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## THE CITY RECORD.

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JOHN PURROY MITCHEL, MAYOR.

LAMAR HARDY, CORPORATION COUNSEL. WILLIAM A. PRENDERGAST, COMPTROLLER.

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## MUNICIPAL CIVIL SERVICE COMMISSION.

Eligible Lists—Promulgated Dec. 12, 1917.

Architectural Draftsman, Grade C.

- Adolph E. Ziff, 41 Seventh ave., Whitestone, 87.20.
- John P. Fabricius, 207 E. 48th st., 86.80.
- Vincent S. Todaro, 1804 W. 8th st., Brooklyn, 84.60.
- Earnest J. Bruno, 500 E. 116th st., 84.40.
- Herman Blumkin, 537 W. 158th st., 81.60.
- David Holstein, 723 E. 160th st., Bronx, 81.40.
- J. Bernard Pheiffer, 670 Forty-eighth st., Brooklyn, 80.40.
- Leo Abramovics, 516 E. 88th st., 79.
- Fred Hammond, 1994 Valentine ave., 78.60.
- William S. Irving, 752 E. 220th st., Bronx, 78.40.
- Ward W. Claffin, 205 Seventy-first st., Brooklyn, 78.
- Hugh McCullough, 98 Spring st., Kingston, N. Y., 78.
- Stephen Vegessy, 435 E. 6th st., 77.60.
- Herbert C. Barber, 154 Lefferts ave., Brooklyn, 77.60.
- Karl W. Rosenberg, 1855 Seventh ave., 77.20.
- Michael S. Diamond, 198 Jersey st., New Brighton, 77.20.
- William Schein, 74 W. 118th st., 77.20.
- Carl J. Itzel, 1362 Prospect ave., 77.
- Richard G. Smart, 175 Yaphank st., Woodhaven, 76.60.
- Henry V. Murphy, 796 President st., Brooklyn, 76.60.
- Henry Holcomb, 2001 Woodbine st., Queens, 76.40.
- Max Kugelman, 124 S. 3rd st., Brooklyn, 76.
- Harold E. Scales, 1021 Tower pl., Richmond Hill, L. I., 75.60.
- Raymond G. Irrera, 91 Ridge st., L. I. City, 75.40.
- Irving I. Leibowitch, 54 W. 114th st., 75.40.
- William Burns, 693 Degraw st., Brooklyn, 75.
- Edw. Finkenberg, 619 E. 181st st., 74.80.
- Brendan J. Murphy, 841 Crotona Park North, Bronx, 74.80.

- Adolph H. Knoll, Jr., 10 N. Beach 97th st., Rockaway Beach, L. I., 74.60.
- Max Schantz, 343 S. 4th st., Brooklyn, 74.40.

### Instructor of Industry (Plumbing).

- Henry A. Stadler, 437 Beach ave., Classon Point, Bronx, 88.40.
- Frank J. Schmidlein, 1311 Pugsley ave., Bronx, 88.
- Edw. J. Masterson, 98 Kosciusko st., Brooklyn, 87.60.
- Henry Breivogel, 91 Lenox ave., 82.30.
- Lucas J. Steinmann, 1671 Eighty-third st., Brooklyn, 81.20.
- James F. Garvey, 335 E. 69th st., 76.70.

### Cable Tester.

- James Lewis, 100 Pineapple st., Brooklyn, 79.20.

## REPORT OF MAYOR'S ADVISORY COMMISSION ON ADMINISTRATION OF THE TAX LAW.

December 20, 1917.

Hon. JOHN PURROY MITCHEL, Mayor, *The City of New York*:

Dear Sir—The report of the Mayor's Advisory Commission on Administration of the Tax Law, appointed by you in January, 1917, is hereby submitted.

Very respectfully,

IDA M. METCALF, Secretary. ROBERT B. MCINTYRE, Chairman.

## REPORT OF THE MAYOR'S ADVISORY COMMISSION ON ADMINISTRATION OF THE TAX LAW.

It became evident early in the year 1917 that a large direct state tax would be imposed and that to the obligation of New York City to pay about two-thirds of this there would be added exceptional and unavoidable calls for increases in the budget for 1918. Moved by such considerations, the Comptroller addressed the following letter to His Honor the Mayor:

"January 19, 1917.

"Hon. JOHN PURROY MITCHEL, Mayor, *The City of New York*:  
"Dear Sir—Having learned that the State Tax Commission had issued explicit instructions to local assessors for a strict enforcement of the existing tax law and that the tax officers of certain cities, especially Buffalo, were taking vigorous measures toward that end, Mr. R. B. McIntyre, Supervising Statistician and Examiner of the Department of Finance, made, by my direction, personal inquiry into the matter. He has had correspondence and interviews with those most active in the movement in Albany, Buffalo, and other places, and has attended the annual conference of the New York State Tax Association at Rochester. He finds it has been demonstrated practically that, through scientific methods of assessment, impartially applied, the fixed equipment and much of the personal property of manufacturers may be reached for local taxation. I have sent you copies of reports relative to some present phases of the matter.

"The plan which I think we have discussed orally to some slight extent, and which appeals favorably to me, is for a commission on taxation, to be appointed by you and composed of men of open minds, firm character, and large business experience. My idea would be that they should consider, from a strictly practical point of view, whether the city would do well to avail itself of all the means offered by the law to increase the public revenue derived from manufacturing and general business corporations. Such a commission, I think, might be of much assistance to this department in its efforts to secure a more equitable apportionment of the direct state tax. Very truly yours,

"WILLIAM A. PRENDERGAST, Comptroller."

Mayor Mitchel soon afterwards appointed an Advisory Commission on Administration of the Tax Law, composed of:

Robert B. McIntyre, Chairman, Supervising Statistician and Examiner, Department of Finance.  
Lawson Purdy, President, Department of Taxes and Assessments.  
Leonard M. Wallstein, Commissioner of Accounts.  
John Franklin Crowell, Executive Officer, Chamber of Commerce.  
W. Spencer Robertson, Secretary, American Locomotive Company.  
Henry L. Stoddard, President, "The Evening Mail."

At the first meeting, held on February 26, Mr. McIntyre was chosen as chairman and Miss Ida M. Metcalf, a statistician in the Department of Finance, was appointed as secretary to the Commission. On severing his connection with the Chamber of Commerce, in April, Mr. Crowell resigned his membership. By request of the commission, the Corporation Counsel designated Mr. William H. King, Assistant Corporation Counsel, to advise on legal aspects of the matters considered. Mr. Meyer Parmet, an accountant in the Department of Finance, prepared Appendices I, II and IV, attached to the report.

Pursuant to the purpose of its creation, the commission has confined itself rather closely to study of the tax law in its existing form, the local procedure followed in carrying out its provisions, and the question whether and in what respects the statutory requirements may be more fully met, to the advantage of the city as a whole. Any points of economic theory that are touched upon, any statement of laws and methods in force elsewhere, and especially any suggestion for new legislation, have made their way into the report incidentally and are subsidiary to the main question, that of tax administration in New York City.

### Sources of Revenue.

The main sources of revenue here have long been the direct tax on real estate and unclassified personalty, the liquor excise tax, the tax on bank shares, the mortgage recording tax, and dock and ferry rentals. Among all these the percentage tax on real estate holds, as in most American communities, the foremost place.

### REAL ESTATE.

Real property is classified in New York as ordinary real estate (land and buildings), real estate of corporations, and special franchises, the latter, though partly intangible in their nature, being interests in real estate and established as such by legislative enactment, in 1899. The importance of the distinction between realty and personalty in this state lies in the privilege of the taxpayer to offset indebtedness against the latter assessment and in the limitation of the city's borrowing power to 10 per cent. of the assessed valuation of real property. Ordinary real estate constituting the great bulk of taxable property, the natural first inquiry is whether this is fully assessed.

Data as to all sales within the city are collected by the Department of Taxes and Assessments and the actual consideration, when stated or computable, is compared with the assessed valuation. The departmental report of 1917 contains the following table for the year 1916:

Borough.	Number of Sales.	Consideration	Assessed Valuation.	Per Cent.
Manhattan	2,671	\$160,937,259 00	\$166,518,350 00	104
The Bronx	565	7,478,682 00	7,643,870 00	102
Brooklyn	993	9,234,856 00	9,474,666 00	103
Queens	514	2,583,485 00	2,449,260 00	95
Richmond	917	2,682,030 00	2,345,340 00	88
<b>Totals</b>	<b>5,660</b>	<b>\$182,916,312 00</b>	<b>\$188,431,486 00</b>	<b>103</b>

Very close compliance with the law requiring 100 per cent. of valuation is indicated and the State Tax Commission and the Board of Equalization, though not yet prepared to concede absolute conformity, have raised the official equalization ratios for the counties comprising New York City several times since 1914, as shown in the table below. The changes made in 1915 were the first since 1911 and no county rate had been changed more than two points between 1904 and 1914.

	1914.	1915.	1916.	1917.
New York .....	91	93	94	94
Bronx .....	91	92	93	93
Kings .....	91	92	93	93
Queens .....	89	89	89	89
Richmond .....	89	89	89	89

It has, however, been realized by tax experts that one class of property recognized by the tax law as potentially real estate, namely, machinery permanently affixed to buildings, has generally been treated as personality and, though often highly profitable to its owners, has, through the debt-offsetting privilege, been permitted to go to a great extent untaxed. The City of Buffalo took the lead in grappling with this administrative difficulty and weakness and had scored notable successes before the creation of this commission.

#### Administrative Reform in Buffalo.

The attention of Mr. Charles B. Hill, Commissioner of Finance and Accounts, with jurisdiction over the department of assessment, was first called to the matter by a hint from an attorney in an equalization case, to the effect that Buffalo would lose its claim to a high standard of assessment, because it neglected to tax fixed machinery and equipment as real estate, pursuant to the law. Inquiry made of the assessors confirmed the charge that the valuable and productive machinery used not only by the public utility companies but by manufacturers was not contributing its share to the tax funds.

The State Tax Commission, being consulted, approved the resolution of the Buffalo officials to enforce the law, and from the reports rendered to the state commission by the public service companies, preliminary to the assessment of their special franchises, some surprising figures of machinery and equipment values were obtained. A brief statement of the nature and general mode of valuation of this class of property will help make the matter clear.

#### Assessment of Special Franchises.

Starting with the meaning given to the word in common parlance, the definition of the term "land" in the tax law has undergone numerous extensions. Chapter 293 of the laws of 1881 added to "the land itself" "all buildings and other articles erected upon, under or above or affixed to the same." An amendment of 1896 inserted after "and other articles" the words "and structures, substructures and superstructures." The Ford special franchise law (chapter 712 of 1899) named several definite kinds of equipment, enumerated in detail—wires, poles, rails, mains, pipes, conduits, etc., pertaining to public utility corporations, and provided that these, when located in public streets or places, should, together with the intangible right to locate and maintain them there, constitute a "special franchise," which should be taxed for local benefit, at the general property rate, as real estate.

While the assessment of property of that nature, which is seldom sold, and whose market value is therefore not determinable by ordinary methods, is full of difficulty, the valuation of the accompanying intangible franchise right is still more perplexing. The varying methods pursued in different states offer an interesting study in themselves. Though the New York State law prescribed no rule for valuation, it is understood that the State Tax Commission, whose duty it is to make the assessment, follows in general the method approved by the Court of Appeals in the Jamaica Water Supply case, in 1909. From the gross receipts there are deducted the expenses of maintenance and operation, together with a moderate profit (commonly 6 per cent.) on the amount invested in tangible property in connection with the franchise. The remainder is treated as the net profit on the intangible element of ownership. The sum on which this would be a 7 per cent. return is then taken as the taxable value of the franchise privilege. It is obvious that, the higher the valuation of tangible property, the larger will be the deductions and the less the remaining net profit to be thus capitalized. With this explanation it will be clear why public utility companies are inclined to report to the State Tax Commission, preliminary to special franchise assessments, much larger assets in machinery than they are content to have credited to them by the local assessors.

#### The Buffalo Method.

The marked discrepancies in the two valuations strengthened the conviction of the Buffalo officials that machinery and some other classes of corporation property were profiting by undervaluation and illegal exemptions. They decided to institute a general reassessment, with a view to a juster distribution of the tax burden, and to utilize the services of technical experts in the valuation of machinery and equipment. An initial appropriation of \$10,000 was made for this purpose. The object was not to make a flat increase in the assessed valuation of Buffalo property but to establish a uniform standard approaching the statutory 100 per cent.

At about the same time the State Tax Department issued a manual of instructions to assessors throughout the state, emphasizing the obligation of full-value assessment and giving explicit directions for securing it in the case of heavy machinery and corporate personality. The commission took its stand, as did the Buffalo authorities, on the proposition that the function of the assessor is to administer the tax law without fear or favor and that this is the surest way to demonstrate the need of amendment where it exists.

The assessment of machinery was carried out very systematically in that city, a rough ground plan being made of each floor of every manufacturing plant, and the position of each machine indicated, with an identification number, which was repeated in a detailed record showing size, maker, cost, date of purchase, present condition, etc. Assessors were instructed to use these data, giving owners the benefit of a doubt. A progress chart in the central office recorded the work done and the cumulative cost.

Radical changes were made also in the assessment of the personal property of corporations. This matter is treated more fully in a later section of the report. The Buffalo assessors have given us the benefit of their experience, and information on the treatment of machinery and equipment in the matter of taxation has been gathered from other cities and states.

#### Taxation of Machinery Elsewhere.

In the cities of Ohio, Michigan and Connecticut machinery is heavily assessed and, if fixed, is taxed as real estate. In Pennsylvania, a state which derives most of its income from taxation of corporations, those engaged exclusively in manufacturing pay no taxes to the state except the organization fee and a tax on corporate loans, which is, however, deducted from the interest payments to bondholders. The real estate of such corporations is taxable locally and includes fixed machinery, except in Philadelphia, Pittsburgh and Scranton, where manufacturing machinery is exempt from taxes imposed by the city. In Reading the advisability of seeking legislation for such exemption is debated and Erie reports that machinery is not assessed there. The policy of encouraging manufacturing by leniency in taxation has long been characteristic of the state. A similar policy is followed in Maryland.

In Massachusetts heavy machinery is included with real estate, the only kind of property of corporations taxable locally. But the real estate valuation is deducted in obtaining the "corporate excess" on which the state levies a tax, whose proceeds are shared with localities. In Chicago all machinery is personality, but the classification has no special significance, since it carries no deduction privilege.

#### Judicial Decisions.

The number of important cases in which the classification of machinery as real estate has been contested in the New York courts is not very large and the discussion of their rulings has brought to light considerable differences of interpretation among experts. A few of the cases oftenest quoted are summarized below:

National Starch Manufacturing Co. (26 App. Div. 527; 50 N. Y. Supp. 523), decided in 1898. The usual criteria of classification were stated to be (1) relation of the annexor to the land, (2) purpose of annexation, (3) method of annexation. It was, however, added that the important points sometimes were (1) actual annexation, (2) adaptation of the machinery to the building and its use, (3) intended permanence of annexation. In reaching the conclusion that the actual manner of annexation was a minor matter some stress was laid on the single ownership of building and machinery in this case. This combination is so often lacking in New York City that the National Starch Co. case has weaknesses as a precedent.

In the case of the Herkimer Light and Power Co. (55 N. Y. Supp. 524), 1899, the assessment as real estate of a quantity of miscellaneous machinery for the manufacture of gas and electricity, which was located on leased land (some with a 30-year lease but in the case of a gas holder an annual one) was upheld, though much of the machinery was readily removable. The governing principle seemed to be the intrinsic unity of land, buildings and apparatus as equally essential to the operation of the plant.

In a New York Edison Co. case (135 App. Div. 634; 198 N. Y. 607), of 1903, in

which the company contested the assessment to it of the machinery of a new building, partly because much of it was easily removable and only 85% of the purchase price had been paid, the assessment was confirmed, because in New York City the assessment of real estate to the wrong owner does not invalidate the assessment or cancel the tax claim. The mutual adaptation of structure and machinery to a single purpose was strongly emphasized.

The Federal Telephone and Telegraph Co. (131 N. Y. Supp. 361), in 1911, also failed in an attempt to have a central switchboard in a building in which its offices were leased for ten years, classified as personality. The idea of basic unity again controlled the decision. The switchboard was real estate as a vital part of the plant since, without it, business could not be transacted with any of the consumers. It was ruled that the lease gave a sufficient interest in the site and building to make the company's essential equipment real estate for taxation purposes.

The Knickerbocker Safe Deposit Company sought in 1905 (181 N. Y. 245) to have the assessed valuation of its vaults, built into three separate buildings leased for long terms, deducted from the valuation of the corporate stock, pursuant to section 6, for the assessment of personal property. That the vaults were legally real estate was not denied by either party in litigation; in fact, the whole contention of their owner was based on the assumption that they were so. Their separate assessment was confirmed, because their value could not have been included in that of the land and buildings, since the assessor was ignorant of their existence.

In the opinion rendered there occurs an apposite quotation from the case of the Albany and Bethlehem Turnpike Road v. Assessors of the Town of Bethlehem (180 N. Y. 401, 406), decided in 1905. "It is not, under our tax law, necessary that the corporation to be taxed in respect of interest in real property should be the owner of the fee. If it owns that which, being upon, affixed to, or incidental to the land, is classified for taxation purposes by the statute with land, it is assessable for a real property tax." The question was not concerned with machinery and the company had enjoyed a long use of the land to which it had no fee, but the quotation is pertinent as recognizing the principle that ownership of the land itself is not essential to a taxable interest in structures affixed to the land.

A Supreme Court decision in Peo. ex rel. New York Produce Exchange Safe Deposit Company v. Purdy, reduced to \$93,000 an assessment of \$100,000 as real estate for the year 1911 on the vaults of the N. Y. Produce Exchange Safe Deposit Company, in a building held under a long lease. The ruling was to the effect that, even if, as between landlord and tenant, the vaults were removable as trade fixtures, an interest in the land existed in the tenant sufficient to give the property the character of real estate under the tax law; that if the company had owned the land, the vaults, as enclosed or affixed, would be classed as real estate, notwithstanding their removable character; that "the classification under the tax law, as between real estate and personality, involves no different test when the taxable character of the tenant's interest in property becomes a subject of inquiry"; but that the assessed valuation was excessive. (N. Y. Law Journal, January 31, 1913.)

The relator appealed from the decision and, in view of the question presented as to whether the findings made by the court, of fact and of law, upon which the decision was based, would be sustained on appeal, an offer of settlement made by the relator to pay an assessment on the vaults as real estate for 1907, to withdraw the appeal in the 1911 proceeding and to consent to reduced assessments of \$60,000 instead of \$100,000 for the years 1912 and 1913, was accepted upon the recommendation of the Corporation Counsel, with the approval of the Tax Department and the Comptroller.

The American Manufacturing Company brought proceedings in 1905, charging over-assessment and the wrongful classification of certain machinery as realty for the years 1899-1905. The decision of a referee in its favor was sustained by the Appellate Division and by the Court of Appeals, without opinion. (196 N. Y. 567.)

Similar proceedings relative to the assessments of 1906-1912 had like results in a special term of the Supreme Court, in 1914. The company had a renewable 21-year lease of the land, had erected buildings for a cordage mill and installed machinery, some of which was secured to the floor, some stood firmly by its own weight, and some must have been taken apart in case of removal. The assessments were again reduced and the machinery pronounced personal estate.

The defendant (New York City), believing that the question of the taxable status of the machinery did not receive due consideration, proposes to push an appeal and has prepared, for simplicity, a set of exhibits relating to the single year 1912.

#### Varying Deductions Drawn from Judicial Rulings.

It will be observed that nearly all the important cases concern public utility corporations. It is also true that the specific kinds of equipment made real estate in the definition of section 2 are those commonly used by such corporations, though the enumeration cannot be regarded as complete, since the switchboard of the Federal Telephone and Telegraph Co., for example, is not found among them. Even in the few cases concerning corporations other than public utility companies a difficult condition characteristic of New York City is scantily illustrated. This condition is the location of manufacturing machinery in premises owned by others than the operators.

From the preponderance of the public service corporation in the law and in court decisions, and the practical absence of the private operator of manufacturing machinery in a building leased for a short period, some experts have inferred a legislative and judicial intent to discriminate between the public and the private operator and between the operator as an owner and as a lessee of ordinary real estate.

Thus, in a statement made to the commission, Mr. Purdy said, "The decisions concerning the property of public service corporations generally furnish no guide to the determination of similar questions when the property is owned by a person other than a public service corporation. The reason for this is to be found in the definition of real estate, being subdivision 6 of section 2 of the tax law. That subdivision indicates a very different purpose and intent with regard to the property of public service corporations from the one indicated with regard to the property of others."

And again, speaking of the American Manufacturing Co., which owned some of the buildings it used and had a 21-year lease of others, he says, "If the land, buildings, and machinery had been in one ownership it seems that the machinery must have been held to be real estate, unless the decision in the case of the National Starch Co. were overruled."

Other experts in taxation, finding no affirmative proof of such discrimination, argue that the same principles rule in either case. They ascribe the detailed enumeration, in the case of public utility corporations alone, of kinds of equipment taxable as real estate to the greater average value of such equipment in their case and the practicable impossibility of so specifying the numberless kinds of machinery used in manufacturing. It is quite natural that suits brought by such companies should be much more numerous. The theory that the intent of the law is fundamentally different in their case is militated against by the fact that many of the references used by the courts are to cases not only concerning private corporations but coming under the general law of fixtures, rather than the tax law. The State Tax Commission directed assessors to treat machinery attached to a building and essential to the business conducted in it as real estate, even if it could be removed without material injury to the building, and whether its possessor was owner or lessee of the building. In the latter case the machinery was to be assessed to the tenant.

A communication from the Corporation Counsel of New York City states that no one circumstance can be regarded as the sole test of the taxability of machinery as real estate, but that a condition of tenancy decidedly intensifies doubtful points of assessment and renders the collection of the tax problematical.

#### A Special Local Problem.

The prevalence of manufacturing in leased buildings is well recognized as a special complication of the problem here. Even granting the legality of a real estate tax on machinery attached to such a building with a view to permanence, but readily removable, the tax would offer unusual opportunities for evasion. Since real estate taxes are levied *in rem* and enforceable only by a lien on the property taxed, removal of the machinery might result in uncollectibility of the tax. This limitation of liability for a realty tax is peculiar to New York City, for in other cities of the state such a tax may be collected, through judgment, out of personality. The 1916 charter of Buffalo makes no distinction, but provides that the amount of every tax may be recovered by action.

#### Practical Outcome of Buffalo Move.

As a result of the expert appraisal of machinery in Buffalo and the careful re-assessment of other property, the valuation of real estate, exclusive of special franchises, was increased about \$125,000,000, or 35 per cent., \$25,000,000 of the amount being assessed on the machinery and equipment of manufacturing and business corporations. Great as was this addition to the assessment roll, the legality of the methods pursued and the correctness of the results obtained were attacked in very

few cases. A survey made since the enactment of the new income tax law indicates that slightly over 60 per cent. of the 1917 assessments on machinery and equipment will be held in 1918, the loss of 40 per cent. being due to the new classification and exemption established by the Emerson income tax law. But the amount of machinery constructed and affixed for permanent use in connection with the buildings containing it is much greater, relatively, in Buffalo than in New York City.

The better equalization of assessment reduced the general tax rate in Buffalo from 2.99 in 1916 to 2.17 for this year. It is true that a tax rate is meaningless without the corresponding ratio of assessment to actual value, but, at all events, the disproportionate demands on ordinary real estate were relieved; and on the manufacturing corporations of the second largest manufacturing city in New York State there was placed more responsibility for a direct contribution to public expenses.

#### Cost of Services of Engineering Experts.

The cost of the services of the engineers employed by the City of Buffalo to appraise machinery and equipment was approximately \$30,000, an average of about \$70 per plant, or \$1 per \$1,000 of valuation. The resultant increase in the tax levy was \$500,000. To ascertain the best mode of procedure and the probable cost, with the idea of aiding the tax department of New York City by expert engineering advice, proposals were invited from one or two firms competent to perform the work of appraisal. The rates offered were similar to those paid in Buffalo. The number of manufacturing establishments here is too great for engineering assessment of all to be undertaken at once, but it was thought that a few of the larger corporations of each of the chief kinds would not only show heavy increases in assessment but might supply data such that some workable ratios generally applicable could be deduced.

#### Tax Burden Borne by Manufacturers.

That manufacturing corporations in this State have been favored in the matter of taxation was shown clearly in the report of the Mills Joint Legislative Committee of 1915. The following data from U. S. governmental reports were used:

Capital invested in manufactures in 1909 ..... \$2,779,497,814 00  
All state and local taxes paid by manufacturing corporations in

1909 ..... 10,844,403 00  
Total wealth of the state in 1912 ..... 25,011,105,223 00

Total revenue receipts of the state in 1913 ..... 330,662,071 00

Disregarding the difference in dates, 11.1 per cent. of the total wealth was invested in manufactures, while manufacturing corporations paid 3.3 per cent. of the tax revenue, or 0.39 per cent. of their invested capital. It will be seen that the last per cent. is obtained from data of the same year, 1909, and the other two by dividing a datum of 1909 by one of 1912 and 1913, respectively. As correct expressions of 1913 conditions these two fractions should therefore have a larger numerator and both per cents. be probably somewhat higher.

The lack of accuracy in the returns made to the government is a more fruitful source of error. The Director of the Census always inserts a warning that very little reliance can be placed in data as to capital. It would, of course, be desirable to have figures of a later date. The "Abstract of Census of Manufactures" for 1914 is just out, but the tax figures given include not only state, county and local, but internal revenue and corporation income taxes, and, though the income tax paid by manufacturing corporations may be obtained, there is no corresponding segregation of internal revenue taxes. The data used in the Mills report are therefore inserted without change.

The capital invested in manufactures in 1914 is reported as \$3,334,277,526, showing a 20 per cent. increase. The great addition to taxation was the federal income tax, whose proceeds from manufacturing corporations in 1914 were \$5,266,664. This being a 50 per cent. rise, an increase in the ratio of taxes to capital is indicated. But it is not probable that the total wealth of the state had grown at any such rate or that the period 1909-14 saw any great change in the ratio of manufacturing capital to total wealth.

The following statistics relative to the states having the largest per cent. of their capital invested in manufactures are also taken from the Mills report:

	Per Cent. of Total Wealth Invested in Manufactures.	Per Cent. of Tax Revenue Paid by Manufacturers.	Per Cent. of Manufacturing Capital Paid in Taxes.
Massachusetts	20.3	8.	0.77
Pennsylvania	17.8	5.6	0.28
New Jersey	17	5.5	0.39
Ohio	14.6	7	0.51
New York	11.1	3.3	0.39
Michigan	10.8	8	0.73
Illinois	10	5	0.39

Admitting that the data used are only approximations, the variation in the proportion of total investment and of total taxes in the case of manufacturers is too great and the ratio of taxes paid to capital invested too small not to signify marked inequalities existing at that time in the treatment of manufacturers and other tax-payers—inequalities all in favor of the former class. The Emerson law, passed at the last session, and imposing an income tax on manufacturing and mercantile corporations, will do much toward equalizing conditions in this state.

As regards New York City these conclusions might be very misleading. Some investigation was made, here and in Washington, with the purpose of finding data to show how the pressure of taxation on manufacturing property in this state and city compares with that exerted elsewhere. The manufacturing census statistics for 1914 were not yet completed, but for all the cities of this state and for those of 300,000 population throughout the country the following data were obtained: (1) number of establishments, (2) capital invested in manufacturing, (3) rents paid, (4) total state, county and local taxes. The Chief Statistician for Manufactures, in the Bureau of the Census, cautioned the chairman that the invested capital reported is certainly an understatement, presumably because of an unfounded fear of the utilization of the corporation reports for taxation purposes.

The rental item is important, because it is clear that the value of leased premises is as much a part of the investment from which a return is expected as if the operator were the owner. For this reason a comparison between a city where ownership is the customary condition with one where manufacturing carried on in leased premises is common would be vitiated if this difference were ignored.

A method of adjustment sometimes used by the Bureau of the Census was applied, among others, by capitalizing the reported rentals at 10 per cent. and adding to the reported tax another, at the local general property rate, on the capitalized value of buildings, obtained as just stated, from the rentals. But alternative methods in separate steps of the operation gave results too variable for any reliance to be placed in their accuracy. The general indication was of a disproportionately low rate of taxation on this class of property in general and a rate lower than the average for this state and city.

Yet the corporate form of association brings very real advantages. Perhaps the chief of these is the limitation of the liability of shareholders to the value of their own shares, whereas partners are individually liable for all debts or damage claims against the firm. Other points are the automatic self-perpetuation of the corporate form, avoiding disturbance or withdrawal, the power to evade inheritance taxes, to issue bonds secured by a trust mortgage, to transfer shares readily, and to make the most advantageous combination of legal conditions by incorporation in one state and operation in another, with, perhaps, nominal citizenship in a third. That these privileges are considered of value is indicated by the great number of business enterprises adopting this form of association.

The question of the comparative economic effects of light and heavy taxation of manufacturers is a legitimate one, but one which has not been studied by this commission. The Buffalo Commissioner of Finance and Accounts has maintained consistently the position that assessors have neither legislative nor judicial functions, and his assessments for 1917 proved unassailable.

#### Amendments of the Tax Law Proposed at the Last Session.

Meanwhile the manufacturers of the state (those outside of New York City acting mainly through the Associated Manufacturers and Merchants) began to seek amendments to the tax law that should prevent an extension or repetition of their experience in Buffalo and some of the smaller cities of the state. The association conceded officially that manufacturing corporations should do more to meet the growing financial needs of the state and localities, but it strongly opposed the drastic methods encountered in Buffalo and maintained that no kind of machine could be

real estate except by a legal fiction. All machines, irrespective of size, structure or purpose, are, in the view of the association, precisely like tools, employed for the sole purpose of producing an income. They complained that they were being placed at a disadvantage in comparison with the manufacturers in other cities of the state, where no such assessments were made, whatever the law might be or whatever the practice in other states. A Tax Council appointed from the membership reached the conclusion that income is the true measure of tax-paying responsibility. The council and the association desired to make an income tax the sole public fiscal demand on manufacturers and merchants, who should be fully exempt from the franchise tax of section 182 and also from the personal property tax. A local tax on real estate would, they realized, still be necessary.

The State Tax Commission, on the other hand, like the minority members of the Mills Committee, considered the amendment of the existing tax law, and its literal administration, amended or not, preferable to the immediate adoption of a method so new to the state as a tax on incomes. The commission desired to substitute for the clumsiness and ambiguities of the franchise tax of section 182 a simple provision for a two-mill tax on capital stock, plus one-half mill for each 1 per cent. of dividend, bonds and the interest on them being treated like capital stock and dividends. It was estimated that the proceeds might equal \$13,000,000. The repeal of the personal property tax in the case of mercantile and manufacturing corporations and of section 183, which exempts corporations from the operation of section 182 if 40 per cent. of their capital is invested in manufacturing in the state, was also on the programme of the state commission. As offsets to the estimated receipts there would be the tax paid by manufacturing corporations, pursuant to section 182, which has never been very large in amount, and their personal property tax, perhaps \$2,000,000, the proceeds had never been segregated to show the exact amount. The total of the tax under section 182, for other than public service corporations, was about \$3,000,000 in 1916, but compliance with the 40 per cent. proviso excused the great majority of manufacturing corporations. The second choice of the state commission was for a general tax on incomes or the classification of personality for taxation at varying rates.

Discussion in the Tax Council of the Associated Manufacturers and Merchants resulted in such harmony with the views of Senator Ogden L. Mills and the majority of his committee of last year that the association renounced its original idea of drafting and introducing a bill of its own. The Emerson bill, which it endorsed, substituted for the general income tax proposed last year one confined to manufacturing and mercantile corporations and added a provision intended to make nearly all machinery personal property and tax-exempt. This bill, which was introduced in March and amended repeatedly in both Senate and Assembly, was not finally passed, as chapter 726, until June. During the prolonged consideration of it it seemed wiser for the city to make no hasty adoption of principles of assessment that might be at once invalidated.

#### Chapter 726, Laws of 1917.

This statute imposes on domestic and foreign manufacturing or mercantile corporations a tax of 3 per cent. on net income, as accepted for the U. S. government income tax, and exempts them from the franchise tax and the tax on personal property. The income of corporations whose business is partly transacted in other states will be apportioned to this state in the ratio which the sum of tangible property owned in this state, notes and bills receivable for tangible property manufactured or shipped from the state or services rendered within the state, and the average value of holdings of stock of other corporations allocated to the state bears to the total aggregate of tangible property, bills receivable, etc.

Sword reports containing many specified details will be rendered on July 1st (except in 1917) to the Tax Commission, which may require any further data needed for the discharge of its duty of assessment. The tax is to be levied November 1st, on the net income of the preceding calendar or fiscal year and is payable, in advance, on January 1st. Two-thirds of the proceeds will be retained by the state and one-third returned to the county where each corporation's tangible property is located, or in the ratio of the average monthly value of the tangible property owned in that county to that owned in the whole state.

Corporations subject to this tax are exempt from the tax on capital stock and on all personality. For purposes of this exemption, "personal property shall include such machinery and equipment affixed to the building as would not pass between grantor and grantee as a part of the premises if not specifically mentioned or referred to in the deed, or as would, if the building were vacated or sold, or the nature of the work carried on therein changed, be moved, except boilers, ventilating apparatus, elevators, gas, electric, and water power generating apparatus and shafting."

#### Revenue from Income Tax on Corporations.

While the bill was pending, efforts were made in various directions to determine approximately the revenue such a law might be expected to produce for the state and for New York City and the amount that would be lost through the exemptions granted. On neither of these points did it prove possible to obtain much definite information. The fundamental difficulty in estimating the income derivable lay in the absence of data as to what proportion of the assets of corporations doing business in this state is located in the state or what part of their business is done here. The variations among individual cases are too great to warrant any conclusion. Still less is it known how such assets as would be apportioned to the state are distributed among the counties.

As regards the offsets, the assessed valuation of the personal property of manufacturing and mercantile corporations is about 80 per cent. of that of all corporations, in both state and city. The personal property tax collected from corporations in New York City is something over \$3,000,000. Mr. Purdy therefore roughly estimated the loss through this exemption as from \$2,400,000 to \$3,000,000. The amount of franchise tax paid to the state by the corporations to which this statute applies is comparatively small, as the 40 per cent. of capital required for exemption is, in nearly all cases, invested in manufacturing in the state.

Any large transfer of machinery from realty to personality is a matter of some concern. The total assessment of machinery as real estate in New York City for 1916, exclusive of that owned by public service corporations, was \$25,000,000. The classification of any considerable part of this as personal would not only exempt it from taxation, but would narrow the city's debt margin, for the constitutional limit of borrowing power is 10 per cent. of the assessed valuation of real estate.

In the effort to find some basis on which to estimate the proceeds of this new tax, a visit was made to Washington and the Department of Internal Revenue and the Bureau of the Census were applied to for statistics on the contribution of manufacturing corporations to the federal income tax, their general financial status and the location of their assets. It was learned that the 1916 returns for the tax of 1917 were not all in and the returns of 1915 were the latest available. The totals tabulated for the year were only for collection districts, with no classification of corporations. Neither would other duties permit government employees, or the statutes allow outsiders, to undertake further segregation. Some separation was made in reports for 1914 and indicated that about 58 per cent. of the income collected in New York State was paid by manufacturing and mercantile corporations. The total 1916 tax, at 1 per cent., on all corporations from which collection was made in this state was \$15,352,576. At the 3 per cent. rate of chapter 726 the yield would have been \$46,000,000, 58 per cent. of which is \$26,680,000.

In 1914 about 78 per cent. of the New York State income tax receipts from manufacturing and mercantile corporations was collected in the first three districts of the state, which comprise Nassau and Suffolk counties and all of New York City except The Bronx. Seventy-eight per cent. of \$26,680,000 is \$20,800,000, and the third returned to the counties of New York City would be \$6,900,000. It may safely be assumed that the total collection for 1918 will exceed that of 1916, though by a quite unknown amount. In fact, the only known numbers refer to collection districts and no light is thrown on the location of the assets of a corporation pertaining to a given district. The probabilities indicate that New York City's share of the proceeds would be decidedly less under the method of apportionment prescribed by the Emerson law than if collection were the determining factor.

As offsets there will be the \$2,400,000 or more of the personal property tax, mentioned above, the tax on the exempted portion of the 1916 assessment of \$25,000,000 on the machinery of miscellaneous corporations, with the augmentation that might have resulted from a stricter application of the "real estate" definition. The state will also lose such part of the franchise tax as has been paid by the corporations now made exempt from it, and two-thirds of the state's loss—if that loss is made good by direct taxation—will fall ultimately on the city. On the other hand, two-thirds of the state's gain by the operation of this law may, by the same reasoning, be regarded as a relief to the city from a direct tax that would otherwise, presumably, be imposed. This is on the assumption that new revenue does not instigate new expenditure.

Soon after these inquiries were made in Washington Senator Mills kindly transmitted to the commission an estimate made for him by Professor Robert A. Campbell, of Cornell University. The elements used were essentially those referred to above, except that the tax of the fiscal year ended June 30, 1915, was taken as a base, later conditions being regarded as abnormal, and estimates of total receipts for the years 1916-18 were made, at the ratios of increase indicated by 1915 compared with, first, 1914, and, second, the average for the years 1910-14. The memorandum closed, however, with the estimate of nearly \$27,000,000 received by the state, and there was no discussion of the effect of the exemptions due to the statute or of New York City's share of the proceeds of the tax.

These various approximations are the best that could be made from the very incomplete data available. It is still too early for definite knowledge on the part of this commission or of the State Tax Department, but present indications point to proceeds less than the estimates made wholly in advance of the law's operation.

#### Obscure Points in the Law.

The interpretation of section 219-j is sure to be a matter for legal adjudication. The first part adopts squarely, for the classification of machinery and equipment affixed to a building, the principles applied in the law of grantor and grantee. The status as to taxation of machinery affixed to a freehold but not to a building appears to be left unchanged. An important ambiguity is found in the following passage, making personal property of such machinery "as would, if the building were vacated or sold or the nature of the work carried on therein changed, be moved." Does this add anything to the lines that precede it? Is not the machinery that would not pass from grantor to grantee without express provision in the deed the same that would be moved if the building were sold? The supposition of the building's being vacated may refer to the withdrawal of a tenant; but what would happen as the result of a change of business the assessors could hardly foresee without some knowledge of the nature of the change. The State Tax Commission has instructed assessors that machinery and equipment readily removable or leased or belonging to a tenant will not be assessable.

