SYNOPSIS OF DECISIONS

UNDER

THE CONFEDERATE TAX LAW.

PUBLISHED BY AUTHORITY OF SECRETARY OF TREASURY.

ACCOUNTS.—Open book accounts are to be taxed according to their true value, on 1st of July, that value to be ascertained by the Assessor in the best manner practicable, under the circumstances of each case, by the oath of the tax-payer, and any other available evidence.

APOTHECARIES may sell all such articles as are usually sold by that class of dealers, without paying an additional specific tax, that is, perfumes, soaps, brushes, combs, dye-stuffs, &c.

ARMY SUTTLERS are liable to the taxes imposed on peddlers.

ARTICLES TAXED BY SECTION ONE.—If any of the articles taxed by section first of the tax act, are sold by any person or firm, whose business is required to be registered by section five, "the proceeds of such sales will be subject to the same tax as that imposed upon the sales of other articles by the same establishment; that is, the payment of the *ad valorem* tax of 8 per cent. upon such articles does *not* exempt the proceeds of their sale afterwards from the tax of 2 1-2 per cent. under section five.

ASSESSORS are not bound by the standard of valuation fixed upon property by commissioners under the impressment laws; Assessors may be recommended, but cannot be appointed by District Collectors, as the power to appoint such is confined to State Collectors.

AUCTIONEERS.—Any person whose business it is to offer property for sale to the highest and best bidder at public outcry, is an auctioneer within the meaning of the act, whether a neighborhood

crier in the country, or a regular auctioneer in the city. But any person not registered as an auctioneer may cry the official sales of executive officers, personal representatives, &c., without being subject to the taxes on auctioneers. If an auctioneer "purchases, rents, hires, or sells real estate or negroes" privately, he will be chargeable with an additional specific tax as a commercial broker. A commission merchant *cannot* exercise the privilege of an auctioneer without separate registration and tax as such; auctioneers are not liable to pay upon sales made for a dealer who is registered and taxed and at the place of business of such dealer, with the foregoing exceptions, and the exception in case of the sale of stocks, &c., they are required to pay a tax of 2 1-2 per cent. on all sales made. Where auctioneers, in ignorance of the law, have failed to retain the taxes upon sales, thereby losing the amount, the Secretary of the Treasury has no authority, under the law, to remit any portion of such tax, and in such cases Congress is the only power that can grant relief. Government officers selling at auction damaged corn, or other government property, will not be liable to the tax imposed on auctioneers, nor will the person who cries the sales for such officer be responsible, because they are sales made by executive officers, and specially exempted under paragraph two, section five, tax act. The sales of land sold by an auctioneer for the commissioner of a circuit court are not subject to the tax of 2 1-2 per cent. Tobacco inspectors who sell tobacco for farmers and others at public outcry, are decided to be auctioneers under the act, and will be registered and taxed accordingly.

BACON AND LARD are not agricultural products within the meaning of section one, tax act, and are not subject to the *ad valorem* tax of 8 per cent.

BAKER.—A baker having more than one *place* of conducting the business, will be required to pay a specific tax for each, so with other businesses under section five, where the privilege is not conferred of transacting the business without regard to the place where it is conducted. Bakers can only sell the products of their bakery under that registration. If they sell other articles they must pay the specific tax on dealers, and the per centage on sales. The per centage on sales of bread, cakes, &c., being one per cent., it would be unjust to other dealers to allow bakers to sell other articles than their own products under a baker's registration only.

BANKS.—The exception in paragraph one, section five, tax act, in favor of banks authorized to issue notes of circulation, includes their agencies. The agent does not come within the definition of "bankers," unless he does business on his own account, and is not subject to the specific tax of $500. Banks are required to pay tax on all their own moneys held on 1st of July, as well as upon general deposits that go into the cash balance, and are paid out, loaned, or used as other money by the banks. They will also be required, under section fifteen of the tax act, to return and pay the tax on special deposits also, unless the depositors themselves have made due return thereof.

