the outset to \$1,500,000,000. To do more than this would be as unwise as it is unnecessary. To do even this would be to do more than has ever been done by any civilized Government in time of stress.

(2) The excess-profits tax based upon a sound system ought to yield about \$500,000,000.

(3) The income-tax schedule ought to be revised with a lowering of the rates on earned incomes below \$10,000, and with an analogous lowering of the rates on the higher incomes, so as not to exceed 34 per cent. A careful calculation shows that an income tax of this kind would yield some \$450,000,000 additional.

(4) The tax on whisky and tobacco ought to remain approximately as it is, with a yield of about \$250,000,000.

These three taxes, together with the stamp tax at even the low rate of the House bill, and with an improved automobile tax, will yield over \$1,250,000,000, which is the amount of money thought desirable.

The above program would be in harmony with an approved scientific system. It will do away with almost all of the complaints that are being urged against the present. It will refrain from taxing the consumption of the poor.

It will throw a far heavier burden upon the rich, but will not go to the extremes of confiscation. It will obviate interference with business and will keep unimpaired the social productivity of the community.

It will establish a just balance between loans and taxes and will not succumb to the danger of approaching either the tax-only policy or the loan-only policy. Above all, it will keep an undisturbed elastic margin, which must be more and more heavily drawn upon as the war proceeds.

Voter's Catechism.

- D. Have you read the Constitution of the United States?
 R. Yes.
 D. What form of Government is this?
 R. Republic.
 D. What is the Constitution of the United States?
 R. It is the fundamental law of this country.
 D. Who makes the laws of the United States?
 R. The Congress.
 D. What does Congress consist of?
 R. Senate and House of Representatives.
 D. Who is our State Senator?
 R. Wilbur P. Graff.
 D. Who is the chief executive of the United States?
 R. President.
 D. For how long is the President of the United States elected?
 R. Four years.
 D. Who takes the place of the President in case he dies?
 R. The Vice President.
 D. What is his name?
 R. Thomas R. Marshall.
 D. By whom is the President of the United States elected?
 R. By the electors.
 D. By whom are the electors chosen?
 R. By the people.
 D. Who makes the laws for the State of Pennsylvania?
 R. The Legislature.
 D. What does the Legislature consist of?
 R. Senate and Assembly.
 D. Who is our Assemblyman?
 R. Wilmer H. Wood.
 D. How many States in the union?
 R. Forty-eight.
 D. When was the Declaration of Independence signed?
 R. July 4, 1776.
 D. By whom was it written?
 R. Thomas Jefferson.
 D. Which is the capital of the United States?
 R. Washington.
 D. Which is the capital of the state of Pennsylvania?
 R. Harrisburg.
 D. How many Senators has each state in the United States?
 R. Two.
 D. Who are our U. S. Senators?
 R. Boise Penrose and George T. Oliver.
 D. By whom are they elected?
 R. By the people.
 D. For how long?
 R. Six years.
 D. How many representatives are there?
 R. 435. According to the population one to every 211,000, (the ratio fixed by Congress after each decennial census.)
 D. For how long are they elected?
 R. Two years.
 D. Who is our Congressman?
 R. Nathan L. Strong.
 D. How many electoral votes has the state of Pennsylvania?
 R. Thirty-eight.
 D. Who is the chief executive of the state of Pennsylvania?
 R. The Governor.
 D. For how long is he elected?
 R. 4 years.
 D. Who is the Governor?
 R. Martin G. Brumbaugh.
 D. Do you believe in organized government?
 R. Yes.
 D. Are you opposed to organized government?
 R. No.
 D. Are you an anarchist?
 R. No.
 D. What is an anarchist?
 R. A person who does not believe in organized government.
 D. Are you a bigamist or polygamist?
 R. No.
 D. What is a bigamist or polygamist?
 R. One who believes in having more than one wife.
 D. Do you belong to any secret society who teaches to disbelieve in organized government?
 R. No.
 D. Have you ever violated any laws of the United States?
 R. No.
 D. Who makes the ordinances for the City?
 R. The board of aldermen.
 D. Do you intend to remain permanently in the U. S.?
 R. Yes.

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