

[Special to the DESERET NEWS.]

By Telegraph.

Chicago, 5.

Sherman's loan bill authorizes the Secretary of the Treasury to issue registered coupon bonds in such form and denominations as he may prescribe, the interest payable in coin, and bearing interest not exceeding 5 per cent. per annum, payable semi-annually, and to run not exceeding 30 years, and to be disposed of at not less than par. The proceeds are to be used exclusively in reducing the obligations or other indebtedness of the United States, except U.S. notes. Section 2 provides that the bonds issued under this act shall be known as the consolidated debt of the United States, and shall be exempt from taxation in any form by or under State, municipal or other local authority, and, in consideration of the reduced rate of interest, shall also be exempt from tax on the income derived therefrom. Section 3 requires that the amount of interest saved to the Government shall be applied to the payment of the principal; and that, for the purpose of insuring the payment thereof, and in lieu of the sinking fund contemplated by the act of Feb. 25, 1862, the sum of at least thirty millions, including the saving of interest as aid, shall be annually applied to the redemption of the public debt. Section 4 requires the holders of 7-30 treasury notes to inform the Secretary, at least 6 months before the maturity of such notes, whether they desire 5-20 bonds in lieu thereof; and a failure to give such notice shall be deemed conclusive that the said 7-30s shall be paid in lawful money.

Senator Sherman in offering the bill, said it contained two propositions likely to excite opposition, namely, the exemption from tax and the option gave to holders of 7-30s. He said a strong feeling grows out of the exemption from State taxation of so large an amount of property, while the U.S. bonds bear interest equal to that paid in most States on notes and securities subject to taxation. Sherman intimated that the operations of this bill would, in 35 years, wipe out the whole debt, thus, in effect, paying the debt by the saving of interest.

The second proposition likely to excite opposition is that which gives option to the holders of 7-30s. This option will compel the Secretary of the Treasury to accumulate vast sums for a contingency that may not happen, and places him at the mercy of a sudden combination when the notes mature. To avoid this the bill requires the common custom and law of giving a reasonable notice. If no option is taken, then it will be held to be a choice of money, and the Secretary will have 6 months to prepare for it.

Sherman said the bill had been approved by the Secretary, and had been partially considered by the Finance Committee. It will be expected that holders of the present bonds will not convert them, but fortunately nearly all our securities will soon be within reach by maturity; and it is his confident belief that this proposition of reducing the rate of interest will be so far an adjustment between the conflicting interest of the bond holder and tax payer that it will be accepted by both, and thus consolidate the debt of the United States. All the advantage proposed by the bill will be more properly considered when it is reported to the Senate. The bill was referred to the Committee on Finance.

The New York Times says the measures in Sherman's bill were most favorably received in financial circles.

The Senate, on the 4th, confirmed Lewis D. Campbell Minister to the Republic of Mexico, also the following Brevet Major Generals in the regular army:—McDowell, Pope, Howard, Hooker, Hancock, Schofield, Terry, Ord, Canby, Fry, Townsend, Holt, Delafield, Hardee, Ketchum, Hentzelman and Emery.

Both Houses have passed a resolution extending the time for the completion of the first hundred miles of the eastern division of the Union Pacific Railroad, and extending for two years the time for the Northern Pacific Railroad on all its sections.

A conference committee having agreed on a bill amendatory of the habeas corpus act, it passed both Houses, and only awaits the signature of the President. It protects every officer who, acting under order, made what is known as arbitrary arrests during the war, it also removes all such suits from the State to the Federal Court.

The House, on the 4th, passed a bill creating the office of Surveyor General in Idaho.

The bill reviving the grade of Lt.

General passed the House with only 11 dissenting votes.

Washington, 5.

The Colorado bill was submitted to the President on the 4th.

Considerable excitement is caused by the suspension of the Merchant's National bank, a Government depository, which had continued receiving deposits up to the last moment of its circulation. The deposits by individuals amount to \$250,000, and the deposits by Government agents and disbursing officers to nearly \$500,000. The liabilities to the Treasury Department are \$5,000. The officers of the bank attribute their failure to the large amount loaned to Byrne & Co., stock brokers in Baltimore, who have suspended. The stock of the bank was offered at 5cts. on a dollar, without purchasers.

Memphis, 4.

The riot has ended, and no further trouble is expected. The negroes continue to leave the city. The *Bulletin* ascribes the riot to the antipathy between the Irish and the negroes, and does not credit the report that it was premeditated by the negroes. The *Avalanche* says it was engineered by the fanatical teachings of abolitionists. The citizens in general are humiliated by the event, which they could not control, and for which they disclaim responsibility.

New York, 5.