The income taxable, pursuant to chapter 726, is, as has been said, that on which the federal income tax is computed, and will be modified to agree with any subsequent correction in the government figures. Section 14 of the statute establishing the latter tax provides that officers of a state having a general income tax may, at the request of the governor, inspect the income reports made by corporations. A tax of 2 per cent. on the net income of manufacturing corporations was imposed in Connecticut by a law of 1915. It, also, is based on the federal income figures as finally accepted and the claim of that state to inspect the returns has been officially recognized.

In conference with officials of the Income Tax Bureau, in Washington last April, the chairman was informed that recognition of the then pending Emerson bill, if passed in that form, was somewhat doubtful. The commissioner was in favor of such recognition, as in harmony with the obvious purpose of the bill, but pointed out that, technically, the bill might be classed as one for a franchise or excise tax and that some change in the phraseology would be advisable. The attention of the sponsors of the bill was called to this point, but section 209 of the statute still imposes the tax "for the privilege of exercising its franchises \* \* \* and for the privilege of doing business in this state." For this reason, or others, New York State has been denied access to the federal income tax records.

The deprivation of this privilege will prove a serious handicap. The State Tax Commissioner of Connecticut states that this advantage relieves that state of the entire responsibility and expense of investigation, so that the cost of administering the law is almost negligible. It is well known that the field investigations made by the government are very costly, but discover taxable income in amounts that make them well worth while. Besides this, their effect is permanent and enlightens the ignorance or restrains the parsimony of many corporations not personally investigated. It is most desirable that such amendments as are needed be made at once, that New York State may avail itself of the knowledge and the authority of the federal government.

#### Machinery of Corporations Not Subject to the Income Tax.

However the administration of the new law may work out in its details, the corporations affected are only those whose main business is the manufacture or sale of tangible personality. Certain corporations will naturally be found occupying a position on the border line of classification, but a considerable number of others are in the same position as before. Chief among these are the public service companies.

At a meeting of this commission held on June 26, 1917, after some discussion of the implications of the law, the following resolution was unanimously passed:

"Whereas, chapter 726 of the laws of 1917, imposing an income tax on manufacturing and mercantile corporations, exempts their personal property from taxation and may transfer some manufacturing machinery and equipment from the class of realty to that of personality, it is hereby

"Resolved, That, under the limitations imposed upon taxing officials by the statute referred to, the obligation of taxing, pursuant to the provisions of the general tax law, the machinery and equipment of corporations, firms and individuals unaffected by the enactment of chapter 726 is precisely the same as at the time of the creation of this commission; and be it

"Resolved, That this commission recommends that, in order to secure full and equitable assessment of this form of property, whose valuation is dependent on scientific and technical knowledge, the Department of Taxes and Assessments should have authority to employ engineering experts to furnish to the department information concerning the cost of reproduction and the value of such property."

#### Growth in Assessed Valuation of Corporations.

Both the state and the local tax department have in recent years derived much advantage through co-operation. For the last three years the state commission has, at the request of the city tax department, required public service corporations to file a statement showing the location and value of their tangible property not situated in streets and public places, and so assessable locally. This information has been placed at the service of the local commission and a combination blank, Form S, devised to answer the purposes of both bodies, the same valuation, as far as practicable, being put on real estate, whether for local taxation, or for computation of the estimated income to be deducted before capitalizing the remainder as a special franchise valuation.

The following table, taken from the 1917 report of the Department of Taxes and Assessments, shows the changes in the real estate assessment of public service corporations other than steam railroads between 1914 and 1917. It will be observed that the per cent. of increase in land values is small and that in equipment very large. The increases for the separate years have not yet been obtained.

#### Real Estate of Public Service Corporations.

	1914.	1917.	Per cent. Increases. of Increase.
Ordinary Real Estate—			
Land .....	\$62,100,130 00	\$63,895,200 00	\$1,795,070 00 2.9
Buildings .....	38,171,365 00	50,880,809 00	12,709,444 00 33.3
Equipment .....	55,809,595 00	88,000,516 00	32,190,921 00 57.7
	\$156,081,090 00	\$202,776,525 00	\$46,695,435 00 29.0
Special Franchises ....	\$404,420,311 00	\$461,567,645 00	\$57,147,334 00 14.1

Increases in the assessment of the machinery and equipment of corporations other than the public service ones, for 1918, have been computed, approximately, as follows:

Manhattan .....	\$12,147,500 00
The Bronx .....	1,315,500 00
Brooklyn .....	9,492,100 00
Queens .....	3,097,200 00
Richmond .....	259,100 00

\$26,311,400 00

While a greater or less amount of this 100 per cent. increase in a single year will doubtless be contested, under the provisions of section 219-j of the Emerson law, there is no reason to believe that any considerable part of it would have failed of affirmation by the courts before the enactment of that law. Nor is it to be supposed that the prevalence of tenancy here will prove an active invalidating element, since Mr. Purdy holds that the last clause of the section in question, making personality of

machinery which would be moved if the building were vacated or sold, or the nature of the work carried on therein changed, is particularly applicable to that condition. This is substantially the position taken by the State Tax Commission in its instructions issued to assessors since the passage of the bill. Whether this construction is correct is a question that will, no doubt, be determined by the courts.

In short, the taxable status of machinery and equipment of this character has remained unchanged for nearly twenty years, established by a definition which was an integral part of the tax law, and confirmed and elucidated during the interval by a series of judicial rulings. Its aggregate value has, of course, increased year by year. Yet its assessment, here as elsewhere, has been quite inadequate until the general interest in the question, created and stimulated in various ways during the present year, has produced this belated addition to the real estate assessment roll. But for the new classification established by the Emerson law, the increment would surely have been still greater.

#### State Equalization of Assessments.

The proceeds of various taxes are devoted wholly or in part to the expenses of the state. Among these are the excise tax, that on trust companies, the transfer tax on inheritances, the stock transfer tax, automobile license fee, recording tax on bonds and mortgages, etc. Sometimes the revenue anticipated from these miscellaneous sources equals the amounts appropriated by the Legislature for the ensuing fiscal year. When this is not the case the deficit is made good by a direct tax levied on the real and personal property not exempt throughout the state. The obligation rests upon each county to provide a part of the tax proportioned to the taxable property within it. It is clear that in the case of a large direct tax a small assessed county valuation would, for this one purpose, be an advantage.

Theoretically, all taxable property is assessed at its full value, as required by section 6 of the tax law; but, practically, the estimation of value is largely dependent on personal judgment. Experience has shown that the average taxpayer resents as excessive valuation of his property for taxation that he would consider extremely moderate if it were a question of sale. In this way it comes about that the judgment of assessors is influenced, more or less consciously to them, by a desire for popularity, and not only their individual standards, but the average standards of assessment in different counties, vary greatly. In general, the better the local government and the higher the general level of civic intelligence, the more uniform will be the assessment of property and the more nearly will it approach the statutory limit of actual value. Elsewhere the idea will prevail that underassessment means low taxes.

It can easily be shown that, even locally, there is nothing to be gained by a uniformly low basis of assessment. If a given sum must be raised for expenses, a low assessed valuation means, of course, a high tax rate. Uniformity of standard among neighboring properties is not reached without a virtual assessment at their true value, even if the valuations are afterwards proportionately reduced to the prevailing rate. Subsequent complaints demand a reversal of the process. Under a debased standard, the property owner who considers himself aggrieved must show that he is not so much underassessed as others. But in the New York courts the complainant has no standing unless he can prove actual overassessment. Again, where assessments are much below value, a comparatively small addition in money to the valuation may be tolerated and yet be such a per cent. of an assessment at the average rate that it would at once be observed and protested if the 100% ratio were employed.

These drawbacks of a low ratio of assessment to true value are easily demonstrable. The injustice of apportioning a direct state tax according to assessments made by widely different standards is more serious. If the aggregate property of two counties has the same absolute value and one is assessed at 100% and the other at 50% of that value, it is evident that the first will pay twice as large a share of a direct state tax levied on all taxable assets. Similar conditions may prevail among the towns or other political divisions within a county in the apportionment of the county's obligation for a state tax among these local units.

The need of some uniformity of standard was recognized sixty or more years ago in laws placing on boards of county supervisors the duty of modifying the local assessments to make them justly comparable. The successive steps taken in the direction of centralized control are described in a report on the apportionment of the direct state tax, presented to the Board of Estimate and Apportionment by the Comptroller in October of this year. A copy accompanies this report as Appendix I.

The following table shows the amount of the direct state tax levied during the period 1898-1917, with the sum and the percentage apportioned to New York City:

Year.	Total Tax.	Paid by N. Y. City.	Per Cent. Paid by City.
1898.	\$10,189,000 00	\$6,205,000 00	60.89
1899.	12,640,000 00	7,878,000 00	62.32
1900.	10,704,000 00	6,923,000 00	64.67
1901.	6,824,000 00	4,471,000 00	65.51
1902.	748,000 00	497,000 00	66.43
1903.	761,000 00	506,000 00	66.48
1904.	968,000 00	662,000 00	68.41
1905.	1,192,000 00	824,000 00	69.16
1911.	6,073,000 00	4,301,000 00	70.83
1912.	11,023,000 00	7,947,000 00	72.10
1913.	6,460,000 00	4,576,000 00	70.84
1915.	20,500,000 00	13,975,000 00	68.11
1917.	13,059,000 00	8,464,000 00	64.81

The very large sums involved have compelled New York City to scrutinize the annual equalization tables with some care. The Department of Taxes and Assessments has claimed all along that its standard of assessment was higher than the ratios credited to it, that its phenomenal increase in assessment values in 1911 met with no official recognition, and that the ratios assigned to many of the counties outside the city expressed the good will of resident members of the Board of Equalization rather than the actual conditions. When, in the spring of 1915, the Legislature decreed a state tax of \$20,500,000 for 1916 the Comptroller of the City of New York resolved to seek evidence establishing or disproving the accuracy of certain ratios in the equalization table. The full story of the methods employed and the results achieved will be found in the Comptroller's report referred to above.

It is sufficient to say here that data as to the ratio of assessment actually used in from six to sixteen of the largest counties outside of New York City were presented to the State Board of Equalization for consideration at or before its annual meeting in 1915, 1916 and 1917, thus furnishing a detailed proof of under-assessment which the local tax department had not been in a position to supply. Though the changes made in the official equalization ratios by no means agreed with the conclusions of the Department of Finance and the State Tax Commission, the table given above shows a gradual reduction in the share of a direct state tax paid by New York City, which means a larger saving when applied to such taxes as those of 1915 and 1917. The rectification, though only partial, has been progressive and it is strongly advised that these studies of actual assessment standards be continued.

#### Ratio of Assessment in New York City.

The first table in this report shows the ratio of assessment deduced by the Department of Taxes and Assessments by a comparison with local sales data. An average of 103 per cent. was indicated. Copious data have, however, been presented before the State Tax Commission, at Albany, to support the charge that the city ratio does not exceed 84 per cent. Most of the instances cited are corporation property.

The details of some 2,000 of these cases have been copied for Mr. Purdy's consideration. The argument is based on the many striking discrepancies between the book value of property as reported to the State Tax Department and its value as assessed by the local Department of Taxes and Assessments. Mr. Purdy has had many of the discrepancies traced, with considerable difficulty, to individual pieces of real estate, without finding any particular reason to modify his estimate of the relation of assessed valuations to actual values. He finds that the book values examined have little significance as regards taxable values. The property owners offer numerous and varied explanations of the large book values: (1) it is often desired to swell capital stock; (2) a higher purchase price, unmodified by depreciation, may have been used; (3) not only the original cost, but agents' commissions, interest on mortgages, taxes, assessments, advertising cost, the expenses of negotiating mortgages, etc., may be included—possibly operating costs and other temporary expenditures. This evidence does not appear to be of a kind on which much reliance can be placed.

#### Beneficiaries of a Low Equalization Rate.

Special franchises, as has been stated in connection with the account of the assessment procedure in Buffalo, are valued by the State Tax Commission, whose intention

it is to comply with the law as to full value. But in the course of the litigation that followed the creation of this class of taxable real estate the courts ruled that special franchise valuations must be equalized with other real property in the same taxing district. Granting an accurately determined equalization table, this is quite just. If New York City property is assessed (technically) at 93 per cent. of its value, then special franchises can be taxed on only 93 per cent. of the value as assessed by the State Tax Commission. If a ratio of 84 per cent. were fixed by the city, the owners of special franchises would profit by the change. The public service corporations, ever since this claim to equalization was established, have manifested a keen interest in the proceedings of the State Board of Equalization.

#### Possible Solutions of the Equalization and Apportionment Problem.

The state tax and the difficulties connected with its apportionment are not confined to New York State. A report on the general principles involved and the methods followed in several states was prepared in 1915, by the Bureau of Municipal Investigation and Statistics, for the information of the Constitutional Convention. Those states which have dealt with the problem most successfully have done so by establishing a strong and centralized Tax Commission, with effective supervisory power over assessments, including authority to compel revaluation of a district when necessary. Wisconsin and Kansas are among the progressive states in this matter. The collection and compilation of sales data are recognized as essential elements of a well-founded judgment of assessment standards. One section of the proposed constitution presented to the voters of New York State in 1915 accepted the principle of a stronger State Tax Department, but was rejected, like the other portions submitted separately for popular approval.

A number of legislative amendments bearing on this question and emanating from the State Tax Commission were rejected at the 1917 session. One provided, in connection with a nominal registration fee, for a sworn statement of the true consideration in conveyances, to which statement the Tax Commission should have access. Such a law has been enacted in Nebraska this year. Another bill would have made the Board of Equalization identical with the Tax Commission. With the present efficient commission this would have obviated many difficulties and inequities. Its sponsors pointed out the greater probability of unbiased judgments from an appointed board than from one the majority of whose members are elected every two years. They also called attention to the fact that none of the other duties of the members outside the commission tend to give them a mastery of tax problems, while the entire work of the commission is of that nature. This bill was smothered in committee, but probably will, and certainly should, be revived in 1918.

Some tax experts would seek to avoid the imposition of a direct state tax by segregation of property and transactions for state and local taxation, real estate being, presumably, one of those set apart for local purposes. Such segregation has already been applied to a certain extent. The weak points of this form of relief are that nearly everything is already taxed and public expenses are increasing faster than taxable assets; that the federal government is encroaching more and more on the fields of taxation once regarded as especially appropriate sources of state revenue; and that, with less obvious liability for state support, public opinion would countenance dangerous extravagance in the use of state funds. It must be admitted that the probability of a direct state tax is an incentive to active civic interest on the part of the intelligent taxpayer.

Certain states have tried or discussed methods of apportioning state expenses that avoid the necessity of equalizing assessments. The most prominent of these is, perhaps, that of distributing the obligation in the ratio of appropriations for local expenditure. The ratio of assessment adopted locally would then not enter into the question, which would be purely one of local expenditure. The richer communities would bear the heavier tax burden. With state taxes of moderate amount the desire to keep down the local liability would not lead to niggardliness in financing public activities. This method has met with general approval in Oregon, where it would have gone into operation in 1910 but for an adverse decision on the constitutionality of some of the provisions of the law. It became operative in Connecticut at the beginning of 1916.

#### A Last Resort.

In the opinion of this commission, earnest effort should be made to enlist the aid of thinking citizens and organizations in securing such amendments to the tax law as will give the Tax Commission stricter control and responsibility in the administration of the law. Should such amendments again fail of passage, the question of the compliance of the State Board of Equalization with the statutes applying specifically to it should be tested in the courts.

Two county equalization cases have resulted in a settlement out of court that secured practical justice to the plaintiff—that of Utica, in 1914, and of Hempstead, in 1915. The evidence found conclusive in both cases was of the same kind as that laid before the State Board of Equalization for the last three years by New York City and there is no just reason why it should not have equal force in a question of state equalization.

#### ASSESSMENT OF BUILDINGS.

##### Use of a Prescribed Blank and Method.

The city of Buffalo, which has been so active this year in strengthening its administration of the tax law, made large additions to the valuation of buildings. The 1917 method applied to their assessment resembled that adopted for machinery in the systematic and minute gathering and utilization of exact detail. With the aid of a committee of builders, a blank was prepared which recorded not only outside form, materials and finish, but interior structure, heating and lighting appliances, decorative features, etc. The result was a 40 per cent. increase in the assessed valuation of buildings.

The question has arisen in the commission whether a similarly methodical procedure here, including co-operation with building experts, might not contribute to a distribution of assessed valuation more in harmony with the facts. Mr. Purdy kindly supplied a full statement of the methods now in use, and much the greater part of what follows on this subject is a summary of the information furnished by him.

The use of a very detailed blank and the subsequent computation of values giving a stipulated weight to each element of the description is a device extremely serviceable to untrained assessors. Notable instances of its use are the assessment of St. Paul, in 1896, on a system devised by William A. Somers, and the first quadrennial assessment (previous ones having been decennial, and unreliable, at that) of Cleveland, in 1910, also under the direction of Mr. Somers. In both cases the bulk of the work was done by a clerical force, and done much better than in previous assessments.

The general plan included the division of all buildings into a small number of classes, with factors of value per unit of surface or volume for each class and a prescribed weight for the principal characteristics. In Cleveland it was at first intended to grade depreciation by age, but it was soon realized that the obsolescence due to local conditions, and manifesting itself after periods varying with those conditions, is quite as important. Thirty-seven zones of obsolescence were accordingly established, with their own rates of depreciation for buildings of each class.

##### Deputy Tax Commissioners in New York City.

New York differs fundamentally from Buffalo, St. Paul and Cleveland when they first attempted scientific assessment, in that it has had for fifty years assessors giving their entire time to this work, and for twenty-five years or more these assessors, who are known as deputy tax commissioners, have been in the competitive class of the civil service. The examinations, which at one time tested little but qualifications for clerical work, have for a good many years been largely technical and such as to give an opportunity for the exercise of judgment trained by experience. Some of the appointees had been clerks in the department for years, some brought experience gained as title searchers or in other work connected with real estate. Most of them continue to serve as deputy commissioners for long periods, and often in a single district.

The Department of Taxes and Assessments furnishes the deputies with lists of all sales where the compensation is known, leases, mortgages, etc. The individual field books will contain, besides such of these data as are applicable to the district to be covered, descriptions of land and buildings, amounts of previous assessments and other pertinent facts that will aid in the making—and, if need be, the defense—of an assessment. The average district contains about 8,000 parcels, with a smaller number if especially difficult or little built up.

Uniformity of the records is not required or sought. In a newly built section, for example, cost of construction would have more importance as a measure of value; but it is not an absolute guide, even with a perfectly new building, nor can cost of reproduction be uniformly accepted. The deputies are personally acquainted with many workers in various lines of real estate activity and they pick up and record for future use much miscellaneous information as to neighborhoods and

specific properties. Other useful knowledge comes through the consideration of appeals for reduction of assessments.

##### Factors of Value. Obsolescence.

Tables of "factors of value" per square or cubic foot for various types of buildings are published by the department, but rather for the general information of the public and to facilitate comparisons than for strict application. The factor appropriate to a building of a given type would vary with circumstances. For the assessment of Manhattan buildings of more than eight stories a special blank has been prepared, from whose data somewhat detailed cards will be made, for office use in connection with appeals, etc. This suggests the query whether many valuable structures of less height are not such that a similar system, with equally full details, is demanded for intelligent assessment.

Obsolescence is an extremely influential factor in determining values of buildings, especially in cities, and more especially in New York City. The attempt to estimate it by set rules would be futile. Change in the character of a neighborhood by the coming of new groups of residents or of a noisy or unsightly business enterprise or public improvement; the invasion of a private residence district by tenement or apartment houses; the building of new structures of the old kinds but of a better type; limitation of light and air by the erection of high buildings near-by; any one of these may cause such a drop in values that the measures formerly applied to them would become entirely false. At the same time, some of these very influences, while causing depreciation in buildings, would advance the value of the land for other purposes.

##### Consistency and Publicity.

Among the questions asked of Mr. Purdy were the following two, to which answers were returned as follows:

Q. With the numerous deputy commissioners of the department, each using the forms and methods best adapted to his individual district and ways of working, what methods are adopted to insure uniformity of assessment for similar buildings in different parts of the city?

A. All must be assessed at "full value" and the deputies are instructed to disregard the apparent uniformity of using the same factor and determine the actual value, even though such value be less than the value of similar buildings in other districts.

Q. Just what checks on the integrity, good judgment and accuracy of deputies are employed?

A. Publicity is the greatest safeguard of the taxpayer and the law was amended in 1903, after years of effort, to ensure a large measure of publicity. The charter was then amended to provide for the separate statement of land value and the publication of the annual record by the Board of City Record.

Mr. Purdy goes on to speak of the amount of information brought out in the consideration of the 10,000 or 20,000 annual applications for reduction, in which any discrimination against the applicant would be instanced, and, particularly, to explain the value of the land value maps, published by the city and reproduced by the Real Estate Record and Guide. These maps give, for the fully settled portions of the city, the assessment per front foot of a normal lot of standard size, on each side of every block, and for undeveloped sections an acreage value.

They offer to the real estate owner incomparable facilities for comparing the assessment of his land with that of similar land belonging to his neighbors. They do not, however, throw light on the principles governing the valuation of buildings. Nor is it considered possible to devise a workable outline of standard values, classified as to both location and type of building. The circumstances deserving consideration are so many and so complex that, for the best results, a trained personal judgment must be left almost unfettered. "Factors of value" have been tabulated from time to time, and Mr. Purdy considers that a revision conforming more closely with present conditions might be useful if the principle of flexibility in application were generally recognized. The commission believes that, in addition to the intention on the part of assessors to comply with the full-value requirement, some direct help in comparing, discussing, and correcting standards would make for even-handed justice in assessment.

As for checks on the efficiency and faithfulness of the deputy commissioners, Mr. Purdy, while arguing for much freedom of action on their part, realizes the need of close oversight. He judges their competence and integrity not only by the amount of the assessments made, but by the grasp of details and the readiness of resource shown at hearings, etc. The absence of complaints of over-assessment would, for example, be itself an indication of the need of some inquiry into the assessor's way of discharging his duties.

##### Relation Between Land and Improvement Values.

The law requiring a separate assessment of land value, referred to a few pages back, has greatly advanced the equity of assessment of land. Against a separate assessment of buildings also there is the objection that the sum of the independent values of the parts of a property is seldom a correct valuation of the whole. In this case the result would probably be too high a total, because of the frequency of lack of adaptation (either original or developed by some change in conditions), between building, site, neighborhood, and use. In addition to the land, therefore, the property as a whole is assessed, and the value of the building is, inferentially, the difference. That is to say, the building itself has no taxable value unless the site is worth more with it than if unimproved. The value of a site may be such that the best thing a purchaser could do with the building would be to raze it and have the wreckage carried away. Other buildings are leased for a period about to terminate and will in all likelihood be torn down at the end of the term. Their assessed valuation may not exceed a year's rent. It is interesting to notice that when a rational principle is sought in almost any form of taxation, income is nearly always, consciously or unconsciously, fallen back on as the ultimate measure of assessments.

##### Suggestions.

It is reasonable to believe that certain very costly buildings of special types should be appraised, once at least, by experts with more technical knowledge in that line than an over-worked general assessor, however faithful and experienced, can possess. Against this opinion it will be urged that these buildings, though unquestionably of great cost, would not sell for a sum at all commensurate with their cost of construction or of reconstruction. They represent, however, an investment of capital which, presumably, is profitable to the investor and, if rented, they would bring in an amount having some relation to their structure and interior finish. Their assessment appears to be a matter on which consultation would be advisable.

#### REAL ESTATE OF CORPORATIONS.

##### Nature of This Class of Property.

This class of taxable property is considered here not because the commission is prepared to offer constructive suggestions for improved treatment of it, but because it is a form of real estate, and it is from real estate that the *major portion of the city's revenue* is derived, and also because the nature of this particular class is not generally understood. Practically all of the facts here stated have been gathered from the reports of the Department of Taxes and Assessments for the last ten years and from statements made by Mr. Purdy for the information of the commission.

Before 1899 and the enactment of the special franchise law, "real estate of corporations" included all tangible real property of corporations in public streets and places. That law defined a new real estate class, called special franchises, including nearly all such property, together with the intangible right to place and maintain it in that location. But as the meaning of the law at once became the subject of litigation and its constitutionality remained in doubt for years, all such property was assessed both as a special franchise and as real estate of corporations, to avoid the risk of its going untaxed through a decision invalidating a single assessment under either head. When the constitutionality of the Ford law was confirmed, in 1909, unpaid taxes in large amounts on real estate of corporations were cancelled.

The various uncertainties as to interpretation account for many of the fluctuations in the tax levy. In general, it may be said that "real estate of corporations" consists of private rights of way, with the structures on them or so closely connected with them as to be necessary to their use. Tracks of railroads not running in the public streets, with stations and roundhouses, are examples. Some real estate of this kind, however, belongs to manufacturing and mercantile corporations and is not situated in public streets but in other positions precluding the assignment of block and lot numbers. The taxable status of railroad crossings was long in doubt and underwent some changes; also that of certain tunnels, vaults and bridges. The settlement of these various points led to cancellations of the tax on either special franchise or "real estate of corporations." In a few cases there was doubt as to the dividing line between "real estate of corporations" and personality.



with appropriations to liquidate uncollectible taxes. It is stated that such accumulations of arrears in large amounts did result from the practice, followed for some years, of making assessments equal to the capital stock, in the absence of positive knowledge. Later, when no information was obtainable, these assessments were reduced to a uniform small per cent. of their original amount.

The commission is not disposed to advocate any automatic procedure of this kind. It does urge a more intensive campaign for exact knowledge. It advises definite efforts to obtain preliminary statements, on a blank devised to meet the real needs of assessors. It desires to have a considerable number of the statements received, from corporations of different kinds, strictly investigated as to their accuracy, however plausible they may be. As a practical experiment, it is suggested that corporations which have paid without filing a statement shall be assessed the following year for 50% of their capital stock, and for the full value the next year if there is still no statement; with successive annual increases until a statement is elicited. Those that have filed a statement shall have the following assessment raised approximately 50%.

As for the practical methods of eliciting preliminary statements fuller than the law requires, their details remain vague, to be worked out later and by specialists in such problems. It is the general principle and aim that is here emphasized. Some of the facts which, if given proper publicity, might be expected to have weight are the absolute necessity for larger contributions to public funds from personal estate, the lessened pressure of work on the personal tax bureau, owing to the new exemptions, and the departmental determination to arrive at the truth either before or after the tentative assessment.

One of the first and most visible effects would be a flood of proposed amendments to the tax law concerning personality; and this very thing is much to be desired. If the help of the large corporations whose personal estate still remains taxable could be enlisted in legislation that would replace both the farce and the undue severity of the present taxation of such property, by equitable ways of dealing with it, a temporary period of friction and hardship to bring the result about would be worth while.

#### SPECIAL FRANCHISE TAXES.

The special franchise tax on public service corporations operating or maintaining tangible property in public streets or places has been referred to several times in the course of this report. The commission has made no study of the administration of this tax and is, therefore, not prepared to make recommendations concerning it, but a report of the Bureau of Municipal Investigation and Statistics of the Department of Finance on the history and operation of the Ford law is attached, as Appendix II, since the tax is an important source of local revenue. In 1915, the Corporation counsel having suggested to the Comptroller that an exposition of the general principles applicable to public utility franchises, showing the methods employed in other states, might prove suggestive here, a memorandum on the subject was prepared in the bureau. It is used as Appendix No. III, without any revision to take account of possible changes in law or practice that may have arisen during the last three years.

#### REASON FOR DISCUSSING LEGISLATION.

The work of the commission has been confined for the most part to the special concrete problems of administration which it was created to study. But certain abnormal financial conditions are so conspicuously present as perhaps to justify the presentation of a few conclusions relative to amendatory legislative action.

#### Financial Needs of New York City.

Long before the statutory date for beginning work on the budget for 1918, it became evident to all those familiar with the city's finances that the appropriations for the coming year would necessarily be much in excess of the total for 1917. As has been explained in many reports issued in recent years, a very considerable part of the annual budget is controlled not by the judgment of the Board of Estimate and Apportionment but by statute. The interest and amortization installments on the city debt always make a very large imperative item; a direct state tax, when imposed, may reach any magnitude approved by the Legislature, and New York City must pay a portion of it determined by an arbitrarily made equalization table for the various counties of the state. It was known at the close of the legislative session of 1917 that the city would have to provide about \$8,000,000 as its share of a direct state tax. All present indications point to the recurrence of such taxes year by year.

The interest and amortization charges on bonds already issued are a costly element of the budget that cannot be cut out or reduced. Vast public enterprises like the Catskill aqueduct and the subway system are necessarily accompanied by heavy bond issues. The "pay-as-you-go" system also, while retarding the growth of permanent debt, increases current appropriations to provide for immediate and serial payments. The influence of this policy on the budget is only beginning to be manifest and will be much greater in succeeding budgets.

Interest on the subway bonds was, during construction, itself paid by bonds, as part of the construction capital expense. The completion of successive sections changes these expenses to budgetary obligations. It was clear that the cost of debt service would be a good many million dollars beyond the allowance in the 1917 budget.

The law reorganizing the teachers' pension system on a carefully computed statistical basis also called for a contribution from the city of approximately \$2,500,000 above that of previous years.

Added to all this were many causes of inflation due to the war—the larger allowances to all the departments whose function it is to protect life or property, the partial salary of drafted employees, the emergency appropriations for the departments maintaining homes and hospitals. Unforeseen needs such as these had been responsible for the issue of special revenue bonds to an unusually large amount and these, too, must be redeemed from the 1918 appropriations. The adoption of the "pay-as-you-go" policy in the financing of non-revenue-producing public improvements was an indirect result of the European War. It provides a needed, if drastic, check to the borrowing habit but will necessitate large appropriations in the next few years.

The prospect of reductions to offset these large increases was slight. Scientific budget-making has done much to curb expenditure, as by a definite departmental total of appropriation, after careful analyses, by itemized salary schedules, and by the establishment of the rule that not more than one-twelfth of the annual allowance may be used in any one month. There has also been an attempt to appraise the value of personal services and careful scrutiny has been given to estimates of other needs. The time had come when there seemed to be only two ways open for reduction—the elimination of some of the municipal activities and a general lowering of salaries and wages.

But taxpayers, while much impressed by the need of economy, always remonstrate vigorously against any curtailment of a customary public service. On the contrary, the modern tendency everywhere is toward a demand that the municipality assume more and more of the functions once performed by private agencies. As for a general cut in salaries and wages, the great reduction of the last few years in the purchasing power of the dollar is a cogent argument against it. On the contrary, large organized groups of employees were bringing pressure to bear in behalf of substantial increases.

#### Relations of Realty and Personality in Taxation.

Throughout the country, real estate taxes produce 75 per cent. of the revenue, and in New York City about 80 per cent. It is well known that the average net return to the owner of such property here has become so small as to depress the market. Should depreciation become general and confirmed, the debt margin also would be injuriously affected. Even if a much higher tax rate were not economic suicide it would be illegal, for the constitutional limit of 2 per cent. is not far away. A higher general standard of assessment is clearly out of the question. The conclusion is inevitable that larger contributions must be received from other sources.

As for the attempt to tax all personality at the real estate rate, its hopelessness is demonstrated every day and everywhere. Its severity condemns it to failure. A tax that would absorb, on the average, from thirty to fifty per cent. of income is too close to confiscation not to be evaded by all honest and some dishonest means. Securing immunity from personal taxation is almost a science and wealthy corporations and individuals find it profitable to secure expert legal advice on the subject.

#### Substitutes for the Personal Property Tax.

All the progressive states have sought substitutes for the personal property tax at the real estate rate, but many are bound by a constitutional restriction to uniform taxation of all property. New York State is, fortunately for it, not among the number. Property of several kinds has already been made subject to special taxes at individual rates in lieu of the general property rate. The 1 per cent. on shares of banks and trust companies is an illustration, for, though deducted from the dividends

of shareholders, it operates to reduce the total net profit. The recording tax of  $\frac{1}{4}$  per cent. on mortgages and secured debts (loans secured by property outside the state) brought to light a very large amount of property of this nature, which the owners voluntarily declared, induced by the low rate at which perpetual exemption might be secured. The secured debts law has this year been amended to include a greater variety of securities and make the recording tax an annual one of 1-5 per cent. on those thereafter recorded. The automobile tax is another to which a special kind of property is liable, at its own rate. The excise tax, which has brought in some \$6,000,000 a year, is levied on business, not property.

Several states make use of this plan of classifying personality for taxation and it is the general experience that the proceeds of a sufficiently low rate have decidedly exceeded those of the previous personal tax from that class of property. In 1916 the Board of Trade of Asheville, N. C., after an extended study of taxation questions, reached the conclusion that a uniform tax rate not exceeding six mills, applied to all taxable property, would bring so much to view which had previously gone untaxed that receipts would be greatly increased. This plan commended itself to the board as not only the most productive but as thoroughly just if used in connection with full-value assessment. They reasoned that 6 per cent. is at least equal to the average return on almost any kind of investment and that a 6-mill tax would be 10 per cent. of it. In this argument, again, comparison with income was made the crucial test of equity.

An article by Prof. Fred Rogers Fairchild, Secretary of the National Tax Association, in the March, 1917, Bulletin of the Association, contains some matter pertinent to this question:

"The interest in tax matters on the part of many of the business men of the state was so great that a demand arose for an independent investigation on their own part. The leadership in this movement was taken by the Connecticut Chamber of Commerce, which appointed a committee to look into the matter. \* \* \* The business men's tax investigation was in no sense antagonistic to the state commission \* \* \* The purpose was to look over the whole tax situation, find where taxpaying ability was, discover to what extent the present system was succeeding in placing the burden of taxation equitably, and accumulate a body of facts and conclusions which might serve as basis for recommendations to the state commission or to the legislature. There was no intention of either decreasing or increasing the total amount of taxes, or of seeking to serve the interests of any particular group of taxpayers. The purpose was rather to aid in finding a solution of the tax problem which should be equitable to all, and in particular to put the interests represented in possession of such a body of facts as would enable them to exert their influence wisely and with some authority in discussion of the state's tax problems.

"Another topic to which special attention was directed by the Chamber of Commerce investigators was the state four-mill tax on bonds, notes, and other choses in action. This is a method of reaching intangible personality which has been regarded with considerable favor in many states. There is a tendency on the part of many to regard this as a solution of the problem of the taxation of intangibles. Connecticut was a pioneer in the establishment of this system, but up to the present time its results have never been investigated. The report of the Chamber of Commerce study gives ample evidence to warrant the conclusion that, while a considerable amount of property is reached, a great deal, probably the great majority, entirely escapes. What the report shows is the amount listed of various kinds of property, and the amount listed from each town. The absurd discrepancies between the amounts listed by the towns, in connection with their population, are the evidence showing the inefficiency of the tax \* \* \* the evidence presented leaves little room to doubt that successful taxation of intangibles requires something more than a voluntary tax at a moderate rate in lieu of local assessment.

"The Chamber of Commerce has introduced bills looking to the exemption \* \* \* of pretty much all forms of personality which are now subject to taxation, such as notes, mortgages, money, deposits, etc. The Chamber of Commerce bills also propose the repeal of the four-mill tax on investments and the enactment of an individual income tax at the rate of 1.5 per cent., based upon the returns made to the federal government."

Chapter 152 of the Connecticut Laws of 1917 exempted from taxation all evidences of indebtedness issued after April 1, 1917, by the United States or any taxing district of Connecticut. The application of the income tax, enacted in 1915 for miscellaneous corporations only, was not extended and no substitute for the four-mill tax repealed seems to have been provided. However, the commission referred to above expressed in its report the opinion that the state had too much income.

Rhode Island, Pennsylvania, Maryland and Minnesota are states representative of the classification principle in taxation. The rate adopted for each class is usually based on considerations of the average income from such property. Indeed, as has been remarked earlier in the report, arguments as to the justice or injustice of a given tax burden nearly always find their ultimate support in the relation of the tax to the presumable income.

#### The Tax on Bank Shares.

Shares in state and national banks, which had not previously been distinguished in taxation from other forms of personal property, were made, by chapter 550 of the Laws of 1901, a special class, subject to a local tax of 1 per cent. on their combined capital stock, surplus and undivided profits. Sections 23 and 24 of the tax law provide for an annual statement from the banks to the local assessing authorities, giving the value of the taxable elements, with lists of shareholders, etc. The tax is then paid by the banks and charged proportionally to the shareholders.

Much litigation has centred about this law, attacking first its constitutionality, second the provisions for its practical administration, third its alleged lack of conformity with the federal statute permitting the states to tax national bank shares. A much fuller history of the tax, with a statement of levies and collections, is contained in Appendix No. IV to this report. Certain doubtful points having been once decided, the law has, in general, worked very smoothly and the present proceeds are about \$4,000,000.

The Chairman of the Commission, considering that, notwithstanding the simplicity of the provisions for levying this tax, and its high rate of collectibility, some check on the accuracy of returns might well be applied, had members of his office force make comparisons with the reports rendered by the banks to the Comptroller of the Currency and the State Superintendent of Banks. Fortunately, the date for the former of these reports is in close proximity to that of the report to the local assessors. Some of the more striking disparities were investigated and wide variations were found to exist in the computation of the basis used for the bank share tax. These differences lay mainly in the treatment of accrued but unpaid claims and the valuation of real estate.

The Department of Taxes and Assessments, which had recently received the 1917 statement from the banks, thereupon prepared a new and more explicit blank form, bearing direct relation to those used by the state and federal officers, and requested an amended statement. Of the 105 banks reporting, 83 showed a greater assessment and 22 a smaller, the net gain to the city being \$72,771.

#### Proposed Increase in Bank Share Tax Rate.

It has been argued before this commission that holders of bank share stock have been unduly favored by the stationary 1 per cent. rate on their property during a period when the general tax rate has risen from 2.32, in 1901, with an assessment of real estate estimated as not above two-thirds of actual value (equivalent to a 1.53 rate on full value) to approximately 2.35 for 1918. It was submitted that part of the ever-increasing burden borne by other taxpayers should be shifted to these shareholders, whose profits in dividends are understood to be very large. It was claimed that if a tax rate two-thirds as high as the virtual 1.53 general rate of 1901 sufficiently compensated for the various disabilities imposed on bank share property, and was so accepted by those concerned, a rate of two-thirds of 2.35, at the least 1 $\frac{1}{2}$  per cent., would be fully justifiable in 1918. Such an amendment would aid materially in providing the indispensable increase in public revenue, for which, under present conditions, real estate must be responsible—to its great detriment.

