

[HOUSE BILL, No. 107.]

HOUSE OF REPRESENTATIVES, May 23, 1864.—Read first and second times. June 2, 1864.—Engrossed, read a third time and passed.

A. R. LAMAR, *Clerk.*

SENATE, June 3, 1864.—Read first and second times and referred to Committee on Finance, and ordered to be printed. June 6, 1864.—Reported with amendments, and amendments ordered to be printed.

A BILL

To be entitled an act to amend the tax laws.

1 *The Congress of the Confederate States of America do enact,*
2 That, the first, second and third sections of the act to levy addi-
3 tional taxes for the common defence and support of the
4 Government, approved seventeenth February, eighteen hundred
5 and sixty-four, be amended and re-enacted, so as to read as
6 follows:

1 SECTION 1. That, in addition to the taxes levied by the act to
2 lay taxes for the common defence and to carry on the Govern-
3 ment of the Confederate States, approved April twenty-fourth,
4 eighteen hundred and sixty-three, there shall be levied from the
5 seventeenth day of February, eighteen hundred and sixty-four,
6 on the subjects of taxation hereinafter mentioned, and collected
7 from every person, co-partnership, association, or corporation
8 liable therefor, taxes as follows—to-wit:

9 I. Upon the value of all property, real, personal and mixed,
10 of every kind and description, not hereinafter exempted or taxed
11 at a different rate, five per cent.: *Provided*, That from the tax
12 on the value of property employed in agriculture shall be de-
13 ducted the value of the tax in kind derived therefrom during the
14 same year, as assessed under the law imposing it, and delivered
15 to the Government, whether delivered during the year or after-
16 wards, including the bacon deliverable after and not prior to the
17 assessment after the tax on property employed in agriculture, as
18 aforesaid, and the collection of the tax on such property shall
19 be suspended after assessment, under the order of the Secretary
20 of the Treasury, until the value of the tithes to be deducted can
21 be ascertained; and, when so ascertained, it shall be the duty of
22 the post quartermaster to certify, and of the district collector to
23 deduct the amount of such tithes. And any balance found due
24 may be paid in bonds and certificates authorized by the act to
25 reduce the currency and to authorize a new issue of notes and
26 bonds, in like manner as taxes payable during the year.

27 II. On the value of gold and silver ware, and plate, jewels,
28 jewelry and watches, ten per cent. On the value of all shares
29 or interests held in any bank, banking company or association,
30 canal, navigation, importing and exporting, insurance, manu-
31 facturing, telegraph, express, railroad, dry dock companies, and
32 all other joint stock companies of every kind, whether incorpo-

33 rated or not, five per cent., which tax shall be assessed against
34 and paid by the company in each case. And when the shares or
35 interests in any such company are taxed, no other tax shall be
36 imposed under this act upon any property of such company rep-
37 resented by the valuation of such shares or interests, as directed
38 in the second section of this act, except the tax imposed by the
39 first paragraph after third section of this act.

1 SEC. 2. The value of property, shares and interests taxed
2 under the preceding section shall be assessed on the basis of the
3 market value of the same or similar property in the neighbor-
4 hood, where assessed in the year eighteen hundred and sixty,
5 except that where lands, slaves, shares or interests have been
6 purchased since the first day of January, eighteen hundred and
7 sixty-two, other than land purchased by refugees and held and
8 occupied by them for their own use and residence, they shall be
9 assessed at the price actually paid for them by the owner, or, if
10 for any cause that cannot be ascertained, then at the market
11 value at the time of such purchase. Shares or interests created
12 since the year eighteen hundred and sixty shall be assessed at
13 their actual cost to the present holder: *Provided*, That no shares
14 or interests which are now worth par, or over par, shall be as-
15 sessed at less than par.