The *Journal of commerce* says the week has been one of excitement. Business is lower on Wall Street, caused by the discovery that the Legislature, before its adjournment, had passed a bill which imposes a State tax of one per cent. on all brokers sales of foreign or domestic wines and ardent spirits; half of one per cent. on sales of merchandise or produce imported; and three quarters of one per cent. on all sales of any foreign produce. It is estimated that \$700,000,000 of merchandise was sold last year through the brokers of this city. Exactly how much will be subject to this tax we cannot say, but the interests thus effected are immense, and if the law is duly executed it will cause an immense revolution in the trade of this metropolis; Boston will be enabled to win back a large part of the tea trade, and Philadelphia and Baltimore will attract no inconsiderable portion of the coffee and sugar trade, since this State tax will amount to a very heavy burden on all cargo movements. No heavier blow was ever aimed at the commerce of New York, and we see no way in which it can be resisted or evaded.

Chicago, 5.

The House has passed a bill establishing biennial sessions of the Legislature in Washington Territory, and doubling the pay of the members.

The *Commercial's* special says the President stated, on the 4th, that he should veto the Colorado bill.

Chicago, 6.

The *Times'* Washington special says the Freedmen's Bureau has received dispatches from Memphis, stating that the riot began in an affray between a party of discharged soldiers and a squad of police. Both parties were in fault, the latter for using excessive violence, and the former for resisting authority. About 30 colored people were killed, and all the colored school-houses and churches were burned.

The *Tribune's* Washington special says the Senate's Finance Committee have agreed to report Sherman's loan bill without amendment.

London, 27.

The latest dates from Germany state that Prussia objects to disarming while Austria continues her army on the Italian frontier.

London, 29.

The reform bill passed the House of Commons by 5 majority.

German news is conflicting. There is considerable uneasiness in relation to Austria and Italy, the latter having warlike intentions.

Chicago, 8.

The bank statements at New York show an increase in loans of nearly \$9,000,000; increase of deposits \$7,000,000; increase of specie \$2,600,000.

Money continues plenty and with more demand. Dry goods have been falling off in demand for all textile fabrics, both staple and fancy, and prices of domestic cottons have again declined from 1 @ 2½ cents, and are still unsettled and irregular.

There is no merchant, manufacturer or importer but what has been disappointed with regard to trade and prices this spring, consequently, few are willing to embark. Many are anxious to force goods to a sale even at loss, in order to realize and meet outstanding debts; yet there is a continuation of heavy imports, though probably one-

half of the goods imported this season will result in a loss of 20 per cent.

Washington, 8.

The Senate has passed the House resolution congratulating the Emperor of Russia on his escape from assassination.

Washington, 9.

Gen. Rufus Ingalls has been ordered on an inspection tour of the military posts in the Pacific States and Territories.

The Government loses about \$500,000 by the failure of the Merchant's bank.

Yew York, 9.

All the Spanish fleet, except the Berengula, had sailed for the northern ports of Callao. Preparations, by fortifying, were actively making for the reception of the Spanish fleet.

The French steamer La France arrived at Havana, on the 5th, for Vera Cruz, with troops.

The Secretary of War has ordered Gen. Terry to regard the President's peace proclamation as doing away with martial law in Virginia.

Washington, 10.

In the House, after speeches by Randall, Strouse, Banks, Eckley, Beaman, Rogers, Farnsworth, Dawes and Bingham, all of whom, except Banks and Eckley, opposed the 3d section of the constitutional amendment, while the Democratic speakers opposed the whole proposition, Stevens closed the debate, and at 8 o'clock moved the previous question, which was sustained by 90 yeas to 57 nays, the Democrats voting aye in order to prevent the amendment, particularly the 3d section. On the question "shall the main question be now put?" the House voted yeas 84, nays 79, the Democrats again largely voting in the affirmative. At this time the galleries were crowded, and as the vote progressed the greatest interest and excitement were manifested.—The result was then announced, yeas 128, nays 37, and the Speaker declared the joint resolution passed, amid considerable applause. Upon this final vote every Republican voted aye, except Smith of Kentucky and Phelps of Maryland.

The Senate has confirmed the nomination of Mr. Smythe collector at New York city; also Gen Knipe postmaster at Harrisburg, and Theodore H. Dodd Indian agent in New Mexico.

Chicago, 11.

The Union Pacific Railroad Company have negotiated, through the banking house of John J. Cisco & Son, \$400,000 of their bonds at 90 cents.

Gen. Fisk had arrived at Memphis, ordered the immediate rebuilding of the negro schools and churches burned during the riots, and that the cost be levied on the city.

New York, 11.

The quarantine surgeon reports one new case of cholera and no deaths today; 50 cases are in hospital. The City is unusually healthy.

Col. Omahoney resigned his position as Head Center of the Fenians this morning, which was accepted by chief executive Stephens. Mr. Killian has been removed as Treasurer.

Stephens, the Fenian Head Center, arrived here on the 10th.