BANKERS.—An insurance company in receiving and paying out

the revenues of a State university, is regarded merely as a disbursing agent, and not as a banker, and is, therefore, not subject to the tax on bankers.

BONDS.—The interest on Confederate bonds is taxable as income under section eight, act 24th April, 1863, (see "credits.") The guaranty of a State Legislature that the bonds of the State shall not be taxable for any purpose whatever, is binding upon the State, but not upon the Confederate States, otherwise a State Legislature might exempt every other taxable object, and thus defeat the object of the tax law entirely. A surety to a tax collector's bond cannot be relieved of his suretyship by application to the Secretary of the Treasury. The bond is a contract between the government and the parties signing it, and is binding upon the obligors until the conditions of the obligation are performed.

BUTCHERS.—If a butcher carries on the business of a cattle broker he shall register as such, and pay the taxes imposed on cattle brokers. The two are separate and distinct, and cannot be conducted under the same registration. The one is "to butcher and sell," the specific tax being $50, and tax on sales one per cent. while in the other case the tax on sales is 2 1-2 per cent. A farmer who may kill and sell the flesh of one, two, or three beeves, or who may kill and sell one occasionally, and who does not follow the business of offering the flesh for sale in open market or elsewhere regularly, is not a butcher within the meaning of the act. Yet he will be required to pay a tax on the income derived from such sales under section twelve, tax act.

CATTLE.—By section twelve, the value of *all* neat cattle, horses, mules and asses not used in cultivation, is taxed one per cent. to be returned on 1st November, and tax paid on 1st January next. The term "neat cattle" as used in section twelve, means all domestic animals of the bovine kind, and includes milch cows, calves, &c.

CATTLE BROKER.—A farmer who buys lean cattle and fattens them for sale, is not a cattle broker, but will be taxed upon the income derived from the sale of such cattle under section twelve.

COMMISSION MERCHANTS and others taxable under section five. The specific tax is for the year ending 31st December, 1863, and the liability to pay the per centum on gross sales or profits attaches from and includes the 24th April, 1863, the date of the act. A person registered and taxed as a commission merchant can exercise the privilege of a wholesale dealer.

COTTON.—All cotton held or owned on 1st July, is taxable at the rate of 8 per cent. on its value, except cotton owned by the government. If cotton or other property become liable to taxation, and was afterwards taken away by the enemy or destroyed, this does not relieve the owner or holder from payment of the tax. Nor would its loss or destruction in any other way relieve him from the tax after it had once attached. No value is fixed on cotton by the department, it is the duty of the person holding the cotton, when he makes return to return it at its true value, according to quality, and the locality in which it may be situated. If too low a valuation should thus be placed

upon it, in the estimation of the Assessor, it will be the duty of that officer in each particular tax district, to place such value upon it as the same quality of cotton would command in *that* market under ordinary circumstances of sale, that is, under circumstances of voluntary and unforced sale. The same rule will apply to the articles of wool and tobacco, as well as to every other taxable article. Cotton of the growth of any year prior to 1863, in the hands of manufacturers on 1st July, is liable to a tax of 8 per cent. Manufacturers selling their own fabrics by the piece, and other articles, are subject to be taxed as wholesale dealers, also to pay tax on their income; and joint stock companies and corporations to pay certain portion of annual earnings set apart as dividend and reserved fund, according to the per centum yielded on the capital stock.

Cotton in the Confederate States, hypothecated for goods in Europe, is liable to tax under section first. The goods so obtained, that is their gross sales, are also liable to 2 1-2 per cent. tax when sold in the Confederate States. If first sold by an auctioneer, wholesale dealer or commission merchant, the proceeds will be chargeable with 2 1-2 per cent. tax, and an additional 2 1-2 per cent. tax will be paid by the next person selling, and so on until they reach the consumer. The nett profits made by each business person or firm selling them will also be taxed as income under section eight, if the income of the seller from all taxable sources exceeds $500.

COTTON FACTORS are commission merchants in contemplation of the law.