Section 5219 of the U. S. Revised Statutes empowered the states, in 1864, to authorize local taxation of shares of national banks, at a rate not higher than that imposed on "other moneyed capital in the hands of individual citizens." This limitation has been made the ground of several suits and its force would be utilized again if occasion offered.

In estimating the severity of the tax on bank shares due weight must be given to the deprivation of various privileges enjoyed by other property owners. Against an assessment of personal property in general for taxation, debts may be offset, but in

the case of a bank share assessment no offsets whatever are permitted and no exemptions are valid. State and United States bonds and other nontaxable securities, recorded mortgages, etc., held by the banks must be included in the capital stock. Even the real estate must pay a 1 per cent. tax in addition to one at the general local rate. To the extent of this double taxation of their real estate they have been affected by the rise in the general tax rate.

Reasonable as the argument in favor of a higher rate appears from the general point of view of equity, it is defective in that its rectification of the general tax rate of 1901 is based on the undervaluation of real estate, while the comparison required by the federal law is with certain forms of personal estate. Further, the tax rate used in the argument is that of New York City, and, though there has been a general increase throughout the state, it has not been so great as here. Nor is there everywhere the same difference between present and former standards of assessment. That the tax burden of manufacturing and mercantile corporations has been decidedly increased by the Emerson law is undeniable, but judicial rulings on the content of the phrase "other moneyed capital" make it questionable whether such investments are among those with which capital invested in bank shares is not to be brought into competition on unfavorable terms. Certainly, a tax at 3 per cent. on profits will not exceed one at 1 per cent. on capital stock, surplus and undivided profits unless profits in the first case are abnormally large. The same is true in the case of general corporations not subject to the Emerson law, for, with any ordinary dividend, the state franchise tax is only a mill or two on a dollar and the personal property tax on corporations is notoriously unproductive, through the varied possibilities of offset and exemption.

In the light of all these considerations, it does not seem to the Commission advisable to make any immediate attempt to amend the bank share tax law. This conclusion is strengthened by the obvious tendency toward an income basis for taxation. That principle, having its foundation in proportionality, would do much to equalize burdens and at the same time would avoid any danger of conflict with the federal statute.

#### Income Taxes.

##### Wisconsin.

The taxation of incomes has long been one of the main regular sources of revenue in nearly all European countries, but, though practised to some extent in many of the states of our Union, it has not until within a few years, except during the Civil War, been so administered as to be very productive or equitably incident. Wisconsin began in 1912 a convincing demonstration of the possible value and smoothness of operation of a general income tax. It was intended that the tax should ultimately replace that on personal property, but several kinds of such property were left taxable and are so still, though a receipted tax bill on personality may be offered in payment of an income tax. For these reasons Wisconsin assessors are often importuned to assess machinery, for example, as personal estate.

The income tax of 1916 was \$5,335,085, which is \$927,557 less than the entire personal property tax just before the enactment of the law. Personality was still taxable for \$7,514,026. About two-thirds of the personal tax is usually offset against the income tax. The Wisconsin State Tax Commission estimates that the total amount of income tax paid during the years 1912-1915 exceeds by \$4,767,173 the personal offset, together with that which would otherwise have been levied on property exempted by the income tax law. This is about 9 per cent. of all taxes collected by the state. Approximately 2½ per cent. of the total tax remained unpaid on June 30, 1916, and the cost of administration had averaged about 2 per cent., which is paid out of the state's 10 per cent. share. The county governments receive 20 per cent. of the proceeds, and localities 70 per cent.

An income tax is naturally better adapted to urban districts, where it easily becomes the only tax on personal property. To rural sections it is less applicable. The Wisconsin Tax Commission has proposed that, since farm animals are the most important kind of rural personality, and since their number and value bear a fairly constant ratio to the land, all the tax on the personal estate of farmers should be dropped and the tax rate on real estate raised. They believe that the difficulties of assessment would be much simplified and the distribution of the tax burden very little affected.

Wisconsin derives much assistance from the procedure and decisions of the federal income tax officials, but is not given access to the governmental records. Its report form is similar to that used in Washington, but contains additional data to govern distribution to the districts where income is produced.

The law applies only to income from sources within the state. Most countries taxing income include all revenue of their own citizens, wherever produced, and this is true of the income tax laws of Massachusetts, Connecticut and Oklahoma. The situs of personal property for taxation is variable in different states, the convention that it follows the owner being generally but by no means universally accepted. These variations often lead to double taxation. The logical principle appears to be that income should be taxed where the recipient enjoys its use unmolested and real estate where it is situated and protected.

The following quotations from the 1916 report of the Wisconsin Tax Commission may be of interest:

"There is a slight increase in the percentage of firms and individuals against whom income taxes are assessed in both the urban and the rural counties, showing that, as prosperity increases, more people become subject to the tax and, as it decreases, fewer are brought under its scope. This fact indicates the true worth of such a tax. It puts the burden of taxation upon those who can afford to pay when they can afford it." (p. 55)

"In its natural appeal the income tax is fair—no income, no tax, and vice versa. It is an improvement over the old personal tax, which goes on forever, whether the company is on the verge of bankruptcy or not, whether it is a young concern which has yet to establish itself, or whether it has just gone through a disastrous year and its taxpaying ability is at a low mark." (p. 63)

"To facilitate the prompt collection of the income tax when due and as a means to still further reduce the amount of the delinquent roll, an amendment to the law is suggested which will forbid the personal property tax offset against an income tax which has been allowed to go delinquent but which is later paid." (p. 65)

"One-half of the total income tax assessed is offset by personal tax receipts. It would facilitate and simplify the assessment and collection of the income tax without generally affecting the net yield if the personal property tax were abolished." (p. 68)

##### Connecticut.

The income tax of Connecticut went into operation in 1916. It is at the rate of 2 per cent. and is confined to miscellaneous manufacturing and business corporations. A duplicate of their report to the Bureau of Internal Revenue at Washington is required from the corporations, with supplementary information.

The proceeds and the general working of the law are found very satisfactory and nearly all points that might be subjects of controversy are settled by the federal authorities. The cost of administration is very slight.

##### Massachusetts and Other States.

The Massachusetts income tax law went into effect at the beginning of this year. It applies to intangible personality only and takes the place of all other taxation on such property. Three rates are used—1½% on net income from annuities, 3% on dealings in intangible property, and 6% on the general kinds of such property to which the old income tax law applied, but which it seldom reached. The income tax laws of other states have not much present importance, as they are either in an early, experimental stage or are practically inoperative through the weakness of their administration.

##### General Principles.

In a paper read at the tenth annual conference of the National Tax Association, in 1916, Professor Charles J. Bullock, of Harvard, made it clear that an income tax and a classified personal property tax with rates based on productivity are two ways of working for the same result, taxation proportioned to ability; for ability, not benefits received, has come to be recognized as the true criterion of public duty. The same paper suggests various feasible combinations of taxes under these two forms.

In this connection the 1917 report of the Wisconsin State Tax Commission says: "It will be observed that the combination Prof. Bullock prefers is a tax upon income of all descriptions, supplemented by a tax upon all tangible property, under proper classification. This latter qualification is fatal to the adoption of this scheme in Wisconsin, under the uniformity clause of our constitution, above quoted. This provision requires all property taxed as such to be taxed at a uniform

rate, or, in other words, denies the right of classification. The only alternative, therefore, is between the taxation of all property at the same rate and complete exemption. As all authorities agree and all experience demonstrates the impracticability and unwise of attempting to tax all personal property at the same rate as real estate, it is futile to attempt to do so. Our remedy, therefore, is by exemption of personal property from the property tax and substitution of the income tax in its place." (P. 86.)

It is generally admitted that the tax on ordinary real estate must be retained in any case and continue to supply the greater part of the tax revenues. It ensures a stable source of public revenue that will be much needed in years of reduced profits. Whether real estate could justly be taxed as such and the income from its also taxed is a debatable question. Land is, for many reasons, a particularly valuable and desirable form of property and might perhaps bear some disproportionate burdens for that reason. Its permanence and the virtual certainty of its ultimate growth in value, the respect and other social advantages accruing to the landed proprietor and his family; above all, the fact that the supply is rigidly limited and will continually fall more short of meeting the demand—all these advantages are worth acquiring.

##### Views of the Commission.

This Commission sees no way of meeting the monetary needs of state and city without more help from sources other than the tax on real estate. Personal estate, if taxed directly, should, undoubtedly, be subject to low, classified rates; but experience elsewhere scarcely warrants the belief that this device would by itself fully meet the case. The Commission therefore regards a general income tax as adapted to provide increased revenue with the greatest degree of justice. The first step toward it may, however, be an extension to corporations in general of the tax imposed on certain of them by the Emerson law of 1917.

Of the many problems of detail—what the proper rates would be; whether the progressive principle should be applied to them; the treatment of debt in connection with income; what incomes should be exempt—all these points and innumerable others must be left to be threshed out at some later time by some other body. A few points that are self-evident are: Personal property cannot be rightly assessed by the average local assessor. A strong state tax commission, with adequate administrative machinery, is absolutely indispensable; (2) Of the proceeds collected by the state, local divisions must have a generous share to compensate them for the loss of personal property taxes. They cannot repeat the tax on a smaller scale for their own benefit, since the growing tendency of the national government to adopt direct taxes and so exhaust the sources of revenue which the states had regarded as their own is limiting possible expedites. An income tax imposed and administered by the federal government would be the most economical and effective plan, assuming a reasonable apportionment of the proceeds. But devising any acceptable or just method of distribution would be a task of the first magnitude. It goes without saying also that many would discern in a plan of this kind a danger to an essential element of the sovereignty of the state, the right to tax. Yet, if national, state and local expenditures maintain their present rates of growth, some mutual adjustment of sources of revenue cannot be avoided.

Until within a few years it was easy to urge a number of apparently strong objections against an income tax in this country, such as the uncertainty of the product, the new and complicated machinery of administration and its cost, and especially the impossibility of getting at the facts without resorting to methods inherently inquisitorial.

Most of these objections have proved to have but little cogency. Given a competent tax commission, with proper authority, the product has equalled or exceeded expectations; there has been comparatively little friction, lessening with experience; and the cost of administration has been very moderate. Inquisition there certainly is and must be, for exact facts are indispensable to equitable assessment. But the necessity of submitting to the interrogatories of the federal government has hardened so many taxpayers to necessary inquisition that this objection also has lost much of its force and the current in many states is setting strongly in the direction of taxation based on income.

This commission wishes to record an unequivocal preference for an operative tax law. On the majority of forms of personal estate justice demands a low rate, and we believe that such a rate, if paid on the major part of such property, would bring in receipts that would greatly relieve the unbearable strain on real estate. Unfortunately, it is by no means certain that the major part can be reached in that way. We advise immediate efforts for legislation to impose an income tax more general in its application than that established by the Emerson law. If public opinion will not yet support a general income tax, the classification of personal property for taxation at fractional rates should be sought.

Whether an income tax should be extended at first only to the miscellaneous corporations outside of the manufacturing and mercantile class or should include private citizens down to those with a very modest income would depend largely on the extent to which the average man has been educated by experience to a comprehension of present conditions. The Commission, while seeing much scope for amendment of the law, and while in favor of an income tax, does not recommend its specific provisions. It stands as a unit for the strict enforcement of the law; whatever it may be, by its sworn officers.

##### Summary of Recommendations.

1. That all machinery now taxable as real estate shall be so assessed and that the Department of Taxes and Assessments shall, for one assessment at least, utilize the services of engineers in its appraisal.

2. That a committee containing builders, contractors and engineers might advantageously co-operate with the Department of Taxes and Assessments in an assessment of buildings of special types.

3. That the Department of Taxes and Assessments exert all the pressure permitted by the laws to secure statements from corporations preliminary to the assessment of their personality, and receive additional assistance, if necessary, in order that a great part of these statements may be verified.

4. That a campaign be inaugurated and prosecuted with vigor for legislative action which will secure from the great bulk of personal property an adequate and equitable contribution in taxes, the methods suggested being, in the order of preference: (1) a general income tax; (2) a more extended application of the Emerson law; (3) special taxes, at fractional rates, on personality classified with due regard to its average productivity.

5. That legislative or constitutional amendments be sought which will bestow more definite and concentrated authority and responsibility on the State Tax Commission.

Respectfully submitted,

ROBERT B. MCINTYRE, Chairman;  
LAWSON PURDY,  
W. SPENCER ROBERTSON,  
HENRY L. STODDARD,  
LEONARD M. WALLSTEIN.

I doubt the wisdom of employing persons outside the Department of Taxes and Assessments for the determination of assessed values and I do not concur in the recommendation to attempt to require statements from corporations in advance of the assessment of personal estate.

LAWSON PURDY.

##### APPENDIX I.

##### APPORTIONMENT OF DIRECT STATE TAX.

###### Introduction. Summary of the Results Achieved.

This work, the primary purpose of which is to guard the City's interests in connection with the preparation of the annual equalization table on the basis of which the direct state tax is apportioned among the sixty-two counties of the state, was begun in May, 1915, at your direction. The results attained and the savings effected in connection with the apportionment of the direct state tax may best be measured by a comparison of the percentage of the direct tax now paid by the city with the proportion prevailing before the City of New York, through its Department of Finance, began to take an active interest in the preparation of the annual equalization tables.

On the basis of the equalization or apportionment table for the year 1914, New York City's proportion of the direct state tax would have been 69.27 per cent. The table for 1914 has been selected as a basis for comparison because it was the last equalization table in connection with which no active part was taken by this bureau. On the basis of the 1917 equalization table, as adopted by the State Board of Equalization on September 18, 1917, on which the direct state tax for 1917-18 has been apportioned, New York City's share is fixed at 64.81 per cent., a reduction of nearly 4½ per cent., as compared with the proportion of 1914.

Measured in dollars and cents, this reduction in the share of the state tax to be paid by the City of New York means that, had the 1914 rate of apportionment, viz., 69.27 per cent., obtained in 1917, New York City would have had to pay over \$9,000,000 as its share of this year's direct state tax instead of \$8,500,000, or \$64.81 per cent., the rate for 1917. This is a difference of \$500,000 in the city's favor, and it is doubtful whether this substantial saving would have been effected had not the city, through the Bureau of Municipal Investigation and Statistics, of the Department of Finance, persisted for the past three years in its efforts to secure for itself an equitable apportionment of the direct state tax. The share fixed by the 1917 equalization table is the smallest portion of the direct state tax borne by the City of New York since 1900, in which year 64.67 per cent. of such tax was paid here.

For the success attained by the Bureau of Municipal Investigation and Statistics in its various investigations of assessment standards during the past three years credit must be shared with the State Tax Commission, which has heartily co-operated with this bureau in its efforts to secure an equitable equalization table. In furthering these efforts the President, Mr. Martin Saxe, has taken an especially active part. The commission organized, soon after its appointment, a Bureau of Local Assessments, Equalization and Statistics and has worked to develop and maintain it as an organization qualified to cope intelligently with the vexatious problems of equalization. Many improvements have been effected in the administration of the tax law, including marked advances in the supervision of local assessments.

The scope of the several investigations conducted by the Bureau of Municipal Investigation and Statistics, the methods employed and the results attained in connection with the preparation of the 1915, 1916 and 1917 equalization tables are described in detail in the following report.

#### Conditions Before the City Entered the Field as an Independent Investigator.

That for many years the City of New York has had to bear more than its just share of the direct state tax because of the methods employed in the apportionment of the direct state tax, is a well-known fact. The equalization tables adopted by the State Board of Equalization have from year to year fixed high rates of equalization for up-state counties where, in reality, real property was actually assessed from 10 to 30 points lower than such rates. On the other hand, although New York City, since 1903, has made strong efforts to carry out the law requiring the assessment of property at full value, it has had to content itself with a rate of equalization much lower than that merited by the high standard employed by it in the assessment of property.

Nor could this situation be said to be due to the lack of information by the State Board of Equalization as to assessment conditions in New York City. Year after year, representatives from the City's Department of Taxes and Assessments appeared before the board at its annual meetings, with data indicating a virtual compliance with the provisions of the tax law requiring assessment at full value; and each year the State Board of Equalization disregarded this full obedience to the law, ignored the evidence presented, and continued to fix low rates of equalization for New York City's counties.

From 1900 to 1903 the rate of equalization fixed by the State Board of Equalization for the New York City counties averaged about 67.60 per cent. In 1904, in recognition of the large increase in New York City's assessments, aggregating nearly 43 per cent., the purpose of which was to bring the city's assessments to substantially full value, the State Board of Equalization fixed the average rate of equalization for New York City counties at 89 per cent., an increase in rating, as compared with 1903, of not quite 32 per cent. From 1904 to 1910 the assessment of real property in the City of New York increased from \$4,751,532,826 to \$6,807,179,704, or more than 43 per cent., but the rates of equalization for the New York City counties remained practically stationary during this entire period.

In 1911 a member of the State Board of Equalization from New York City declined for several days to subscribe to the state equalization table, for the reason that neither the State Tax Board nor the State Board of Equalization had any assessment data or other statistical information upon which to base intelligent judgment as to assessment conditions in the several counties of the state, and further, because it was generally recognized by those familiar with the assessment situation in the state, that the rates of equalization previously fixed for the up-state counties were in most instances too high to bear a just relation to the rates fixed for the counties comprising the City of New York. When the 1911 equalization table was finally adopted the rates of equalization for New York and Kings counties were fixed at 91 per cent., an increase of two points over the preceding year's rates. This brought the average rate of equalization for the New York City counties up to 90.88 per cent., or nearly two points higher than the average rate for 1910 and the years immediately preceding it.

There was no increase in the rates of equalization fixed for New York City counties in 1912, although the equalization table for that year was ostensibly based on 1911 assessed valuations, which had been increased more than \$800,000,000 over the aggregate valuations for the year 1910. There were no further concessions to New York City until 1915, when this city for the first time became interested in analyzing and compiling assessment data affecting real property located in up-state counties, for the purpose of determining independently the relation which actual assessment conditions bore to the rates of equalization which had been heretofore or would be hereafter fixed for such counties.

#### Necessity for New York City's Taking an Active Part in the Preparation of Equalization Data.

In the spring of 1915 the state levied a large direct tax, over \$20,500,000. According to the preceding year's equalization or apportionment table, that of 1914, the city's share would be 69.27 per cent., or approximately \$14,200,000. The magnitude of this sum and the further fact that in the apportionment of it among the several counties of the state, each per cent. of increase in the city's share meant an additional tax burden of over \$200,000, invited the serious consideration of the city's fiscal authorities.

In obedience, therefore, to the imperative necessity of carefully guarding the city's interests an examination of the records and files of the State Tax Commission was made at your direction by this bureau soon after the present State Tax Commission took office, early in 1915. In brief, it was found that although the law requires the State Board of Equalization, of which the three State Tax Commissioners are members, to prepare and adopt annually a table on the basis of which the direct state tax shall be apportioned among the several counties of the state, no systematic scheme or plan was in operation for procuring reliable information relating to the average rate at which real property was assessed in such counties. Not only were the assessment data found insufficient in volume to afford a proper basis for an equalization table, but much of the data on file was, on examination, determined to be useless for the purposes of equalization.

#### Investigation of 1915 and the Results Attained through It.

Convinced that the city's interests would best be served by entering the field as an independent investigator of assessment conditions in up-state counties, and further, in order to assist the new State Tax Commission to secure reliable information concerning average rates of assessment in the several counties of the state, this bureau undertook, in May, 1915, to compile assessment data in the six counties outside the City of New York having the largest assessed valuation, as follows:

County.	Aggregate Assessed Valuations.
1. Albany	\$135,306,349
2. Erie	407,595,886
3. Monroe	271,783,213
4. Oneida	81,264,851
5. Onondaga	182,864,850
6. Westchester	389,896,028

The combined assessed valuations of these six counties aggregated nearly 50 per cent. of the total for all the up-state counties.

This examination, the results of which consisted chiefly of rates of assessment determined by a comparison of the 1914 tax valuations with appraisals of property mortgaged to savings banks, trust companies and insurance companies, was completed in co-operation with the State Tax Commission's Bureau of Local Assessment, Equalization and Statistics. This bureau was organized, as has been explained, by the new tax commission for the express purpose of creating a division able to cope effectively with the problems involved in the exercise of certain statutory functions given by a recent law to the new commission, the most important of which was the function of equalizing special franchise assessments and collecting and compiling data to be used in connection with the preparation of the annual equalization table.

The State Tax Commission, composed of Martin Saxe, of New York; Walter H. Knapp, of Canandaigua, and Ralph W. Thomas, of Hamilton, took office

on April 15, 1915, after the former State Tax Board had been retired from office by an amendment to the tax law creating the present State Tax Department, with the State Tax Commission as its head.

Owing to the short time that intervened between the date of taking office and that of the annual meeting of the State Board of Equalization in September, 1915, the Tax Commission was unable to secure sufficient reliable assessment data in all the counties of the State to serve as the basis for the fixing of the component rates of equalization in the equalization table for the year 1915.

A comparison of the results obtained through the examination made by the Bureau of Municipal Investigation and Statistics with the rates of equalization fixed both for the preceding year, 1914, and the rates fixed for the year 1915, by the State Board of Equalization, to whom these results were submitted, is contained in the subjoined table:

County.	Rate of Equalization as Fixed for 1914.	Rate of Assessment Indicated by Results of Investigation.	Rate of Equalization as Fixed for 1915.
Albany	90	75	87
Erie	77	60	75
Monroe	75	65	78
Oneida	75	60	75
Onondaga	82	70	82
Westchester	81	65	75

Thus, while no important rectification of the rates fixed for the up-state counties was obtained as a direct result of the data gathered by the bureau, fairly substantial increases were secured in the rates of equalization fixed for the New York City counties. The State Board of Equalization, although apparently unwilling to inaugurate a drastic change in the level of previous rates for the up-state counties, gave recognition to the work that had been done by this bureau and sought to correct in some degree the relation between the assessments of New York City and the up-state counties by increasing New York county's rating by two points and giving an increase of one point each to Kings and Bronx.

These increases for the New York City counties and the decreases, ranging from one to six points in the rates of equalization fixed for twenty-two up-state counties, had the ultimate effect of reducing New York City's share of the direct state tax for 1915 to 68.10 per cent. as compared with 69.27 per cent., the rate fixed in 1914. Had the 1915 direct state tax been apportioned on the basis of the 1914 equalization table, New York City's share of that tax would have been approximately \$250,000 greater than the portion finally fixed by the 1915 equalization table.

#### The Investigation of 1916 and Its Results.

The examination for the year 1916 included, in addition to the six counties embraced in the 1915 investigation, the counties of Niagara, Rensselaer and Schenectady, making a total of nine counties, with an aggregate assessed valuation equal to more than 50 per cent. of the total valuations of the up-state counties.

Inasmuch as no direct state tax was imposed by the Legislature of 1916, that year was deemed to be an opportune time to make a strong effort to secure substantial reductions in the inflated rates of equalization fixed for up-state counties in previous years. Another feature of the situation which favored an extension of the work of examining into the actual rates of assessments in those counties was the creation of a new source of reliable information concerning current selling prices, which resulted indirectly from the enactment of the Federal Emergency War Tax Act, in December, 1914.

The practical effect of the act was to require all conveyances to bear revenue stamps at the rate of fifty cents for each \$500, or fractional part, of the equity conveyed in the transfer of real property. The amount of the equity so conveyed was easily approximated from the value of the stamps affixed to the conveyance; and by adding to the sum so obtained, the amount of the mortgages and other encumbrances outstanding against the subject matter of the sale the full consideration could be determined with reasonable accuracy. A comparison of this sum with the current assessed valuation furnished a fair indication of the rate at which real property in the vicinity was assessed. Thus, for the first time in many years, reliable data concerning current selling prices in practically every section of the state where real property was bought and sold became available.

An investigation of assessment conditions, including the analysis of sales and other data for the purpose of determining average rates of assessment, was carried on in practically every county of the state, either by the Bureaus of Municipal Investigation and Statistics or by the Bureau of Local Assessment, Equalization and Statistics of the State Tax Commission. The results of these investigations furnished a formidable mass of reliable information and statistics relating to actual assessment conditions. In some of these counties examinations were made by both bureaus. It is interesting to mention in this connection that the results and conclusions reached by these two independent investigations were substantially in agreement.

The State Tax Commission was thus, by reason of the work done by its own bureau and the additional data gathered by the City's Bureau of Municipal Investigation and Statistics, able, for the first time, to place before the State Board of Equalization, for adoption at its annual meeting, a tentative equalization table based on complete data, carefully and accurately compiled from the best and most reliable sources available.

Viewed from the standpoint of efficiency and the desire to perform a statutory function faithfully, the situation marked a distinct advance and made new and better methods in connection with the preparation of the annual equalization table fully available.

The results of these investigations indicated that every county but one, where data had been collected outside of New York City, had been given on the previous year's equalization table, that of 1915, a higher rate of equalization than the actual assessment of its real property would justify. The full details were presented at the annual meeting of the State Board of Equalization in 1916, and, at the executive session that followed, the State Tax Commission, following the custom of previous years, submitted a tentative equalization table. The component rates of equalization advocated for the several counties of the state were based entirely on the facts ascertained by the special agents of the State Tax Commission and the assessment data relating to nine large counties compiled by the Bureau of Municipal Investigation and Statistics. This tentative table fixed New York City's proportion at 64.29 per cent., or nearly four per cent. lower than the rate fixed for 1915, the preceding year.

The State Board of Equalization held several executive sessions between the date of the annual meeting in September and the date when equalization table was adopted. Finally, on October 26, 1916, nearly seven weeks after the date of its annual meeting, the board adopted the equalization table for 1916. The recommendation of the Tax Commission for increased ratings for three counties within the City of New York, viz: Bronx, Kings and New York counties, was followed to the extent of an increase of one point in the rate of equalization and substantial decreases were made with respect to the ratings fixed for many up-state counties, though the explicit ratios advised by the Commission, were substantially ignored.

Comparing the 1916 ratings with those of 1915, we find that out of a total of fifty-seven up-state counties, three were given higher ratings than in the preceding year, four remained unchanged while fifty were reduced.

The table as adopted by the majority of the State Board of Equalization fixed New York City's proportion at 66.19 per cent., or nearly two per cent. greater than the proportion fixed in the table proposed by the President of the State Tax Commission, Mr. Martin Saxe.

The action of the majority of the State Board of Equalization in disregarding the proposed equalization table, based on actual investigation and inspired by an honest effort to fulfil statutory functions, called forth a strong protest from the minority, headed by Mr. Saxe, who insisted that his plea for the adoption of a table based on the evidence presented to the Equalization Board be incorporated in the minutes of the meeting, together with a copy of the proposed table.

Thus, while the action of the State Board of Equalization was not all that could be desired, it did result in a further improvement in New York City's position on the equalization table.

#### The 1917 Investigations.

While the last two years had seen steady improvement in New York City's position on equalization tables, a comparison of the rates fixed for many up-state counties with the actual rates of assessment determined through investi-

gation made it clear that there was still room for much improvement. The reductions, with few exceptions, were hardly drastic enough to produce a just relation between the rates of many up-state counties and those fixed for the counties of the City of New York.

This is shown perhaps more clearly in the following table, in which are summarized the results obtained through investigations made by this bureau in 1915 and 1916, and the rates fixed by the State Board of Equalization for the same years.

**Comparative Table Showing the Rates of Equalization Fixed by the State Board of Equalization for the Years 1915 and 1916, and the Rates Determined by Investigations Made by the Bureau of Municipal Investigation and Statistics of the Department of Finance for These Years, Together with Rates Recommended by President Saxe in His Proposed Equalization Table for the Year 1916.**

Counties.	1915 Equalization Rates.		1916 Equalization Rates.		
	Fixed by State Board of Equalization.	Indicated by Investigation by Bureau of Municipal Investigation and Statistics.	Fixed by State Board of Equalization.	Recommended in President Saxe's Proposed Table.	Indicated by Bureau of Municipal Investigation and Statistics.
Albany .....	87	75	85	75	71
Erie .....	75	60	73	65	61
Monroe .....	78	65	75	70	64
Niagara .....	68	*..	63	52	48
Oneida .....	75	60	71	60	51
Onondaga .....	82	70	79	76	70
Rensselaer .....	89	*..	88	84	75
Schenectady .....	75	*..	70	68	63
Westchester .....	75	65	73	70	69

\* No investigations in these counties for year 1915.

In accordance, therefore, with the determination to secure a further improvement in the matter of ratings the Bureau of Municipal Investigation and Statistics undertook to secure assessment data in eighteen counties of the State. But it was found impossible to make satisfactory arrangements for the carrying on of this work in two of the counties, viz., Chautauqua and Oswego. The compilation of the assessment data undertaken in the remaining sixteen counties was successfully completed and submitted to the State Tax Commission and to the State Board of Equalization, in ample time for consideration by the several members of that board.

The results of this investigation, probably the most comprehensive ever undertaken by a municipality, are briefly summarized in the subjoined table, in which are shown, in connection with each county included in the survey, (1) the rate of equalization fixed in the 1916 equalization table, (2) the average rate of assessment determined by the results of the examination made in each county, and (3) the number of points by which the 1916 rate of equalization, as fixed by the State Board of Equalization, exceeds the rate indicated by this investigation:

County.	Rate Given in 1916 Equalization Table.	Average Rate of Assessment as Indicated by This Inquiry.	Number of Points by Which the 1916 Rate Exceeds Rate Indicated by Investigation.
Albany .....	85	74	11
Broome .....	80	66	14
Dutchess .....	76	69	7
Erie .....	73	69	4
Jefferson .....	75	52	23
Monroe .....	75	70	5
Niagara .....	63	51	12
Oneida .....	71	48	23
Onondaga .....	79	73	6
Orange .....	55	46	9
Rensselaer .....	88	85	3
St. Lawrence .....	75	59	16
Schenectady .....	70	61	9
Suffolk .....	65	47	18
Ulster .....	68	52	16
Westchester .....	73	73	..

#### Scope of the Examination.

The examination dealt with two classes of assessment data, viz., sales and appraisals. The results of the examination included 15,382 sales items and 5,877 mortgage appraisals, a total of 21,259 items. The inquiry embraced all the cities and at least six of the large towns in each of the sixteen counties mentioned in the preceding paragraph. Moreover, the aggregate assessed valuations of the several tax districts in each of the counties covered by this investigation were, in every case, equal to at least 80 per cent. of the total assessed valuations of the entire county.

The sales data, comprising in all 15,382 sales of real property recorded during the year 1916, were compiled from the records of the several county clerks' offices, and were based on a comparison of the consideration, as expressed in the recorded deed, or determined from the value of the stamps attached thereto, with the assessed valuation of such property for the year 1916. The appraisal data consisted of 5,877 appraisals of property mortgaged to savings banks and trust companies during 1915 and 1916. These appraisals, made by the officers of these banks as a basis for mortgage loans, were obtained through the courtesy of the State Tax Commission from the official reports on file in the Albany office of the State Banking Department.

#### Method of Compiling Data.

The Federal Emergency War Tax Act was repealed on September 8, 1916. Therefore, the sales data included in this inquiry covered the period from January 1, 1916, to September 8, 1916, the last day on which transfers of real property required the affixing of revenue stamps under the provisions of the War Tax Act.

The total consideration involved in a particular transfer was determined by computation in the manner and according to the rules promulgated on page 75 of the State Tax Department "Manual for the Instruction of Assessors," the amount of the equity conveyed being approximately determined from the value of the stamps affixed to the conveyance and the approximate value of the property being deduced by adding to the sum so obtained the amount of the mortgages and other encumbrances outstanding against it.

The compilation of the sales data and the ascertainment of the related assessed valuations were made by experienced resident title searchers and title companies who secured the sales data from the records on file in the several county clerks' offices. When completed, this work was carefully examined and all data based on sales between members of the same family, forced sales, executors' sales and sales to the state or to municipalities were excluded. In other instances, where the disparity between the consideration and the related assessed valuation was found to be greater than the normal difference, such items were marked for further investigation, and the data returned to the field worker for re-examination and additional investigation. In this way, many mortgages and other encumbrances not recited in the conveyances were discovered. Where a portion of a large property was sold, the 1917 assessment was used if it represented the assessment for the part sold. Data obviously incomplete were excluded from the final computations. Typical examples of such instances follow: where the assessed valuation as compared with the consideration was so low as to indicate the omission of an important factor, as, for example, a building unfinished at the time the assessment was made, but whose completed value was reflected in the amount of consideration as determined by computation from the value of the stamps, mortgages, etc., or where the assessed valuation so greatly exceeded the amount of the consideration as to indicate that the property assessed was of greater extent than that conveyed by the deed in question. Transfers involving the sale of suburban development property, where clearly indicated, were also excluded from the final computations, in accordance with the State Tax Commission's regulations.

#### The Adoption of the 1917 Table.

Opposition by a majority of the State Board of Equalization to the adoption of an equitable equalization table was again encountered in 1917. On September 4,

1917, the date of the annual meeting of the State Board of Equalization, the State Tax Commission unanimously recommended for adoption, as in preceding years, a tentative table based on the facts and statistics secured through investigations made by agents of the Commission during the year, together with the sales and appraisal data covering sixteen large counties which had been compiled and submitted by the Bureau of Municipal Investigation and Statistics. This tentative table recommended an increase of one point each in the ratings to be fixed for New York and Kings counties, and thereby fixed New York City's proportion of the direct state tax at 63.82 per cent., as compared with 66.19 per cent. for 1916.

Nine members of the State Board of Equalization were present and voted at an adjourned session of an executive meeting of the board, held in Albany on September 18, 1917. State Tax Commissioner Thomas was absent. The vote favoring the adoption of the table recommended by the State Tax Commission was very close, 4 to 5. But the up-state members of the board, other than the Tax Commissioners, being in a majority, again determined the final action of the board, and there was adopted for the year 1917 an equalization table which fixed New York City's proportion of the direct state tax at 64.81 per cent., or approximately one per cent. higher than the proportion recommended in the tentative table prepared by the State Tax Commission.

The members of the State Board of Equalization who voted for the adoption of the tentative equalization table recommended by the State Tax Commission were: President of the Tax Commission, Martin Saxe, State Tax Commissioner Walter H. Knapp, State Treasurer James L. Wells, and State Comptroller Eugene M. Travis.

Those who voted in favor of the table as adopted, imposing on this City a greater proportion of the direct state tax than that unanimously recommended by the State Tax Commission were: Lieutenant-Governor Edward Schoeneck, of Syracuse; Secretary of State Francis M. Hugo, of Watertown; Attorney-General Merton E. Lewis, of Rochester; State Engineer and Surveyor Frank M. Williams, of Goshen, and Speaker of the Assembly, Thaddeus C. Sweet, of Phoenix. It is interesting to conjecture what might have been the result had State Tax Commissioner Thomas been present. He had indorsed the tentative table as a member of the State Tax Commission and would undoubtedly have supported its adoption at the executive session of the Equalization Board. His vote would then have resulted in a vote of 5 to 5.

It cannot, however, be said that the table as adopted did not improve the city's position with respect to the apportionment of the direct state tax. Although the increased rates recommended for two New York City counties were not granted by the State Board of Equalization, substantial decreases in the rates of equalization fixed for many up-state counties had practically the same effect.

Because of the reductions in the rates of equalization fixed for up-state counties and the resulting adjustments in the aggregate equalized valuations, the counties comprising the City of New York received greater credit on the 1917 equalization table than in the preceding year, so that the apportionment as finally determined fixed New York City's share of the direct state tax for the year 1917 at 64.81 per cent., or a decrease of 1.29 per cent., as compared with 1916.

#### Suggested Legislation to Effect a Change in the Membership of State Board of Equalization.

At the 1917 session of the Legislature the State Tax Commission caused a bill to be introduced providing for a reduction in membership of the State Board of Equalization from ten to three members, by eliminating the six elected officials of the state, other than the Governor and the Speaker of the Assembly. In advancing the claim that a more equitable and scientific equalization table would result were the responsibility for its preparation to rest solely in the hands of the State Tax Commission, that body pointed out that

"The tax commissioners are appointive officers, whereas the other members of the State Board of Equalization are elective, necessitating their running for office every two years. It is an unfair burden to impose upon elective officials to charge them with judicial duties in respect of the equalization of taxable values throughout the state when they must necessarily engage in frequent political campaigns. By imposing the duty of making the state equalization upon the tax commission undoubtedly a more equitable and scientific result can be obtained."

Experience indicated that this would be a step in the right direction and this bill accordingly received not only your endorsement, but the newspapers were urged to support it. The several members of the Legislature composing the committees to which the bill had been referred were addressed relative to the advantages to be gained through the proposed law, but for some reason or other the bill was never reported out of the committee.

#### Provision for a Source of Reliable Equalization Data.

It is of the utmost importance to the taxpayers of the City of New York that the direct tax be equitably apportioned. The first essential to the preparation of a just equalization table is reliable data concerning the average ratios of assessment in the several counties; but any one who has ever seriously tried it will admit that the task of determining existing ratios of assessed valuations of real estate to actual values is not an exact science. Data based on comparisons of assessments with current selling prices and appraisals are those most often used. The revenue stamps formerly affixed to deeds were another fruitful source of information already mentioned.

The State Tax Commission, which, as has been pointed out, has accomplished much toward securing an equitable equalization table, realized that, unless some new source were provided to replace that which had been abolished by the repeal of the War Tax Act, which afforded, at a reasonable cost in time and money, a sufficient supply of assessment data to enable the State Tax Commission to perform efficiently its statutory functions relating to the equalization of assessments, the administration of this requirement of the tax law, would be seriously hampered. In order, therefore, to provide a new source of equalization data, the need of which became imperative in view of the fact that an important former source had passed out of existence by the repeal of the War Tax Act, there was introduced at the last session of the Legislature a bill which, in addition to imposing a nominal registration fee, provided that where the consideration expressed in the conveyance was nominal, the amount of the actual consideration must be incorporated in a sworn statement to be filed at the time of the filing of the conveyance, such sworn statement to be accessible to the State Tax Commission, or its duly authorized representatives, in the performance of its duties as prescribed by law.

Yet, although those best informed on the questions and problems concerning the difficulties of securing reliable equalization data agreed that continuation of the good work for equitable equalization absolutely demanded a substitute for the equalization data formerly deduced from the revenue stamps affixed to conveyances, the taxpayers, whose interests this bill was intended to conserve and protect, neglected to lend it their support and it failed of passage.