A letter from Norfolk says District Attorney Chandler had received from Washington an indictment against Jeff. Davis, which he would lay before the grand jury. Mrs. Davis will remain at Fortress Monroe until her husband is finally disposed of by trial or pardon, and is making arrangements to keep house inside the Fort. She visited Norfolk to purchase supplies, when the people showered upon her presents of all kinds, and showed active sympathy in her behalf.

The Commissioner of the General Land Office, during April, issued patents for California land claims amounting to 67,639 acres, and Oregon donation patents covering 37,857.

Private telegrams to the *Paris Moniteur* assert that pacific arrangements have been completed between Austria and Prussia, the latter power assenting to the Austrian proposal for mutual disarmament. The *Gazette* of Bavaria confirms this, asserting that all danger of a war in Germany is removed, and the *Paris Constitutionnel* accepts the news as correct.

The *Florence Journal* says that the Austrian government had ordered all the land and naval forces at Vienna to be placed on a war footing by the 1st of May, and an extra concentration of troops was to take place in the province of Rogina.

Washington, 11.

The Senate further debated Trumbull's amendment to the postoffice appropriation bill, and finally rejected it, yeas 16 nays 23. Nine entire days have been spent upon the consideration of this measure.

The Senate has confirmed the nomina-

tion of Gen. Sickles as Minister to Hague. The Senate Finance Committee reported back the nomination of ex-Gov. Johnson as collector of internal revenue at Pittsburg, with a recommendation that he be not confirmed.

The Merchants and National Bank failure is still undergoing investigation by the Treasury and War Departments. The bank held \$762,312 of Government funds, of which \$369,184 were deposited between the 29th of April and the 3d of May when the bank failed.

The Government officer investigating the matter thinks the Government will not realize \$5,000 from the assets of the Merchants and National bank, exclusive of the \$100,000 held as security for Government deposits. This failure will probably revolutionize the system of using the national banks as public depositories.

Norfolk, Va., 11.

Late yesterday afternoon the grand jury of the U. S. Circuit Court brought in a true bill against Jefferson Davis for treason, and the court adjourned to meet on the first Tuesday in June, at Richmond. Judge Underwood went north last night, carrying copy of the indictment.

Nashville, 11.

The Tennessee House Representatives debated the bill conferring civil rights on freedmen. An amendment that the law should not be construed to permit colored men to sit on juries was adopted, 30 against 29. Another amendment that colored children should not attend school with white was adopted by a close vote, the bill then passed, 31 against 28.

Intense excitement exists in Nashville, Memphis and Chattanooga, concerning the proposed metropolitan police bill, conferring on the Governor the appointment of police boards for each city. A joint select committee heard the arguments to-day, including Gen. Thomas who advocated the measure, and finally voted, 10 against 3, to report a bill with a recommendation that it pass. Not even the franchise measure occasioned so much excitement.

New York, 12.

The French Minister explains that the French troops reported having passed Havana, enroute for Vera Cruz, are to take the place of those whose terms have expired or who have become invalids.

The *Post* says Santa Anna arrived at Elizabeth Port, N. J., this a. m., accompanied by several South Americans; and that it is understood that the object of his visit is to unite his efforts with the Liberal party in Mexico. He declares that he is not seeking personal power, but will place himself under the lead of Juarez. Official documents have been placed in the hands of Seward, by Minister Romero, showing that Santa Anna was a firm advocate of the monarchical government in Mexico, and is now an adherent of Maximilian's.

Collector Smyth will assume the duties of his office on Monday.

The ship carpenters and caulkers' strike continues, and master builders have offered a reward of \$250 for the arrest and conviction of parties who have assaulted and may hereafter assault men who have gone to work.

The late O'Mahoney headquarters in Union Square are closed, and the private secretary of Mr. Stephens is in charge of the building. It is stated that the O'Mahoney treasury contains less than \$300. Mr. Stephens is making every effort to effect a reconciliation between the rival sects of the Brotherhood. While seeking the co-operation of Roberts, which is at present the most potent of the two, he has carefully abstained from recognizing the Fenian Senate. Stephens issued an order to-day, calling on all exiles in the United States to subscribe towards the movement in Ireland, and send the money to him at his headquarters in the Metropolitan Hotel.

Chicago, 13.

A fire in Oshkosh, Wisconsin, destroyed 30 buildings in the business portion of the city; loss \$100,000.

Liverpool, 2.

Contrary to the rather general expectation, the British Ministry refused to regard the close vote on the reform bill as equivalent to defeat.

A Florence correspondent to the *London Times* says there can be no doubt that the Italian Government desires war, as the only means of extrication from an exceedingly false and difficult situation.

Austro-Prussian, relations show no improvement. A Berlin dispatch talks of probable increased armaments by Prussia.

There is a severe panic on charge in London and Paris; funds and securities are materially depressed.