CREDITS.—Section one taxing credits, is to be construed in connection with section eight, taxing incomes. The scheme of the law is to lay an alternative tax of one per cent. on capital, or 5, 10, or 15 per cent. on incomes. It is not designed to tax capital and again the interest, and this is the idea conveyed by the law when speaking of credits "upon which the interest has not been paid." All interest received during the year 1863 is subject to income tax, and no capital tax is, therefore, designed to be laid upon the credits producing that interest. The rule thus furnished, it follows that the one per cent. tax is not laid upon credits upon which the interest due up to 1st of July has been paid; but when the interest has not been paid the tax falls upon the capital. "Value of credits" is construed to mean the principal and interest, if not paid, of all solvent credits, and the estimated value of credits that the holder will swear are not worth the principal and interest. "Credits employed in a business, the income of which is taxed under the act," are exempt from the capital tax of one per cent. To be entitled to exemption, the credits must form part of, and be exclusively used in carrying on the business, and the money derived from them must also be so exclusively used when collected. In case of Confederate and State bonds and stocks, where the interest is payable at stated periods, and has been paid up to the last stated period when it fell due, and the 1st July intervenes before the next stated period arrives, the credit is not taxed as capital, but the *whole* interest during the year must be returned as income on 1st January next. Credits include all unliquidated demands and evidences of debt,

such as notes, bonds, certificates of State, bank, railroad or other stock, open accounts due and unpaid, &c., which are to be taxed as capital according to their true value on July 1st, 1863. The exemption of credits employed in a taxed business under section first does not include money, bank notes, or other currency. These are not exempted. The tax on capital and interest, as decided long since, are alternates. The same rule will follow dividends and stock. When the dividend is exempted by reason of the capital stock having paid its tax through the company, the individual stock is *not* subject to the tax on credits. But if the company has not paid the tax on the dividend, the individual stock *is* subject to the tax on credits. The tax payer is not allowed to deduct his indebtedness from his credits, but must return all his taxable credits regardless of what he owes.

CURRENCY.—All moneys, bank notes and other currency (not specially exempted in the tax act) on hand or on deposit on 1st July, are taxed one per cent. no matter by whom held or controlled, or from what source derived. The words "other currency" as used in section first are construed to include Confederate notes and all individual or corporation notes issued for circulation, and generally received and used as currency, or a medium of trade, in any community in the Confederate States. It is the intention of section first to tax all monies, bank notes, or other currency on hand or on deposit on 1st day of July, whether held by bankers, auctioneers, merchants, commission merchants, farmers, lawyers or doctors, including all other persons, firms, companies or corporations. So with all credits not exempted under that section. Monies belonging to a State and held by its agents and officers on 1st July, are not liable to the tax imposed on monies, bank notes, &c., under section first, tax act.

DEALERS.—Where a mercantile firm is registered as "dealers" under section five, the whole firm pays only one specific tax, because the law only requires one. But *each* lawyer of a law firms pays the specific tax, as also does each partner of an auction firm, because the law declares in these cases, that the specific tax shall be deemed a tax on the personal privilege, and is to be paid by each individual engaged in the business, so also with physicians, dentists and peddlers.

A mercantile firm or any company of dealers will be required to pay the tax on the joint income of the partners derived from the partnership business, and each partner, therefore, will not be required to pay separately. Persons buying and selling land for themselves do not seem to be dealers under section five. But the income derived from such sales will be liable to taxation under section eight.

Traders buying and selling negroes on their own account do not seem to be within the provisions of the tax act as dealers, but their income will be taxed. The failure on the part of Congress to include this class would seem to be a *casus omissus*, as no good reason is perceived why they should not be taxed as other dealers. The payment of a specific tax and tax upon sales by any registered dealer does not relieve such dealer from the income tax under section eight, tax act.

Proprietors of packet and other boats keeping bar-rooms on the same, and retailing liquors, wines, &c., are to be taxed as retail

dealers in liquors. They must register and pay the tax in the district in which they reside. Persons who manufacture wines from grapes or blackberries cannot sell the same without registration and payment of the tax, as the law includes *all* wines and *all* persons who sell without exception. If a man registers as a wholesale dealer in liquors, he can exercise the privilege of retailing under the same specific tax, but he will be required to pay 10 per cent. on all *retail* sales of liquors. Detailed men manufacturing saltpetre for the government, under the control and direction of executive officers, are not taxable as dealers, (see manufacturers.)