#### The Importance of Fixing Accurate Ratios.

The public service corporations give close attention to the workings of the State Board of Equalization, and with good reason.

Large corporate interests owning public franchises are represented at the yearly meetings in Albany, demanding that lower rates be fixed for the City of New York. They contend that real estate in New York, Bronx and Kings counties is now assessed at average rates approximately 84 per cent. of the real value and their representatives produce sales data and other selected assessment information to prove their contention. On the other hand, the representative of the Department of Taxes and Assessments, New York City, last year submitted sales data indicating an average rate of assessment of 103 per cent. But the rates fixed by the State Board of Equalization for the year 1916 were as follows:

County	Rate
New York .....	94
Bronx .....	93
Kings .....	93
Queens .....	89
Richmond .....	89

Although the law requires that special franchises shall be assessed on the basis of full value, the courts long ago ruled that such franchises could not be assessed for the purposes of taxation at a greater ratio to true value than that at which other property in the vicinity was assessed. Thus, special-franchise-owning corporations in New York County pay a tax on approximately 94 per cent. of the full value of the special franchise, and enjoy a reduction in the assessment of their franchises to the extent that the State Board of Equalization fixes the rates of equalization below 100 per cent. In the several counties comprising the City of New York, corporations owning special franchises are allowed the following percentages from the full value of such franchises:

County.	Per Cent.
New York .....	6
Bronx .....	7
Kings .....	7
Queens .....	11
Richmond .....	11

The full value of the franchises included on the 1917 tax roll aggregated \$494,231,250, whereas the equalized value of these same franchises, to which the current tax rate was applied, aggregated \$461,567,645, a reduction of \$32,663,605. At the current tax rates this reduction in assessments is equal to a reduction in taxes of \$667,614.47, or 6½ per cent. of a special franchise tax levy product based on full value assessments. This substantial saving to the public service corporations is quite just if based upon proper ratios. If the rates of equalization are too low then the owner of ordinary real estate contributes more than his fair share of city taxes and the corporations enjoy illegal exemptions to the same extent.

#### Another Phase of Equalization Work.

Among the difficulties encountered by this bureau in its efforts to secure a just and equitable equalization table there stand out most prominently the several attempts made before the State Board of Equalization to show that full value assessments of real property in New York City are more apparent than real. This was particularly true at the 1916 meeting of the State Board of Equalization, where a list of several hundred items garnered from the reports of New York City corporations was presented as evidence to controvert the contention that New York City assesses real property at approximately full value.

These circumstances were brought to the attention of the city officials engaged in this work by the deputy in charge of the Corporation Tax Bureau, who maintained that his files contained ample evidence to show that the law relating to full value assessments did not receive full obedience here in New York City.

In order to set these rumors and charges at rest and to determine finally whether they contained any truth, request was made, at the direction of the Comptroller, for permission to transcribe the details of such reports, as, it was contended, bore on the question of under-valuation of real property in New York City. The instances, numbering about two thousand, were carefully compiled and submitted to Mr. Lawson Purdy, President of the Department of Taxes and Assessments, for further investigation. He, in turn, has sought to clear up the matter by referring these discrepancies directly to the corporations whose real estate, judging from their book values, appears to be under-assessed.

At the present writing, this examination has not been completed. But a survey of approximately six hundred properties, with respect to which a complete return has been made by the respective corporations, indicates that, except in a few isolated cases, the disparity between the "book values" and the assessed valuations may be explained by the fact that these book values represent original cost plus additional charges, such as organization expenses, etc., which have added practically nothing to the value of the property in question, and that in numerous instances no provision has been made for depreciation.

#### Conclusion.

Although the average rate of assessment for property throughout the state was fixed by the 1917 equalization table at 84.80 per cent., about one point lower than the average rate fixed by the 1914 table, there has, nevertheless, been effected a decided change in the relation which the city's assessments, as equalized, bear to the equalized assessments of the up-state counties, as will be noted from the following table:

	Average Rates of Equalization.		Proportion of Direct State Tax Borne.	
	1914.	1917.	1914.	1917.
City of New York.....	90.86	93.30	69.27	64.81
All Other Counties.....	74.55	69.51	30.73	35.19
Average for State.....	85.80	84.80		

From the above table it will be seen that, on the whole the counties comprising the City of New York have been given since 1914 an increased rating in equalization equal to 2.44 points, while the average rate of equalization for the up-state counties during the same period has been reduced from 74.55 per cent. to 69.51 per cent., a decrease of 5.04 points, all of which has had the ultimate effect of reducing New York City's share of a direct state tax from 69.27 per cent. in 1914 to 64.81 per cent. in 1917, a net decrease of 4.46 per cent.

#### ADDENDUM I.

##### EQUALIZATION IN THEORY AND PRACTICE.

###### Imposition and Apportionment of a Direct State Tax.

The State undertakes to perform certain functions for the general good of its people. Other functions are cared for by the county and still others are performed by the local government, such as the city or town. Each division requires certain revenues to support and maintain it. The state secures large revenues through indirect taxation, and the subdivisions of the state, such as the counties, the cities and towns, also secure revenues from indirect sources, but not to the same extent, perhaps, as does the state.

When it has been determined that the indirect taxes and other miscellaneous revenues of the state will be insufficient to meet the estimated expenditures for the fiscal period under review, as evidenced by the aggregate of the appropriations made by the Legislature for the support and maintenance of the state government, such deficiency in the estimated revenues is raised by the imposition of what is commonly known as a direct state tax.

Since the ownership of property, under the general property system of taxation now in use throughout the country, is considered the best indication of ability to contribute towards the expenses of government, the custom has generally grown up of apportioning the expenses of government on the basis of the valuations of property. The state, however, does not attempt to collect its tax from each separate property owner, but apportions it among the sixty-two counties. Theoretically, at least, the share to be paid by each county is proportioned to the value that the taxable property in such county bears to the total of the general property taxable in the state.

The county government combines its allotment of the state tax with the sums to be raised for county expenses, and apportions the combined sums among the several tax districts within its limits, on the same basis on which the state apportions its tax, namely, by the proportion which the aggregate valuation of property in each district bears to the total aggregate valuation of all the property in such county.

###### Standards of Assessment.

But the true value of the taxable property within a given county is rarely disclosed by the aggregate of its assessed valuations as determined from the tax rolls. Although the law requires that all property be assessed at full or true value, it is common knowledge that few localities, outside the City of New York, make any pretense of obeying the law.

Disobedience of the law requiring full value assessments does not always work injustices as among the different taxpayers of the same tax district, that is, the same town or city, since, if each is assessed for the same ratio of the full value of his property, the principle of uniformity of assessment and equality in the distribution of the tax burden is not violated, as among such taxpayers. The tax rate is but a device to facilitate the distribution of the expenses of government, and if the assessments are uniform, this element, which is an important factor in the determination of the tax rate, will give a tax rate that, when applied to the uniform assessments, will produce an equitable distribution of the tax burden.

###### County Equalization.

Long before the middle of the last century the attention of the lawmakers was directed to the injustice which resulted from an apportionment of county expenses on the basis of assessed valuations made at varying ratios throughout the several tax districts of the county. In order to bear as small a proportion of the county expenses as possible assessors deliberately assessed property in their districts for fractions of the true value, since the smaller the sum of the aggregate valuations returned by a tax district, the smaller was the share of county expenses apportioned to it. To check

and correct this abuse, laws were enacted giving power to the county boards of supervisors to adjust assessed valuations as returned to the boards, so that the aggregate assessed valuations of each tax district would bear a just relation to the combined valuation of all the taxing districts of the county, and the board was accordingly empowered to increase or diminish the aggregate assessed valuations of the several tax districts in order to obtain the desired result.

For the purpose of establishing an equitable basis for the apportionment of state and county expenses it is the duty of the county board of supervisors to equalize the assessments of the several towns and cities included within the limits of their county by ascertaining the average rate at which property in such county is assessed, and then increasing or decreasing the aggregate valuations of the several tax districts, depending upon whether the valuations of a particular town have been made at a greater or less rate than the average rate for the county, these increases or decreases in assessed valuations being made so as to produce a just and equitable relation in the valuations of one district to another.

But the power possessed by the county supervisors was often used to work injustice and even more often as a cloak for grave abuses in connection with the apportionment of the county expenses. In many counties the discrimination practiced in connection with the apportionment of the county charges led to so serious an abuse of power that the towns and cities adversely affected rebelled against the inequitable apportionment of the county expenses adopted by the ruling faction of the county board and appealed to the State Tax Department and even to the courts for relief. The equalization of local valuations for the purpose of establishing a just and proper basis for the apportionment of county expenses, has, in many counties, been hardly more than a farce, in which the will of the majority was supreme and political expediency a greater factor than justice.

In many of the counties discrimination in the apportionment of county expenses has been practiced without abatement for many years. The official records of the Tax Department contain numerous instances of appeal from the oppression and tyranny of a majority of the members of the county board of supervisors, who had combined for the express purpose of securing for the tax districts they represented advantages in the apportionment of county charges. Where one or more cities are contained within the limits of the county, with a majority representation on the county board, it is not unusual to find instances of gross discrimination. The supervisors, representing the towns and having a majority power, often prepared and adopted an equalization table which totally ignored actual conditions and failed to establish just relations between the valuations of the several districts contained therein, as required by law. A desire to gain advantages at another's expense impelled them to the adoption of an inequitable apportionment and compelled the cities to bear more than a fair share of the county expenses.

In 1911 it was sought to check and correct in so far as it was possible abuse of the power possessed by supervisors, by the enactment of a law compelling the county board of supervisors to use in the preparation of the equalization and apportionment table a uniform method of equalization based on an exact mathematical formula. But many boards either failed or refused to carry out the provisions of the new law and continued to apportion the county expenses in the same fashion that prevailed before the enactment of the law of 1911. When the powers of the State Tax Commission were somewhat enlarged by amendments to the tax law made by the Legislature of 1915 the power to enforce the use of proper methods in connection with the equalization of local assessments was extended. Later, the statutes relating to this phase of the administration of the tax law were further amended by the requirement that county boards of supervisors not only employ the method of equalization defined in the law, but also file with the Tax Commission the several bases and evidence used in the compilation of the equalization table.

Many counties now apportion their expenses on tables that are substantially equitable, and credit for this improvement is due entirely to the efforts of the State Tax Commission. Because of the complex nature of the problem continuous alertness on the part of those charged with the function of supervising these matters is absolutely essential.

###### State Equalization.

It was not until 1859 that equalization was extended to include the adjustment of aggregate county valuations in connection with the apportionment of the direct State tax. In that year the State Board of Equalization was created, which is composed of the three members of the State Tax Commission, the six elected officials of the state, other than the Governor, and the Speaker of the Assembly. It is required by law to meet in Albany on the first Tuesday in September in each year, "for the purpose of examining and revising the valuations of real and personal property of the several counties as returned to the State Tax Commission, and \* \* \* fix the aggregate amount of assessment for each county, upon which the comptroller shall compute the state tax." This section of the tax law also empowers the State Board of Equalization to "increase or diminish the aggregate valuations of real property in any county by adding or deducting such sum as in its opinion may be just and necessary to produce a just relation between the valuations of real property in the state."

The State Board of Equalization accordingly meets annually and adopts an "equalization table" on the basis of which any direct state tax is apportioned among the sixty-two counties of the state, and upon which the state comptroller is enabled to compute each county's share of such tax. This equalization table, a copy of which for the year 1917 is shown in Addendum II, is based upon "rates of equalization" fixed by the State Board of Equalization. These rates reflect the opinion of the members of the State Board as to the average rate of assessment for the respective counties. By means of these rates the "full value" of the real property in the several counties is determined by computation and the full value, so computed, practically determines the proportion of the direct state tax to be borne by each county. Although different in amount, the "equalized values," on the basis of which the direct state tax is actually paid, bear to each other practically the same relation that the full values of each county bear to one another. It is clear, therefore, that the fixing or adoption of these rates of equalization is the most important function performed by the State Board of Equalization.

###### The Equalization Table.

True equalization requires that the tax burden shall be so apportioned that the share to be borne by each district shall bear a just relation to the full or true value of the taxable property located therein.

It is clear that if the rates of equalization employed in the preparation of the annual equalization table are based on reliable data and reflect actual assessment conditions, the inequalities resulting from the employment by the several counties of different bases in the assessment of real property may, in a large measure, be corrected and an equitable apportionment of the direct state tax attained. But an equalization table that is composed of rates many of which are based on no concrete facts, but compiled solely with a view to the political or other expediency of the several rates of equalization to be fixed, works an injustice, because it compels the honest county that is attempting to assess its real property at a fair valuation to suffer by paying more than its fair share of the state tax burden.

###### Reliable Data for Equalization Purposes.

Without an accurate knowledge of the rate at which real property is assessed during a given period it is difficult to determine the full or true value of such property. Real equalization must be based on reliable data concerning the actual rates at which real property is assessed in the several districts the valuations of which it is proposed to equalize. It is generally admitted that the determination of existing rates of assessment is not an exact science. It is likewise true that the results obtained from different sources, if accurately compiled, do not vary widely. But the point that is here made is that it is not always possible to state accurately the rate at which property covering a large area, such as a town or city, is assessed.

Sales prices are usually fair indices of the value of property, but, until recently, but few reliable valuations based on this source have been available, because of the prevailing practice among real estate men and others of hiding the true price under the cover of a nominal consideration. Expert appraisals have also been employed, but their use is costly, and unless they have been prepared under conditions that are free from bias, the results obtained are open to question. Thus, the difficulty of securing reliable information concerning average rates of assessment has contributed in a large measure toward permitting discrimination in the apportionment of the tax burden to go so long unchecked.

###### The Importance of Accurate Rates of Equalization.

As a fair example of the power possessed by the State Board of Equalization, and the simplicity with which this important power may be used to work grave injustice in connection with the apportionment of the direct state tax, the following

illustration is given: Let us assume that the aggregate assessed valuations for a certain county, as fixed by the local assessing authorities, total \$60,000,000. If, in the opinion of the State Board of Equalization, the average rate at which real property in this county is assessed is 50 per cent., then the rate of equalization will be 50 per cent. Obviously, the aggregate full or true value of this county's real property will be fixed at \$120,000,000, and such county will, therefore, pay a proportion of the direct state tax that will be equal approximately to the ratio which such full value bears to the full value of all the taxable property in the state as determined in the same manner. In other words, excluding a consideration of its personal property, which is not equalized, this particular county would pay a proportion of the direct state tax based on a sum twice the amount of its reported assessed valuations. Let us suppose, however, that the rate of assessment for such county is fixed at 75 per cent., or, in other words, that in the opinion of the board, the reported assessed valuations represent 75 per cent. of the full value of the taxable property of such county. Then the aggregate full value would be fixed at \$80,000,000, or only \$20,000,000 more than the reported assessed valuations, as against twice the sum of its reported assessed valuations in the instance where the rate was fixed at 50 per cent.

From the foregoing explanation it is obvious that the fixing by the State Board of Equalization of a rate of equalization higher than that merited by a county has the immediate effect of reducing the aggregate full value of the taxable real property and an ultimate and corresponding effect of reducing the amount of the equalized valuations on the basis of which its proportion of the direct state tax would be computed and determined.

#### Concrete Illustration of the Influence of an Inflated Rate of Equalization.

A concrete example may better illustrate the inequality which results from the fixing of a higher ratio than is merited. Although assessing real property at a comparatively low ratio to true value, Oneida County, like many other up-state counties, has always succeeded in securing a relatively high rating on the annual equalization tables. For many years prior to 1914 the rate for Oneida County was fixed at 81 per cent. In 1914 and 1915 the rate was reduced to 75 per cent. In 1916 it was fixed at 71 per cent., although the results of an investigation made by the Department of Finance in 1916 showed that real property was being assessed at approximately 50 per cent. of its true value. Another investigation made this year, 1917, corroborates the results obtained in 1916 and indicates that real property is assessed at approximately 48 per cent. In fixing the county rate, however, for the equalization table for

1917 the State Board of Equalization gave Oneida County a ratio of 60 per cent., a reduced rate which is still too high.

Let us measure the effect of rate-fixing in connection with this actual case. The assessed valuations for Oneida County for 1916, as reported, aggregate \$85,331,000. This county was rated by the State Board of Equalization as assessing its real property at 60 per cent. of its true value, and the full value of such property, for the purposes of equalization, was accordingly fixed at \$142,218,000. Had the State Board of Equalization fixed Oneida County's rate in accordance with the 48 per cent. rate as determined by the Bureau of Municipal Investigation and Statistics, the resulting full value of the property would have been \$177,773,000, or \$92,442,000 more than the valuations reported by the local assessing officials.

In other words, in order that the aggregate assessed valuations of the several counties may bear a just relation to one another for the purpose of equitably apportioning the direct state tax, the reported assessed valuations of Oneida County should have been increased \$92,442,000, instead of only \$56,887,000, a difference of \$35,555,000, in the process of determining the full value of the real property located in the several counties of the state; and the equalized value of real property on which Oneida County should have paid its proportion of the direct state tax should have been at least \$30,000,000 more than the amount fixed in the table on the basis of the 60 per cent. rate actually fixed.

#### Conclusion.

What is true of Oneida County is likewise true of the majority of the up-state counties. The reported assessed valuations are based on comparatively low rates of assessment which the State Board of Equalization has been unwilling to recognize or act upon in spite of the data presented for its information and guidance. As has been explained in another place there has been attained considerable improvement in connection with the proportion of the direct state tax to be paid by the City of New York. But in the face of the mass of evidence that has been adduced pointing out the very low standard of assessment conditions obtaining in many of the up-state counties it is difficult to escape the conclusion that political expediency, coupled with a desire to shift the burdens of taxation from the up-state counties to the City of New York, mark the unwillingness of the State Board of Equalization to fix the ratios for up-state counties in accordance with the facts submitted to it, so that they will bear a just relation to the rates fixed for New York City counties as required by law and justice.

#### ADDENDUM STATE EQUALIZATION TABLE (As Adopted by the State Board)

Counties.	Assessed Value of Real Property (1916).	Rate of Equalization.	Full Value of Real Property at Rate of Equalization.	Amount Deducted from Assessed Value of Real Property.	Amount Added to Assessed Value of Real Property.	Equalized Value of Real Property.	Assessed Value of Personal Property (Other than Bank Stock) Subject to Taxation (1916).	Total Equalized Value of Real Property and Assessed Value of Personal Property (Other than Bank Stock).	Counties.
1 Albany .....	\$143,539,364	81	\$177,209,091	.....	\$6,738,677	\$150,278,041	\$4,476,830	\$157,754,871	..... Albany 1
2 Alleghany .....	22,443,130	67	33,497,208	5,963,397	28,406,527	556,098	28,962,625	..... Alleghany 2	
3 Bronx .....	698,869,196	93	751,472,253	\$61,600,654	.....	637,268,542	6,265,500	643,534,042	..... Bronx 3
4 Broome .....	59,216,726	80	74,020,907	3,554,980	62,771,706	2,078,820	64,850,526	..... Broome 4	
5 Cattaraugus .....	57,789,954	65	58,138,390	.....	11,512,954	49,302,908	840,281	50,143,189	..... Cattaraugus 5
6 Cayuga .....	42,625,047	70	60,892,924	9,013,779	51,638,826	1,057,604	52,696,430	..... Cayuga 6	
7 Chautauqua .....	66,363,591	69	96,179,117	15,198,869	81,562,460	1,244,615	82,807,075	..... Chautauqua 7	
8 Chemung .....	41,430,501	77	53,805,845	4,198,293	45,628,794	1,169,175	46,797,969	..... Chemung 8	
9 Chenango .....	17,065,121	64	26,664,251	5,546,876	22,611,997	570,440	23,182,437	..... Chenango 9	
10 Clinton .....	10,290,216	47	21,894,076	8,276,545	18,566,761	228,750	18,795,511	..... Clinton 10	
11 Columbia .....	27,127,301	73	37,160,686	4,385,953	31,513,254	910,460	32,423,714	..... Columbia 11	
12 Cortland .....	17,488,015	74	23,632,452	2,552,936	20,040,951	261,500	20,302,451	..... Cortland 12	
13 Delaware .....	17,439,521	45	38,754,491	15,425,323	32,864,844	464,523	33,329,367	..... Delaware 13	
14 Dutchess .....	68,795,653	76	90,520,596	7,968,230	76,763,883	3,783,580	80,547,463	..... Dutchess 14	
15 Erie .....	472,116,090	73	646,734,368	76,331,928	548,448,018	14,098,575	562,546,593	..... Erie 15	
16 Essex .....	18,103,265	57	31,760,114	8,830,060	26,933,325	401,970	27,335,295	..... Essex 16	
17 Franklin .....	13,181,324	50	26,362,648	9,174,906	22,556,230	377,405	22,733,635	..... Franklin 17	
18 Fulton .....	17,396,812	59	29,486,122	7,608,207	25,005,019	736,235	25,741,254	..... Fulton 18	
19 Genesee .....	36,870,284	75	49,160,378	4,819,030	41,689,314	2,367,650	44,056,964	..... Genesee 19	
20 Greene .....	13,110,590	58	22,604,465	6,058,600	19,169,190	289,075	19,458,265	..... Greene 20	
21 Hamilton .....	5,029,583	55	9,144,696	2,725,363	7,754,946	8,089	7,763,035	..... Hamilton 21	
22 Herkimer .....	37,836,678	68	55,642,173	9,349,371	47,186,049	966,925	48,152,974	..... Herkimer 22	
23 Jefferson .....	47,971,509	75	63,962,012	6,269,986	54,241,495	2,292,245	56,533,740	..... Jefferson 23	
24 Kings .....	1,752,360,970	93	1,884,259,107	154,458,920	1,597,902,050	43,789,090	1,641,691,140	..... Kings 24	
25 Lewis .....	11,333,987	57	19,884,187	5,528,335	16,862,322	421,840	17,284,162	..... Lewis 25	
26 Livingston .....	28,675,852	75	38,234,469	3,747,999	32,423,851	1,353,555	33,777,406	..... Livingston 26	
27 Madison .....	22,070,139	70	31,528,770	4,667,100	26,737,239	741,090	27,478,329	..... Madison 27	
28 Monroe .....	302,697,164	77	393,113,200	30,673,330	333,370,494	10,115,975	343,486,469	..... Monroe 28	
29 Montgomery .....	31,002,912	55	56,368,930	16,799,446	47,802,358	673,711	48,476,069	..... Montgomery 29	
30 Nassau .....	131,430,478	50	262,860,956	91,482,634	222,913,112	1,675,687	224,588,799	..... Nassau 30	
31 New York .....	5,129,830,629	94	5,457,206,626	501,922,768	4,627,907,861	317,187,300	4,945,095,161	..... New York 31	
32 Niagara .....	82,110,345	55	149,291,534	44,492,863	126,603,208	733,190	127,336,398	..... Niagara 32	
33 Oneida .....	85,330,934	60	142,218,223	35,273,918	120,604,852	6,228,181	126,833,033	..... Oneida 33	
34 Onondaga .....	193,170,475	79	244,519,588	14,188,667	207,359,142	6,492,504	213,851,646	..... Onondaga 34	
35 Ontario .....	42,182,642	74	57,003,570	6,157,908	48,340,550	1,733,950	50,074,500	..... Ontario 35	
36 Orange .....	60,540,180	55	110,073,054	32,804,710	93,348,890	2,729,935	96,074,825	..... Orange 36	
37 Orleans .....	28,967,495	83	34,900,596	629,143	29,596,638	285,980	29,882,618	..... Orleans 37	
38 Oswego .....	35,218,825	75	46,958,433	4,603,180	39,822,005	1,712,035	41,534,040	..... Oswego 38	
39 Otsego .....	24,737,937	69	35,852,082	5,665,586	30,403,523	1,043,255	31,446,778	..... Otsego 39	
40 Putnam .....	14,075,216	66	21,326,084	4,009,873	18,085,089	829,350	18,914,439	..... Putnam 40	
41 Queens .....	539,394,614	89	606,061,364	25,438,391	513,956,223	6,711,060	520,667,283	..... Queens 41	
42 Rensselaer .....	84,778,762	86	98,579,955	1,180,327	83,598,435	3,177,867	86,776,302	..... Rensselaer 42	
43 Richmond .....	87,366,952	89	98,165,114	4,120,313	83,246,639	2,577,200	85,823,839	..... Richmond 43	
44 Rockland .....	34,225,363	66	51,856,610	9,750,427	43,975,790	659,422	44,635,212	..... Rockland 44	
45 St. Lawrence .....	47,545,624	65	73,147,113	14,485,082	62,030,706	1,923,140	63,953,846	..... St. Lawrence 45	
46 Saratoga .....	32,033,280	65	49,281,969	9,759,146	41,792,426	823,220	42,615,646	..... Saratoga 46	

For Fiscal Year Com- mencing Oct. 1st.	Counties.	Full Value of Real Estate Based on Rate of Equal- ization Fixed by State Board of Equalization.	Assessed Valuations (Fixed by Local Authorities).	Adjustments by State Board of Equalization (Add or Deduct).	Equalized Value of Real Estate.	Add: Assessed Value of Personal Property.	Total of Personal Estate and Equalized Real Estate Values.	Rate of State Tax (Mills).	Amount of Direct State Tax Levied.	Percentage of Total Tax.	Average Rate of Equalization.
1899	City of New York. 2,451,900,826	\$3,881,342,166	\$2,533,537,759	+\$171,499,187	\$2,705,036,946	\$458,706,116	\$3,163,743,062	....	\$7,877,720 23	62.32261	65.27
	Other.....	1,880,310,737		-171,499,187	1,708,811,550	203,842,212	1,912,653,762	....	4,762,507 86	37.67739	76.69
	Total for State.	\$6,333,242,992	\$4,413,848,496	.....	\$4,413,848,496	\$662,548,328	\$5,076,396,824	2.49	\$12,640,228 09	.....	69.693338+
1900	City of New York. 2,457,186,940	\$4,339,145,915	\$2,932,445,464	+\$139,535,384	\$3,071,980,848	\$459,884,583	\$3,531,865,431	....	\$6,922,652 45	64.67258	67.58
	Other.....	1,879,147,595		-139,535,384	1,739,612,211	189,825,110	1,929,437,321	....	3,781,500 94	35.32742	76.58
	Total for State.	\$6,796,332,855	\$4,811,593,059	.....	\$4,811,593,059	\$649,709,693	\$5,461,302,752	1.96	\$10,704,153 39	.....	70.796901+
1901	City of New York. 2,516,396,737	\$4,689,529,098	\$3,168,533,200	+\$145,946,174	\$3,314,479,374	\$411,276,794	\$3,725,756,168	....	\$4,470,907 41	65.51446	67.57
	Other.....	1,924,492,571		-145,946,174	1,778,546,397	182,619,113	1,961,165,510	....	2,353,398 60	34.48554	76.48
	Total for State.	\$7,205,925,835	\$5,093,025,771	.....	\$5,093,025,771	\$593,895,907	\$5,686,921,678	1.20	\$6,824,306 01	.....	70.678298+
1902	City of New York. 2,524,667,057	\$4,789,318,725	\$3,237,778,261	+\$147,170,066	\$3,384,948,327	\$437,782,368	\$3,822,730,695	....	\$496,954 99	66.43144	67.60
	Other.....	1,931,529,809		-147,170,066	1,784,359,743	147,309,944	1,931,669,687	....	251,117 06	33.56856	76.51
	Total for State.	\$7,313,985,782	\$5,169,308,070	.....	\$5,169,308,070	\$585,092,312	\$5,754,400,382	.13	\$748,072 05	.....	70.677031+
1903	City of New York. 2,579,841,635	\$4,922,136,351	\$3,330,647,579	+\$145,277,868	\$3,475,925,447	\$416,426,679	\$3,892,352,126	....	\$506,005 77	66.48482	67.67
	Other.....	1,967,116,303		-145,277,868	1,821,838,435	140,309,560	1,962,147,995	....	255,079 25	33.51518	76.25
	Total for State.	\$7,501,977,986	\$5,297,763,882	.....	\$5,297,763,882	\$556,736,239	\$5,854,500,121	.13	\$761,085 02	.....	70.618227+
1904	City of New York. 2,610,481,716	\$5,338,262,544	\$4,751,532,826	-\$218,658,825	\$4,532,874,001	\$561,600,496	\$5,094,474,497	....	\$662,281 68	68.41459	89.01
	Other.....	1,997,977,132		+218,658,825	2,216,635,957	135,365,673	2,352,001,630	....	305,760 21	31.58541	76.54
	Total for State.	\$7,948,744,260	\$6,749,509,958	.....	\$6,749,509,958	\$696,966,169	\$7,446,476,127	.13	\$968,041 89	.....	84.912908+
1905	City of New York. 2,649,232,909	\$5,634,800,679	\$5,015,463,779	-\$219,063,192	\$4,796,400,587	\$555,662,238	\$5,352,062,825	....	\$824,217 68	69.16449	89.01
	Other.....	2,035,991,246		+219,063,192	2,255,054,438	131,048,377	2,386,102,815	....	367,459 83	30.83551	76.85
	Total for State.	\$8,284,033,588	\$7,051,455,025	.....	\$7,051,455,025	\$686,710,615	\$7,738,165,640	.154	\$1,191,677 51	.....	85.121033+
1906	City of New York. 2,662,247,988	\$5,866,389,836	\$5,221,582,301	-\$191,624,523	\$5,029,957,778	\$579,429,161	\$5,609,386,939	....	.....	.....	89.01
	Other.....	2,091,039,151		+191,624,523	2,282,663,674	123,040,109	2,405,703,783	....	.....	.....	78.54
	Total for State.	\$8,528,637,824	\$7,312,621,452	.....	\$7,312,621,452	\$702,469,270	\$8,015,090,722	....	No direct State Tax levied.	.....	85.741962+
1907	City of New York. 2,779,101,789	\$6,447,165,419	\$5,738,487,245	-\$194,995,439	\$5,543,491,806	\$504,760,835	\$6,048,252,641	....	.....	.....	89.01
	Other.....	2,194,570,672		+194,995,439	2,389,566,111	127,560,642	2,517,126,753	....	.....	.....	78.97
	Total for State.	\$9,226,267,208	\$7,933,057,917	.....	\$7,933,057,917	\$632,321,477	\$8,565,379,394	....	No direct State Tax levied.	.....	85.983396+
1908	City of New York. 2,877,331,111	\$7,011,137,615	\$6,240,500,602	-\$176,027,698	\$6,064,472,904	\$501,756,806	\$6,566,229,710	....	.....	.....	89.01
	Other.....	2,312,797,585		+176,027,698	2,488,825,283	118,511,252	2,607,336,535	....	.....	.....	80.38
	Total for State.	\$9,888,468,726	\$8,553,298,187	.....	\$8,553,298,187	\$620,268,058	\$9,173,566,245	....	No direct State Tax levied.	.....	86.497701+
1909	City of New York. 2,976,802,498	\$7,561,767,739	\$6,722,415,789	-\$180,417,870	\$6,541,997,919	\$435,774,611	\$6,977,772,530	....	.....	.....	88.90
	Other.....	2,394,937,049		+180,417,870	2,575,354,919	112,991,232	2,688,346,151	....	.....	.....	80.45
	Total for State.	\$10,538,570,237	\$9,117,352,838	.....	\$9,117,352,838	\$548,765,843	\$9,666,118,681	....	No direct State Tax levied.	.....	86.514134+
1910	City of New York. 3,095,426,623	\$7,657,331,833	\$6,807,179,704	-\$208,161,455	\$6,599,018,249	\$443,320,855	\$7,042,339,104	....	.....	.....	88.90
	Other.....	2,459,448,780		+208,161,455	2,667,610,235	111,671,215	2,779,281,450	....	.....	.....	79.45
	Total for State.	\$10,752,758,456	\$9,266,628,484	.....	\$9,266,628,484	\$554,992,070	\$9,821,620,554	....	No direct State Tax levied.	.....	86.179081+
1911	City of New York. 3,242,003,983	\$7,750,810,111	\$7,044,192,674	-\$247,928,087	\$6,796,264,587	\$372,644,825	\$7,168,909,412	....	\$4,301,345 65	70.83008	90.88
	Other.....	2,594,809,194		+247,928,087	2,842,737,281	109,630,768	2,952,368,049	....	1,771,420 83	29.16992	80.04
	Total for State.	\$10,992,814,094	\$9,639,001,868	.....	\$9,639,001,868	\$482,275,593	\$10,121,277,461	.60	\$6,072,766 48	.....	87.684570+
1912	City of New York. 3,387,551,237	\$8,649,091,507	\$7,858,840,164	-\$269,731,326	\$7,589,108,838	\$357,923,123	\$7,947,031,961	....	\$7,947,031 96	72.09509	90.86
	Other.....	2,702,661,209		+269,731,326	2,972,392,535	103,561,418	3,075,953,953	....	3,075,953 95	27.90491	79.78
	Total for State.	\$12,036,642,744	\$10,561,501,373	.....	\$10,561,501,373	\$461,484,541	\$11,022,985,914	1.00	\$11,022,985 91	.....	87.744577+
1913	City of New York. 3,607,606,611	\$8,652,664,534	\$7,861,898,890	-\$321,480,111	\$7,540,418,779	\$342,963,540	\$7,883,382,319	....	\$4,576,303 43	70.83959	90.86
	Other.....	2,822,391,298		+321,480,111	3,143,871,409	101,244,327	3,245				

tax levies are predicated on the assessments made by the State Board of Tax Commissioners.

**Special Franchises Defined.**

Subdivision 3 of section 2 of the General Tax Law defines a special franchise as the right, authority or permission to construct, maintain or operate in, under, above or through a public highway or place a structure intended for public use, and the franchise is deemed to include the value of the tangible property so situated.

**Assessment of Special Franchises.**

Special franchises were made taxable property for the first time in the history of the state by the enactment of chapter 712 of the laws of 1899. Prior to the passage of the law, corporations and others operating a public utility through a public highway were taxed only on the value of the tangible property used in connection with the operation of such public utility. By the enactment of the special franchise tax law the State Board of Tax Commissioners was empowered "to annually fix and determine the valuation of each special franchise subject to assessment in each city, town or village" of the state and transmit it to the taxing authorities for inclusion in the tax rolls of the district. In fixing the value of the special franchise the State Board of Tax Commissioners was directed by law to include the value of both tangible and intangible property. Section 48 of the law directed that all sums paid by the owner of the special franchise to a municipality, by virtue of any agreement or which are in the nature of a tax, be deducted from the amount of the tax due and payable under the provisions of this act.

The first assessment under the new law was made in 1899, and the resultant tax was levied in 1900. The report of the State Board of Tax Commissioners showed an increase in the City of New York of \$135,000,000 over and above the taxable property theretofore assessed by the local Department of Taxes and Assessments. The increase was due mainly to the value of the intangible franchise, which, prior to the enactment of the franchise tax law, was exempt from all taxation.

**Litigation Involving the Constitutionality of the Law.**

In order to test the validity of the tax and the constitutionality of the law several of the public service corporations operating in the city obtained separate writs of certiorari to review the respective assessments. This was the beginning of a long and persistent opposition waged by the corporations through the several courts of the state, and carried for final determination to the Supreme Court of the United States.

The granting of the writs of certiorari to review the assessments resulted in an order in each proceeding appointing a referee to take and report to the Supreme Court of the state such evidence upon the several issues raised by the companies contesting the validity of the tax and attacking the constitutionality of the law as might be adduced before him, with his findings of fact and conclusions of law thereon.

*Summary Statement of Special Franchise Taxes, Levies 1900 to 1916, Showing All Transactions from Date of Imposition to December 31, 1916.*

Year of Levy.	Amount of Levy.	Net Collections to Dec. 31, 1916.	Per Cent. of Net Collections to Levy.	Discounts and Cancellations.	Per Cent. of Discounts and Cancellations to Levy.	Deductions Under Sec. 48, General Tax Law.	Per Cent. of Deductions to Levy.	Uncollected Balance at Sec. 48, Dec. 31, 1916.	Per Cent. of Uncollected Balance to Levy.
1900.....	\$4,969,748.58	\$2,678,765.25	53.90	\$1,756,601.31	35.35	\$274,482.05	5.52	\$259,899.97	5.23
1901.....	4,925,291.84	2,537,944.05	51.53	1,765,990.69	35.86	550,908.44	11.19	70,448.66	1.43
1902.....	5,049,106.47	2,589,640.36	51.29	1,838,920.59	36.42	565,382.21	11.20	55,163.31	1.09
1903.....	3,360,543.42	2,258,342.58	67.20	527,868.21	15.71	539,940.30	16.07	34,392.33	1.02
1904.....	3,837,072.69	2,637,834.71	68.75	600,764.44	15.66	560,684.08	14.61	37,789.46	.98
1905.....	4,546,986.43	2,996,186.64	65.89	920,343.09	20.24	599,132.55	13.18	31,324.15	.69
1906.....	5,394,041.11	3,473,383.87	64.39	1,231,766.47	22.84	648,013.68	12.01	40,877.09	.76
1907.....	7,005,982.97	4,089,919.61	58.38	2,034,157.06	29.03	756,720.40	10.80	125,185.90	1.79
1908.....	8,017,257.50	4,793,247.66	59.79	2,221,861.70	27.71	880,772.34	10.99	121,375.80	1.51
1909.....	8,022,692.92	4,844,352.21	60.38	2,082,053.46	25.95	982,970.12	12.26	113,317.13	1.41
1910.....	8,249,097.11	5,231,482.45	63.42	1,869,310.74	22.66	887,586.17	10.76	260,717.75	3.16
1911.....	8,325,934.55	5,707,244.13	68.55	1,291,726.99	15.51	937,409.17	11.26	389,554.26	4.68
1912.....	7,602,095.47	6,317,532.21	83.10	163,059.96	2.14	737,891.26	9.71	383,612.04	5.05
1913.....	7,991,775.16	6,315,453.08	79.02	25,043.27	.31	967,928.91	12.12	683,349.90	8.55
1914.....	7,248,956.94	5,673,321.89	78.26	17,817.38	.25	979,231.95	13.51	578,585.72	7.98
1915.....	7,179,507.80	5,966,692.61	83.11	53,677.11	.75	958,336.39	13.34	200,801.69	2.80
1916.....	8,736,261.08	6,726,007.38	76.99	37,342.98	.43	749,050.33	8.57	1,223,860.39	14.01
Totals.....	\$110,462,352.04	**\$74,837,350.69	*67.75	\$18,438,305.45	*16.69	**\$12,576,440.35	*11.39	\$4,610,255.55	*4.17

\* Average. \*\* Includes payments of taxes in connection with which certiorari proceedings are pending. § Includes deductions applied to taxes in connection with which proceedings are pending. † Includes \$128,094.19 for discounts.

