SUPREME COURT SUCK. Down in Louisiana, the land of the late lamented Huey Long the legislature enacted a law imposing a tax on chain stores based on whether control of such stores was vested in a corporation located within or without the state and also on the number of stores in the chain. As a result, a national grocery chain was assessed $650 for each store while a Louisiana corporation was assessed only $30 per store. The law was tested out in the courts and finally came to the Supreme Court of the U.S. That tribunal held that such a tax was an occupational or license tax and therefore valid. The national grocery chain must therefore pay $650 per store for each of its 100 stores. In Illinois, there are 98,970 retail stores of all kinds, 97,657 of which are independently owned while 9,761 are operated as units in a chain. This includes, drug stores, filling stations, shoe stores, grocery stores, cigar stores, and others. It is not clear why all of the 9,761 chain stores were units in some national organization and the Louisiana law were in effect in the state of Illinois, it would yield a little less than $5 million dollars in revenue. This most recent Suprem Court decision makes it possible for a state to assess any amount against any kind of business on the ground that the State has the power to forbid or regulate such business and may therefore charge a fee that will "discourage the prosecution of a business or adjust competitive or economic inequalities." Who said the Court was reactionary?

PUBLIC FUNDS AND PRISON LABOR. One of the great problems of the nation is its prison population, both in state and Federal prisons. Year by year the number grows and year by year more prison space is required. When the PWA and WPA came along, many states saw an opportunity to expand or modernize old prison buildings or build new additional buildings with Federal loans and grants. But the trouble was that the buildings on which such public funds were being used were housing prisoners who worked in the prison factories making goods that were often sold in the open market. Some prisons produced clothing. Others produced furniture. Others produced shoes or binder twine. These commodities were sold in the open market where ever possible. Such products therefore came into competition with free labor. This in turn deprived free labor of jobs. It also imposed upon free labor the taxes needed to provide the very Federal funds with which such jobs were foreclosed. At long last, this situation will be remedied because the new relief appropriation bill contains a proviso that such funds shall not be used for repairing, replanning, rebuilding, or constructing any penal institutions unless, under the laws of such state, the sale of the goods or products to be manufactured, mined, or produced by convicts or prisoners are prohibited from sale in the open market. All of which means that from now on, no more Federal funds for prison buildings in which prisoners produce any kind of goods that are sold in the open market.

THE RECORD IN A NUTSHELL. The record of legislative achievement for the 75th Congress stands about as follows to date: 1. Bills enacted into law — (a) Act to extend life of the Reconstruction Finance Corporation (b) The Saffray Coal Act (c) Extension of the act of 1934 giving President authority to make reciprocal trade treaties (d) Extending time for use of the two billion stabilization fund by the Treasury (e) Extending and broadening power of the President to insure neutrality (f) Act providing for voluntary retirement of Supreme Court judges (g) First deficiency appropriation bill for 789 millions (h) 550 million appropriation bill for the Navy (i) 782 million appropriation for the Post Office Dept. (j) 718 million appropriation bill for the Treasury. II. Bills passed by both House and Senate but not yet agreed to in conference — (a) 376 million Appropriation bill for independent offices (b) 128 million appropriation bill for Department of State, Justice, Commerce and Labor (c) 83 million dollar second deficiency bill — (d) 927 million dollar Agricultural Appropriation Bill (e) Bill to make Civilian Conservation Corps a permanent agency at annual cost of about 350 million. III. Bills passed by House — (a) Empowering Attorney General of the U.S. to intervene in litigation where constitutionality of a Federal law is in controversy (b) Bill to repeal 4th section of the Transportation Act known as the long-short haul clause (c) Appropriation of 416 millions for the Army (d) Bill to appropriate 123 millions for Dept. of Interior. IV. Bills passed by Senate — (a) Oglesby Pure Food Bill (b) Bill to extend a Crop Insurance Corporation and providing for crop insurance. V. Minor Bills — several hundred minor bills passed. VI. Important matters still to be considered — (a) Proposal to revise Suprem Court (b) Enactment of $1 billion relief program (c) Minimum wage and maximum hour legislation (d) Some kind of agricultural control act. (e) Expansion of the Government power program.