DISTILLERS.—All persons or partnerships, who distill or manufactures spirituous liquors, for sale, are distillers within the meaning of article eight, section five, tax act, and whether they distill exclusively for the government, on contract, or for others, are liable to the taxes imposed upon distillers by the act.

Distillers are not taxed for every still used in the manufacture of liquors, where several stills are run at the same place of business. But if the business should be conducted in two or more distant localities, a specific tax will be required for each. Distillers, and "distillers of fruit for ninety days or less," are not required to pay any other taxes for authority to sell the spirits by them manufactured than those designated under paragraph eight, section five.

Where a person is engaged as a regular distiller, he is required under paragraph eight, section five, to register as such and pay the specific tax of $200 and 20 per centum on the gross sales. He will be authorized to sell all his spirits without making any other registry, or paying any other tax upon sales (always saving and excepting the tax on nett income.) To distill fruit for ninety days or less is the lesser privilege, and is merged in the greater where a regular distiller distils fruit; therefore, a regular distiller, registered as such, has to pay no additional tax for the privilege of distilling fruit; but he may, on the contrary, under his registration, distill fruit or anything else, and the spirits derived therefrom, when sold, are subject to the 20 per cent. on their value, just like other spirits. But those who only still fruit for ninety days or less, pay only $60 specific tax for the time so engaged (not to exceed ninety days,) and fifty cents per gallon for the first ten gallons, and $2 per gallon on all spirits distilled beyond that quantity.

DWELLING HOUSES, &c.—Every person owning dwelling houses or building lots in a city town or village, if not actually rented to another, whether occupied by himself or not, will be required to pay an income tax upon the estimated annual rent. This does not apply to uncultivated lands in the country. The act does *not* tax the estimated rent of lands not cultivated, or dwellings or other buildings NOT in a city, town or village.

If the town buildings, streets, &c., extend beyond the corporate limits, such buildings are deemed as being within the provisions of the act, as well as those within the corporate limits, and so with buildings, &c., in a town or village not incorporated.

EATING HOUSES.—If a steward's hall, or boarding house, for

pupils of a school, belongs to and inures to the sole use and profit of the school, it forms a part of the income of the school, and is not taxable as an eating house. If the principal of a school, not being the proprietor, but receiving a stated salary, keeps a boarding house for pupils on his own account, six or more boarding with him, then he is deemed to be the keeper of an eating house, and taxed according to the class of the house, to be determined by the amount of estimated or actual annual rent. Persons keeping restaurants, hotels and eating houses, and those pursuing any other business, must make a separate registration, and pay a separate specific tax, and the per centum on sales for the privilege of selling liquors at retail.

"FAMILY CONSUMPTION."—The amount of agricultural products authorized by section one, of the tax act, must not be more than sufficient for the use or consumption of the tax payer, his white family, house servants and family horses.

GAMBLING HOUSES.—The income and profits of a gambling house not being exempted by the act, are subject to the tax. This does not legalize or license gambling. If a tax payer holds, on the first of July, a sum of money, he is bound to return the amount and pay thereon, a tax of one per cent. The law does not enquire how he came to possess it, whether by lawful or unlawful practices. He may have stolen it, yet the receipt by the government of a tax thereon would not legalize the theft.

HIRE.—The estimated annual hire of a cook on a plantation will be taxed as income. The daily wages of an hired man cannot be taxed as a salary, but such wages are income.

INCOME.—Persons returning income should return income and profits derived from every investment of labor, skill, property or money, and the income and profits *derived from any source whatever except salaries*. The interest on Confederate bonds is an income derived from the investment of money, and, therefore, taxable; so is the interest on interest-bearing treasury notes. Income *from all* sources, with the exceptions specified in the tax act should be returned to the assessor.