It will be noted that the total amount of taxes levied against special franchises during the seventeen-year period from 1900 to 1916 aggregates \$110,462,352.04, or an average of approximately \$6,500,000 per annum. Of the total special franchise taxes thus levied the sum of \$74,837,350.69 was collected to December 31, 1916, giving an average yearly collection of \$4,400,000. Including a comparatively small sum allowed to individual taxpayers as a rebate for the prompt payment of taxes, the total amount of special franchise taxes which proved uncollectible to December 31, 1916, aggregates \$31,014,745.80, or 28.08 per cent. of the total special franchise taxes levied during the seventeen-year period from 1900 to 1916, inclusive.

**Pending Certiorari Proceedings in Connection with the Adjustment of Special Franchise Assessments.**

But some of the transactions included in the preceding summary statement and shown under the captions "net collections," "deductions under section 48" and "discounts and cancellations," while they have been applied as indicated on the respective tax rolls in liquidation of the taxes as levied for the respective years, cannot at this time be considered as absolute or final results, since they represent payments by the companies or other adjustments which have been made pending final adjustment of the assessments in question by the courts. Many of these payments affect tax levies as far back as the year 1910, and in a few cases taxes imposed prior to 1910. The law imposes an interest penalty of seven per cent. per annum against all unpaid taxes; hence, in many instances these payments of taxes subject to further adjustment have been made by the companies for the purpose of saving this interest penalty. Some of the proceedings to review special franchise assessments have in the past been allowed to linger for several years awaiting adjustment and experience has taught that in a few instances, when such taxes have been finally adjusted, the interest penalty in-

**Summary Statement of Special Franchise Taxes, in Connection with Which Certiorari Proceedings Are Pending, Showing the Total Amount of Taxes Subject to Review and the Amounts Thereof That Have Been Paid or Otherwise Liquidated Pending Final Adjustment.**

	Levies Prior to 1917.	Levy of 1917.	Total to August 15, 1917.
Total Amount of Special Franchise Taxes subject to review.....	\$21,642,870.66	\$4,331,439.35	\$25,974,310.01
Paid or otherwise liquidated pending final adjustment—			
Collections.....	\$15,984,308.40	\$1,158,188.84	\$17,142,497.24
Deductions allowed under Section 48 of the Tax Law.....	2,060,050.77	25,750.00	2,085,800.77
Cancellations.....	461,324.80	.....	461,324.80
Total.....	\$18,505,683.97	\$1,183,938.84	\$19,689,622.81
Balance Uncollected, August 15, 1917.....	\$3,137,186.69	\$3,147,500.51	\$6,284,687.20

**Effect of Section 48 of the Tax Law on the Product of Special Franchise Tax Levies.**

Of this sum a deficiency in the product of the special franchise tax levies aggregating \$12,576,440.35 is due to the peculiar provisions of section 48 of the Tax Law, which permits the owner of a special franchise to deduct from the amount of the tax levied against such special franchise any payment in the nature of a tax made to the municipality.

In several instances, particularly during the first few years of operation under the act of 1899, this section of the law operated so as practically to exempt from taxation the special franchises of certain public service corporations. This was particularly true with respect to the special franchises of several street railways operating in the City of New York. On several occasions the payments made by these corporations in the nature of percentages on gross earnings, fees, etc., which the special franchise tax law required should be deducted from the tax against the special franchise, equalled or exceeded the amount of the total special franchise tax, thus practically relieving such companies from the payment of a special franchise tax.

**How These Deficiencies Are Funded.**

In 1913, legislation was secured empowering the Comptroller to transfer from time to time, out of the general fund of the city, sums sufficient to fund "reductions heretofore or hereafter made in the amount of taxes receivable by reason of the operation of the provisions of the Tax Law providing for the deduction from special franchise taxes of payments made in the nature of a tax."

The principal reason why these deficiencies are provided out of the revenues of the general fund is found in the fact that percentages on gross earnings, or other payments to the city, which the law has declared to be in the nature of a tax, and therefore deductible from special franchise taxes, accrue to the city in the form of revenues which ultimately find their way into the general fund, and therefore may properly be used to offset corresponding deficiencies in the product of the special franchise tax levies. Since the enactment of this law, there have been transferred from the general fund, for the purpose of covering known and estimated deductions under section 48 of the tax law, various sums aggregating \$12,780,000.

## Effect in the Event of a Repeal of Section 48.

From time to time, legislation has been sought for the repeal of section 48. Its repeal would not, however, result in an annual gain in city revenues equal to the amount now annually allowed, and lost as deductions from special franchise taxes under the provisions of this section; for if the net earnings rule were applied, there would be a decrease in the assessments against special franchises and a correspondingly smaller tax. The total decrease in taxes levied would be equal to about 30 per cent. of the amount of the payments now made by the companies and applicable, under the provisions of section 48, in reduction of their special franchise taxes. If companies were no longer permitted to deduct these payments from their special franchise taxes, such payments would still be deducted from gross earnings, and the full amount of taxes to be paid would also be deducted therefrom in the same manner as any other operating and maintenance charge. Such increased deduction from the gross earnings, owing to deduction of the full special franchise tax instead of the balance after credit under section 48, would be reflected in a smaller sum shown as net earnings available for capitalization in the computation of the intangible value of the special franchise. In this way the total valuation of the special franchise on which a tax is to be paid would be diminished and a correspondingly smaller tax would be imposed.

## Recent Legislation and Other Changes Relating to the Provisions of Section 48.

The enactment of chapter 581, laws of 1916, amended section 48 by excluding as deductions from special franchise taxes under the said section car license fees and tolls paid for the privilege of crossing a bridge owned by such city. This particular feature of the law was made applicable only to first class cities, which include New York City. It is estimated by the Commissioner of Plant and Structures, who was influential in advocating the enactment of this amendment, that the repeal of the former provision permitting the deduction of car license fees and bridge tolls has resulted in additional revenues to the city of about \$227,000 and that further sums in litigation may increase this amount to approximately \$400,000.

As an example of the inequity and injustice arising out of the former provision of the law permitting the deduction of bridge tolls from the special franchise tax as imposed, there was set forth in a "Memorandum on Behalf of the City of New York, Submitted to the Governor of the State of New York" advocating the enactment of the amendment to section 48 here reviewed, a table covering the assessments for special franchise against the Brooklyn Rapid Transit System for the years from 1909 to 1915, in which was shown that out of total final assessments against property of the company in the boroughs of Brooklyn and Queens, aggregating \$278,082,828, the sum of \$100,378,078 in such assessments were eliminated by the application of bridge tolls as deductions under the provisions of section 48. Or, to quote the language of the memorandum, in which it was pointed out: "that over one-third of the special franchise assessments of the entire Brooklyn Rapid Transit System in the Boroughs of Brooklyn and Queens for the years 1909 to 1915 inclusive have been cancelled by \* \* \* credits of bridge tolls. The \* \* \* companies have not only received credits of the bridge tolls against any special franchise tax which may have been assessed on the bridges but in addition have received credits against the taxes on their franchises in the streets of Brooklyn and Queens."

An attempt had also been made in 1915 to secure the enactment of an amendment to section 48, such as was finally obtained in 1916, but the effort proved unsuccessful. It might be here explained that, although it had previously been declared by the courts that no special franchise existed in connection with the railway companies' operations over the bridges, it was, nevertheless, ruled in one particular case (119 A. D. 130), that inasmuch as the assessments for special franchises did not specifically exclude property of the railway companies used in connection with operations over the bridges, it was fair and proper that an allowance should be made for tolls paid in connection with such rights. The court pointed out, that inasmuch as the State Tax Commission had undertaken to assess the operations of the railway companies over the bridges as special franchises, it was, therefore, estopped from denying the right of the companies to demand that payments made in connection with these operations be deducted under the provisions of section 48.

Thus, beginning with the 1916 assessments, the State Tax Commission, in fixing the value of the special franchise property of the railway companies operating over the East River bridges, specifically excluded therefrom the operations over these bridges on the ground that no special franchise existed. Having thus excluded from their computations the operations of these companies over the bridges, it is believed that the companies can no longer successfully assert their claim for deduction under the provisions of section 48 for any tolls or other payments made in connection with such operations.

## Other Losses in the Product of Tax Levies.

In addition to the losses due to the operation of section 48 of the tax law (and of the further sum of \$128,094.19 allowed for the prompt payment of taxes), there was remitted and cancelled, during the seventeen-year period under review, the sum of \$18,310,211.26 on account of invalid and excessive taxes.

These taxes consist chiefly of cases of

(1) Assessment of property not legally taxable under the special franchise tax law;

(2) Reductions in assessments because of overvaluation; and

(3) Reductions pursuant to a ruling of the courts ordering assessments of the corporations to be "equalized" or reduced to the same ratio with respect to full value as the assessments of other real property in the locality.

Prior to 1911, the law required special franchises to be assessed at full value, though other real property in the vicinity was, in fact, assessed variously at from 67 to 90 per cent. of full value. Therefore, in one of the earlier proceedings brought by the corporations to determine the validity of the special franchise tax law, it was claimed by the corporations that this inequality in assessment resulted in an unequally distributed tax burden, with the corporations bearing more than their just share. The justice of this contention was recognized by the courts. Therefore, on the grounds that the assessment of special franchises at full value had produced an inequality in the distribution of the tax burden, it was ordered that their assessed valuations be so reduced in each case as to bring them to the same ratio with respect to full value as those of other real property in the locality.

Out of the levies for the year 1900 to 1911, the sum of \$18,126,943.23 was lost by reason of reductions in assessments, due principally to court orders reducing assessments to actual value where overvaluation was shown to exist, and of court orders reducing assessments to the same basis as that on which other real property was assessed. These latter orders performed the administrative function of "equalization," which, by the enactment of an amendment to the special franchise tax law in 1911, was transferred to the State Board of Tax Commissioners, who, under the provisions of the amended law, are required to "equalize" special franchise assessments before transmitting them to the municipalities, where they are included in the local tax roll.

No figures are available showing the exact amounts lost either through reductions involved in the equalization of assessments or those due to overvaluations, i. e., reductions in assessments to actual value. But it has been estimated by Mr. Lawson Purdy, President of the Board of Tax Commissioners, that approximately 33 1/3 per cent. of the levies of 1900 to 1902, inclusive, was lost through reductions in assessments occasioned by equalization, and that for the years 1903 and 1911 approximately 10 per cent. of each levy imposed on special franchises was so lost.

The following table, dividing the losses on the basis of the ratios, gives \$10,657,343.17 as the approximate loss in the product of special franchise tax levies due to equalization of assessments, and \$7,469,600.06 as due to all other causes, including reductions in assessments to actual value as determined by the courts.

## Statement Showing an Approximate Segregation of Losses in the Product of Special Franchise Tax Levies Due to (1) Equalization of Assessments, (2) Reductions to Actual Value.

Year of Levy.	Total Losses by Cancellations, Levies 1900-1911.	(1)		(2)	
		Approximate Losses Due to Equalization of Assessments.	Approximate Losses Due to Reductions in Assessments to Actual Value, etc.	Approximate Losses Due to Equalization of Assessments.	Approximate Losses Due to Reductions in Assessments to Actual Value, etc.
1900	\$1,756,467.06	\$1,656,582.86	\$99,884.20		
1901	1,765,929.35	1,641,763.95	124,165.40		
1902	1,838,790.36	1,683,035.49	155,754.87		
1903	526,776.65	336,054.34	190,722.31		

Year of Levy.	Total Losses by Cancellations, Levies, 1900-1911.	(1)		(2)	
		Approximate Losses Due to Cancellations, Levies, 1900-1911.	Approximate Losses Due to Equalization of Assessments.	Approximate Losses Due to Reductions in Assessments to Actual Value, etc.	Approximate Losses Due to Equalization of Assessments.
1904	598,999.04	383,707.27	215,291.77		
1905	916,505.36	454,698.64	461,806.72		
1906	1,230,892.59	539,404.11	691,488.48		
1907	2,027,629.93	700,598.30	1,327,031.63		
1908	2,221,861.70	801,725.75	1,420,135.95		
1909	2,082,053.46	802,269.29	1,279,784.17		
1910	1,859,310.74	824,909.71	1,044,401.03		
1911	1,291,726.99	832,593.46	459,133.53		
Totals	\$18,126,943.23	\$10,657,343.17	\$7,469,600.06		

The losses described in the foregoing paragraphs cannot be said to include all the losses sustained by the city by reason of the difficulties encountered in administering the special franchise tax law.

State taxes are apportioned among the several counties of the state on the basis of the assessed valuations, as equalized, of the taxable property within such counties. In these computations are included the assessed valuations of special franchises as determined by the State Board of Tax Commissioners. Hence, in those years when the state levied a direct tax, the city was compelled to pay to the state a tax on the basis of assessed valuations which were later reduced by the courts, but the excess in the state tax paid could not be recovered by the city. Thus the reductions by the courts in the assessed valuations of special franchises produced not only a loss of revenue, but also, by reason of overvaluation, etc., created a condition which compelled the city to pay a tax greater than its proper share.

This condition, as explained in a preceding paragraph, has been partly corrected by a 1911 amendment to the special franchise tax law, which authorizes the state Board of Tax Commissioners to equalize special franchise taxes before transmitting them to the municipalities. This act requires the Tax Commission to determine the average ratio at which other real property in the vicinity in which the special franchise is located is assessed and to equalize or reduce the full value of each special franchise to such an amount as will place it on the same basis as the assessment of other real property in the locality.

## Borough Levies and Collections.

From the following tabulation, showing a classification by boroughs, of the total special franchise taxes levied during the seventeen-year period under review, and the total net collections thereof to December 31, 1916, it will be seen that 70.40 per cent. of all the special franchise taxes levied during this period were imposed on property situated in the Borough of Manhattan and that 20.66 per cent. was levied on property within the limits of the Borough of Brooklyn. Thus, the total taxes imposed upon special franchise property within the boundaries of these two boroughs were more than 90 per cent. of the aggregate of such taxes levied during the period from 1900 to 1916, inclusive:

## Summary Statement of Special Franchise Taxes, Levies 1900 to 1916, Inclusive, Classified According to Boroughs, Showing the Total Amount of Such Taxes Levied during the Period and the Net Collections Thereof to December 31, 1916.

Borough.	Total Amount Levied, 1900 to 1916.	Per Cent. of Borough Levies		Per Cent. of Borough Collections	
		Levies to Total Levies.	Net Collections to Dec. 31, 1916.	Levies to Total Levies.	Net Collections to Dec. 31, 1916.
Manhattan	\$77,763,626.08	70.40	\$54,121,012.66	72.32	69.60
The Bronx	5,666,724.74	5.13	4,000,063.40	5.34	70.59
Brooklyn	22,819,517.23	20.66	13,521,255.72	18.07	59.26
Queens	3,507,793.84	3.17	2,754,775.77	3.68	78.53
Richmond	704,690.15	0.64	440,243.14	0.59	62.47
Totals	\$10,462,352.04	100.00	\$74,837,350.69	100.00	*67.75

\*Average.

## Collections.

With respect to net collections, it may be stated that out of the total revenues derived from the imposition and subsequent liquidation of special franchise taxes during the years 1900 to 1916, inclusive, the Borough of Manhattan contributed 72.32 per cent., while the Borough of Brooklyn supplied 18.07 per cent. From the standpoint of relative productiveness, the best ratio of collections was made in the Borough of Queens, where 78.53 per cent. of the total special franchise taxes levied therein was collected to December 31, 1916, as compared with 59.26 per cent., the ratio of collections obtained in the Borough of Brooklyn. The average ratio of collections for the city as a whole was 67.75 per cent., compared with which, two boroughs, viz., Brooklyn and Richmond, show a lower ratio of collections.

## How the Tax Levies Were Liquidated.

Although more than \$22,000,000 in taxes had been levied by the city on special franchises during the period from 1900 to 1904, the total collections during this period on account of special franchise taxes hardly exceeded \$900,000. However, soon after the Supreme Court of the United States declared the act of 1899 unconstitutional, payments on account of arrears of special franchises were made by many corporations, so that during the year 1905 there was collected the sum of \$6,000,000, reducing the percentage of uncollected special franchise taxes from 90 per cent. at December 31, 1904, to 68 per cent. at December 31, 1905.

There were still, however, many difficulties to be adjusted, and many aspects of the law to be interpreted. Hence we find that during the next three years, 1906 to 1908, inclusive, the collections of special franchise taxes fell off, the total collections during this period aggregating the sum of \$6,200,000, while the taxes levied on special franchises during the same period aggregated over \$20,000,000. Improvement was shown in the collections for the year 1909, which aggregated \$5,700,000. The larger portion of special franchise taxes in litigation was adjusted during the year 1910. The total collections of these taxes for that one year reached the high mark of \$12,400,000, and resulted in reducing the percentage of uncollected taxes from 47.66 per cent. at the end of 1909 to 26.28 per cent. at the end of the year 1910. The collections during the five succeeding years, 1911-1915, aggregated over \$32,000,000, which, with adjustments made during this period, resulted in reducing the uncollected balance to \$8,704,629, or 8.55 per cent. of the total taxes levied during the sixteen-year period from 1900 to 1915. During 1916, the collections of special franchise taxes exceeded \$11,000,000. On December 31, 1916, there remained uncollected the sum of \$4,610,255.55, chiefly on account of taxes levied since 1910. The greater part of these arrears is now in process of adjustment.

## Increases in Special Franchise Assessments since 1900.

In the following statement there is presented a comparison, by boroughs, of the assessed valuations and the tax-levy products for 1900, the first year the special franchise tax was imposed, with the same data in respect of the latest levy, viz., 1917.

## Statement of Comparison, Special Franchise Taxes, Levy of 1900 with Levy of 1917, Classified according to Boroughs and Showing the Percentage of Increase.

	Le

The valuation for the year 1900 totaled \$219,679,351, as compared with \$461,567,645, the aggregate assessed valuations, as equalized, for the year 1917. The average increase in assessed valuations for the city as a whole during the eighteen-year period reviewed aggregates over 110 per cent. Analyzing this increase according to boroughs, we find that the largest relative increase in assessments occurred in the Borough of Queens, where a comparison of the 1900 assessments with those for the year 1917 shows a net increase of over 500 per cent. The Borough of The Bronx also shows a relatively large increase in assessments, aggregating nearly 400 per cent.

The special franchise taxes for the year 1900 were imposed, as was then required by law, on the basis of the full value of the property so assessed, whereas the assessments for the latest year, 1917, are "equalized" assessments, that is, assessments that have been reduced or adjusted so that they bear the same relation to the full value of the special franchises as the assessments of other real property in the vicinity bear to the full value of such property. The full value of the special franchises assessed for the year 1917 is \$494,231,250, which, compared with the valuations for the year 1900, would show an average increase for the period under review of nearly 125 per cent.

#### Effect of Equalization.

As explained in another part of this report, the State Tax Commission is required by section 45 of the Tax Law to equalize the assessments of special franchises before transmission to the municipalities for inclusion in the local tax roll. For the year 1917, the special franchise valuations for the several counties comprising the City of New York were equalized at the following ratios of equalization:

County	Rate of Equalization
New York .....	94
Bronx .....	93
Kings .....	93
Queens .....	89
Richmond .....	89

On the basis of the ratios of equalization mentioned above, corporations and others owning special franchises in the City of New York were allowed for the year 1917 the following percentages of reduction from the full valuations of such franchises:

County	Per Cent. of Reduction
New York .....	6
Bronx .....	7
Kings .....	7
Queens .....	11
Richmond .....	11

These reductions in assessments aggregate \$32,673,605, which, at the current rate of taxation, is equal to a reduction of \$667,614 in the taxes of these corporations, or an average reduction of 6½ per cent. in taxes based on a full valuation of such special franchises.

It is obvious, therefore, that the fixing of the ratios of equalization by the State Tax Commission, when considered from the viewpoint of the city's interest, is of vital importance, since the lower such rates are fixed, the smaller will be the aggregate amount of the final assessments against special-franchise-owning corporations to which the local tax rate may be applied, resulting in a corresponding reduction in the product of such tax levy.

#### Relative Productiveness of Special Franchise and Other General Property Taxes.

In the following table are presented the salient features with respect to the relative productiveness of the several classes of property included in the general property taxes levied by the City of New York from 1899 to 1916:

Character of Taxable Property	Per Cent. of Net Collections of Each Class to Taxes Levied	Per Cent. of Losses to Taxes Levied	Per Cent. of Uncollected Balance at Dec. 31, 1916, to Taxes Levied	Per Cent. of Losses and Uncollected Taxes Levied
Real Estate (land and buildings) .....	97.28	0.66	2.06	2.72
Real Estate of Corporations..	83.75	11.04	5.21	16.25
Special Franchises.....	*67.75	*28.08	4.17	32.25
Personal Property.....	60.72	26.21	13.07	39.28
Average .....	92.81	4.15	3.04	7.19

\* For period 1900 to 1916.

† 11.39 per cent. due to deduction under section 48.

#### Co-operation between the Department of Taxes and Assessments and the State Tax Department.

Property of public service corporations used in connection with the exercise of franchise rights and located outside the public streets or highways is not assessed by the State Tax Commission, but by the local taxing authorities, in the same manner as the real property of other owners. Where, however, the value of the intangible element of the special franchise is determined by the application of the net earnings rule, it is important for the State Tax Commission to ascertain the value of the company's tangible property located outside the streets. This is necessary in order that appropriate allowance or deduction may be made from the gross earnings of the company for a fair return, usually 6%, on the capital invested in such property, as provided by the rulings of the courts, relating to the determination of the net earnings subject to capitalization, by means of which the value of the intangible element of the special franchise is ascertained.

For the purpose of affording a basis for the determination of the value of both the tangible and intangible elements of the special franchise, public service corporations are required to submit annually to the State Tax Department a statement or report embracing a summary of the financial operations of the company, together with detailed schedules of the property owned by such company, showing separately the value of the property of such company located both in and outside the streets and public highways.

In order, however, to secure as large a deduction from the gross earnings as possible, and further, to reduce the total sum of the net earnings to be capitalized in connection with the ascertainment of the value of the intangible element of the special franchise, it was the custom for many corporations to include in their reports to the State Tax Department a comparatively high valuation for property located outside the streets, subject to assessment by the local taxing officials only.

This, of course, is fair and proper, if the same valuations form the basis for the assessment of such property by the local assessors. But the reports were not so made as to be of any value to the local assessors and it so happened that credit or allowances were often given by the State Tax Commission on the basis of the higher valuations reported for such properties, while much lower valuations formed the basis for the assessment of these properties by the local assessor. As a result it was not unusual to find a wide disparity between the values of such property, as reported to the State Tax Commission and used as a basis for the computation of the intangible element of the franchise and the local assessed valuations. This situation resulted in an under-valuation of the intangible element of the special franchise or, if it may be assumed that the valuations as reported were correct, then an obvious under-valuation of this class of property by the local assessing authorities.

It is manifest therefore that unless the same basis is used by both the state and local assessors in connection with the valuation of property of public service corporations located outside the streets, no fair and full assessment of the special franchise and other property of such companies is attainable.

It was for the express purpose of establishing a uniform basis for the assessment of this class of property and, incidentally, of rendering controversies with the owners thereof less frequent, that the Department of Taxes and Assessments of this city, in the early part of 1914, sought the co-operation of the State Board of Tax Commissioners in connection with a plan for the adoption of a new form of report which would show more clearly the nature and exact location of the property of public service corporations located outside the public streets.

Thus, beginning with the appointment of the new State Tax Commission in 1915, data relating to the value, nature and location of the tangible property of public service corporations located outside the streets have been reported to the State Tax Department in duplicate, and one of the copies of this form, which is known as Schedule "S" is furnished by the State Tax Department to the New York City Department of Taxes and Assessment for the latter's information and guidance in fixing the assessments of such property for the purposes of taxation locally.

This co-operation between the State Tax Department and the city's Tax Department has not only aided in securing the fair and full assessment of property subject to the special franchise tax, but it has also enabled the local tax department to eliminate in a large measure the disparities between the valuations used by the State Tax Commission and the assessed valuations on the basis of which such property is locally taxed, and finally, it has resulted in placing on the tax rolls since 1915 many millions of dollars of property which had previously escaped taxation.

In a table published in the 1917 report of the Department of Taxes and Assessments, the total increase since 1914 in the value of property of public service corporations (exclusive of steam railroads) reporting on Form S and assessed locally, that is, exclusive of special franchises, is stated as \$68,070,950, of which it is estimated that \$13,676,345 was added for new construction, leaving \$54,394,605 as the aggregate net increase in the assessed valuations of public service property during the past three years.

(The foregoing study dealing with the administration of the special franchise tax law and covering the city's experience with this tax from 1900, the year of its first imposition, to December 31, 1916, has been prepared in part from matter which was originally used in connection with a report on this subject submitted by the Bureau of Municipal Investigation and Statistics, to Hon. William A. Prendergast, Comptroller, City of New York, in the latter part of April, 1917. Additional data have been embodied from a report on the tax levies, 1899 to 1914, submitted by the Bureau of Municipal Investigation and Statistics to the Board of Estimate and Apportionment in the early part of January, 1916. To this have been added tables and other matter to bring the presentation of the subject down to date.)

#### APPENDIX III.

##### The Taxation of Franchises.

A franchise may be defined in a very informal way as a business privilege granted by public authority to a private person or group of persons. In days when there was less critical discussion of municipal and state finance many such privileges were bestowed on public service corporations with little realization of their value. In fact, it may have been true for long periods in sparsely settled regions that the privilege given was fully offset by the risks of construction and the stimulus given to

The governmental attitude toward railroads illustrates these changing conditions and points of view. The transcontinental roads in particular were at first not only left untaxed but subsidized by grants of great tracts of land along their lines, much of which, enormously enhanced in value, some of them still hold. Exemption from taxation was followed by taxation of physical assets. With the realization that monopoly has given undue power and disproportionate wealth, and with the need of increasing public revenue, there has grown up in most states governmental regulation of rates, administration, service rendered, and accounting methods, especially for public service corporations. A number of special taxes are also imposed on property of this nature.

##### Should Franchises Be Taxed?

There is no question as to the justice of taxing the real and personal estate of corporations in the same way as that of individuals, or of a nominal tax on organization and operation to cover the cost of the records and inspection demanded in the public interest; but a special additional tax on any class of property calls for justification.

In practice, the whole system of taxation of most states has grown up in a haphazard way, new taxes being imposed as needs for increased revenue arose. But the prevailing theory is that governmental support may rightly be required in proportion to ability; and their concentration of capital and other resources gives corporate enterprises many advantages in competition with business on a smaller scale. Public service corporations usually enjoy, through their franchises, certain additional special privileges not included in either the rights of citizenship or the nature of corporate organization.

Against the taxation of public service franchises it has been urged by some of their possessors that such corporations are no more indebted to public patronage for their prosperity than is the community to them for the growth due to better facilities for intercourse and business. The effect of a new public utility on adjacent property values, however, varies greatly with circumstances and is sometimes a depreciation. The same persons claim that a franchise has no intrinsic value at first, but acquires it by heavy expenditures, at the risk of corresponding losses, and that to tax it in addition to the physical assets is like taxing the good will of a private business, a thing never attempted. But even an unused franchise has latent value if others would like to possess it or if stock can be sold or money borrowed on the strength of it; and business good will is not something given by public action and exclusive in its nature, as a franchise of this sort nearly always is. It has, however, been held in a Maryland case that a franchise is valueless until used.

It is sometimes claimed that when the terms of a franchise grant include compensation there should be no taxation. Yet the case is quite analogous to the purchase of land from the city by a corporation, which in no sense invalidates the right to tax the property so transferred. Much the same argument applies to the claim of exemption put forth by certain corporations operating under a federal license. It was decided in the case of the Postal Telegraph Company that the governmental permit to carry on a telegraph business in public highways in the State of California in no way affected that state's right to demand compensation or levy taxes. The Niagara Falls Company lost a similar suit in New York State.

It is in connection with public utility companies that the reality of franchise value is most evident, from their visible use of the public streets in ways not permissible to citizens or corporations in general and from their complete or partial monopoly of a service of which nearly all residents must perform avail themselves. The most acute franchise problems, too, are connected with these utility corporations, whose monopoly of service usually brings them, sooner or later, a rate of profit in excess of that ordinarily shown by private business. As only a few states assess franchises by themselves, the question of franchise taxation is so inseparably bound up with the whole subject of the taxation of corporations that it is necessary to survey the broader field in order not to overlook important aspects of the narrower one. Yet, although a separate tax on franchises is comparatively rare, the laws of many states authorize or require the giving of due weight to franchise rights in the assessment of utility corporations.

These laws have encountered much opposition but, though declared unconstitutional by the courts of several of the states enacting them, have been sustained by the United States courts. In Illinois a law to this effect was largely ignored until, in 1899, the Chicago Teachers' Federation successfully brought suit against the State Board of Equalization for failure to tax the franchises of twenty-three local public service corporations showing an aggregate corporate excess of \$235,829,567.

Admitting that such property should be taxed, the problem of its assessment must be dealt with. In the case of the large number of transportation and transmission corporations covering long routes the valuation of even the tangible assets bristles with difficulties. Not only do local assessors lack the knowledge and the practical experience needed and invite litigation by their incompatible standards, but the question of apportioning the assessment of interstate traffic and terminal property is one on which experts are greatly at variance. It is clear that the separate value of many component parts of these systems may be a very poor measure of their value in the combination. In short, we may have here, in defiance of axioms, a whole greater than the sum of its parts. The principle of "unit valuation" as applied to such corporations, their assessment as "going concerns," is winning recognition in practice and in law, but its acceptance leaves the problem of apportioning the valuation among states or other local divisions still unsolved. Several ways of effecting this will be mentioned later in the report.

##### Methods of Assessment.

The chief methods employed for the assessment of franchises, either separately or as a recognized but not segregated element of corporation property, are direct or *ad valorem* valuation, capitalization of net earnings or dividends, computation of corporate excess, and a percentage of gross or net earnings.

To secure consistency of standards, especially as affects franchises, the assessment of public utility corporations is very generally entrusted to some state board. The need of such centralization is well illustrated by the statement in the report of the Special Committee of State Railroad Commissioners, in 1878, that New York roads had to submit to standards of value as various as the temperaments or complexions of assessors, and by the wild discrepancies found at the same period in local valuations of track per mile in neighboring towns and under precisely similar conditions. That the central assessing board should not be of *ex officio* membership, but composed of tax experts with permanency of office, is recognized by all students of taxation questions. Arizona, showing commendable readiness to profit by the experience of the older states, was the first to provide for such centralized assessment in its original constitution.

#### Direct Valuation.

Direct valuation, naturally the first plan followed, has advantages in the simplicity of the theory and the comparability of assessments with those placed on other property. It seems to be generally admitted, however, that the tangible property of corporations is oftener assessed at full value than that of private owners. But the franchise is an element to which the sales method, so successfully employed in Wisconsin and Minnesota with real estate, is not applicable. In fact, actual sale of any property of public service corporations is rare. Of states making a systematic attempt to assess this element Michigan and Wisconsin are probably the only ones professionally employing an *ad valorem* method, and it will be seen that they actually take into account practically all the data utilized in the various indirect processes for assessing franchises.

While the general trend has been and is toward the indirect methods, in both these states the system now in use for railroads displaced a percentage tax graduated according to gross earnings per mile, which Wisconsin had employed for over forty years. Its abandonment was due in Michigan mainly to the recognition of the inequality of burden on different corporations through variations in maintenance costs, and in Wisconsin to the complications of interstate commerce and to litigation and threats of litigation for violations of United States statutes concerning it. The state courts had given a certain tentative approval of the method followed for some years, simply on the ground that its condemnation would invalidate a long succession of fiscal operations and disturb public confidence. It was also believed that a change of system would create less friction than the new taxes or higher rates otherwise necessary to secure a fair share of public revenue from the corporations.

In 1900 Michigan commissioned Professor Mortimer E. Cooley, of the University of Wisconsin, and a corps of engineers to make a complete physical appraisal of public service corporation properties, taking franchises into consideration. The general aim of the appraisers was to determine the cost of reproduction, less depreciation, and they prepared an elaborately classified inventory. Thomas S. Adams, then statistician of the Interstate Commerce Commission, next devised a method of using this information, supplemented by other considerations affecting earning capacity.

From income from investment, plus net earnings from operation, he deducted a percentage of the appraised physical valuation varying with different roads. A further deduction of taxes, rents and improvements charged to income left a remainder which, capitalized at an individual per cent., was taken to represent the intangible assets. The sum of this and the physical appraisal was taxed at the average rate levied on other property subject to *ad valorem* taxation. It will be seen that the determination of the two per cents. involved an exercise of personal judgment, based on grounds not specified.

As the formula worked out, 80 per cent. of the railroads showed no franchise value, and for these the physical valuation by itself was accepted and the franchise practically ignored. Wisconsin followed much the same course a few years later, but with less detail. Though the method pursued with public utilities in both these states is called an *ad valorem* one, it is not denied that all the varieties of data obtainable through inspection, records and reports are given weight in the final valuation. In the case of some public utilities there is a straight application of single indirect methods.

A marked increase in corporation taxes followed these attempts at more discriminating assessment. The new methods were violently opposed but their constitutionality was upheld. Mr. Robert H. Shields, of the Michigan State Board of Assessors, said at the State and Local Conference on Taxation of 1910 that the railroads of that state, from dominating politics, had come to bear rather more than their due share of taxation, through lack of equalization of their full-value assessments with the partial ones prevailing among other classes of property. In Wisconsin such equalization is attempted, based on the values shown in recorded transfers as compared with the assessed valuations. The tax applied is the general average of the preceding year for the state. At the Indiana Conference on Taxation in 1914 Prof. David Friday, of the University of Michigan, said that the tax burden of the Michigan railroads was three times as heavy as the average in other states, and more than twice as heavy as for the entire line of the same interstate roads.

Associated with *ad valorem* taxation are the questions whether actual cost or cost of reproduction is the more logical basis and whether a valuation for rate regulation is a just assessment for taxation. In favor of using the actual sum invested there are urged its definiteness and the fact that interest is probably still being paid on it. But determination of cost is not the plan on which other assessments are made, and expenditure, though a useful datum, may be no true measure of value.

For the cost of reproduction, diminished for depreciation, it is claimed that this truly represents existing conditions. The arguments against it are that conditions may have changed so radically that reproduction of the plant would be out of the question or even undesirable; that the amount reached is only an estimate; that an increment in land value may give no advantage to a corporation unable to sell without committing suicide; and that capitalization of an unearned increment would tend to produce higher rates for service. It is debated whether the significant fact is not rather the present cost of an alternative plant rendering equivalent service, though perhaps differing in many important particulars. Some one has suggested that, assuming a single valuation, the franchise itself, if a legitimate subject for taxation, should count as part of the investment and interest be allowed on it. Mr. Delos R. Wilcox and several other recent writers regard increment in land value as income.

#### Valuation for Rate-Making and for Taxation.

The valuations made by the Interstate Commerce Commission or by public service commissions or other similar boards with rate-making power are readily accessible and have value from their authoritativeness and comparative uniformity. Many experts consider these a proper valuation for taxation, maintaining that there can be but one true market value. This is the position taken by the Supreme Court of Nebraska. Others, of whom Prof. T. S. Adams is a leading representative, claim that the two values are intrinsically different and often opposed.

The object of regulation is to establish rates at which efficient service can be secured without excessive profits to the corporations rendering it. Justice demands and good judgment counsels the authorization of returns that will not discourage investors. Hence regulation must take into account the whole fiscal history of the enterprise. A tax valuation, on the contrary, as Professor Adams has pointed out, deals with the present and the future. A great disaster, a costly lawsuit, an unfortunate investment would lower taxable value, but increase the investment on which a fair return should be allowed; good management or favorable natural conditions would raise taxable value and reduce expenditures. Earnings devoted to reconstruction augment taxable value, but not the investment. Still, even in arguing for two valuations, Professor Adams says the two would be identical if perfect justice were attainable. At the conference on valuation held recently in Philadelphia, under the auspices of the Utilities Bureau, the assumption that valuation for rate regulation is essentially distinct from that for taxation underlay the entire discussion.

#### Assessment by Net Earnings.

The valuation of corporation property by the net earnings derived from it wins general approval as logical in theory, for undoubtedly the real value of property is measured by the income it brings or will bring to the owner. The degree of unanimity shown in discussions of this basis is a strong virtual endorsement of the justice of an income tax. It is claimed that this tax stimulates efficiency, because, with given gross earnings, it is lessened by liberal expenditures. But the application of the method is accompanied by serious practical difficulties, the most obvious being the variability of accounting procedure, which is regarded by the majority of writers as an insurmountable objection. Prof. Edwin R. Seligman, while admitting certain drawbacks of this method, nevertheless advocates it. Court decisions as to deductions, the rules and precedents of the Interstate Commerce Commission and

the progress of accounting toward a professional rank are certainly tending constantly to make it more practicable.

Approval of this measure of value was given by the New York State Court of Appeals in the Jamaica Water Supply case, the rule adopted being: Deduct from gross revenue (1) operating expenses, including taxes and depreciation, (2) 6 per cent. of the market value of the tangible property, capitalize the remainder at 7 per cent. and equalize with other taxable property in the district to obtain a valuation of the intangible part of the special franchise. This permits the corporation to benefit by any increment in land value. Indeed, it is usually claimed by such corporations that in their case there is no "unearned" increment, as their part in community development has been a most active one. Prof. Seligman maintains that the deductions should be current expenditure only and should not include taxes, which belong among fixed charges, or interest on bonds, since this would be part of the profits if the corporation were not bonded. These two items are not in the list of proper deductions given out by the Interstate Commerce Commission but are authorized by the federal corporation tax law of 1909.

A straight tax on net earnings is, of course, an income tax, and capitalization of such earnings at a uniform rate, to ascertain assessable value, would be the same thing in a cumbersome form. But it may be possible, by investigations along some such lines as those followed in California and described later in this report, to discover approximately just rates for the various classes of public utilities, which might be modified in some degree by individual conditions.

Other objections to this method are the absence of net earnings in some cases and the difficulty of apportioning them, when present in utilities with long routes, to taxing districts or even to states. The question of apportionment, however, is not peculiarly acute in dealing with net earnings but is met in connection with all corporations not strictly local in their operation, under any method of assessment except a mere aggregation of local elements, and the inadequacy and absurdity of such a process has become so patent that the "unit rule" is now mandatory in a number of states.