1 SEC. 3. Upon the amount of all gold and silver coin, gold dust,
2 gold and silver bullion, unless purchased since the first day of Jan-

uary, eighteen hundred and sixty-two, and then upon the actual cost to the present holder, ten per cent., except where the same is already included in the tax on shares or interests imposed by the first section of this act, and in such case ten per cent. less the amount of tax so imposed. And upon the value of all moneys held abroad or bills of exchange drawn therefor, and promissory notes, rights and credits payable in foreign countries, five per cent., according to the value thereof at the place where the tax thereon is payable at the time of assessment, except where the same is included in the tax on shares or interests imposed by the first section of this act, and then five per cent. less the amount of tax so imposed, payable in Confederate treasury notes or four per cent. bonds or certificates authorized by the act of February seventeenth, eighteen hundred and sixty-four, to reduce the currency and authorize a new issue of notes and bonds.

II. Upon the amount of all solvent credits and of all bank bills, and all other paper issued as currency—exclusive of non-interest-bearing Confederate notes and Confederate bonds—and not employed in a registered business, the income derived from which is taxed, five per cent. upon the par value thereof: *Provided*, That the income derived from Confederate bonds and interest-bearing Confederate treasury notes shall be taxed as other income.

1 SEC. 4. That paragraph four, of section five, of the same act,
2 be amended by adding thereto as follows: "In case of disagree-
3 ment between the owner and the officer as to the reduction of
4 taxes under this section, the question shall be settled by referees
5 as is provided in other cases of disagreement under the eighth
6 section of the act to amend an act, entitled an act to lay taxes
7 for the common defence and carry on the Government of the
8 Confederate States, approved February 17th, 1864."

1 SEC. 5. That paragraph six, section four, of the act to amend
2 an act entitled, "An act to lay taxes for the common defence and
3 carry on the Government of the Confederate States," approved
4 February 17th 1864, be and the same is hereby amended so as
5 to include as wholesale dealers, manufacturers, and coal and other
6 miners; and salt manufacturers, who make it a business to sell
7 their own products to other dealers to sell again; and that sec-
8 tion sixteen, of the same act, be and is hereby amended so as to
9 read as follows:

10 I. The income, property, and money other than Confederate
11 treasury notes, of hospitals, assylums, churches, schools, col-
12 leges, and other charitable institutions, shall be exempt from
13 taxation under the provisions of this act or any other law. The
14 property of companies formed under the act entitled, "An act to
15 establish a volunteer navy," shall be exempt from taxation ex-
16 cept on the income.

17 II. That paragraph six, section seven, of the same act, be and
 18 the same is hereby amended by adding thereto as follows: "If
 19 any person shall fail to make due return, as required by said
 20 section, of the income or profits taxed under any law of Congress,
 21 or in case of disagreement with the assessor, to submit the same
 22 to referees, as provided by law, or shall fail or refuse to pay the
 23 tax thereon, within such time as shall be prescribed by public
 24 notice, by the district collector, under the direction of the Com-
 25 missioner of Taxes, such person shall be deemed and held to be
 26 in default.

1 SEC. 6. That this act shall not be so construed as to subject
 2 to taxation corn, bacon, and other agricultural products which
 3 were produced in the year 1863, and in the possession of the
 4 producer on the 15th of February, 1864, and necessary for the
 5 support of himself and family during the present year, and from
 6 or on which taxes in kind had been deducted and delivered or
 7 paid.

1 SEC. 7. That section four, paragraphs one and two, of the act
 2 approved February 17, 1864, entitled "An act to levy additional
 3 taxes for the common defence and support of the Government,"
 4 be so amended as to levy an additional tax of fifty per cent. upon
 5 the amount of all profits made by selling the articles mentioned
 6 in the said paragraphs, between the 17th day of February, 1864,
 7 and the first day of July next, which additional tax shall be col-
 8 lected under said act.

AMENDMENTS

Proposed by the Committee on Finance to the bill (H. R. 107) to
amend the tax laws.