When a joint stock company or corporation reserves the portion of their annual earnings set apart as dividend and reserved fund, and pays the same to the Collector, as required by article six, section eight, tax act, then the dividend paid to the stockholder shall not be estimated as a part of his income for the purpose of taxation. Interest-bearing treasury notes being *currency*, are taxed one per cent. by section one, excluding interest which is taxed as income.

Income and moneys of schools, colleges, &c., are exempt; if the teacher is proprietor, the income and moneys derived by him from the school are exempt. But if he is not proprietor, but employed at a salary, his salary is not exempt, if above $1,000 per annum. (See Dealers, Dwellings, Hire, &c.)

INTEREST.—Interest, at the rate of five per cent. per annum, will only be allowed on Treasury Certificates up to the time the taxes fall due for which they are received in payment, and not up to the time of actual payment in cases where the same are paid after they are due.

INTEREST-BEARING TREASURY NOTES.—Persons paying their taxes with interest-bearing treasury notes will be allowed the interest due thereon up to the time at which the tax was due and payable.

The holder of an interest-bearing treasury note cannot change it by his endorsement to a permament investment, and thereby relieve it from the tax on currency. Such endorsement would not bind the person endorsing, or a new holder, the note being by its terms payable to bearer.

LARD.—(See Bacon.)

LIQUORS, sold by commission merchants for others, pay the same tax as other goods. But regular wholesale or retail dealers are prohibited from selling liquors, under their registration as such; and if they sell liquors, will have to do so under separate registry, paying the tax of five or ten per cent., as the case may be. (See Dealers and Distillers.)

LIVERY STABLES.—A person owning a stable, and keeping horses and hacks, for the conveyance of passengers, baggage, &c., for hire, is a livery stable keeper and subject to the tax.

MANUFACTURERS of saddlery, harness, &c., and dealers in the same, selling artillery harness to the government, are decided to be wholesale dealers and liable to registry and tax as such,. Manufacturers of all goods, wares and merchandize, are liable to a tax of 2 1-2 per centum upon their sales. Therefore, nails, candles, cotton and woolen goods, cotton yarns, flour, shoes, boots, hats, clothing and other articles of domestic manufacture are subject to the tax, whether sold by the manufacturers themselves or their agents.

Manufacturers of fire-arms for the government, who sell to it under contract, are deemed wholesale merchants or dealers under the act, and taxed accordingly. The income derived from the manufacturing business is also taxed under section eight, tax act.

Manufacturers of iron plates for ships, under special contract with the government, are wholesale dealers, and liable to pay a specific tax and 2 1-2 per cent. upon all sales made.

MERCHANTS, COMMISSION.—Paragraph thirteen, section five, only exempts the sales of agricultural products, when sold by commission merchants for the producers themselves. The sales of negroes, whether sold for the persons who have raised them, or others, are not exempt.

MILLER.—A miller is not a mechanic within the meaning of the proviso under paragraph five, section five, of the tax act.

MOLASSES.—The tax on molasses is construed to apply exclusively to that made of the West India sugar cane. It does not embrace molasses made of the sorghum or any other substance.

MONEYS.—(See credits.)

NAVAL STORES.—Salt, wines, and all the other articles enumerated in section one, and agricultural products of the growth of any year preceeding the year 1863, and not necessary for family consumption for the unexpired portion of the year, are subject to a tax of eight per cent. It is immaterial in whose hands they are

found on 1st July, the person then holding, possessing or controlling them, is bound to return and pay the tax on them.

OFFICERS.—Under section thirty-nine, assessment act, no person is eligible to any of the offices enumerated in the act who is under forty years of age, unless he comes within one or the other of the two classes of persons named in the latter part of the section. Persons under the age of forty, who have furnished substitutes, and who have not been disabled in the military service, or declared unfit for military duty by the proper board are not eligible. Neither is any person under the age named, eligible, unless he is within one or the other of the exceptions.