LOYALTY OR SOMETHING ELSE. Fifty years ago, more or less, a young man graduated from the United States Military Academy. In the course of his four years at the West Point, he absorbed the traditions of the service, was imbued with the deep sense of loyalty to the branch of the service, and for the Army football team when he was playing for the Navy. He was inspired with an ambition to rise in service rank. Time marched on and the young man with his lieutenant's commission became a Major General. Age did not dim that loyalty or impair his enthusiasm for the Army football team. Year after year, he journeyed to the annual gridiron conflict to shout for the army team and urge them to sink and scuttle the Navy team. A few years ago,
the old general took his nephew with him to attend the annual skirmish of football warriors. The nephew's mother who is the general's sister lives just outside of the national capital. The general began to cheer for the Army. Suddenly he stopped, looked around, and took note of the fact that his nephew was committing the unpardonable blasphemy of cheering for the Navy. For the general the game was ruined. Life was ruined. Everything was ruined. Here was the unpardonable sin and life held no more allurement for him. Time marched on. This week the general passed on to a soldier's reward. He left a will. In due course the will was brought forth for probate and written at the bottom was this codicil: "I'm leaving Agnes (the nephew's mother) out of this because one of her sons sat beside me at an Army-Navy football game, in an Army seat and cheered lustily for the Navy." Write your own interpretation.

NUISANCE TAXES. If Uncle Sam continues to spend beyond his income, he must either borrow money to meet his bills or provide additional taxes. If he borrows, the debt remains and it is therefore little more than a postponed tax. If he imposes additional taxes, it curtails the purchasing power of the people. If he does neither, the national family budget goes further out of balance and he may get into the dangerous position of running out of credit with his own people. The most unpopular and at the same time the most courageous way is to provide additional taxes. Hence nuisance taxes. All taxes might properly be regarded as a nuisance but a special class of taxes are so called because they are a nuisance to collect and a nuisance to pay. They are the invisible taxes imposed upon things the public buys and which are reflected in the purchase price. But you don't actually see them. Hence they are sometimes called invisible taxes. On May 20th, the Chairman of the Ways and Means Committee of the House introduced a resolution to continue for another year the so-called nuisance taxes. They will bring in an estimated 448 million dollars. These taxes are imposed upon the manufacturer or producer of certain products. He adds the tax to the cost of doing business and passes it along to the retailer. The retailer passes it along to the consumer. All of which means that when you buy lubricating oil, matches, electricity, tires, tubes, toilet articles, jewelry, automobiles, auto parts, radios, cameras, furs, phonograph records, shotguns, sporting goods, chewing gum, playing cards, iceless refrigerators etc, you will be paying a federal tax but you won't see it.

IF YOU'RE INTERESTED. Since we have Mother's Day and Mother-in-law's Day, Congressman Merritt of N.Y. thought there should be a Father's Day and accordingly has introduced a bill to observe the third Sunday in June of each year as Father's Day. The millions of names filed with the Social Security Board may yet make it easy to locate missing persons or identify deceased persons through their Social Security Number and to that end, a bill has been introduced making the names accessible to the general public. Under existing law, all Social Security information is strictly confidential even as it relates to other departments of government. Senator Lewis has introduced a joint resolution requesting the President to designate June 10th, 1937 as the date on which to observe the 360th birthday anniversary of Father pore Jacques Marquette, who with Joliet, La Salle and Father Hennepin, made the early explorations in the Illinois and Mississippi Valley. Under the Social Security Act, only wages up to $3000 are considered for purposes of computing the tax to be paid and the benefits to be received but if a man has two employers, he pays taxes on earnings from both employers and would receive benefits on both payments. The mayor of a large eastern city telegraphed Congress to the effect that unless $1 billion was made available for WPA work, it would be impossible for the city to reduce its taxes. What do you make of this Watson?