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THE

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Something New.  
Advertisement  
Insurance.

It is stated that the Fidelity & Casualty of New York is introducing a novelty in the insurance line. This is an age of extensive advertising. Those who do not advertise their various wares, their schemes, their advantages, of whatever kind they may be, are likely to be left behind in the race for success in the business world. There are no doubt dishonest as well as honest advertisers. Often the most specious and promising advertisements are deceptive. Just here the company steps in and says to the public: "We will guarantee that such and such a firm or such an individual will sell your goods in every respect up to what they are advertised to be." This is how it is done: The company authorizes its clients to issue when desired, with each invoice of goods sold, the company's guarantee "in coupon form" for certain stated sums, the coupon to become effective when dated and signed by the seller. The premium charged will of course vary according to the nature of the business and amount of the guarantee. As the company will not guarantee any save parties of first class standing and reputation, the charges for such insurance will be very moderate.

The U.S. Income  
Tax Muddle

THE decision of the U. S. Supreme Court is one that will give much trouble to the government. It will have two effects,—financial and political, from both of which there will arise difficulty. The decision of the Court is, that the Income Tax, so far as revenue from real estate goes, and from all manner of bonds, is unconstitutional. The only incomes which can be legally assessed are declared to be those derived from profits of business and salaries. Thus, the very class

and the very institutions, whose incomes were chiefly intended to be drawn upon for increasing the national revenue, have been pronounced above the operation of an income tax. This lets out of assessment the entire real estate revenues of landlords, whose rents are not taxable; it also frees from taxation the revenues of all manner of companies and of capitalists, which are derived from Federal, State or Municipal bonds. This will give quite a shock to the mass of the people, who rejoiced over the prospect of seeing wealthy institutions and individuals taxed directly on their incomes. The exemption on other classes is for their incomes below \$4,000, so all merchants, all business men, who by any form of industry earn over \$4,000, will have to pay the tax. This will rouse strong feeling, as, doubtless, if an income tax is a necessity, it ought to be levied equally upon all incomes, and, if any discrimination were shown, it certainly should not be on those incomes derived from accumulations of capital. The iniquity indeed of this form of tax has hitherto been condemned because discrimination was not made in favor of *earned* incomes, of precarious ones, of those depending upon individual industry. Many able writers have urged that fixed incomes, those derived from property or from investments, which are permanent, which are transmissible to heirs, ought to bear a heavier percentage than incomes derived from business exertions, such as trade profits and salaries. The argument is sound, because, in one case, there is no need for saving a portion of income for the family, while in the other case a precarious, a mere life income has to bear depletion for making provision for a family when he who earns it is taken away. How a law passed by Congress can be made partly operative and partly void raises a most singular question, one without precedent we believe, about which lawyers are already debating, as the most eminent ones differ widely in opinion. The foreign bondholders will rejoice over this, as the new tax, if it had been upheld, would have lowered the value of their investments. We wait with much interest to see what steps will now be taken to make up the revenue which the Supreme Court has decided cannot be collected. Law suits are looming up, which will make confusion worse confounded, and the end will almost certainly be the entire cancellation of the Income Tax Bill.