POSTMASTER.—A postmaster whose compensation consists of a certain per centage upon postage received, will not be taxed as a salaried officer, but his commissions will be taxed as income, unless his income from all taxable sources should not exceed $500.

PRODUCE.—The proceeds of the sale of produce consigned by the producer to commission merchants, and sold on account of the producer, are not taxed. The words, "or produce consigned by others than the producers," as used in paragraph thirteen, section five, are construed to include agricultural products only.

PROPERTY.—The *ad valoram* tax on property in section one, is laid upon the value of *all* the articles enumerated (and not excepted) held or owned on the 1st of July, it must, therefore, embrace the property of foreigners, as well as citizens, because no clause is found excepting the property of foreigners.

REGISTRY.—Persons in business on 24th April, 1863, who have, before the 1st July, closed, will be required to register, stating the fact, without paying the specific tax, only paying two and-a-half per cent. on sales up to the time of closing business.

RETURNS.—A person owning taxable property in a State other than that of his residence, must see that it is duly returned in the tax district where situated. He may make the return in person or by agent; but he cannot make the return to any officer of another State. Travelling speculators, having no fixed place of trade or business, should be required to make return to the assessor of the district, where they may be found and designated as not having made due return of their taxables.

If the tax payer is absent, the assessor should take the return of the person controlling, whether wife, overseer or other agent. But the assessor should see that a true return is made, and where there is no one in charge, it is his duty under section eleven, assessment act, to make lists himself. The trustee or guardian may return his own, and the taxables of his ward or *cestui que trust*, at the same time and in the same list, stating them separately to show what he is liable for in each capacity.

Persons residing in one State, cannot legally return property situated in another State, to any collector of the State in which they reside, but it must be returned to the assessor of the district where held.

SALARIES of ministers of the gospel, and teachers, are taxed under section seven, of the tax act, if they exceed $1000—unless the

minister is employed in the military or naval service of the Confederate States, in which case his salary is exempt. The portion of a Methodist minister's annual compensation, which is called "diciplinary allowance," is a salary within the meaning of section seven, and if it exceeds the sum of $1000 per annum, is subject to the tax. The allowance for family expenses, being contingent and uncertain in its nature, is not considered "salary," but will be considered as income.

Where the same person is in receipt of a salary less than $1000 per annum, and an income less than $500, but in the aggregate, they both amount to more than $1000 the amount is neither taxable as salary nor as income.

Any person other than those mentioned in the exceptions in section seven, receiving two or more salaries from different sources, amounting together to more than $1000 per annum, though each salary may be less, must return the aggregate and pay tax thereon.

SALT.—All salt held or owned on the 1st July, whether manufactured last year or this, is subject to the *ad valorem* tax of eight per cent. The language in section one, "of the growth or production of any year preceeding 1863," exclusively refers to agricultural products, and does not include salt.

SAVINGS INSTITUTIONS are bankers within the meaning of paragraph one, section five, tax act, and liable for the specific tax of $500.

SECRETARY OF THE TREASURY is the highest executive authority for deciding questions arising under the tax laws, and the Attorney General has no power to review his decisions, therefore, parties have no right to ask that the Secretary should submit any question for the opinion of the Attorney General.

SLAVES.—The estimated value of the annual hire of all slaves, not engaged in the cultivation of farms, or some other business, the profits of which are taxed as income, is also to be taxed as income. And this includes all house and body servants, whether in town or the country, gardeners, cooks, nurses, &c. If negroes be engaged partly in household and partly in planting duties, it will be proper to include the value of partial hire for household work. (See hire.)

SPECIFIC TAX.—The payment of specific tax and tax on sales by any registered dealer, does not relieve such dealer from the income tax under section eight, tax act. The specific tax on any business or profession is not subject to any deduction for the fraction of the year that may have expired before the time of registration. Where the law declares any specific tax to be imposed on the *personal privilege*, each individual member of any firm engaged in a business or profession so taxed, shall pay such specific tax.

STOCKS and money credits sold by auctioneers, are liable to a tax of one-fourth of one per cent. on gross amount of sales. No tax upon sales of such stocks, &c., when disposed of at private sales. (See credits.)

