

to evade the taxation of the other half. The fundamental proposition is that every dollar of property in the commonwealth must bear its share of the public burdens, and no class or kind of property should be exempt. The first question the lender naturally asks is, What security have you? The next is, What rate of interest will you pay? Matters of taxation are not considered in actual practice. Allen read from an editorial in a Chicago paper, to show that credits are taxed in that state, and claimed that they were in all, or nearly all, the states. Such a law had not driven out capital from any state. Capital comes or goes according to the security and interest it can get. Idaho had enacted a law similar to that passed by this Assembly in 1892, but it had not attracted capital there. In one county of this Territory there is a million dollars' worth of property that escapes taxation. The speaker read from a brief in the case of Zion's Savings Bank & Trust Co. vs. L. G. Hardy, collector, to show that the bank had a vast amount of capital, owned by itself and its depositors, which entirely escaped taxation. The speaker insisted that there was nothing in the plea that foreclosure suits would follow the passage of this bill, nor the plea that home capital would evade the law. We have heard from the newspapers and the bankers on this question, but we have not heard from the masses of the people. They demand justice between man and man.

Stanford thought misrepresentation had come from both sides of this question. The question is: Is it good policy to disturb, at such a time as this, existing conditions? I claim it is not. The bill passed last session was not a partisan measure. It has not been detrimental to our revenue to the extent represented. In support of this assertion the speaker read from the report of the Territorial board of equalization. He also read a communication from citizens in Sevier county, which represented that its authors were very much in need of money, but that, on account of pending legislation, loans were not being made. The speaker thought it bad politics and bad policy to change existing laws, or agitate such change. If foreign capital is not taxed directly, it is indirectly, for it is invested in tangible property which pays taxes, and until foreign capital came in, we had to pay a much higher rate of interest than since. This bill if passed will give employment to the courts, and aid in ruining many men who are doing business upon borrowed capital.

Johnson explained statements made by him in committee, which had been referred to, and claimed that in Sanpete county there were mortgages amounting to half a million dollars, owned in Utah, which ought to pay taxes, but were exempt under the present law. He made an argument in favor of the bill, and dwelt on the injustice of exempting a note which was secured, and taxing one that was not. He hoped the time had not arrived when the capitalists of New York could dictate, by telegraph, the legislation to be passed by this Assembly.

Varian closed the debate. He criticized the character of the arguments offered against the bill. When he read an opinion in a newspaper, he

would ask, who wrote it? What are the writer's qualifications to express a valuable opinion? The speaker had the clerk read an editorial in the NEWS of February 5th headed, "Kill That Bill," and then asked whosent the telegram therein quoted, and what were his opportunities for learning in advance what the effect of this bill would be? In reference to the Chamber of Commerce, he declared it had sanctioned propositions that would shock the common sense of a fourteen-year-old school boy. Why did not the Chamber of Commerce, by its committee, come before the committee of this House in a proper and dignified way, and with argument, reason and statistics, oppose the bill. He called on members to vote the bill down, because they wanted to, and could if they saw fit to do so, but he begged them not to give such false reasons as double taxation, and danger of the withdrawal of capital, for their votes.

The bill passed by a vote of 13 to 11. The vote was as follows:

Ayes—Allen, Clark, Dougall, Hatch, Ivins, Johnson, McBride, McKay, Parson, Pigman, Varian, Warner, Wine—13.

Noes—Hubbard, Mason, Monson, Moore, Nebeker, Powers, Sears, Stanford, Stoker, Tolson, Mr. Speaker—11.

Last evening the House committee on manufactures and commerce, of which Varian is chairman, held a meeting which was a decidedly interesting affair. The measure under consideration was H. B. 93, to pay a bounty of 50 cents per pound on first-class silk cocoons. A bevy of ladies took the committee by storm with a series of speeches which were replete with information and arguments, going to show the necessity for encouraging the silk industry, and the benefits that would accrue from so doing. Among the speakers were Mrs. E. B. Wells, Mrs. Z. D. H. Young, Mrs. Caine, Mrs. Judge Bennett, Mrs. O. J. Salisbury, Mrs. C. E. Allen and Mrs. Varian. Among members of the Assembly other than the committee that were present were Ivins, Allen, Stanford and Hubbard. A number of prominent gentlemen not members, were also present, among whom were Judge Bennett and O. J. Salisbury, Esq. The effects of the speeches made by the ladies was marked, one or more Democratic members of the Legislature present having been heard to remark that they could vote for the bill. The Republicans on the committee favor it, and it will no doubt be reported favorably.

#### FRIDAY.

As will be seen from the report of the debate which occurred in the House yesterday, and the final vote on Johnson's bill, given below, one question that has been a subject of agitation and uneasiness in financial circles ever since the session of the present Legislature opened, the taxation of foreign capital, has been definitely settled. The House, by a strong majority, rejected Johnson's bill, which was a proposition to tax all mortgage and trust deeds of record in this Territory, as a part of the realty. This vote will, according to the representations of eastern lenders, impart a better tone to the loan business.

Allen spoke more warmly in support of this bill than he has upon

any other subject during the session and some of the sentiments he expressed verged closely upon the views of Populists.

The House committee on ways and means this morning completed the reading and amending of Warner's revenue bill. The committee has adopted so many amendments to it that a substitute, embodying the changes, will be offered with a recommendation that it be printed, with a view to saving expense in assessing the original bill provided, that really should be assessed biennially; but the committee think a yearly assessment ought to be made. This is about the most important change in the bill. Judge Bishop, probate judge of Weber county, who was the collaborator of Warner in the preparation of the bill, was present when the committee was in session this forenoon.

It is understood that the committee on education, to whom was referred the bill to provide for the education of blind children, will recommend the bill favorably, with an amendment to the effect that the expense shall be borne by the respective counties from which the children come. The bill appropriates \$200 per annum out of the Territorial treasury for the purpose. The blind school is to be established in connection with the institute for deaf mutes.

In the Council this afternoon the following bill, recognizing, for certain purposes, private and denominational schools, was introduced:

A bill authorizing the awarding of diplomas and other certificates of learning, and for other purposes.

Be it enacted by the Governor and Legislative Assembly of the Territory of Utah:

Section 1. That any private or denominational school is hereby authorized to issue to its students diplomas and grade certificates, where said schools teach, and said students are taught successfully, parallel courses with those taught in the University of Utah, and under such further rules and regulations as said private or denominational schools shall prescribe.

Sec. 2. That said diplomas and grade certificates, when issued under the seal of said private or denominational schools (if it have one), and signed by its president, the president of the faculty thereof, the department teacher and the superintendent of schools of the county where such private or denominational school is located, shall be prima facie evidence of the qualifications recited in said diploma or grade certificate, of the holder thereof.

Sec. 3. That persons to whom are issued such diploma or certificate from a qualified normal department of any such private or denominational school may be employed as teachers in the district schools of this Territory without further examination, provided said diploma or certificate shall state specifically that said holder thereof has successfully passed in all the branches required by law for qualifying teachers of the grade named in said diploma or certificate.

Sec. 4. No holder of any third grade certificate issued by any such private or denominational school shall be eligible to employment as teacher in any of the district schools of this Territory for more than one year.

H. B. 14, Johnson's bill to tax mortgages and trust deeds, came up as special order at 3 o'clock. The author explained that the bill did not provide for double taxation, as the encumbrance was deemed a part of the realty