The Minnesota Tax Commission, in its 1912 report, made what it called a commercial valuation of the railroads of a number of states on the basis of actual net earnings as exhibited in the 1904 reports, distribution for interstate roads being made in proportion to gross receipts. Some of the ratios of assessed valuation to this commercial valuation were: Iowa, 16.7 per cent.; New York, 25.6 per cent.; California, 26.3 per cent.; Illinois, 63.8 per cent.; New Jersey, 69.5 per cent.; Michigan, 70.9 per cent. It was stated that valuations obtained in this way would be no basis for rate regulation, since net profits are dependent on rates.

#### Dividends as a Measure of Value.

Nearly all that has been said of this method applies equally to the capitalization of dividends; and an assessment obtained in that way has the additional advantage of being calculated on an amount about which there can be no controversy and no political juggling. It is evident, however, that with both these methods the rate of capitalization depends on personal judgment and is the critical point.

It may be objected that taxation could be avoided by not declaring a dividend and, assuming an alternative tax on undivided surplus, that the latter would bring relief not especially to the payers of the presumably high rates that made accumulation possible but to all taxpayers, and in proportion to their taxable property, not their use of the utilities concerned. Again, the dividends of a heavily bonded road do not measure its prosperity in the same way as where there are no bonds.

Mr. Lawson Purdy, President of the New York City Board of Taxes and Assessments, in his "Model System of Taxation," favors a tax on dividends and bond interest, in combination with a provision for a small rate on gross earnings in the absence of dividends. As regards interstate commerce he would apportion the tax on a mileage basis. On this point it may be said that taxation of an interstate system as a unit could not be achieved on that principle.

#### Stock and Bond Methods.

For assessment by the market value of stocks it is claimed that this is the most practical of measures, being the amount of cash the purchasers actually do pay to become shareholders. This measure of value is among those used by Massachusetts and North Dakota. Little has been said or can be advanced in favor of using the par value.

The objections to the market value standard of assessment are that stock in the majority of corporations is not quoted; that chance or manipulation is quite able to give it a temporary or a fictitious value; that it records an opinion only; that the product of the selling price of one share by the number of shares is almost surely a larger or a smaller sum than the total shares would bring at any one time; and that stock may sell low because it is the policy of the management to postpone dividend payments or because the profits of operation, though large, are absorbed by the charges on bonds. The market value accepted is usually an average, but in some states, as Arkansas, it is that of a specific date. The unreliability of such an estimate needs no comment.

To include bonds with stock in the valuation seems, at first thought, unreasonable, as levying a tax on a liability, but the majority of experts on taxation now consider that they should be so included, just as the valuation of real estate may include a mortgage on it. As Prof. Seligman says, the common sense of the matter is that bonds are a necessary correction to apply to stock valuation, because in their absence the stock would be worth just so much more. The proceeds of the bonds are or should be represented in permanent improvements. A statutory maximum ratio of stocks to bonds would tend to repress speculation and steady the market. One factor in the selling price of bonds is, of course, the time remaining before maturity, but, to avoid tedious computations or in the absence of market quotations, the par value is usually taken when this method of assessment is used, since a solvent business should have assets at least sufficient to cover its liabilities.

In an Illinois case the United States Supreme Court laid down the following general principle: "It is therefore obvious that, when you have ascertained the current cash value of the whole funded debt and the current cash value of the entire number of shares, you have, by the action of those who, above all others, can best estimate it, ascertained the true value of the road, all its property, its capital stock, and its franchises; for these are all represented by the value of its bonded debt and of the shares of its capital stock." (92 U. S. 605.)

It also often happens that this measure includes property not used in the business operations, and, presumably, not connected with franchise rights. On the contrary, it may be that the corporation gets higher returns from that property than any strictly private enterprise could secure. Very baffling questions arise in the apportionment of bond values in the case of interstate agencies, owing to details of overlapping issues, refunding, and the relations of subsidiary companies. Pennsylvania assesses railroads in this way. In Indiana capital stock and tangible property cannot both be taxed, but only the greater of the two.

#### Corporate Excess.

A considerable number of states obtain a separate valuation of the intangible property of corporations by the method of "corporate excess," deducting from some expression of total value the assessment placed upon tangibles by local authorities. A corporate excess tax in addition to one on real estate is imposed, on some or all corporations, by Illinois, Indiana, Iowa, Kansas, Missouri, North Dakota, New Jersey, New Hampshire, Ohio, South Dakota, and other states.

The corporate excess method is found in perhaps its most fully developed form in Massachusetts, where the total valuation of corporations is on the basis of stocks alone. Where there are bonds this method has obvious weaknesses. Property assessed locally and tangible property outside the state are deducted. The tax rate for corporate excess is the average general rate for the three years next preceding. The proceeds from miscellaneous corporations are distributed to towns in accordance with the number of shares owned by residents; from public service corporations by the location of the utility also, the other basis of distribution, formerly applied to them, having inspired some towns to bribe stockholders to become residents. The valuation of railroad track is apportioned by mileage. The state reserves for itself the tax on shares of non-residents. With telephone companies the excess is apportioned by the number of instruments, with telegraph companies by mileage.

On street railways there is a local tax, at the local general property rate, on a per cent. of the gross earnings, graduated by the amount of these per mile. The state receives a portion corresponding to the mileage in state reservations. There is no further taxation of shares of stock, but bonds are taxed to the owners. When the Tax Commissioner is unable to ascertain the value of shares a tax on the net profits may be substituted. Affirmation of the constitutionality of the corporate excess tax in Massachusetts, a state where uniform and equal taxation of property is required,

was based on the theory that the tax is levied not on property but on privilege. Public service corporations pay a little over one-third of the tax and about 20 per cent. of the total is retained by the state. The 1913 message of the Governor of Michigan recommended a method similar to the Massachusetts one.

North Dakota deducts real and personal property, and indebtedness of other than a current nature, from the market or actual value of stocks as determined by the State Board of Equalization. This is criticized in the 1912 report of the State Tax Commission as a double deduction of indebtedness, adapted to leave no excess. Its constitutionality is also questioned and the adoption of a per cent. of gross earnings is advised.

#### Percentage Tax on Earnings.

The method of such a percentage tax has had more endorsements and adoptions than any other in recent years. Wisconsin established it for railroads in 1854, imposing a tax of 1 per cent. After several increases it reached 4 per cent. in 1874 and in 1876 the rates were graduated to a 4 per cent. maximum. The later change to an *ad valorem* method has been recorded. It is generally conceded that any tax measured by earnings has a favorable influence on the development of the property, though Prof. Seligman thinks that a tax on gross earnings may check initiative by prematurely exploiting a growth in real income which usually comes much later, if at all.

The great advantage of this tax over one on net earnings is the definiteness and easy accessibility of the basis and the fact that it is at the same time the standard to which the corporations have to adjust all their expenditures. If, however, the rate is subject to fluctuations this relation gives no stability on which to base plans for development. The margin of profits for most railroads is now small and uncertainty weakens public confidence. It is claimed that a graduated tax on earnings lowers rates, but without proper checks it might equally tend to inefficient service. Points counting against the method are that the volume of receipts bears no logical relation to either franchise values or business prosperity and that two corporations with equal gross earnings may unavoidably differ so much in their expenditures that gross earnings become an utterly misleading measure of ability to aid in supporting governmental cost. It is also said to give undue advantage to corporations in hard times, since other property must make up the deficit.

Mr. Allen Ripley Foote has proposed for railroads a gross earnings tax graduated in part by the ratio of operating expenses to these, the tax rising as this rate diminishes. Oklahoma, in fact, has such a tax for ratios above 60 per cent. This idea has been generally approved, but the old question of what are the legitimate elements of operating expense is met again here. In the case of all graduated rates it must further be realized that a doubtful zone exists near the border line, which tempts to indirect courses and political deals.

Rhode Island, the last state to adhere to an aggregate of local assessments, adopted in 1912 a gross earnings percentage for public utilities, not a franchise tax but in lieu of all others except the local tax on physical property and a statutory payment to the state by street railway companies. Connecticut established the same method for most public utilities in 1913, deducting any local tax on real estate used. In both these states securities in the hands of owners are exempt. The Rhode Island rates are 2 per cent. for telegraph and telephone companies, 3 per cent. for express companies and 1 per cent. for general corporations. A proportion of earnings outside the state is included for interstate corporations. The result of the change was a marked increase of revenue and, in the opinion of the Tax Commission, greater satisfaction on the part of the corporate taxpayers. It will readily be seen that the abolition of personal taxes on stocks and bonds and the substitution of a gross earnings rate might bring pecuniary loss to a state with many holders of securities and no great productive corporate activity.

Minnesota has a gross earnings tax levied by and for the state, except in the case of interurban electric lines, in lieu of all others but the local tax on property not used in operation. The rates in 1914 were: railroads, 5 per cent.; telephone companies, 3 per cent.; express companies, 8 per cent., offset by the amounts paid to railroads; interurban electric lines, 4 per cent., the proceeds being distributed to localities in proportion to gross earnings. An apportioned share of interstate earnings is added to those from operation wholly within the state.

The percentage tax on earnings has been recommended by a series of special commissions and conventions: the Ontario Commission in 1895, California Commission, 1906; Virginia and Rhode Island, 1911; Connecticut, 1913; Indiana and Nebraska, 1914. The story of its adoption by California, in 1910, has interest from the steps taken to determine the proper and just rates to apply to corporations of the several classes.

#### Determination of Rates for Gross Earnings Tax.

Accepting the ideal of an equalized tax burden, realizing that public utilities of the different classes work under essentially different conditions, but believing that there is in that state a fair degree of uniformity among those of the same class, the State Tax Commission instituted a comprehensive investigation of the fundamental factors of the problem. These they decided to be (1) the average tax rate on other property, (2) the ratio of net earnings to gross for corporations of the class in question, (3) the average ratio of profits to investment within the class.

After the determination of these elements, the product of the gross earnings of a given corporation by the average ratio of net earnings to gross for the class, will be the net earnings, assuming the average ratio to hold. The quotient of this by the average class ratio of profits will be the investment, on the same assumption; but as allowance must also be made for the average tax rate, this rate should be added to the average ratio of profit. The quotient multiplied by the average tax rate will be this company's tax, and the ratio of this to the gross earnings the rate to be applied. Since the gross earnings of the individual corporation are a factor of both numerator and denominator, they cancel each other and a general formula is derived for the per cent. of gross receipts to be exacted from corporations of the class considered: the product of the ratio of net earnings to gross for the class by the average tax rate for other property, divided by the sum of this tax rate and the ratio of profit for corporations of the class. Of course, the equity of the conclusions is destroyed if there is no just equalization of assessment standards.

The present California rates, most of which were somewhat increased in 1913 are: railroads, including street lines, 4.75 per cent.; telephone and telegraph companies, 4.2 per cent.; express, 2 per cent.; light, heat and power companies, 4.6 per cent. The proceeds are for state use; that is, they go into the general state fund and the tax is the only one levied.

Taxation of the various public utilities at per cents. which can be changed only by a three-fourths vote of the legislature is now a provision of the constitution of California. As that instrument also stipulates that the property of municipalities shall be exempt, such utilities owned by cities are not taxed. But municipal ownership being on the increase, the conviction is growing that their competitors are at an unfair disadvantage. The principle laid down by the State Board of Equalization is that only property necessary to the discharge of organic municipal functions should be exempt. An amendment to the constitution providing for the taxation of all property of municipalities outside of their boundaries was approved in 1914.

It is easily seen that, while the net earnings of the majority of corporations may not depart widely from the class average in their ratio to gross earnings and investment, justice may require that individual circumstances be taken into account in applying the rule. That they do have some weight is indicated by the statement in the 1914 report of the California State Board of Equalization that a bill requiring the rigid application of the rule had just failed through an executive veto requested by that board.

The various taxing districts were reconciled to the new law by a guaranty of reimbursement for any loss of revenue through it during the first seven years of its operation.

At the State Conference of Washington in 1914 the Corporation Counsel of Spokane advocated that the federal courts fix a maximum rate of tax on earnings, the rate at which the government could borrow money and operate the interstate carriers, plus the taxes paid by the utilities under private ownership.

It need scarcely be said that a mere statement of the rates levied on gross earnings by different states does not supply information adequate for an intelligent comparison of tax burdens. It must be known what other taxes are imposed by the state or the local taxing district, whether the earnings mentioned are only those from operation or include the returns from every species of property held, and whether they include any part of extra-state earnings, whether there is any peculiarity in the treatment of real estate not used in the business, how securities in the hands of private owners are treated, etc. The abridged statement of the laws in reports often leaves some of these points obscure.

#### Apportionment of Earnings from Interstate Operation.

Assessment by a state board does not, as has been said, avoid the difficulties peculiar to interstate operation. It is perfectly clear that if a gross earnings tax, for example, includes all the income from operations confined to the state it should apply to only part of those from business either beginning or ending beyond the boundaries of the state, and none from business entirely outside the state lines. The commonest mode of apportionment is by mileage, either the mileage within the state as compared with that of the entire system or the mileage covered by each shipment within the state compared with the whole distance it is carried.

In counting mileage there comes up the question whether length of line shall be the test or length of track. It was proposed at the New York State Conference on Taxation, in 1912, by the tax expert of the Erie Railroad, that one mile of main track count like four of branches or sidings, as the physical value per mile of a four-track road far exceeds that of a mile of single track. The general view, however, appears to be that trackage of whatever kind should have equal weight, thus giving their rightful importance in the system to large cities and terminals. Terminal stations, too, are not of exclusively local importance and their assessment is usually distributed as part of the unit value. It is evident that this method is more favorable to states whose trackage is chiefly a connecting link than to those with much productive activity. The U. S. Supreme Court has ruled that an apportionment by mileage is void when the most valuable part of the property is in other states and not directly used in operation. Another measure used is the proportion of gross receipts for intra-state business to the total. This is approved by the Interstate Commerce Commission.

#### Rate Prorate Method.

The most accurate method is conceded to be that of a rate prorate, which combines the other two. The proceeds from each shipment are divided proportionally to the ratio of the charge for the distance within the state to that for the whole distance. But this method demands too complicated an accounting system for general use. It has also been proposed that an apportionment of interstate earnings by mileage be corrected by the ratio of expenditures to earnings; also that a city's share of the earnings for the state be apportioned by total mileage and then distributed among different roads by their relative earnings. Other systems discussed and sometimes tried are by means of cost of construction, density of traffic, number of shares held, ratio of business to population, assessed valuation of tangible property, etc. It must be admitted that nearly all of these are crude, arbitrary processes and give results bearing no necessary relation to facts.

#### Other Methods in Use.

Some states have abandoned the attempt to determine their share of unit value or total gross earnings and confine themselves to what unquestionably pertains to those states exclusively. Thus Connecticut until recently laid a 5 per cent. tax on the strictly intra-state earnings of express companies, the only utilities with which it used the gross earnings measure. This simple process was found, in 1913, by the commission on corporation taxation, to produce almost the exact equivalent of what a 2 per cent. tax would then have brought the state had interstate earnings been apportioned with all attainable accuracy. Bonds were taxable as personal property of the owners.

Ohio, too, taxes railroads 4 per cent. of receipts on business within the state and street lines 1.2 per cent., either because nearly all their operation would be confined to the state or from the same reason that often secures easier terms for electric roads. Until 1910 the tax on railroads was 1 per cent., including an apportioned share of interstate earnings. The change nearly doubled the tax. Rhode Island contents itself with 1 per cent. of earnings, with an additional tax for street lines paying over 8 per cent. dividends. Maine and Maryland tax gross receipts at rates graduated by gross earnings per mile, from  $\frac{1}{4}$  per cent. to  $\frac{1}{2}$  per cent. in the former state and from  $\frac{1}{4}$  per cent. to  $\frac{1}{2}$  per cent. in the latter on intra-state earnings. In New Jersey street railways are taxed 5 per cent. on such receipts, while the rate for express, telegraph and telephone companies is 2 per cent., on earnings partly from interstate commerce. Assessments are equalized with those on other property. It should be added that in Maryland, New Jersey and Ohio this tax is, in addition to one on tangible property, at the general tax rate.

#### Experience of Connecticut.

The case of Connecticut is interesting, as that state has had practical experience with most of the leading forms of the corporation tax, using, in 1913, after many experiments, the stock and bond method for railroads, gross earnings per cent. for express companies, rate per transmitter for telephone, and rate per mile of wire for telegraph companies. The report of the Special Commission on Taxation of Corporations, published in 1913, recommended the gross earnings method as the sole tax on property used in operation by any public service company, with an allowance for interstate business. The report included some suggestive studies of the relations of these various methods as applied to Connecticut conditions. The process for determining a just rate was the one used by the California commission. It was found that, though there were marked individual differences, the class averages were similar to those for the entire country, so far as these could be gathered from census reports.

The recommendation of a change to the gross earnings basis was strongest in the case of railroads, from which the stock and bond method was then securing, at a 1 per cent. rate, in lieu of all other taxation on operating property, an inadequate and diminishing tax. With the aim of avoiding double taxation a series of laws had been passed authorizing the deduction of bonds issued for expenditures on roads outside the state, to acquire securities of other roads or steamboat companies, and in many other cases, until much the greater part of the property of the New Haven Road went untaxed in Connecticut and was nearly exempt elsewhere.

The market value of the stock had also fallen, in 1912, to scarcely more than half the average 1889 quotation. The taxes paid by the road in Connecticut in 1912 were less than for any previous year since 1905, though in the interval 8 per cent. dividends had continued to be paid and gross receipts had increased 35 per cent. and net 71 per cent. The commission advised a  $\frac{1}{4}$  per cent. tax on gross earnings, including a share of interstate receipts determined on the mileage basis, as the only tax on property operated, with exemption for securities in the hands of owners.

It was recommended that the tax of 5 per cent. on intra-state gross earnings of express companies be changed to 2 per cent. on an amount that should contain a portion of interstate earnings; also that a similar method be adopted for telephone and telegraph companies, at rates of  $\frac{3}{4}$  per cent. and 3 per cent., respectively. The gross earnings system had already been at one time used for companies of the last two classes.

Soon after the findings of this commission were made public the State of Connecticut adopted, for all or nearly all public service corporations, the gross earnings percentage as the sole tax, from which local taxes paid on real estate used in operation are deducted.

#### "Uniform and Equal" Taxes Not Necessarily All Identical.

The states that have no distinct corporation taxes are, almost or quite without exception, trying to free themselves from constitutional requirement of "uniform and equal" taxation of all property. Even in several states of this class, United States Supreme Court decisions have upheld special modes of assessing given classes of corporation property, including franchises, for the purpose of imposing upon it a tax proportioned to that on general property.

The idea that uniformity of burden may be attained by using different methods adapted to special cases is particularly helpful as regards the gross earnings basis, a method that has been rejected by many states from a belief, supported by a number of the earlier decisions, that interstate earnings must be excluded. The point has been carefully investigated by several commissions and previous decisions have been reviewed and reconciled in recent suits. To sum up the rulings briefly, while a tax on the total earnings of an interstate system would violate the constitution, the amount of such gross earnings may be used to determine the share attributable to a state and to levy against the property of the corporation, tangible and intangible, a sole tax not in excess of that imposed on other property. The tax, if supplementary to one on tangible assets, must confine itself to intra-state earnings. The same reasoning applies to a tax measured by dividends or by any other datum of the system as a whole. Another way of avoiding these constitutional snags is to consider a franchise tax as levied on privilege, like a license fee, not on property.

To the corporations taxed the question of foremost importance is, without doubt, the amount to be paid; but it is also an advantage to have the method of apportionment not too elusive to present definite points for protest and discussion. One of the most effective arguments in favor of the present administration of corporate taxation in Wisconsin is found in the minutes of a recent conference between the taxing

officials and the attorneys of certain protesting corporations. In the course of a detailed discussion, conducted with much ability and good temper on both sides, it was shown that a reasonable application of each of the leading methods of assessment and levy in turn gave almost identical taxes. In fact, the preceding review of assessment methods has indicated that, in states which have made a serious study of the question, strict-adherence to any one method is seldom found.

#### Perpetual and Terminable Franchises.

Under any method of taxation, certain general principles of public policy as to franchises require consideration. Students of taxation are in general agreement in condemning the granting of perpetual franchises, yet some extremely valuable ones now in force have been bestowed on these terms, either expressed or implied. Delos F. Wilcox is of the opinion that such agreements may equitably be abrogated as subversive of public interest. He also maintains that taxation devised with the avowed aim of inducing franchise holders to accept such terms as would be prescribed to-day would be justifiable. He would increase taxation of public utility corporations until only a fair profit is left and the value of the franchise itself reduced to zero. But he adds that, to be truly self-sustaining, a utility must earn not only current expenses and fixed charges but amortization costs. Mr. Lawson Purdy also holds that a franchise carelessly bestowed may justly be rectified in this way. This indirect fashion of adjustment could hardly be applied to franchises having tax exemption or limitation as a condition of the contract. This is the case with the Baltimore and Ohio R. R. in Maryland and the Illinois Central, which pays the state a 7 per cent. gross earnings tax, not simply in lieu of all other taxation but including payment for grants of land and other special privileges. A contract with a municipality has been judicially held to place no restriction upon taxation by a state.

Others find the remedy in regulation instead of taxation, and would thus secure the profits to the public in the form of better service or lower rates for it. A resolution of the National Tax Association at its 1913 conference endorsed this view. It has been suggested that taxes should be reduced with charges for service. To what extent the degree of regulation exercised accounts for variations in tax rates in different states is not known.

As Mr. Wilcox has pointed out, it depends upon whether such utility companies are regarded as private enterprises for profit, subject to taxation adjusted to their ability, or as public agencies managed for the general advantage. He considers that many of them may ultimately be supported by taxation as necessary to municipal life. The tendency in English cities, as to water and gas companies, seems to be toward this attitude, while German cities are making progress in municipal ownership and operation for profit.

Objections to perpetual franchises naturally suggest grants for a definite term of years. Mr. Henry C. Hodgkins, in the *Journal of the American Water Supply Association* for December, 1915, calls attention to the disadvantages of a definite date for termination—the probable neglect of property as the date approaches, the uneasiness of investors, the public injury that would result from cessation or suspension of service. He would make the term of all franchises indeterminate, with definite arrangements for public acquisition of the property without which the franchise would be, at least temporarily, useless.

Several states have made some progress in this direction. Wyoming franchises must now assure the right of municipal purchase after twenty years. Pennsylvania goes farther, in setting the price, for water and gas companies, at 10 per cent. above the net cost of construction, less dividends. In Ontario 10 per cent. is to be added to the cost of reproduction, as determined by arbitrators and diminished for depreciation. Wisconsin municipalities may repurchase a public service franchise at any time on payment of the valuation fixed by the Public Service Commission.

Water supply companies furnish the most numerous examples of privately owned utilities that have been acquired by the public. Such change of ownership has sometimes been in accordance with the original agreement and sometimes a transference practically forced by competition with favored holders of a new franchise or with the municipality itself. It is obvious that in the later case the holder of the original franchise is heavily handicapped through the power of the municipality to ignore overhead charges. Mr. Hodgkins holds that a municipally owned utility, if properly conducted, should show a profit which would accrue to the taxpayers, on whom losses resulting from poor management would fall. He would have the accounting as strict as with private corporations, with all overhead charges fully recorded, so that citizens may have clear knowledge of the cost of public service, and its burden be more justly distributed. The Wisconsin Utility Commission insists on such accounting methods in cases of municipal ownership.

#### Franchise Taxation in New York State.

New York State did not tax franchises in any way until 1880, but now receives a small organization fee on invested capital from domestic corporations, a slightly larger license tax from foreign ones, an annual tax on capital stock, and an additional annual tax on the gross earnings of transportation and transmission companies, besides the local tax on special franchises. The Ford special franchise law, enacted for this state in 1899, provides for local taxation, at the rate applied to general property, of both the intangible rights of public service corporations to use the streets in a special way and their physical operating property located in, under or above the streets, as tracks, pipes, posts and wires.

Since such special use of designated public highways is not implied in legislative sanction of the general corporate form or in the exercise of the corporate functions of the class considered, this special franchise tax is logically distinct from the taxes levied on corporations by the state. For purposes of taxation special franchise property in the public streets is classed as real estate, and in this way corporations whose bonded indebtedness exceeds their tangible assets, while the earnings not only pay expenses and bond interest but accumulate a surplus, are made amenable to the tax.

The provision that the Tax Commissioners should make the assessment was assailed as unconstitutional, as taking from local assessors functions belonging to them on the home rule principle, but the Court of Appeals ruled, in the Metropolitan R. R. case, that the new law had virtually created a new species of taxable property and might provide at will for its valuation, especially as franchises are not necessarily local but may be part of a system which local assessors would obviously be unable to value in its entirety. On appeal to the U. S. Supreme Court, on the ground that such a law would impair contracts, the principle was laid down that compensation for property acquired furnishes no ground for exemption from taxation and that this is as applicable to an annual payment as to a lump sum. The claim of the Brooklyn R. R. Co., that failure to provide a definite method of assessment invalidates the law, was also lost in the Court of Appeals.

#### Judicial Rulings.

Many of the points settled by subsequent suits are closely connected with a method of assessment involving the capitalization of net earnings. It has been held, for example, that deduction from gross earnings may rightfully be made for functional as well as physical deterioration, for taxes actually paid, including a franchise tax, and for claims for injuries due to ordinary accidents; that 6 per cent. is a reasonable rate of profit to be allowed, but that 1 per cent. should be added for contingencies; that only the excess over this can be capitalized as special franchise; that street pavements laid by a railroad company cannot be counted as part of its tangible property; that the mileage basis of apportionment is allowable when the net profits of subsidiary roads are not definitely known; that reconstruction should be a part of annual expense, not provided for by a sinking fund; and that there may be franchise value even in the absence of net earnings, for the real value of property is what it will bring under different management, and this may be obtained by the payment of adequate salaries, which will be included in expenses. The question of the amount of land necessary to operation often comes up in dealing with the net earnings method, especially with water supply companies, where the plea of protection of the source is extremely elastic.

Other rulings are applicable to almost any method of assessment: rights obtained from private owners of land or exercised on land owned in fee cannot be classed as special franchise, but those requiring a public grant and exercised without it may be so taxed; the assessment of land should be its present value for corporate purposes, not its cost; equalization with the assessment of other property must be made; special franchise value may be included in the total assessable property in finding the debt limit but may not be assessed for local improvements.

The courts have consistently refused to lay down a set rule for special franchise valuation, maintaining that any rational use of facts is justifiable and that an assessment must stand unless it can be shown to be incompatible with any defensible theory.

The general plan of assessment followed by the Tax Commission has been that

of capitalizing at 7 per cent. the excess of the net earnings over a reasonable return on the physical property. From the very inauguration of the tax the greater part of it has been contested or left unpaid, and over \$11,000,000 remained uncollected as of December 31, 1914, while 40.57 per cent. of the total levy from 1900 was either due or cancelled. Several electric companies have very recently paid substantial sums in special franchise taxes that have been in litigation for a number of years, but many cases involving the validity of old or transferred franchises are still pending. The suggestion, which has often been made, that the right to institute certiorari proceedings for the review of assessments should be made contingent upon previous payment of the tax, seems a good one.

#### Section 48 of the Tax Law.

One provision of the Ford bill of 1899, now classified as section 48 of the tax law, has failed signally to secure the justice in franchise taxation which was its aim. This section is to the effect that if, during the preceding year, any payment in the nature of a tax, on account of such a franchise right, has been made for exclusively local use by a corporation, the amount of such payment may be deducted from any special franchise tax imposed on that corporation. This privilege of deduction was regarded as only a just concession to corporations whose contracts with the city involved annual payments either of fixed amounts or on a percentage basis, while others enjoying similar privileges were under no such obligation.

This section has to a considerable extent neutralized the fiscal benefits of the Ford law and, far from equalizing the tax burden, has in many cases wholly cancelled the special franchise tax or reduced it to an insignificant amount. Without question the payments referred to act as a handicap in competition with other corporations not so obligated. The error appears to have arisen from a misconception of the distinctive natures of the various franchises, as explained earlier in this report, and the accounting procedure appropriate to the payments in question. They are, in fact, a part of the purchase price of the franchise and not "in the nature of a tax." Rightly regarded, they would be treated as expenditures, thus diminishing net earnings by their own amount, franchise assessment by about fourteen times their amount, and the special franchise tax by slightly over a quarter of their amount.

The question whether such annual payments are among those authorized by section 48 was answered in the affirmative in 1904, in the case of the Crosstown Street Railway Co. of Buffalo. The Court of Appeals ruled that, though taxes were not in general determined by mutual agreement, no rational interpretation of the statute excluding these payments suggested itself. In the case of the New York, Westchester and Boston Railway Company, in 1911, the Appellate Division ruled that any payments for a franchise privilege included by the Tax Commission in the special franchise assessment according to which a municipality levies a tax comes under the provisions of this section.

The railroad companies crossing the Brooklyn and Williamsburgh bridges furnish a flagrant example of the nullification by this section of the city's right to tax corporation property, the deductions having resulted in giving the companies free use of these structures for their private profit. The State Board of Tax Commissioners has excluded from its 1916 assessment the franchise rights applicable to these two bridges, thus sustaining the contention that the annual and percentage payments which were a condition of the grants were purchase payments or rental, not taxes. This decision of the commission, if not reversed, will prevent an annual deduction of about \$250,000.

Since 1906 the city has avoided some of the evil effects of the deduction privilege by requiring a waiver of it from applicants for new franchises. The section is, however, responsible not only for an offset of \$10,851,264.80 from taxes during the years 1900-14, but for a large augmentation of untaxable franchise values, and so of the county assessed valuations, in accordance with which any direct tax is apportioned. The treatment of the contractual payments recommended a few paragraphs back would correct this inflation by reducing the franchise valuation, but legalization of such procedure would require the repeal of section 48.

#### Some General Principles.

The Court of Appeals, in the Brooklyn Heights R. R. case, emphasized the ethical principle that the main purpose of the special franchise tax law is not the augmentation of revenue but equalization of the tax burden. Yet, accepting this aim, the whole question presents so many aspects from different points of view that determination of the just course is not only difficult but impossible without systematic study of all the conditions.

That corporations have intangible property as well as tangible is undeniable, but that this is all franchise is a delusion of taxing officials. It is certain that two corporations securing franchises differing in no perceptible way, controlling equal amounts of capital, and working under identical external conditions, might, after some years, show striking contrasts in their financial status and their community service. To ascribe all values not visibly physical to a franchise is to ignore personality, the greatest of all forces, though one for which no accurate system of measurement has been found. It is not claimed that the fact that better management or better fortune has enabled one company to make more profitable use of its franchise than the other excuses it from the obligation to make a greater contribution to the public treasury. The point is simply that this should not be exclusively under the head of franchise.

Consideration of the methods and experience of other states leads to the conclusion that the entire assets of a corporation, including its franchise, are much more susceptible of just measurement than is the franchise itself. This conviction combines with a recognition of the inconvenience, irritation and ambiguity associated with the numerous corporation taxes in New York State and the frequent multiple taxation and equally frequent unjust exemption, to support the belief that the various taxes should be replaced by a single one, whose proceeds might be distributed on any equitable principle.

#### Division of Proceeds of Franchise Tax.

As concerns the division of revenue from the taxation of public service corporations between state and local application, the entire levy on property used in operation is for state purposes in California, Michigan and Minnesota. In Wisconsin 85 per cent. of the tax on street railways and telephone companies is for local use, while in New Jersey the 5 per cent. gross earnings tax on street lines is local. The railroad tax in New Hampshire goes to the towns, one-fourth apportioned by the expenses of the roads and three-fourths by the number of shares owned. The proceeds of the tax on Minnesota interurban street railways are apportioned to towns by mileage and of each part the state receives the same per cent. as the ratio of all taxation for state purposes to the total amount of taxes for the district. In Massachusetts the towns receive nearly all, by a method of apportionment already described. In Nebraska practically all corporation assets are taxed locally, but the state makes a separate assessment and levy on valuable terminal property.

Considering the revenue from corporate taxes by itself, a just principle of distribution would be that public utilities whose patronage and protection are predominantly local and whose franchise rights are exercised in streets and public places constructed and maintained by local funds should be taxed for local benefit. The same principle would apply to other corporations whose prosperity is clearly due to the real locus of their business activity, even though their nominal headquarters may be elsewhere and their charters may have been granted by other states. On the other hand, railroad lines operating along their own right of way, express and telegraph companies may be considered proper subjects for state taxation as well as assessment, the locality receiving not more than a part proportioned to its productive agency. There may be others the value of whose franchise rights is attributable entirely to privileges bestowed directly by the state. A single tax with any definite and just apportionment of the proceeds is preferable to the multiplication of taxes.

#### Tax Burden on Public Service Corporations.

There is no doubt that in New York State the various corporation taxes successively imposed and simultaneously collected tend to obscure understanding of the existing or the rightful relation between corporate and other taxpayers. Mr. Ralph Norton, tax attorney of the New York Railways, said at the State Tax Conference of 1914 that 6.47 per cent. of the gross receipts of the dividend-paying corporations of the state and 6.66 per cent. of the non-dividend-paying go for taxes. Whether such a rate would be too heavy an imposition cannot be judged without knowledge of other data not given. A financial article in *The Evening World* of November 17, 1915, stated that the taxes on New York City real estate are 22 per cent. of the gross receipts, assuming these to average 10 per cent. of the assessed valuation, which is regarded as a high estimate, while the average receipts of corporations are 33 1/3 per cent. of their valuation. But, accepting both these statements, other elements requisite to any helpful comparison still remain unknown, especially the ratio of net earnings to gross in the case of both corporation property and real

estate and the relative earnings or taxes among corporations of the several classes. The fact is that the exact knowledge needed for well-considered action is not readily available. The Tax Commission has made a large increase in the special franchise assessment for 1916.

It is certain that much corporate property logically subject to franchise taxation in New York City escapes it by foreign incorporation or the nominal location of the principal office in a community offering inducements in the shape of a low tax rate or standard of assessment; also that the taxes on recorded mortgages and registered bonds are in need of such revision as will make them more permanently and steadily productive. Prof. Charles J. Bullock, of Harvard, regards the permanent exemption obtainable under the secured debt statute as a feature of the law that might be repealed or modified—the change perhaps taking effect by degrees—on the ground that by exhausting the sources of revenue it becomes an unauthorized surrender by the state of a power essential to sovereignty.

It will have been observed that in such states as have approached the problem of franchise valuation in any way that can be called scientific and have imposed a tax measured by earnings, this is either in lieu of all others or supplemented only by one on tangible property. There is some ground for the accusation that such a combination results in taxation of both source and product, as the indices of value used in many of the indirect methods are affected by the tangible property. In this state, not to speak of the organization fee, the state and the local tax on corporate stock modified by market value and dividends are in addition to the local taxes on tangible property and special franchise. There has been no more prolific source of litigation and apparently contradictory decisions than these taxes on corporate stock and dividends.

#### Conclusions.

As for the best method of assessment, the weight of testimony from both theorists and practical workers is on the side of a gross earnings tax, and the process used by California and Connecticut for fixing the rates is rational and reasonably simple. Though any method may effect substantial equality of tax burden with other property by selecting the right rate, a tax based on gross earnings adjusts itself almost automatically to current variations in business activity, only somewhat infrequent investigations to determine class rates being needed. Constancy of rates, with its soothing psychological influence, is aided by the fact that dull times, for example, would diminish the larger component of both numerator and denominator of the formula for the rate and so have less effect on the total. It need scarcely be said that conclusions reached by any method should be checked by the tentative application of others.

If, however, the special franchise tax is retained, it is recommended that an effort be made to determine what are the essential elements of franchise value and to standardize in some way their respective weights. This is a suggestion that has not been found in the very numerous discussions of this subject reviewed, but which seems to have practical value.

As an offhand illustration, it will be agreed that the duration of a franchise and the provisions for its renewal, the obligations imposed as to money payment or community service, the extent to which it is exclusive, the degree of freedom to fix rates and standards, any special privileges connected with property used for other purposes, or securities of other corporations held, the population, and definite probabilities as to growth, are all determining factors. There can be little question that the value of the franchises of express companies has been sensibly lowered by the establishment of the parcel post service. And, though more subtle influences are usually present, no one of those mentioned is too elusive to lend itself to some scale of valuation.

At the Utility Bureau's recent conference on taxation Mr. Wilcox drew a sharp distinction among valuations for rate regulation, condemnation, taxation, voluntary or involuntary sale, and capitalization, maintaining that the amount invested is the crucial question in rate regulation, but earning power in assessment for taxation; and that neither actual nor reproduction cost should directly affect valuation for either taxation or condemnation. He also holds that an indeterminate franchise or one included in an involuntary sale to a municipality at the end of a fixed period has no cash value and that the value properly attributable to a franchise, when the authorization of issues of securities is in question, is the amount actually paid in its acquisition.

His remarks on the influence of certain franchise conditions under the net earnings method, which capitalizes the residue of net earnings remaining after allowing a reasonable rate of income on the value of the tangible property, furnish material for thought. This is especially true of the suggestions that, as the fair rate of income would be decreased by any circumstances tending to lessen risks to the investor, regulation by a commission, even under the probability of lower rates for service, might result in a higher franchise value, as implying conservative management and protection from competition, and that a perpetual franchise might be of less value than one for a definite term with provisions for purchase, since the return of the investment would be assured in the latter case.

As opposed to this theory of valuations varying with their purpose, it may be said that the generally accepted definition of a proper assessed valuation as the amount that would be received in a voluntary sale seems to establish a close resemblance among several of them. The peculiar characteristics found in a valuation for rate fixing are due to the assumption that investors must be compensated for earlier losses or absence of profits, and it is at least questionable how far back such compensation should be operative. The consideration that sufficient inducements must be offered to invite investment is a principle of financial policy rather than of justice.

Again, the fact that valuations made for taxation by public officials are often twice those they are willing to accept as a basis for rates, while in the assessments made by the public utilities themselves the opposite relation is not uncommon, cannot be considered indicative of a purely impersonal attitude of mind.

It is clear, too, that the nature of the utility is a point of much importance. It will at once be admitted that the use of a street for a double railroad track involves a much greater delegation of public rights than the placing of a pipe under the surface or a wire above it, and that if such privileges were being acquired from private owners their relative worth would be carefully considered. But that the amount of physical occupancy conceded is by itself a measure of franchise value is not so certain. As a matter of fact, other public utilities, in general, pay a higher rate of dividend on their investment than railroads. Express companies have been known to disburse in a single year dividends many times larger than the assessed value of their tangible assets. That the tangible property of these companies and of those doing a telephone or a telegraph business is a very poor index of their taxpaying ability is so generally realized that some indirect measure is almost universally applied to them. Gas companies, whose use of the streets is comparatively slight, are notorious for their high rates of profit.