SUGARS impressed in the hands of commission merchants, and the price thereof fixed by commissioners under the impressment laws, are liable to a tax of two and-a-half per centum on the sales thereof

to the government, such sales—though under impressment—being legal sales to the government. Where sugars or other property is seized by the government, the sale is not effected until the price thereof is fixed by the appraisers.

TANNER.—A tanner who purchased in 1862, a tan yard and the stock on hand will be liable to the tax on profits imposed by section ten, if any such stock was tanned leather when he purchased, provided he sold such leather during the same year. He will not be so liable upon the profits derived from sales of leather which, when purchased, had not been sufficiently changed from its original condition as raw hides to be denominated *leather*.

TAX IN KIND.—If the wheat or other crop of a farmer has been so damaged by the overflowing of streams as to prevent its being harvested or gathered, the tax in kind for such crop shall not be levied. In each case the facts should be investigated by the Assessor, and the full extent of the damage ascertained. A farmer having his wheat threshed and paying a part as toll will be required to pay the tithe upon the toll as well as his other wheat. Only farmers, planters, and graziers are liable to the tax in kind imposed under section twelve upon all the hogs slaughtered, &c. If any other person should slaughter hogs he will be liable to an income tax upon his profits.

Only the peas, beans, and ground peas that have been gathered are subject to the tax in kind. Such as are not gathered, but fed to hogs, &c., in the field are not subject to the tithe, and only the *cured* hay and fodder are so subject; all other crops which are named in section eleven are subject to the tithe whether gathered or not.

If a planter or farmer has two farms he is not entitled to the reservation of wheat, &c., for each farm, but the reservation can only be made from the aggregate production whether he has one or several farms. Where two or more persons farm together jointly, the reservation does not enure to each, but they are all considered one person for the purpose of taxation, as they are so held in law for purposes of trade as co-partners. If a farmer has sold his whole crop of wool or a part, or of other articles subject to the tax in kind, the estimate of the whole must, nevertheless, be made, and the tithe and money value thereof ascertained. It will be the duty of the post quartermaster to determine whether the tithe shall be paid in kind, and if not, whether the penalty of double tax shall be enforced when the estimate shall be returned to the district collector.

When the tax payer refuses to return his produce, and to select a referee, and the Assessor cannot find persons willing to act as referees, he is required, under section ten, tax act to enter the premises and make the estimate and assessment himself, which shall be transferred to the post quartermaster as other estimates.

TOBACCO.—All tobacco, manufactured or unmanufactured, grown prior to the year 1863, is taxed 8 per centum by section one tax act. The manufacturer of tobacco is not considered a producer in contemplation of law, and commission merchants are liable for the 2 1-2 per centum tax upon sales of tobacco for the manufacturer. In valuing tobacco in a public warehouse, if the same has not been inspected, and

the holder or owner neglects to have it inspected so as to furnish the Assessor with the facilities for ascertaining the true value thereof, then the Assessor shall value all such tobacco as belonging to the best grades according to mercantile custom or classification.

Manufacturers of tobacco and all other manufacturers *selling* their own products are to be registered and taxed as dealers, wholesale or retail, as the facts in each case may require. Manufacturers of tobacco and all other manufacturers selling their products exclusively, through the agency of a commission merchant, are not required to register and pay the tax on dealers.

The producer of tobacco holding the same on 1st July, is subject to the tax of 8 per cent. but not liable as a dealer for selling the same.

VALUATION OF CREDITS.—The value of credits means the principal and interest due to 1st July, added; that is, if the credits be solvent. If they are not solvent, the tax payer will be required to so state under oath, and they will be valued according to the best evidence the nature of the case will admit of by the Assessor.

WOOL produced in 1863 is to be taxed in kind, and the farmer is not privileged to commute by paying the estimated value thereof. The product of wool produced any year prior to the year 1863, pays a tax of 8 per cent. *ad valorem*.

THOMPSON ALLAN,
Commissioner of Taxes.

Permalife®
pH 8.5