1 I. Section one, line seventeen, strike out the word "after"
2 and insert the word "of."

1 II. Section one, line twenty-three, strike out the word
2 "amount," and insert the word "value."

1 III. Section one, line twenty-four, after the word "certifi-
2 cates," insert the word "therefor."

1 IV. Section one, line twenty-six, after the word "as," insert
2 the word "other."

1 V. Section one, line twenty-six, at the end of paragraph first,
2 add the following: "Provided that no credit shall be allowed
3 beyond five per cent."

1 VI. Section one, line twenty-nine, in paragraph second, after
2 the word "any," strike out all down to, and inclusive of, the
3 word "not," in line thirty-three, and insert in lieu thereof as
4 follows: "Railroad or canal company, or in any incorporated
5 bank, banking company or association."

1 VII. Section one, line thirty-nine, near the close of paragraph
2 second, strike out the word "after" and insert the words "of
3 the."

1 VIII. Section two, line eight, strike out the words "and resi-
2 dence."

1 IX. Section two, line thirteen, strike out the words "actual
2 cost to the present holder" and insert the words "market value
3 on the 17th day of February, in the year 1864."

1 X. Strike out all of paragraph one, section three, and insert
2 in lieu thereof as follows: "Upon all gold and silver coin esti-
3 mated at par, and upon all gold dust and gold and silver bullion,
4 estimated at its value in specie, unless purchased since the 1st
5 day of January, 1862, and then estimated at the actual value in
6 Confederate treasury notes, ten per cent, except where the same
7 has already been included in the tax on shares or interests, un-
8 der the provisions of the first section of this act, and in that case,
9 on the amount thus included, estimated at its specie value, there
10 shall be levied a tax of five per cent.: *Provided*, That nothing
11 herein contained shall be so construed as to tax specie required
12 by the provisions of its charter, to be held and kept on hand by
13 any bank; and upon all moneys held abroad, or bills of ex-
14 change drawn therefor, and all promisory notes, rights, credits
15 and securities, payable in foreign countries, five per cent. upon
16 the value thereof in Confederate treasury notes on the 17th day
17 of February, in the year 1864, at the place where the tax thereon
18 is payable, except that where the same is included in the tax on
19 shares or interest, imposed by the first section of this act, then

20 and in that case there shall be deducted from the tax assessed
 21 thereon, according to the value of 1864, as aforesaid, a sum
 22 equivalent to five per cent. on the specie value of said moneys
 23 held abroad, or bills of exchange drawn therefor, and promisory
 24 notes, sight credits, and securities payable in foreign countries:
 25 *Provided*, That all the taxes imposed under the provisions of this
 26 act shall be payable in Confederate treasury notes, as prescribed
 27 by law, or four per cent. bonds or certificates, therefor authorized
 28 by the act of February 17, 1864, to reduce the currency, and
 29 authorize a new issue of notes and bonds."

1 XI. Section three, paragraph two, line twenty-one, strike out
 2 the words "and Confederate bonds."

1 XII. Section three, paragraph second, strike out the proviso.

1 XIII. Add as paragraph third, to section three, the following:

2 "On the value of all shares or interests in any navigation, im-
 3 porting, exporting, insurance, manufacturing, telegraph, express
 4 and dry dock companies, and all other joint stock companies, of
 5 every kind, whether incorporated or not, except such as are
 6 herein otherwise provided for, estimated at their market value
 7 in Confederate treasury notes, on the 17th day of February,
 8 1864, in the neighborhood where assessed, five per cent.

1 XIV. Section five, line thirteen, after the word "law," insert
 2 "bonds issued by any State and."

1 XV. Section five, line twenty-eight, add after the word

2 "default," at the end of paragraph two, section five, the follow-
 ●3 ing: "Provided, That such person shall not be deemed and held
 4 to be in default who may fail, or has failed, to make payment or
 5 due returns in consequence of the presence or interference of
 6 the enemy, or the absence or neglect of the officers charged with
 7 the assessment and collection of taxes."

