

RECENT LEGAL DECISIONS.

LEGACY DUTY LEVIED UPON LIFE INSURANCE MONEYS.—In September, 1866, a marriage was duly solemnized between one Atlee and a Miss MacCall. Shortly before his marriage, Atlee effected a policy of assurance in La Nationale Insurance Office, of France, on the 25th of September, 1866, for the sum of 37,537 francs on his own life, and payable on his death to Mary Wallace, subject to a yearly premium of £50 payable by him during his life.

By a writing dated the 19th of September, 1867, Atlee assigned the policy to certain trustees, for the purposes of a settlement of the 20th of September, 1867, made between Atlee, his wife and the trustees, whereby, in pursuance of an agreement made previous to the marriage, the said Atlee assigned the policy of assurance to the trustees upon the trusts declared. By the settlement, Atlee covenanted with the trustees to keep up the policy, and to pay the premiums thereon during his life, and he did in fact keep up the same, and all the premiums were paid by him and the moneys payable under the policy after his death were duly received by the trustees. It was declared by the settlement, that the money to be received under the policy should be held by the trustees upon trust for the wife for life; and the settlement contained a joint power of appointment by Atlee and his wife, in favour of their children, over the trust funds, including the proceeds of the policy. By a joint appointment, dated in January, 1871, the husband and wife appointed, that part of the trust funds, including the proceeds of the policy, should be held in trust for their son, George, subject to the life interest of the wife.

Atlee having died in October, 1894, leaving his wife surviving, the Crown through the Attorney-General laid an information against the trustees, seeking to have it declared that the insurance moneys were liable to estate duty under the section of the English Finance Act, 9, 1894, which reads "that estate duty shall be payable upon property passing on the death of any person dying after the commencement of the Act," and further enacting, that property passing, on the death of the deceased, shall be deemed to include, any annuity or other interest purchased or provided "by the deceased, either by himself alone or in concert, or by arrangement with any other person, to the extent of the beneficial interest accruing or arising by survivorship or otherwise, on the death of the deceased."

The Attorney-General, Sir Richard Webster, claimed for the Crown, that the moneys received under the policy of assurance, was property which passed on the death of the husband within the Act. If the policy had not been brought into settlement, estate duty would clearly have been payable, as being property of which the deceased was competent, at the time of his death, to dispose of. Another section of the Act which provides for certain exemptions from estate duty—such as annuities not exceeding £25—throws some light on the construction of the section cited.

Counsel for the trustees claimed that on the death of the husband, no beneficial interest passed. The property had already passed at the time of his death, the trustees acquiring the property in 1867, the date of the trust deed, so that the deceased had no property to pass. If you pay an insurance company a lump sum at death, no property passes, and no duty is payable. Why should there be duty payable in the case where you pay by means of premiums?

In lengthy judgments, The English Justices Darling

and Channell, were of opinion that the Crown was entitled to levy the toll upon the moneys of the widow and children in the hands of the trustees.—Attorney-General v. Dobree, 48 Weekly Reporter 413.

STOCK EXCHANGE NOTES.

Wednesday p.m., May 16, 1900.

To-day's closing prices show a further decline over last week's figures, in practically all the stocks on the list, and particularly heavy recessions are marked against the mining stocks. In some quarters it is felt, however, that bottom has been about reached as regards the standard securities; and that, unless some unforeseen factor enters into the situation, a reaction to higher prices may be looked for on the first favourable opportunity. However, the tightness of money, which, in Montreal, almost amounts to a complete tie-up, and the excessive rate of interest being paid by the brokers for their advances, are strong factors in the situation, and it would appear that, until some measure of relief is obtained, the present low level of prices would continue. The great number of new securities which have, within the last year or so, been listed on the exchange have absorbed a very large amount of money, and apparently this market has outgrown its banking facilities. Several of the leading brokers are casting about for some method of permanently removing this tension, and may possibly succeed in doing so. In some quarters, a measure of relief is looked for after the close of the month, as several banks will then release heavy cash reserves, now being held in connection with the close of their business year.

No opinion on the probable movement of the mining stocks is ventured by even the best informed, for past experience has brought out the fact that estimates based on intrinsic value and reports from the mine are, at any time, liable to be upset by a bear raid or a syndicate boom.

The New York market still shows signs of nervousness, and the bulk of the business is being done by professional operators. The general tone in New York is somewhat better, apart from the extreme weakness evinced in almost all the industrials. Money in that market still holds at 2 per cent., and is easy at that price, and, in London, the rate is 2 1/2 per cent.

The quotations for money at continental points are as follows:—

	Market.	Bank.
Paris.. . . .	3 1/4	3 1/2
Berlin.. . . .	4 1/2	5 1/2
Hamburg.. . . .	4 3/4	5 1/2
Frankfort.. . . .	4 11/16	5 1/2
Amsterdam.. . . .	3 3/8	3 1/2
Brussels.. . . .	4	4
Vienna.. . . .	4 1/8	4 1/2
St. Petersburg.. . . .	6 1/2	5 1/2

Canadian Pacific closed at 93 3/4 bid, showing a decline of 1/4 point for the week, the last sale of 100 shares, however, was made at 94. In London the