The question therefore arises whether anything in the nature of a franchise which makes greater profits possible on a smaller outlay has not a vital and measurable influence in determining franchise value. To repeat, it is urged that a systematic effort be made to establish for franchises some principles of comparison which may be applied either to their separate assessment or as a differential on valuations made by a gross earnings method, at per cents. determined for each class of utility by the California process or some modification of it.

#### APPENDIX IV.

##### TAXATION OF BANK SHARES. The Taxation of Bank Shares Prior to 1901.

Prior to 1901, the year in which the present law governing the taxation of bank shares was enacted, bank shares were assessed in accordance with the provisions of the tax law, known as chapter 908, laws of 1896, to the owners or shareholders at actual value, after deducting their debts, in the same manner as other personal property, and the tax thereon was paid at the same rate at which other personal property was taxed.

Banks were required to report annually to the assessors facts indicating the banks' condition and the value of the shares, and to give a list of the shareholders and the number of shares held by each. The tax was paid by the bank for the account of the shareholders.

In making the assessment, each shareholder was allowed to deduct from the value of his bank shares the amount of his personal indebtedness. In fixing the taxable value of the bank shares the right was given to make a proportionate allowance

for the assessed value of real property owned by the bank and reflected in the value of the bank shares.

But although the statute provided for the assessment at actual value less the statutory deductions, the assessment of the shares of different banks was often made at varying ratios of the true value, and this situation, coupled with provisions of the tax law permitting the deduction of debts, etc., resulted in uncertainty and difficulty in the equitable distribution of the tax burden, as between the different banks and the individual shareholders.

#### Changes in the Tax Law Made by the Act of 1901.

By an act of the legislature, chapter 550 of the laws of 1901, the tax law with respect to the taxation of bank shares was radically amended. The new act has been aptly described as "a new and special system of assessment and taxation" \* \* \* \* created and applied solely to banks, both national and state.

The main features of the new system are briefly summarized in the following tabulation:

- (1) The fixing of a flat tax rate of one per cent. on bank shares in place of the current tax rate applicable to general property.
- (2) The repeal of a former provision of the tax law permitting the deduction of debts.
- (3) A provision for collecting from the bank the entire tax assessed against its shares.
- (4) A change in the method of determining the value of bank shares for the purposes of taxation, by substituting for actual value, a valuation based on a method of computation fixed in the act itself, namely, by "adding together the amount of the capital stock, surplus and undivided profits" and dividing by the number of shares.

#### A Detailed Consideration of the Special Provisions of the New Act.

The particular divisions of the tax law which were amended by the act of 1901 were sections 23 and 24 of article 2, although slight amendments were also made to section 56 of article 3. The process of assessment and taxation, which is provided for in section 23 of the law, begins with the filing of a report, which is required to be furnished by the chief fiscal officer of each bank or banking association to the assessors of the tax district in which the bank's principal office is located. This statement, which must be filed on or before the first day of July in each year, is required to show the amount of the bank's authorized capital stock, the number of shares and the par value thereof, the amount of stock paid in, the amount of surplus and undivided profits, and must be accompanied by a complete list of the stockholders, showing their names and addresses and the number of shares held by each. Refusal on the part of the bank to furnish the prescribed reports was made punishable by a forfeit of one hundred dollars for each failure, and an additional forfeit of ten dollars for each day such refusal continued.

Section 24, among other things, fixes the method of computing the value of bank shares. It provides that the tax commissioners, in determining the value of such bank shares, shall add together the amount of the capital stock, surplus and undivided profits as reported by the bank, and divide the result by the number of shares outstanding. The taxable value of each share thus obtained is then multiplied by the number of shares owned by each stockholder, and by this method the assessment against each shareholder is determined and fixed. In determining the value of bank shares, the law provides that no deduction shall be allowed for the personal indebtedness of the owners thereof, or for any other reason.

The rate of taxation is fixed at one per cent. of the assessments so determined, and it is made the duty of the bank to pay the aggregate tax on all its shares on or before the last day of December in each year. For the taxes due upon its stock, the law provides that each bank shall have a lien on the shares of stock of its several share owners for reimbursement for the taxes so paid.

The law also contains a provision that complaints in relation to any assessments made under its authority shall be heard and determined in accordance with certain other sections of the tax law, which, among other things, provide that the tax rolls shall be completed by August first, and that a hearing shall be given on the third Tuesday in August, commonly known as "grievance day."

#### Action of the Tax Commissioners under the New Law.

Inasmuch as the assessments under the new law were to be made in accordance with a special method of valuation set forth in the law itself, and because these calculations were based entirely on data contained in the reports submitted by the banks as required by law, and further, because the law allowed no deductions of any nature whatsoever, the tax commissioners concluded that neither notice nor hearing was necessary or prescribed in connection with the assessments fixed under the new act providing for the taxation of bank shares. Accordingly, when certain shareholders came to them in 1901, soon after the first reports had been filed by the banks under the new law, and asked for a hearing to consider their claims for deduction on account of their indebtedness, the tax commissioners of this city took the position that no hearings were required and refused to grant them this privilege.

Denied the right of a hearing by the tax commissioners, several of these shareholders thereupon appealed to the courts for relief. They brought certiorari proceedings to review the action of the tax commissioners, claiming that the assessments against their shares were invalid, on the grounds that the law under which such assessment had been made was unconstitutional because of its failure to provide for notice and a hearing, and that the assessments made under the authority of the law were invalid, because no consideration was given to the personal indebtedness of the shareholders, which, it was claimed, should have been deducted from the value of the shares as fixed by the commissioners.

#### The Bridgeport Savings Bank Case.

One of the first proceedings brought to determine the constitutionality and validity of the new law was that instituted by the Bridgeport Savings Bank, a Connecticut institution and the owner of stock in one state bank and ten national banks of the City of New York.

Soon after the enactment of the new law, this bank gave notice to the tax commissioners, that it claimed to be exempt from assessment on the bank shares owned by it on account of its deductible debts. It submitted proofs of the fact, but the tax commissioners refused it a hearing. Notice that the bank assessments were complete was served on the several banks on October 31, 1901, and on November 13, of the same year, the Bridgeport Savings Bank procured a writ of certiorari to review the determination of the tax commissioners.

This writ was subsequently dismissed and the assessment confirmed by the special term of the Supreme Court, whose action was, on an appeal by the bank, affirmed by the Appellate Division. The bank thereupon appealed to the Court of Appeals, contending, among other things, that the act was in violation of the constitution of the state, because it provided for the assessment and taxation of property without notice to the owner and opportunity to be heard in connection therewith, and that it was invalid, because of its failure to provide for the deduction of indebtedness.

This case was argued early in January, 1908. On January 31, of the same year, the court rendered a decision, (191 N. Y. 88) declaring that the statute was valid, but that the tax was voidable. The court pointed out that the act was not invalid because of not providing for the deduction of indebtedness, and that neither was it unconstitutional, since provision for notice and a hearing was made by other sections of the tax law.

The court then held that, inasmuch as the tax commissioners had failed to comply with such law and had failed or refused to give such notice and hearing, such action on the tax commissioners' part was an irregularity that rendered the assessments voidable, and the court therefore directed that such assessments be cancelled and the taxes paid thereon be refunded with interest.

The opinion of the court, written by Justice Vann, summarized the situation in the following language:

"In the case now before us the statute was valid but the assessing officers failed to comply with it. They gave no notice and refused to hear any complaint, owing doubtless to a misunderstanding of the law. While, therefore, we hold the statute valid, we are compelled, on account of the irregularity in failing to give notice, to reverse the orders of the Appellate Division and the Special Term and to cancel the assessments against the relator (the bank) \* \* \* \*"

The gravity of the situation which confronted the city authorities is obvious when it is remembered that the tax commissioners had given no notice or hearing in connection with any of the bank taxes levied from 1901 to 1907, and that these taxes, practically all of which had been paid, aggregated some \$18,000,000. Under the ruling of the court in the case just discussed claims might be made for the refund of the major portion of this huge sum, together with interest from the date of payment for the taxes of the respective years. A large number of banks im-

mediately brought proceedings to obtain the same relief that the courts had afforded the Bridgeport Savings Bank.

**The Curative Act of 1909, Known as Chapter 74.**

For the express purpose of correcting the irregularity which the Court of Appeals had declared to be so fatal to the validity of the taxes levied in connection with the assessments on bank shares made between the years 1901 and 1907, a bill was prepared by the city authorities, which provided for the notice and hearing which had been omitted in connection with the assessments made for the years 1901 to 1907, and for a review by certiorari proceedings where any assessment had been improperly made. This curative act, known as Chapter 74, became a law February 27, 1909. The act provided that, beginning with a date twenty days after the passage of the act, to and including September 1, 1909, applications for the reduction and cancellation of the assessments made between the years 1901 and 1907 inclusive might be made to the tax commissioners, who were required on or before the first day of October, 1909, to examine every application so made and declare their determination. In addition, the act required that any proceedings to review by certiorari the determination of the tax commissioners must be commenced on or before October 31, 1909, after which date any irregularity previously existing in connection with the assessment of bank shares might not be advanced either to the tax commissioners or to the courts as a lawful cause for relief.

**Effect of the Curative Act.**

In the meantime several certiorari proceedings had been begun and were then pending for decision before the Special Term of the Supreme Court. In view of these circumstances, that court granted a rehearing so that the effect of the new statute might be considered in connection with the proceedings under review.

After a full consideration of all the facts submitted, including the effect of the curative act, the Supreme Court held, in connection with the proceedings instituted by the American Exchange National Bank, which had secured a writ to review the assessment against the stock of its shareholders in the year 1907, that the statute of 1909 was a bar to the certiorari proceedings brought by this bank, and accordingly dismissed such proceedings. On appeal by the bank, the action of this court was later affirmed by the Appellate Division.

On the grounds that the act of 1909 (chapter 74) was unconstitutional, that it was a confirming act and not a statute for reassessment, and, further, that as a confirming act it could not cure these assessments, because the provisions in the act of 1909 for a hearing and correction after the assessments had been made were insufficient to cure the irregularity in the method of assessment, the bank appealed to the Court of Appeals.

In a decision (196 N. Y., 270) rendered November 9, 1909, this court upheld the constitutionality of the curative act of 1909, declaring that the act was in the nature of a statute authorizing a reassessment, but inasmuch as the act required certain steps to be taken, and because of the fact that the proceedings of the court were silent upon that subject, the court sent the proceeding back to the Special Term to permit the tax commissioners to show what they had done under the act. It was erroneous, the court pointed out, for the courts below to dismiss the proceedings, and, until such time as it was fully shown what had been in fact done in connection with the requirements of the curative act, it would be dangerous for the court to fix the final rights of the interested parties.

**The Second Appeal of the American Exchange National Bank.**

The second appeal made by the bank was decided by the Court of Appeals on June 7, 1910 (199 N. Y., 51). This court summarized the question before it in the following language:

"The specific question argued on this appeal is whether the statute (chapter 74 of 1909) was an ordinary curative one legalizing an assessment as of the date when it was originally laid, or whether it was one which in effect provided that when certain steps had been taken there should then, and for the first time, by completion or reassessment, be valid enforceable assessment."

The court held to the latter view, that is, that by reason of the steps taken under the provisions of the curative act, there had been created or built up by completion or reassessment, a completed assessment by which the banks could be compelled to pay their taxes. The court also held that the assessments as originally laid were invalid and were not enforceable until October 1, 1909, and that under ordinary circumstances the banks were entitled to the refund of the taxes so paid, with interest thereon from the date of payment to October 1, 1909.

But, inasmuch as there existed against the banks a completed and valid assessment for each of the years in which an invalid tax had been paid, and further, because of the fact that if the banks were allowed to collect the principal of the tax with interest thereon, they would be compelled to pay back immediately the principal in satisfaction of the assessment declared to be complete and valid as of October 1, 1909, the court sought to avoid this circuitous process and ruled that justice would be met by refunding the interest on the taxes paid, from the date of the original payment to the date when the assessment was completed, that is, October 1, 1909.

**The Amoskeag Savings Bank Case.**

Contending that the act of 1901, imposing a flat rate of one per cent. on the value of bank shares, without deduction for debts, was in contravention of the provisions of section 5219 of the United States Revised Statutes, which authorizes the taxation of national banks, subject to the following restrictions:

"that the taxation shall not be at a greater rate than is assessed upon other money capital in the hands of individual citizens of such state, and that the shares \* \* \* owned by non-residents \* \* \* shall be taxed in the city or town where the bank is located and not elsewhere."

—The Amoskeag Savings Bank carried its appeal to the Supreme Court of the United States, which, in an opinion rendered in 1913 (231 U. S., 373), declared that the act of 1901 did not discriminate against shareholders of bank stock, and, therefore, was a valid act.

**Subsequent Litigation Involving the Application of the Statute of Limitations in Connection with the Banks' Claims for Interest on Taxes Paid for the Years 1901 to 1907.**

The curative act of 1909 fixed October 31, 1909, as the last day on which certiorari proceedings could be commenced by the banks to review the final determination of the tax commissioners with respect to the assessments for the years from 1901 to 1907. Accordingly, many proceedings were begun in October, 1909, by banks that had paid taxes during these years, for the purpose of securing relief similar to that which was granted banks that had instituted proceedings prior to the enactment of the statute of 1909.

With respect to these proceedings, one of which was carried to the Court of Appeals for adjudication, it was ruled by that court (202 N. Y., 599) that such banks were entitled to relief similar to that afforded banks which had certiorari prior to the enactment of the act of 1909, and there was, therefore, nothing left for the city to do except to pay the claims of such banks for interest on the invalid taxes paid by the banks for the years 1901 to 1907.

Meanwhile the time fixed in the statute of 1909 expired, and several banks, estopped from commencing certiorari proceedings, brought actions instead to obtain interest on the invalid taxes paid by them for the years 1901 to 1907. In the action brought by the Second National Bank in 1910 and decided by the Court of Appeals in the early part of January, 1915 (213 N. Y., 457), that court ruled that the bank share taxes for the years from 1901 to 1907 were void and that the bank was entitled to recover interest to October 1, 1909, on all taxes which had been paid within six years from the time such action was brought.

Inasmuch, therefore, as the action by the Second National Bank was not begun until 1910, it could recover interest only on taxes paid for the years 1904, 1905, 1906 and 1907, from the respective dates of payment to October 1, 1909, and it could recover no interest on such taxes that had been paid in the years 1901, 1902 and 1903, because such taxes had been paid more than six years before the action was begun, the court in this case ruling that the Statute of Limitations barred the collection of interest on the earlier claims.

At the time the Second National Bank case was decided there were pending more than fifty other actions brought by other banks to recover interest on taxes paid during the years 1901 to 1907. Inasmuch as the same facts existed with respect to these claims as those considered in the case of the Second National Bank, the city was compelled to consider such claims and provide for their payment.

As a result of such litigation as herein described, the city was compelled to pay to the banks as interest on void taxes paid during the years 1901 to 1907, a sum which aggregated approximately \$2,400,000.

**Summary of Sixteen Years' Experience with Bank Share Taxes.**

The total amount of taxes levied on bank shares during the sixteen years from 1901, the year this special tax was first imposed, to 1916, inclusive, is \$49,382,876.48, of which all but \$193,381.23 was collected to December 31, 1916. Beginning with the levy imposed for the year 1907, practically the full amount of each tax levy has been promptly collected, except for the year 1909, when the comparatively small amount of \$9,500 was cancelled, because the tax so imposed was based on an incorrect return made by one of the banks, which overstated the amount of its capital, surplus and undivided profits, an error which was not discovered until the tax rolls had been completed.

In the following statement are summarized all the transactions relating to the imposition and subsequent liquidation of each tax levy on bank shares from 1901 to 1916, inclusive:

**Summary Statement of Bank Taxes, Levies 1901 to 1916, Showing All Transactions from Date of Imposition to Dec. 31, 1916.**

Year of Levy.	Amount of Levy.	Net Collections to Dec. 31, 1917.	Total Cancellations.	Uncollected Balance, Dec. 31, 1917.
1901.....	\$1,830,128.02	\$1,816,051.81	\$11,432.21	\$2,644.00
1902.....	2,019,650.05	2,015,944.42	3,705.63	.....
1903.....	2,666,577.37	2,554,879.07	111,698.30	.....
1904.....	2,691,535.59	2,674,744.84	16,790.75	.....
1905.....	2,764,171.50	2,744,909.76	17,853.97	1,407.77
1906.....	2,911,566.43	2,895,847.05	15,719.38	.....
1907.....	3,143,761.92	3,143,761.92	.....	.....
1908.....	3,078,580.69	3,078,580.69	.....	.....
1909.....	3,263,259.67	3,253,759.67	9,500.00	.....
1910.....	3,445,638.23	3,445,638.23	.....	.....
1911.....	3,565,494.53	3,562,993.83	.....	2,500.70
1912.....	3,489,313.67	3,489,313.67	.....	.....
1913.....	3,603,763.92	3,603,763.92	.....	.....
1914.....	3,627,111.03	3,627,111.03	.....	.....
1915.....	3,606,575.82	3,606,575.82	.....	.....
1916.....	3,675,748.04	3,675,619.52	.....	128.52
Totals .....	\$49,382,876.48	\$49,189,495.25	\$186,700.24	\$6,680.99

The levy of 1901, the first imposed under the provisions of the amended law relating to the taxation of bank shares, aggregated \$1,830,128. The latest levy, that of 1916, aggregated \$3,675,748, an increase in the product of the tax on bank shares as compared with 1901 of over 100 per cent. The levy for the year 1917 will aggregate \$4,028,351, an increase over the preceding year's levy of nearly 10 per cent. Thus, compared with the first year's levy, 1901, the 1917 levy will show an increase in the product of the tax on bank shares of over 120 per cent. A statement, comparing the taxes levied in 1901 with those levied in 1916 and showing the percentage of increase, by boroughs, is submitted herewith:

**Statement of Comparison, Bank Taxes, Levy of 1901 and Levy of 1916, Classified According to Borough, Showing Percentages of Increase.**

Borough.	Levy of 1901.		Levy of 1916.		Percentage of Increase.
	Number of Banks Assessed.	Amount of Taxes Levied.	Number of Banks Assessed.	Amount of Taxes Levied.	
Manhattan .....	83	\$1,742,918.95	72	\$3,551,363.41	103.76
The Bronx .....	3	3,893.31	5	13,221.08	239.58
Brooklyn .....	21	77,072.25	12	81,871.50	6.23
Queens .....	4	3,521.91	9	23,035.33	554.06
Richmond .....	2	2,721.60	5	6,256.72	129.89
Totals .....	113	\$1,830,128.02	103	\$3,675,748.04	*109.85

\* Average for city.

From the following statement summarizing the imposition and collection of the tax on bank shares according to boroughs, it will be noted that less than 4 per cent. of such tax was levied and collected outside the Borough of Manhattan, which during the sixteen-year-period under review contributed over 96 per cent. of the total bank taxes imposed and collected.

**Summary Statement of Bank Notes, Levies 1901 to 1916, Classified according to Boroughs, Showing Net Collections Thereof to December 31, 1916.**

Borough.	Levy of 1901.		Levy of 1916.		Per Cent. of Increase.
	Amount Levied, 1901 to 1916.	Per Cent. of Borough Levies to Total.	Amount Net Collections to Dec. 31, 1916.	Per Cent. of Borough Collections to Total.	
Manhattan .....	\$47,556,095.50	96.30	\$47,367,858.38	96.30	.....
The Bronx .....	133,431.53	.27	133,148.72	.27	.....
Brooklyn .....	1,381,482.95	2.80	1,376,621.66	2.80	.....
Queens .....	233,451.89	.47	233,451.89	.47	.....
Richmond .....	78,414.60	.16	78,414.60	.16	.....
Totals .....	\$49,382,876.48	100.	\$49,189,495.25	100.	.....

The actual losses in the product of the bank-share tax levies during the sixteen years that the present law has been in operation are comparatively negligible, amounting to only \$186,700, out of a total of taxes levied during the same period aggregating \$49,382,876.

Of the amount lost, \$13,166 represents remissions and cancellations made by the tax commissioners or in pursuance of an order of the court, and includes the sum of \$3,723.86 cancelled as a result of the decision of the Court of Appeals in the Bridgeport Savings Bank case, previously cited. The sum of \$109,500 is accounted for as reductions made by the tax commissioners to correct errors in the imposition of the tax, occasioned by the filing of incorrect reports by banks which, misunderstanding the layout of the report, inadvertently returned the amount of their capital twice. One of the instances, which occurred in connection with the 1903 levy, resulted in an over or double assessment to the extent of \$10,000,000, the correction of which required the cancellation of taxes aggregating \$100,000, or more than half of the total taxes cancelled during the period under review. A change in the form of the report was made in the following year to obviate the chance of further errors arising from this course. The remainder, aggregating approximately \$64,000, was ordered by the courts to be refunded to certain trust companies, owing to the peculiar construction given to the provisions of section 202 of the tax law then in effect, providing for the taxation of trust companies.

**Exemption of Bank Shares Owned by Trust Companies.**

Thus, aside from the fact that the ownership of bank shares by trust companies gave such companies an advantage over other shareholders by rendering such shares exempt from taxation, it was obvious that the practical effect of this ruling was to furnish a constant menace to the integrity of the collections. Since the taxes were paid in the first instance by the banks, trust companies owning bank shares could make a claim at any time after such taxes had been paid, and the city, under the ruling of the court, would be compelled to make a refund to the trust company of the taxes so paid.

To abolish this unfair exemption in favor of the trust companies, the tax law was amended in 1907, by the enactment of Chapter 709, adding the following provision to section 202:

"Personal property exempted from taxation by this section shall not include shares of stock of banks and banking associations taxable under the provisions of section 24 of this chapter."

In addition, there was added to section 24 the following:

"No shares of stock of such banks and banking associations by whomsoever held shall be exempt from the tax hereby imposed."

**Relative Productiveness of the Tax on Bank Shares.**

In recent years, practically the entire annual levy of the tax on bank shares has been collected within the time prescribed by law. Thus, in relative productiveness these tax levies rank higher than any of the other levies imposed on the four classes of property included in the annual general property tax levy, as will be seen from the subjoined table, in which are shown the percentage of collections, the losses and the uncollected balance at December 31, 1916, as follows:

**Summary Statement of Tax Levies, 1899 to 1916.**

Character of Taxable Property	Per Cent. of Net Collections of Each Class to Taxes Levied.	Per Cent. of Losses to Taxes Levied.	Uncollected Balance at Dec. 31, 1916, to Taxes Levied.	Per Cent. of
Real Estate:				
Ordinary (Lands and Buildings) ..	97.28	0.66	2.06	
Real Estate of Corporations.....	83.75	11.04	5.21	
Special Franchises.....	*67.75	28.08	4.17	
Personal Property.....	60.72	26.21	13.07	
Average .....	92.81	4.15	3.04	
Bank Taxes .....	†99.996	0.004	‡....	

\* For the period from 1900 to 1916. † For the period from 1901 to 1916.

‡ The uncollected balance aggregates \$6,680.99, a sum too small in comparison with the total bank shares taxes levied to be expressed in intelligible decimals.

**Recent Improvements in the Operation of the Law.**

As has been explained in another part of this report, the value of bank shares, for the purposes of taxation, is determined by adding together the amount of the capital stock, surplus and undivided profits as reflected by the condition of the bank on May 1st, of each year, and dividing the total amount thus obtained by the number of shares outstanding. These facts, which thus serve as a basis for the fixing of the aggregate assessment, are reported by the banks to the Department of Taxes and Assessments on or before the first day of June in each year.

For the purpose of determining the accuracy of the data required by law to be reported annually as a basis for the assessment and taxation of their respective shares, a preliminary examination was made by this commission of such data as were available, to test the possibility of securing increased revenues from this source.

Detailed statements are required from time to time by both the Comptroller of the Currency and the State Superintendent of Banks. In 1916, the Comptroller of the Currency called for statements from national banks as of the date following the day used in the report required to be filed with the Department of Taxes and Assessments. The State Superintendent of Banks also issued calls for statements from the state banks, but the dates of these calls were not in very close proximity to May 1st, the date used by the Tax Department.

However, comparative tables were prepared showing in parallel columns the capital, surplus and undivided profits reported as of May 1st to the Tax Department, and these same elements as contained in the reports to the Comptroller of the Currency and the State Superintendent of Banks. This comparison disclosed many instances where the surplus and undivided profits, as reported to the Tax Department of New York City for the purposes of taxation, were smaller than the sums reported for similar items to the Comptroller and State Superintendent.

In order to ascertain the reason for these disparities, a few cases were selected showing large apparent differences, and further investigation was made. In this connection the officers of the several banks chosen were interviewed and a request made for details on which the report to the Tax Department was based.

Briefly reviewed, these disparities were found to be due chiefly to differences in the methods of bookkeeping employed with respect to the accrual of certain assets and liabilities relating to interest and discount. This preliminary investigation disclosed that in the case of national banks the report to the Comptroller of the Currency was based entirely on the facts shown on the books for the day set, whereas the amount of the surplus and undivided profits reported to the Tax Department for the purposes of taxation was invariably based on a statement of the actual condition of such bank on May 1st.

Another situation which affects not only the revenue derived through the taxation of bank shares but which also may lead to an increase from the taxation of real estate, is that which arises out of the general practice of banks in carrying their real estate at book value, which, although it includes the cost of furniture and fittings and other equipment of the bank, is often less than the assessed valuation of the real property taxed as such by the Tax Department.

If the assessed valuations are a fair indication of the actual values of such properties then it is manifestly unfair to permit such banks to include in their financial statement a valuation for their real property which is less than the generally recognized actual value. If such real property were carried at its actual value it would have the effect of increasing the amount of the surplus, and ultimately the amount of the taxes paid.

On the other hand, there were found a few instances where the assessed valuations were less than the book values. In such cases the Tax Department has given special attention to the assessments.

**Results of the Preliminary Survey.**

Thus, based on the comparatively few instances subjected to investigation, it appeared that, under a slightly modified scheme requiring a more detailed report of the condition of the banks, particularly the adoption of some uniform method for determining the surplus and undivided profits, which, with the amount of the capital, are the bases defined by law for determining the value of the bank shares for the purpose of taxation, the revenues derived from the taxation of such bank shares might be increased.

The facts disclosed by this preliminary survey were, therefore, submitted to the Department of Taxes and Assessments for its information and consideration, on June 13, 1917. Although the reports from the banks for the year 1917 had been called for as required by law and had been made, and the assessments were being prepared, the Tax Department, with commendable dispatch, drafted, caused to be printed and delivered to the banks in time for the latter to render a complete return before July 1, new report forms based on the forms used by the Comptroller of the Currency and the Superintendent of Banks.

The increase in the product of the bank-share tax that resulted from the use of the new and modified forms of bank report is shown in the following table:

Assessment Based on	Aggregate Assessment on Capital, Surplus and Undivided Profits.	Tax Product at 1 per Cent.
New Form,.....	\$402,835,165 00	\$4,028,351 00
Old Form,.....	395,558,026 00	3,955,580 00
	\$7,277,139 00	\$72,771 00

The assessment for this year embraced 105 banks, and, as a result of the use of the new form, the assessments of 83 banks were increased while the assessments of 22 banks were decreased, the net results being a gain to the city in the product of the bank tax levy of \$2,771.

**Conclusion.**

The facts and conclusion set forth in the foregoing report may be briefly summarized as follows: That the provisions of the tax law with respect to the taxation of bank shares are easily administered, first, because it provides a simple and inexpensive method for determining the value of the property assessed for the purposes of taxation, and secondly, because it provides for the necessary data upon which such valuations shall be based. As a result of these circumstances, the tax has been uniformly collected, at a low cost and with comparatively few losses.

**DEPARTMENT OF FINANCE.**

**OFFICE OF THE CHAMBERLAIN.**

**Statement of Receipts and Payments of The City of New York for the 5 Days Ended Nov. 30, 1917.**

	City Treasury.	Sinking Funds.	Special Funds.	Total.
Balances, Nov. 24, 1917.....	\$18,368,419 60	\$4,252,368 87	\$1,404,572 37	\$24,025,360 84
Receipts .....	18,063,315 42	145,039 20	10,080,830 34	28,289,184 95
Total .....	\$36,431,735 02	\$4,397,408 07	\$11,485,402 71	\$52,314,545 80
Payments .....	14,034,927 11	12,000 00	5,666,033 87	19,712,960 98
Balances, Nov. 30, 1917. ....	\$22,396,807 91	\$4,385,408 07	\$5,819,368 84	\$32,601,584 82

E. F. BARRETT, Deputy Chamberlain.

**DEPARTMENT OF FINANCE.**

**WARRANTS MADE READY FOR PAYMENT IN DEPARTMENT OF FINANCE FRIDAY, DECEMBER 21, 1917.**

Below is a statement of warrants made ready for payment on the above date, showing therein the Department of Finance voucher number, the dates of the invoices or the registered number of the contract, the date the voucher was filed in the Department of Finance, the name of the payee and the amount of the warrant.

Where two or more bills are embraced in the warrant, the dates of the earliest and latest are given, excepting that, when such payments are made under a contract, the registered number of the contract is shown in the place of the second invoice date.

Where the word "final" is shown after the name of the payee, payment will not be made until thirty days after the completion and acceptance of the work, but all of the other warrants mentioned will be forwarded through the mail unless some reason exists why payment is to be made in person, in which event written notice will be promptly given to the claimant.

In making a written or verbal inquiry at this office for any of the above mentioned warrants, it is requested that reference be made by the Department of Finance voucher number.

WILLIAM A. PRENDERGAST, Comptroller.

Finance Voucher No.	Invoice Dates or Contract Number.	Received in Department of Finance.	Name of Payee.	Amount.
148624	3-15-17	12-17-17	John L. Whiting-J. J. Adams Co.....	\$6 22
148631	11- 8-17	12-17-17	Cavanagh Bros. & Co.....	5 25
148634	11- 1-17	12-17-17	Bernard Karsch's Sons .....	28 00
142063	10-25-17	11-27-17	William J. Love .....	103 70
148622	12- 6-17	12-17-17	Cavanagh Bros. & Co.....	10 20
148607	11-23-17	12-17-17	Wilkinson Bros. & Co.....	15 09
148611	11-14-17	12-17-17	Wilkinson Bros. & Co.....	15 00
148610	10-29-17	12-17-17	Wilkinson Bros. & Co.....	30 00
148606	11-26-17	12-17-17	John A. Casey Co.....	30 00
148620	11-16-17	12-17-17	Agent and Warden, Clinton Prison....	3 75
148621	8-10-17	12-17-17	Agent and Warden of Auburn Prison.	43 50
148635	11-15-17	12-17-17	Cavanagh Bros. & Co.....	2 70
148636	11-16-17	12-17-17	Gimbels .....	22 10
148616	11- 5-17	12-17-17	Cavanagh Bros. & Co.....	7 50
148615	11-22-17	12-17-17	Stanley & Patterson .....	19 80
148612	3-12-17	12-17-17	Croker National Fire Prevention Engineering Co. ....	27 00
148609	1-17-17	12-17-17	A. P. Dienst Co., Inc.....	24 00
148603	6-21-17	12-17-17	Economy Wiping Materials Co.....	22 27
148604	11-17-17	12-17-17	Cavanagh Bros. & Co.....	9 55
148605	12- 4-17	12- 7-17	Cavanagh Bros. & Co.....	17 25
148879		Board of Child Welfare.		
	12-18-17	Harry L. Hopkins, Executive Secretary		\$50 00
148200	9-28-17-11-14-17	12-15-17	The Kny-Scheerer Corporation .....	\$63 05
148178	10-27-17	12-15-17	The Fairbanks Co. ....	11 40
148181	10-31-17	12-15-17	Sheffield Farms-Slawson Decker Co. ....	1 40
148185	11-19-17	12-15-17	Evans Products Corporation .....	8 50
148184	11-15-17	12-15-17	Everson & Reed Co., Inc.....	1 50
145896	48396	12- 8-17	William Farrell & Son .....	990 00
145897	48399	12- 8-17	Gavin Rowe .....	3,368 93
145892	48512	12- 8-17	Richman & Samuels .....	435 93
145891	48513	12- 8-17	Joseph Seeman .....	601 60
145890	48508	12- 8-17	Charles F. Mattlage & Sons .....	100 66
145886		12- 8-17	John H. Parker Co. ....	300 00
148186	11- 7-17	12-15-17	Lehn & Fink, Inc. ....	2 50
148187	11-16-17	12-15-17	John Greig .....	87 75
148188	7-26-17	12-15-17	Semet Solvay Co. ....	21 16
148189	10- 1-17			

Finance Voucher No.	Invoice Dates or Contract Number.	Received in Department of Finance.	Name of Payee.	Amount	Finance Voucher No.	Invoice Dates or Contract Number.	Received in Department of Finance.	Name of Payee.	Amount
17641		12-10-17	Michael D. Kaydouh .....	10 00	148022	12-14-17	S. J. Ellsworth, Prin. P. S. 39, Queens.	53 55	
17642		12-10-17	Habib Yam In .....	10 00	149463	12-19-17	Frances E. Moscrip, Inspector of Classes for the Blind.....	24 40	
147664		12-18-17	Alex Dujat, County Clerk .....	\$4 85	149182	12-18-17	A. L. Brasfield, Deputy and Acting Supt. of School Supplies.....	1,992 11	
149297		12-18-17	Samuel Sanders .....	65 00	149462	12-19-17	Frances E. Moscrip, Inspector of Classes for the Blind.....	110 55	
149296		12-18-17	William Sutter .....	65 00	149464	12-19-17	Carrie W. Kearns, Prin. of the Elementary and Trade School for the Deaf .....	160 79	
149298		12-18-17	Patrick Nugent .....	65 00	148987	12-18-17	Anna V. Seery .....	4 80	
149299		12-18-17	Thomas Sheehan .....	65 00	148993	12-18-17	A. J. Maguire, Supt. of Janitors.....	8 25	
149295		12-18-17	Hugh Smith .....	65 00	148989A	12-18-17	B. B. Chappell .....	4 50	
148854		12-18-17	The Markey Press .....	\$2 50	147229	10- 5-17	Boe Brothers .....	9 00	
17711		12-11-17	Samuel H. Michaelson .....	\$40 00	147232	10-10-17	12-13-17 Bullock & Gross .....	63 00	
			Hunter College.		147233		12-13-17 Abraham & Straus .....	1 40	
149027	10- 9-17	12-18-17	Hinds, Noble & Eldredge .....	\$3 00	148023	10-31-17	12-14-17 James B. Reid .....	59 40	
149025	9-20-17	12-18-17	Ginn & Company .....	9 25	147960	5-17-17	12-14-17 Agent and Warden of Auburn Prison.	86 00	
149046	9- 7-17. 10-17-17	12-18-17	Houghton, Mifflin Company .....	56 84	148322	5-31-17	12-17-17 Hermann's Seed Store .....	44 45	
149045	9- 7-17. 11- 7-17	12-18-17	G. E. Stechert & Company .....	70 30	147952	5-19-17	12-14-17 Singer Sewing Machine Co.....	71 00	
149024	3-23-17. 5- 1-17	12-18-17	F. C. Stechert Company, Inc. ....	4 65	147238	9-19-17	12-13-17 Underwood Typewriter Co.....	30 00	
149041	9- 4-17	12-18-17	G. P. Putnam's Sons .....	18 40	147227	6-28-17	12-13-17 Wm. Bratter & Co. ....	46 80	
149031	9-28-17	12-18-17	D. Appleton & Company .....	13 05	147234	6-22-17	12-13-17 Schrock & Squires .....	26 60	
149030	10- 4-17	12-18-17	American Book Company .....	72 71	147954	6-14-17	12-14-17 J. M. Thorburn & Co. ....	5 20	
149034	9-20-17. 10- 9-17	12-18-17	The Macmillan Company .....	23 04	147955	9-11-17	12-14-17 Ward's Natural Science Establishment .....	6 50	
149035	10-17-17	12-18-17	Rand, McNally & Company .....	9 60	149185		12-18-17 A. L. Brasfield, Deputy and Acting Superintendent .....	3 73	
149036	10- 9-17. 10-19-17	12-18-17	Charles Scribner's Sons .....	26 40	148991	12-18-17	12-18-17 David T. Levenson, Clerk.....	519 75	
149037	9-22-17	12-18-17	Ginn & Company .....	4 16	148988	12-18-17	12-18-17 Mary C. Regan .....	4 80	
149038	9-20-17	12-18-17	Postal Telegraph Cable Company.....	45	148990	12-18-17	12-18-17 John J. Egan .....	8 70	
149029	9- 5-17	12-18-17	Allyn & Bacon .....	6 80	149184		12-18-17 A. L. Brasfield, Deputy and Acting Superintendent .....	397 14	
149026	10- 5-17. 10-18-17	12-18-17	D. C. Heath & Company .....	64 34					
			Department of Correction.						
145426	43835	12- 7-17	Charles B. Meyers .....	\$1,111 90	147205	9- 5-17	12-13-17 Brooklyn Window Shade Co. ....	56 31	
145428	47721	12- 7-17	Title Guarantee & Trust Co., N. Y., Assignee of Wlady Konop .....	691 00	147214	9-28-17	12-13-17 F. A. Sharrotte .....	67 50	
148782	11-26-17	12-17-17	Nason Manufacturing Co. ....	3 60	147957	9-15-17	12-14-17 St. Louis Biological Laboratory .....	7 60	
148781	11-15-17	12-17-17	Hull, Grippen & Co. ....	2 52	147948	8-18-17	12-14-17 E. Friedman, assignee of Henry M. Silkiss .....	12 00	
148783	9-14-17	12-17-17	De La Vergne Machine Co. ....	10 90	146542	10-19-17	12-11-17 Robert Duff .....	47 00	
148786	11-27-17	12-17-17	Columbus Mfg. & Supply Co., Inc. ....	30 00	147696	10-11-17	12-14-17 American Guarantee Roofing Co. ....	60 00	
148787	11-14-17	12-17-17	State Industrial Commission .....	5 00	147981	7-16-17	12-14-17 Willcox & Gibbs Sewing Machine Co. ....	16 33	
148392	10-18-17. 29-17-17	12-17-17	J. K. Krieg Company .....	9 90	147980	9-21-17	12-14-17 Chivers Bookbinding Co. ....	40 80	
148397	11-30-17	12-17-17	Durkin & Ryan .....	19 00	147979	3- 2-17	12-14-17 Nason Manufacturing Co. ....	15 53	
145962	46198	12- 8-17	The Frymier and Hanna Co. ....	16,864 00	147996	10-13-17	12-14-17 R. Solomon & Son, Inc. ....	95 00	
148391	7-12-16	12-17-17	American Blower Company .....	5 00	147958	9- 4-17	12-14-17 S. Epstein .....	50 00	
148788	6-25-17	12-18-17	Kolesch & Co. ....	1 60	148013	9-21-17	12-14-17 Jacob Gescheidt & Co. ....	60 00	
148796	11- 5-17	12-18-17	Lawson Hardware Co. ....	45 00					
147538	7-31-17	12-13-17	Bowler, Holmes & Hecker Co. ....	36 47					
148406	12- 4-17	12-17-17	Department of Correction .....	18 00	148859	11-22-17	12-18-17 Burroughs Adding Machine Co. ....	\$14 42	
148404	10-31-17	12-17-17	Triangle Auto Service .....	75	145935	11-22-17	12- 8-17 Powers Accounting Machine Co. ....	106 05	
148403	12- 1-17	12-17-17	Thomas A. Scott .....	18 00	145944	11-30-17	12- 8-17 T. D. Wadelton .....	152 75	
148402	11-30-17	12-17-17	Thomas A. Scott .....	13 50	147921	46999	12-14-17 Fire Department.		
148398	10-31-17. 11-30-17	12-17-17	Andrew Reaney .....	19 00	147921	46999	12-14-17 New York Telephone Co. ....	\$72 21	
148399	9-30-17	12-17-17	Durkin & Ryan .....	16 00					
148401	11-27-17	12-17-17	Columbus Mfg. and Supply Co., Inc. ....	35 00	149345		12-18-17 Sabina F. Capper .....	\$100 00	
148394	4-10-17	12-17-17	The Smith, Worthington Co. ....	1 00	148589	10- 3-17. 11-23-17	12-17-17 Merck & Co. ....	42 70	
148390	10- 6-16	12-17-17	The Smith, Worthington Co. ....	1 50	148361	10-30-17	12-17-17 Buck Bros. ....	21 70	
148421	6-15-17	12-17-17	J. K. Krieg Company .....	24 30	148567		12-17-17 Frank App. ....	5 67	
148420	10-23-17	12-17-17	New York State Works .....	3 00	148568		12-17-17 S. F. Capper .....	1 25	
148417	11- 7-17	12-17-17	Hull, Grippen & Co. ....	7 20	148585	11- 1-17	12-17-17 Knickerbocker Ice Co. ....	5 00	
148416	11- 5-17	12-17-17	Bruce & Cook .....	6 84	148585	11-13-17	12-17-17 R. J. Waddell & Co. ....	7 00	
148409	11-30-17	12-17-17	P. Keenan .....	65 00	148584	11-21-17	12-17-17 American Medical Association .....	20 00	
148408	11-30-17	12-17-17	C. J. Chapman .....	11 00	148580	11-30-17	12-17-17 Charles McConnell .....	7 00	
148407	10-15-17	12-17-17	Albany Lubricating Company .....	14 28	148574	11- 8-17	12-17-17 Lenz Apparatus Co., Inc. ....	31 73	
147159	11-22-17	12-17-17	Theo. A. Kochs & Son .....	33 44	148596	11-14-17	12-17-17 E. Leitz, Inc. ....	6 75	
147521	11- 5-17	12-13-17	The East River Mill and Lumber Co. ....	89 00	148586	11-13-17	12-17-17 Syndicate Trading Co. ....	16 50	
147530	11-30-17	12-13-17	G. Haussler & Bro. ....	4 60	148587	10- 2-17	12-17-17 The Kny-Scheerer Corporation .....	4 86	
147541	11- 1-17	12-13-17	William Dauphin .....	30 00	148594	11-10-17	12-17-17 J. M. Gottesman .....	80 55	
148389		12-17-17	Martin J. Feely, Deputy Warden .....	2 10	146950	11-12-17	12-17-17 The Kny-Scheerer Corp. ....	48 00	
148386		12-17-17	Frederick W. Parkinson, Captain .....	7 81	146945	11- 8-17	12-12-17 Gotham Folding Box Co. ....	30 44	
148381		12-17-17	Richard L. Robinson, Foreman of Stables .....	10					