1 XVI. Section five, strike out in line first the words, "para-
 2 graph sixth, section four," and insert the words, "section
 3 sixteen."

1 XVII. Section five, lines four and five, strike out after the
 2 words "as to" all down to and including the words "as to" in
 3 line eight.

1 XVIII. Section six, after the word "family," in line five,
 2 insert the words, "and to carry on his ordinary business."

1 XIX. Section seven, line four, strike out the word "fifty"
 2 and insert "twenty."

1 XX. Add as section eight: "That on all treasury notes of
 2 the old issue, of the denomination of five dollars, not exchanged
 3 for new issue prior to 1st day of January, 1865, and which may
 4 remain outstanding on that day a tax of one hundred per cent.
 5 is hereby imposed."

1 XXI. Add as section nine: "That section seven of an act
 2 entitled 'An act to levy additional taxes for the common defence
 3 and support of the Government,' approved 17th February, 1864,

4 be and the same is hereby repealed, and the following inserted in
5 lieu thereof:

6 "I. The first section of the act to levy taxes for the common
7 defence and to carry on the Government of the Confederate
8 States, approved 24th April, 1863, is suspended for the year
9 1864.

10 "II. In all cases where a tax is levied on income derived from
11 property, on the amount or value of which an ad valorem tax is
12 laid, the ad valorem tax shall be deducted from the income tax:
13 *Provided*, That in no case shall less be paid than the ad valorem
14 tax.

15 "III. In the assessment of income derived from manufactur-
16 ing or mining there shall be deducted from the gross income or
17 profits the necessary annual repairs, not exceeding ten per cent.
18 on the amount of the income derived therefrom, and, in addition
19 to the deductions now allowed by law, the following shall be
20 made—namely: The Confederate taxes actually paid by the
21 owner on sales made by him, and the commissions actually paid
22 by the consignor or shipper for selling, and in the production of
23 pig metal or pig iron the cost of fuel in smelting.

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry should be clearly documented and supported by appropriate evidence. This includes receipts, invoices, and other relevant documents that can be used to verify the accuracy of the records.

The second part of the document outlines the procedures for handling discrepancies and errors. It states that any differences between the recorded amounts and the actual amounts should be investigated immediately. Once the cause of the discrepancy is identified, appropriate steps should be taken to correct the records and prevent similar errors from occurring in the future.

The third part of the document provides guidelines for the storage and security of financial records. It recommends that all records be stored in a secure and accessible location, such as a locked filing cabinet or a secure digital storage system. It also advises that records should be backed up regularly to prevent data loss in the event of a disaster.

The fourth part of the document discusses the importance of regular audits and reviews. It states that periodic audits should be conducted to ensure that the records are accurate and up-to-date. These audits should be performed by an independent party to provide an objective assessment of the financial records.

The fifth part of the document provides information about the legal requirements for financial record-keeping. It notes that certain types of records must be retained for a specific period of time, and that failure to do so can result in penalties. It also mentions that records should be kept in accordance with applicable laws and regulations.

The sixth part of the document offers advice on how to organize and manage financial records effectively. It suggests using a consistent system of filing and labeling to make it easy to find and retrieve information. It also recommends using clear and concise language when documenting transactions to avoid any ambiguity.

The seventh part of the document discusses the role of technology in financial record-keeping. It notes that many businesses now use accounting software to automate the recording and management of financial data. It provides information about the benefits of using such software, such as increased accuracy and efficiency.

The eighth part of the document provides a summary of the key points discussed in the document. It reiterates the importance of accurate record-keeping, the need to handle errors promptly, the importance of secure storage, the value of regular audits, the legal requirements for record-keeping, and the benefits of using technology.

The final part of the document includes a list of references and resources for further information. It lists several books, articles, and websites that provide additional guidance on financial record-keeping practices.