

CORPORATION TAXES PAID IN MICHIGAN

The report of the Auditor-General of the State of Michigan for the year ending June 30th, 1906, has been received, and gives some very interesting figures regarding corporation taxes in that state.

During the year mentioned the railways paid \$8,079,119 (a portion of which was back taxes), express companies paid \$18,037, sleeping car companies paid \$6,962, car loaning companies, \$4,594, telephone and telegraph companies, \$97,235, insurance companies \$422,942.

The taxes paid during the year by some of the railway companies doing business in both Ontario and Michigan is of special interest to ratepayers here. The mileage and amounts payable in Michigan by these companies are as follows :

	Miles.	Taxes.
D. G. H. and M	189	\$ 332,777
D. S. S. and A	461	500,722
G. T. R.	224	391,281
M. C. R.	1,132	1,060,315
M. and Soo	242	283,453
Pere M.	1,786	1,038,103
St. C. Tunnel.....	1	91,246
T., C. S. and D.	96	167,471
Wabash.....	80	122,700

That the railway, express, sleeping car, car loaning, telegraph, telephone and insurance companies should pay the sum of \$8,629,000 in Michigan, while the same class of corporations paid during the same year only \$530,000, in Ontario, shows that there is something wrong in one place or the other. Where is it? The Ontario taxpayers can best answer, if they will.

There are 8,600 miles of railway in the state and the average amount of taxes per mile paid in 1906 was over \$930, of which over \$400 per mile was charged in 1906 alone.

Over in Michigan the people have forced the Legislature to impose equal taxation on the railway corporations which are now contributing about \$4000,000 annually to the state treasury. There are other corporations in that state which the people are now after. Attorney-General Bird has written a letter to Governor Warner calling attention to the necessity of further legislation so that corporation tax-dodgers can be reached. His letter should be read by every citizen of Ontario, as all that he says applies with even greater force here, as all the corporations in the Province have so far escaped. What is needed is a united and earnest movement by the individual taxpayers, who are now bearing the tax burdens of the corporation. If every voter will mark his ballot in his own interest, regardless of party, it can be done.

John E. Bird, Attorney-General for Michigan, has written a letter to Governor Warner calling attention to some reasons why he thinks the Governor should include in his call for a special session recommendation for legislation to tax the express, telephone and telegraph companies of the state on an *ad valorem* plan.

The letter, in part, is as follows: "Assuming that you will call an extra session of the Legislature to convene at an early date, I desire to call your attention to the bill taxing telephone and telegraph and express companies on the *ad valorem* plan that was introduced in the Legislature at the last session by Representative Dust, but which failed for want of a report from the house committee on taxation.

"This bill is meritorious and affects the revenues of the state, and should be again pressed for consideration at the special session. You will see the Western Union Telegraph Co. has physical properties in this state worth \$1,259,000, on which it paid, on July 1, a specific tax of \$3,401, or \$2.72 on a thousand valuation; while its

poorly-paid employes residing in this state paid \$16.46 on a thousand on property which they owned.

"The Postal Telegraph Co. has physical properties in this state worth \$304,000, on which it paid to the State Treasurer, on July 1, a specific tax of \$638, or \$2.10 on a thousand valuation; while its employees residing in Michigan were obliged to pay \$16.46 on every thousand dollars' worth of property they owned.

"The American Telephone and Telegraph Co. owns physical properties in the state worth \$300,000, and it paid a specific tax, on July 1, of \$72, or 24 cents on a thousand valuation.

"This tax is paid by non-resident millionaires, while our own people pay at the rate of \$16.26 per thousand valuation. The same is true of the telephone companies, only the discrimination is not so marked.

"The only excuse these corporations give for resisting the passage of this bill in the Legislature with a powerful lobby and a free distribution of franks, is that they cannot afford it. Few people in Michigan can afford to pay taxes, but they do. The laboring man with a mortgage on his little home and his family sick cannot afford to pay taxes, but he does. People who have business ventures that are failures cannot afford to pay taxes, but they do. Widows who have incomes which scarcely support them and their children cannot afford to pay taxes, but they do.

"A little while ago there came to my attention an old lady whose sole means of support was a life lease on a small farm. The income was small, and had been entirely used in her keeping, and the taxes (at the rate of \$16.46) per thousand valuation) had been allowed to accumulate until she was in danger of losing the farm. The guardian of the old lady consulted with the public authorities, and it was decided to take her to the poor-house until the rent would pay the taxes. No other solution suggested itself. The strong and inexorable tax-hand of this state was reaching for the taxes of the farm. The taxes had become a lien and could not be remitted. The approaching hand could not be turned aside by the tears of the old lady, nothing would satisfy it but payment.

"She could not afford to hire a lobby, so, in order to satisfy this demand the old lady will, in a few days, be hurried over the hills to the poor house. If the old lady had been assessed at the same rate of taxation that the American Telegraph and Telephone Co. is assessed, her taxes would have been 96 cents instead of \$65 last year, and she would have paid it; but, as it is, she will now go to the poor house in order that these demands may be paid.

"I hope that when the door of that poor house closes behind this trembling old lady it will shut with a bang loud enough to reach every Michigan legislator; and I hope it will ring in their ears until this outrageous discrimination ceases to exist."—*Forest Free Press*.

TOWNSHIP ROADS LIGHTED

The township of Stamford, Welland county, has completed arrangements for the lighting of its main highways by a private corporation allied with the Ontario Power Company. The municipality will pay the company for \$500 for lighting the roads from Niagara Falls to the point known as Stamford, a distance of three and a-half miles, and from Stamford for two miles along the Lundy's Lane Road. Incandescent lights will be used on these two highways which are among the finest in the province. In addition many of the residents, fruit farmers, along the road, have also contracted with the company for light. These orders will amount to about \$2,000 a year for the company. The customers will secure the illuminating at a rate lower than that prevailing in the city of Niagara Falls itself.