Finance Voucher No.	Invoice Dates or Contract Number.	Received in Depart- ment of Finance.	Name of Payee.	Amount.	Finance Voucher No.	Invoice Dates or Contract Number.	Received in Depart- ment of Finance.	Name of Payee.	Amount.
148671	11-26-17	12-17-17	Independent Towel Supply .....	4 50	147137	11-20-17	12-12-17	William J. Olvany .....	35 00
148670	12- 3-17	12-17-17	Burroughs Adding Machine Co. ....	2 50	147881	11- 7-17	12-14-17	Climax Stationery Co. ....	37 50
<b>Miscellaneous.</b>									
148838		12-18-17	Lamar Hardy, as Corporation Counsel	\$1,500 00	145015	45810	12- 6-17	W. J. Fitzgerald .....	\$7,543 89
149066		12-18-17	Lamar Hardy, as Corporation Counsel	2,700 00	143775	9-14-17. 10- 3-17	12- 4-17	The Chapman Valve Mfg. Co. ....	78 84
149067		12-18-17	Lamar Hardy, as Corporation Counsel	600 00	143790	11-10-17	12- 4-17	Uvalde Contracting Co. ....	18 00
148225		12-15-17	Francis Connor .....	8 00	144567	11-20-17	12- 5-17	W. J. Fitzgerald .....	114 70
149004		12-15-17	United States Title Guaranty Com- pany .....	71 20	149180		12-18-17	Thomas F. Walsh, Finance Clerk....	7 75
150400		12-21-17	Benjamin W. B. Brown .....	2,961 40	149179		12-18-17	Thomas F. Walsh, Finance Clerk....	169 65
150401		12-21-17	Charles E. Colligan, John William Smith and Mark Goldberg .....	500 00	149181		12-18-17	Thomas F. Walsh, Finance Clerk....	125 00
150402		12-21-17	Perley, Morse & Co. ....	447 50	145965	46412	12- 8-17	Consolidated House & Window Clean- ing Co. ....	273 52
150454		12-21-17	Gustave B. Romaine .....	45 00	145964	47032	12- 8-17	New York Telephone Co. ....	2,379 21
150337			American Female Guardian Society and Home for the Friendless .....	866 21	145966	48377	12- 8-17	Grosvenor Atterbury .....	850 00
150338			Colored Orphan Asylum and Associa- tion for the Benefit of Colored Chil- dren in The City of New York .....	2,415 71	145795		12- 4-17	W. J. Fitzgerald .....	66 20
150339			Flushing Hospital and Dispensary ....	921 99	146410	11-24-17	12-11-17	W. J. Fitzgerald .....	21 83
150340			Hebrew Orphan Asylum .....	15,404 14	146409	7-31-17	12-11-17	The Sicilian Asphalt Paving Co. ....	21 68
150341			Manhattan Eye, Ear and Throat Hos- pital .....	703 74	147020		12-12-17	William A. Prendergast, Comptroller of The City of New York, trustee for account of Street Opening Fund....	2,839 45
150342			Manhattan Eye, Ear and Throat Hos- pital .....	674 35	148431	11-11-17	12-17-17	Sibley-Pitman Electric Corporation...	4 80
150343			New York Foundling Hospital .....	27,507 00	148291	11-30-17	12-17-17	The New York Mu'ti-Color Copying Co.	\$7 76
150344			Orphan Asylum Society of the City of Brooklyn .....	984 64	148292	11-30-17	12-15-17	Berkshire Products Co., Inc. ....	4 00
150345			Society for the Aid of Friendless Women and Children .....	255 00	148270	11-23-17	12-15-17	Mill Remnants Co. ....	61 25
150346			The Ozanam Home for Friendless Women .....	304 38	148280	9-20-17. 12-11-17	12-15-17	Devoe & Reynolds Co., Inc. ....	6 17
150347			The Philanthropin Hospital .....	16 25	148289	11-30-17	12-15-17	A. Rudolph .....	7 75
150348			Leake and Watts Orphan House .....	1,220 40	148284	11-28-17	12-15-17	Uvalde Asphalt Paving Co. ....	3 60
149677		12-19-17	Wayside Home .....	207 95	148281	11-28-17	12-15-17	Uvalde Contracting Co. ....	19 60
149676		12-19-17	Volunteer Hospital .....	438 75	148282	11-30-17	12-15-17	John Otto .....	30 45
149675		12-19-17	The Jewish Protectory and Aid Society	6,990 65	148286	11-30-17	12-15-17	United States Wood Preserving Co. ....	11 28
149674		12-19-17	The New York Society for the Re- lief of the Ruptured and Crippled .....	1,082 74	148285	12-10-17	12-15-17	Dayney Asphalt Co., Inc. ....	24 80
149673		12-19-17	St. Malachy's Home .....	6,876 72	148287	12- 5-17	12-15-17	Underwood Typewriter Co., Inc. ....	4 10
149672		12-19-17	New York Hospital .....	3,195 15	148274	11- 3-17	12-15-17	Agent and Warden of Auburn Prison.	79 80
149671		12-19-17	House of St. Giles, the Cripple .....	431 71	148273	12- 4-17	12-15-17	Tremont Auto & Carriage Works....	18 00
149670		12-19-17	Good Counsel Training School for Young Girls .....	1,028 97	148269	12- 1-17	12-15-17	Splidorf Electrical Co. of N. Y. ....	50 00
149669		12-19-17	Brooklyn Home for Blind, Crippled and Defective Children .....	3,994 10	148268	12- 1-17	12-15-17	Edward F. Miller .....	2 20
149668		12-19-17	Asylum of St. Vincent De Paul .....	809 12	17787		12-13-17	R. E. Waters .....	\$12 00
149678		12-19-17	Wayside Home .....	150 82	48437	12- 5-17	12-13-17	Frank J. Gallagher .....	4,383 95
149739		12-19-17	John McCauley .....	135 00	46983	12- 8-17	12-13-17	New York Telephone Co. ....	389 62
149743		12-19-17	Westchester Land & Dock Corporation	518 75	47660	12- 8-17	12-13-17	J. F. Cogan Co. ....	53,470 92
149738		12-19-17	Louis Geissler .....	150 00			12-14-17	The Haynes Automobile Co. of New York .....	18 38
149742		12-19-17	Amelia Schuler .....	50 00			12-18-17	President of the Borough of Queens.	
149741		12-19-17	James J. McCluskey .....	90 00			12-18-17	William A. Prendergast, Comptroller of The City of New York, trustee for account of Street Opening Fund....	\$394 81
149740		12-19-17	Moses Monday & Joseph Monday .....	150 00			12-18-17	William A. Prendergast, Comptroller of The City of New York, trustee for account of Street Opening Fund....	589 43
148224	11-20-17. 12- 7-17	12-15-17	Louis Granat .....	29 90			12-18-17	William A. Prendergast, Comptroller of The City of New York, trustee for account of Street Opening Fund....	323 86
97888		12-16-17	Abraham C. Quackenbush .....	2 00	149241		12-18-17	William A. Prendergast, Comptroller of The City of New York, trustee for account of Street Opening Fund....	445 41
148841		12-18-17	Pauline Levinkind .....	4 00			12-17-17	Strang Auto Garage Co., Inc. ....	25 65
148842		12-18-17	Nicholas O'Connell .....	18 50			12-17-17	Madison Avenue Garage and Stables.	16 45
148840		12-18-17	Mary Sheehan .....	125 00			12-18-17	P. J. Lennon .....	12 66
148223	11-14-17. 11-27-17	12-15-17	Louis Granat .....	35 20	148435	10-31-17	12-17-17	E. B. Brinker Hardware Co., Inc. ....	2 25
148839		12-18-17	Edna M. Otten .....	20 00	148439	12- 1-17	12-17-17	H. J. Mullen Contr. Co., Inc. ....	2,390 20
148240		12-15-17	Benjamin A. Keiley .....	49 19	148440	11-19-17	12-17-17	The Green Contracting Co. ....	6,877 57
148241		12-15-17	Michael A. Carroll .....	7 68	148447	12- 4-17	12-17-17	Maher & Flockhart .....	92 15
149005		12-18-17	New York Fire Department Relief Fund, Robert Adamson, Commissioner, as Treasurer and Trustee .....	84,802 75	145971		12-17-17	Casey's Auto Station; Edward Casey, prop. ....	5 46
148227		12-15-17	The Staten Island World .....	65 00	148457	11-30-17	12-17-17	Seth W. Kelly Storage Warehouse ...	20 00
149003		12-18-17	A. M. Martus .....	5 00	148458	10-31-17	12-12-17	William J. Connolly .....	80 00
149008		12-18-17	William Adams Robinson .....	500 00	147052		12-12-17	John Boyd .....	80 00
149010		12-18-17	Warren C. Fielding .....	1,049 10	147053		12-12-17	John Striker .....	80 00
149009		12-18-17	Robert M. Moore, Michael N. Delagi and Max S. Levine .....	500 00	147054		12-14-17	Frank Fredericks .....	80 00
149011		12-18-17	Eugene W. L. Young .....	515 00	147055		12-14-17	William A. Prendergast, Comptroller of The City of New York .....	227 81
148242		12-15-17	Rhinelander Real Estate Company ...	880 10	147056		12-12-17	H. Schwindler .....	80 00
					148114		12-12-17	Edward J. Ward .....	80 00
<b>The Mayoralty.</b>									
148848	12- 1-17	12-18-17	United Electric Service Co. ....	\$3 75	148094	12- 6-17	12-18-17	President of the Borough of Richmond.	
148846	11- 1-17	12-18-17	John Butera .....	12 00			12-18-17	Uvalde Asphalt Paving Co. ....	\$45,737 10
148849	11-31-17	12-18-17	The Western Union Telegraph Com- pany .....	5 93	144869	12- 4-17	12-18-17	Faye Coal Company .....	45 00
146886		12-12-17	Edwin W. Fiske .....	\$50 00	148691	11-23-17	12-18		

Finance Voucher No.	Invoice Dates or Contract Number.	Received in Depart- ment of Finance.	Name of Payee.	Amount.	Finance Voucher No.	Invoice Dates or Contract Number.	Received in Depart- ment of Finance.	Name of Payee.	Amount.
146780	11-19-17	12-12-17	L. E. Ellis & Co.	65 28	145817	11-27-17	12-7-17	Department of Water Supply, Gas and Electricity.	
148143		12-15-17	E. M. Dinwiddie, Acting Director of the Register, Kings County.	514 53			12-3-17	United States Realty & Improvement Company	\$200 00
148205	12-10-17	12-15-17	The Eagle Spring Water Co.	\$14 10	143575	11-23-17	12-3-17	President of the Borough of Richmond, Bureau of Highways	108 33
149014		12-18-17	James J. Hanratty	\$6 00	149287		12-18-17	George A. Acken, Secretary to Department	95
149013		12-18-17	Frank H. Becker, Deputy Sheriff, Bronx County.	24 04			12-18-17	Bernard J. Looram, Clerk	43 60
147416	11-30-17	12-13-17	Chatham Dairy, Fred Luhring, Prop.	\$18 00	149290		12-18-17	Emanuel Braham, Messenger	8 51
147415	12-1-17	12-13-17	D. F. Corker	32 92	149291		12-18-17	Thomas F. Dwyer, Deputy Commissioner	4 05
			Department of Street Cleaning.				12-18-17	Henry E. Sholl, Clerk	27 82
150349	38795	12-21-17	Dailey and Ivins	\$59,408 96	149293		12-18-17	George Sheridan, Inspector	58 79
150349	38795	12-21-17	The Relief and Pension Fund of the Department of Street Cleaning, J. T. Fetherston, Commissioner, as Treasurer and Trustee	1,000 00	149288		12-14-17	Underwood Typewriter Co., Inc.	68 03
148740	11-17-17	12-17-17	J. F. Warth Company	23 38	148461	11-30-17	12-17-17	Plaza Garage	12 00
			Tenement House Department.		148462	11-20-17	12-17-17	Schildwachter Ice Co.	9 60
149306		12-18-17	M. S. Finley	\$21 70	148463	10-19-17	12-17-17	William Long	16 00
149307		12-18-17	New York Telephone Company	36 05	148487	11- 1-17	12-17-17	E. J. Brooks & Co.	3 25
149302		12-18-17	Sylvester C. Mullen	6 10	148464	12- 1-17	12-17-17	G. W. Bromley & Co.	3 75
149301		12-18-17	Joseph J. Mahoney	2 20	148480	10-31-17	12-17-17	The Banks Law Publishing Company	7 50
149304		12-18-17	Frederick A. Dede	49 90	148481	11- 1-17	12-17-17	Bedford Park Garage	15 00
149303		12-18-17	Maurice Mulcahy	33 20	148482	12- 1-17	12-17-17	Cornelia Garage & Repair Co., Inc.	12 00
149305		12-18-17	John H. Story	7 90	148485	12- 1-17	12-17-17	L. Geraghty	12 50
149309		12-18-17	Henry D. Kehoe	9 00	147840		12-14-17	Thomas Hicks	12 00
							12-14-17	Lyman Smith	96 75

## VOUCHERS RECEIVED IN DEPARTMENT OF FINANCE FRIDAY, DECEMBER 21, 1917.

A statement is herewith submitted of all vouchers filed in the Department of Finance on this date, in which is shown the Department of Finance voucher number, the date of the invoices or the registered number of the contract, the name of the payee and the amount of the claim. Where two or more bills are embraced in one voucher the date of the earliest is given, excepting that when such vouchers are submitted under a contract the registered number of the contract is shown instead.

WILLIAM A. PRENDERGAST, Comptroller.

Invoice Finance Date Vouch- or Con- tract Number.	Name of Payee.	Amount.
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Army Board.			
150516	46608	A. Pearson's Sons	\$2,488 50
150517	47866	Fredk. Jackson	3,960 00
150518	47867	Wm. K. Waterman	3,615 71
150519	31946	Pilcher & Tachau	560 13

Board of Coroners.			
150496	11-30-17	N. Y. Telephone Co.	\$29 04

City Magistrates' Courts.			
150475	10-31-17	New York Bottling Co.	\$3 00
150476	11-31-17	New York Bottling Co.	3 00
150477	12- 1-17	The Peerless Towel Supply Co.	8 35
150478		A. Schroeder	5 20
150479	12-14-17	Powers Accounting Machine Co.	61 95

Board of Coroners.			
150496	11-30-17	N. Y. Telephone Co.	\$29 04

Board of Coroners.			
150496	11-30-17	N. Y. Telephone Co.	\$29 04

Board of Coroners.			
150496	11-30-17	N. Y. Telephone Co.	\$29 04

Board of Coroners.			
150496	11-30-17	N. Y. Telephone Co.	\$29 04

Board of Coroners.			
150496	11-30-17	N. Y. Telephone Co.	\$29 04

Board of Coroners.			
150496	11-30-17	N. Y. Telephone Co.	\$29 04

Board of Coroners.			
150496	11-30-17	N. Y. Telephone Co.	\$29 04

Board of Coroners.			
150496	11-30-17	N. Y. Telephone Co.	\$29 04

Board of Coroners.			
150496	11-30-17	N. Y. Telephone Co.	\$29 04

Board of Coroners.		
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Invoice Finance Date Vouch- or Con- er No. tract Number.	Name of Payee.	Amount.	Invoice Finance Date Vouch- or Con- er No. tract Number.	Name of Payee.	Amount.	Invoice Finance Date Vouch- or Con- er No. tract Number.	Name of Payee.	Amount.	
150539 12-17-17	The Bronx Drug Co.	3 48	150458 11-24-17	Castleton Motor Car Co.	5 68	150417	E. W. Maloney.	11 11	
150540 12-14-17	A. B. Dick Co.	20 85	150459 11-27-17	Richmond Garage	37 20	150418	Jas. F. Sanborn.	128 95	
150541 12-17-17	Library Bureau	20 25	150460 12- 1-17	Kunath Bros.	30 54	<b>Department of Water Supply, Gas and Electricity.</b>			
150542 12-17-17	Keuffel & Esser Co.	17 90	150461	Lockwood & Colton	88 10	150629	Jas. A. Swayne.	\$93 92	
150543 12-18-17	Wilson Stamp Co.	2 00	150462 12- 1-17	Jos. W. Wanty	6 90	150623	A. H. Kirchmer	83 80	
150544 12-18-17	J. Schapiro	4 35	150463 11-27-17	Schutte Bros.	71 88	150624	F. J. Fitzpatrick	26 70	
150545 12-14-17	The Bronx Drug Co.	60	150455 11-30-17	New York Telephone Co.	21 38	150625	Chas. Krauss	48 51	
150546 12-14-17	Edward F. Miller	2 70	<b>Department of Street Cleaning.</b>			150626	J. H. Burke	67 33	
150547 12-17-17	Defiance Mfg. Co.	24 64	150406	Heilbrunn & Kahn	\$186 00	150627	John F. Bussing	59 00	
150548 12-14-17	Tower Bros. Stationery Co.	11 20	150407	Thompson Bros.	178 50	150628	Wm. R. Birdsley	76 76	
150549 12-17-17	A. B. Dick Co.	7 50	<b>Department of Taxes and Assessments.</b>			150671	40400	Consolidated Gas Co. of N. Y.	
150550 12-10-17	Brooklyn Daily Eagle	50	150378	Thos. G. Patten	\$90 00	150672	40400	Consolidated Gas Co. of N. Y.	
150551 12-14-17	Library Bureau	33 90	150379	Thos. G. Patten	328 00	150673	40400	Consolidated Gas Co. of N. Y.	
150552 12-18-17	Beck Duplicator Co.	21 00	150380	Walter Burton	164 00	150662	11-24-17	Guarantee Typewriter Co.	
150553 12- 17	A. P. Dienst Co.	4 40	150381	Lawson Purdy	10 04	150663	12- 3-17	L. S. Winn & Co.	
150554 12-13-17	Keuffel & Esser Co.	6 72	150382	Collin H. Woodward	9 62	150664	Auto Car Sales Co.	28 80	
150555 12-12-17	American Flag Co.	5 60	<b>Board of Water Supply.</b>			150665	11-30-17	National Auto Radiator & Lamp Works	
150556 10- 17	A. P. Dienst Co.	15 48	150419	48128 John T. Brady & Co.	\$3,442 50	150666	11-30-17	The Clark & Wilkins Co.	
150557 12-12-17	Bartelstone Bros.	10 75	150420	48093 John T. Brady & Co.	12,548 79	150667	The Gramatan Springs Co., Inc.	208 00	
150558 12-13-17	Connelly Iron Sponge & Governor Co.	7 00	150444	11-30-17 Postal Garage	55 88	<b>Department of Mfg. &amp; Nov. Co.</b>			
150559 12-12-17	Bartelstone Bros.	4 50	150445	11- 8-17 Standard Oil Co. of N. Y.	32 86	150668	12-17-17	Tower Mfg. & Nov. Co.	
150560 12-10-17	I. Wartell	1 50	150446	11-30-17 Tower Mfg. & Nov. Co.	54 00	150653	9-18-17	P. J. Keenan	
150561 12-17-17	G. W. Bromley & Co.	25 00	150447	12- 5-17 Underwood Typewriter Co.	3 60	150654	11- 8-17	George O. Larsen	
150562 12-17-17	A. Rudolph	3 00	150448	12- 8-17 E. H. Walsh	36 00	150655	11- 8-17	Denis S. Lyons	
150563 12-17-17	M. F. Schrenkeisen	445 00	150449	12- 6-17 Atlas Stationery Corp.	21 60	150656	8-16-17	Thomas J. Owens	
<b>President of the Borough of Brooklyn.</b>		<b>President of the Borough of Queens.</b>		150450	11- 3-17 Standard Oil Co. of N. Y.	96 00	150657	9-18-17	Harry Schumer
150606	Frank A. Kellogg	\$98 05	150421	12- 3-17 Allen Auto Specialty Co.	3 09	150658	9-18-17	John A. Ward	
150607	Wm. A. Hill	5 00	150422	11-12-17 Ames Iron Works	29 80	150659	8-17-17	A. H. Resenberg	
150605	Chas. R. Ward	12 30	150423	12- 6-17 Atlas Stationery Corp.	12 20	150660	7-20-17	J. W. Gasteiger & Son	
<b>President of the Borough of Richmond.</b>		<b>President of the Borough of Richmond.</b>		150424	The Ballwood	174 25	150661	11-24-17	Brooklyn Electrical Sup. Co.
150511	48107 Queens Plaza Cont. Co.	\$834 01	150425	12-10-17 M. B. Brown P. & B. Co.	10 50	150631	10-25-17	The Clark & Wilkins Co.	
150512	47869 Ajax Drainage Contract Corp.	4,056 67	150426	11-28-17 Brown Auto Sup. Co.	3 16	150639	11- 1-17	The Mutual Towel Sup. Co.	
150513	48349 Carmine Petracco	4,949 55	150427	Commissioners of Finance	3 30	150633	1-28-17	National Compound Co.	
150514	48283 Michael Zummo	1,630 50	150428	11- 9-17 Columbia Towel Sup. Co.	3 80	150634	11- 1-17	Obrig Camera Co.	
150515	48623 The Green Cont. Co.	3,379 00	150429	Uriah Conner	467 50	150635	11- 1-17	Smith & Co.	
<b>Commissioner of Records, New York County.</b>		<b>Register, New York County.</b>		150430	10-12-17 Devoe & Raynolds Co.	19 00	150636	1-16-17	Smith & Co.
150535	46622 Jos. Johnson's Sons.	\$1,387 50	150431	11-30-17 Everett & Treadwell Co.	540 41	150637	10- 1-17	Enay Motor Car Co.	
<b>Department of Public Charities.</b>									
150520	Victor G. Dodworth	\$1,055 00	150432	11-26-17 474 W. 140th St. Garage	9 79	150638	11- 1-17	George Rabe	
150521	Victor G. Dodworth	1,515 00	150433	10-30-17 Garland Automobile Co.	10 00	150639	7-19-17	G. Gilligan	
150522	Victor S. Dodworth	16 02	150434	12- 3-17 A. W. Gerstner Co.	8 04	150640	11- 1-17	Kipp Wagon Co.	
150523	The Delaware, Lackawanna & Western R. R. Co.	94 78	150435	12- 3-17 B. F. Goodrich Rubber Co.	44 94	150641	11- 1-17	Stewart Warner Speedometer Corp.	
150524	B. Nicoll & Co.	30 00	150436	10-31-17 Knickerbocker Towel Sup. Co.	3 00	150642	11- 1-17	Brewster Garage & Livery	
150525	John Daniels	161 19	150437	12- 6-17 Montgomery & Co.	2 45	150643	11- 1-17	Asbury Elliott	
150526	Frank Doyle	66 30	150438	10-31-17 The Motor Car Equipment Co.	17 70	150644	11- 1-17	Prof. T. F. Hayes and J. P. Dunn	
<b>Sheriff, Richmond County.</b>		<b>Commissioner of Records, New York County.</b>		150439	10-30-17 J. C. Muller	10 67	150645	11-13-17	Remington Typewriter Co.
150630	Robt. J. Freeman	\$2 40	150440	12- 4-17 McKesson & Robbins, Inc.	928 00	150646	11-22-17	A. Rudolph	
150509	12-20-17 Irving Underhill	\$5 00	150441	12- 1-17 Northern Westchester Lighting Co.	1 80	150647	11-20-17	E. S. Hessel	
150510	12-13-17 H. K. Brewer & Co.	14 40	150442	11-30-17 Mose Palen	40 20	150648	11-28-17	Mt. Kisco Auto Supply	
150456	11-30-17 Jas. Lucey	\$338 12	150443	12- 4-17 Phoenix Specialty Mfg. Co.	13 43	150649	11-17-17	Oldsmobile Co. of N. Y.	
150457	11-30-17 Jas. Lucey	30 63	150415	12- 1-17 Henry Romeike, Inc.	2 30	150650	11- 1-17	W. D. Smalley	
<b>Court. Reg. Fo. Commenced. Title. Nature of Action.</b>		<b>Court. Reg. Fo. Commenced. Title. Nature of Action.</b>		150416	H. C. Buncle.	13 96	150651	11- 1-17	The Yonkers Electric Light & Power Co.
<b>LAW DEPARTMENT.</b>		<b>LAW DEPARTMENT.</b>		430 62	150652	10-18-17 John Bosch & Son	4 15	<b>LAW DEPARTMENT.</b>	

The following schedules form a brief extract of the transactions of the office of the Corporation Counsel for the week ended Oct. 20, 1917, as required by section 1546 of the Greater New York Charter.

Note—The City of New York or the Mayor, Aldermen and Commonalty of the City of New York is defendant, unless otherwise mentioned.

**SCHEDULE "A."**

**Suits and Special Proceedings Instituted.**

Court.	Reg.	Fo.	Commenced.	Title.	Nature of Action.
Sup., B. Co.	120 98	Oct. 15, 1917	Kempner, Harry (ex rel.), vs. Dept. of Health	Writ of habeas corpus.	For damage to automobile, collision with surface car, 121st st. and Lexington ave., \$23,74.
Sup., K. Co.	120 99	Oct. 15, 1917	Riegelmann, Edward, and an. (Matter of)	For examination of ballots cast for Borough President, Bklyn, Dem. Party.	For water consumed, construction of building, 115th st. and 7th ave., \$62,85.
Sup., K. Co.	120 100	Oct. 15, 1917	Humphrey, Burt Jay, and an. (Matter of)	For examination of ballots cast at Primary Election.	For water furnished, construction of building, 168-170 W. 132d st., \$40,78.

Court, Reg. No. Commenced.	Title.	Nature of Action.
Sup., Q. Co. 120 147 Oct. 17, 1917	Cochran, James, vs. Marie Isabel Co. et al.	To foreclose tax lien.
Supreme...120 148 Oct. 17, 1917	Kearney, Mary M., vs. Vincenzo Caggiano et al.	To foreclose mortgage.
Co., Q. Co. 120 149 Oct. 17, 1917	Kaminski, Peter, vs. Ida Stroberg et al.	To foreclose mortgage.
Co., K. Co. 120 150 Oct. 17, 1917	Dreyer, John W., vs. Salvatore Ambrosino et al.	To foreclose mortgage.
Sup., Q. Co. 120 151 Oct. 18, 1917	Leyner, William H. ...	Personal injuries, run over by auto of defendant, Lafayette and Howard sts., \$1,000.
Sup., K. Co. 120 152 Oct. 18, 1917	Auer, John, vs. William H. D'Estere et al. (No. 1) ...	To foreclose mortgage.
Sup., K. Co. 120 152 Oct. 18, 1917	Auer, John, vs. William H. D'Estere et al. (No. 2) ...	To foreclose mortgage.
Municipal...120 153 Oct. 18, 1917	Zimmerman, Naomi, vs. City of N. Y. and ano.	Personal injuries, fall, obstruction on sidewalk, 4237 Broadway, \$1,000.
Municipal...120 154 Oct. 18, 1917	Rubin, Joseph ...	Damage to property, bursting of hose of Street Cleaning Dept., 215 W. 34th st., \$123.
Municipal...120 155 Oct. 18, 1917	McNally, Henry ...	For damage to automobile, collision with auto of defendant, 5th ave. and 45th st., \$500.
Sup., B. Co. 120 156 Oct. 18, 1917	Hallock, Charles E. (Matter of) ...	For payment of award, in re change of grade of Mead st., Bx.
Supreme...120 157 Oct. 18, 1917	MacArthur, James, Co.	For breach of contract for alterations to Fulton Market, \$6,210.
Supreme...120 158 Oct. 19, 1917	Foley, Thomas F., et al. (Matter of) ...	For examination of ballots cast for members of County Committee, 22d E. D. of 19th A. D., Primary election.
Supreme...120 159 Oct. 19, 1917	Kerr, Jeremiah, et al. (Matter of) ...	For examination of ballots cast for members of County Committee, 22d E. D. of 19th A. D., Primary election.
Municipal...120 160 Oct. 19, 1917	Ginsberg, Isaac, and ano. vs. Frederick C. Ringer ...	To recover chattel valued at \$100.
Municipal...120 161 Oct. 19, 1917	Amato, Frank, vs. John Morrissey and ano.	To recover chattel valued at \$100.
Supreme...120 162 Oct. 19, 1917	Trencher, David, and ano. vs. Haven Emerson and ano. ....	For order directing filing of marriage license.
U. S. Dist. Bkt. 482 Oct. 19, 1917	Nicherson, James W. (Matter of) ...	Bankruptcy proceeding.
Municipal...120 163 Oct. 20, 1917	Patison, William F. (ads. The City) ...	For damage to auto, ambulance, Kings County Hospital, collision with defendant's auto, \$427.48.
Municipal...120 164 Oct. 20, 1917	Selvin, Herman B., vs. Frederick C. Ringer ...	To recover chattel valued at \$300.
Municipal...120 165 Oct. 20, 1917	Newman, Kenneth C., vs. Fred C. Ringer ...	To recover chattel valued at \$72.
Co., K. Co. 120 166 Oct. 20, 1917	People of State of N. Y. vs. John Summer ...	For order directing Property Clerk to deliver chattels.
Supreme...120 167 Oct. 20, 1917	Normellie, James, infant, by guardian ...	Summons only served.
Supreme...120 168 Oct. 20, 1917	N. Y. State Sunday School Association vs. Israel Wolfish et al.	To foreclose mortgage.
Sup., Q. Co. 120 169 Oct. 20, 1917	Fritsche, George H., vs. Felix Fritsche et al.	To foreclose tax lien.
Sup., K. Co. 120 170 Oct. 20, 1917	Seitz, Max, vs. Richard A. Nessler et al. ....	To foreclose tax lien.
Sup., K. Co. 120 171 Oct. 20, 1917	Seitz, Max, vs. Kidder Morris et al. ....	To foreclose tax lien.
Mun. B'x...120 172 Oct. 20, 1917	Bunz, Theresa, vs. City of N. Y. and ano. ....	Personal injuries, fall, condition of sidewalk, 871 Brook ave., \$1,000.
Municipal...120 173 Oct. 20, 1917	Feldstein, Pauline, infant, by guardian ...	Personal injuries, fall, condition of sidewalk, 321 E. 10th st., \$500.
Municipal...120 174 Oct. 20, 1917	Feldstein, Gussie ....	Personal injuries, fall, condition of sidewalk, 321 E. 10th st., \$1,000.
Supreme...120 175 Oct. 20, 1917	Ughy, Justina ...	Personal injuries, fall, condition of pavement, Walker and Lafayette sts., \$10,000.
Sup., K. Co. 120 176 Oct. 20, 1917	Richards, Edward A., and ano. (Matter of) ...	For order directing Bd. of Elections to strike name of Harrison C. Glore from files, etc.
Sup., Q. Co. 120 177 Oct. 18, 1917	Fox Film Corporation vs. Stuard Hirschman et al. ....	For payment of award in re Dimars ave. and other streets, Queens.
Municipal...120 178 Oct. 20, 1917	Jamison, William A., et al. (ads. The City) ...	For damage to steel work, tower, Manhattan Bridge, struck by auto truck of defendant, \$15.35.
Municipal...120 179 Oct. 20, 1917	Cohen, Fannie B. (ads. The City) ...	For repairing, etc., water service pipe, 303 E. 4th st., \$34.75.
Supreme...120 180 Oct. 20, 1917	Manhattan Railway Co. vs. Samuel E. Jacobs et al. ....	To condemn property in Allen st. and other streets, Bklyn.

## SCHEDULE "B."

## Judgments, Orders and Decrees Entered.

In re Thomas E. Rush—Order entered granting motion for reinspection of ballots.

Peo. ex rel. Thomas F. Murphy vs. W. A. Prendergast—Court of Appeals order entered denying defendant's motion for leave to appeal to Court of Appeals.

Justin McNamara—Entered order discontinuing action without costs.

M. Dote Murphy—Order entered opening default of plaintiff and vacating dismissal of complaint.

City of N. Y. vs. Walter J. Salomon; Same vs. Louisa M. Gerry; Carroll Towing Line, Inc.—Entered order discontinuing actions without costs.

William M. O'Connor—Entered Appellate Division order granting defendant leave to appeal to Court of Appeals.

Peo. ex rel. East River Gas Co. of L. I. City vs. L. Purdy et al. (1913, 1914 and 1915)—Entered Appellate Division order denying motion for leave to appeal to Court of Appeals.

Rosarie E. Cote—Entered order discontinuing action without costs.

Samuel Samalin—Entered judgment in favor of defendant dismissing the complaint and for \$125.25 costs.

Florence M. Hunt—Entered judgment in favor of defendant upon the merits and for \$120.49 costs.

City of N. Y. vs. James M. Daniell et al.—Entered judgment of foreclosure and sale and for \$130.86 costs and allowance to plaintiff.

City of N. Y. vs. Holbrook Blinn—Entered Appellate Division order affirming order denying motion to vacate judgment.

Barber Asphalt Paving Co.—Order entered discontinuing action upon payment of defendant's taxable costs to date.

City of N. Y. vs. Hyman Cohen—Entered order denying motion to vacate judgment.

Patrick McGovern and ano.—Entered Appellate Division order affirming order denying motion for reference.

Ernestine Hirsch—Entered judgment dismissing action for lack of prosecution and for \$11.85 costs in favor of defendant.

City of N. Y. vs. Louise M. Gerry—Entered Appellate Division order dismissing defendant's appeal without costs.

William J. Lee vs. G. O'Hanlon—Entered judgment dismissing action for lack of prosecution for \$16.85 costs in favor of defendant.

In re application of Edward Riegelman and ano.; In re Burt J. Humphrey and ano.—Orders entered granting petitioners' motions for recanvass of ballots cast at Primary Election.

Albert Leffingwell, infant—Entered Appellate Term order denying plaintiff's motion to dismiss appeal.

Domenico Napolitano—Judgment entered in favor of defendant for \$32.40 costs.

Joseph Kastachar and ano.—Judgment entered in favor of defendant for \$7.40 costs.

## SCHEDULE "C."

## Record of Court Work.

Rapid Transit (Montague st.; In re N. Y. Dock Co.)—Argued at Appellate Division; decision reserved; C. J. Nehrbas for the City.

James H. Cullen, Jr.—Tried before Mack, J., in U. S. Dist. Court; decision reserved; G. P. Nicholson for the City.

In re Assunta Barretta—Motion for order directing Register to discharge mortgage, submitted to Donnelly, J.; decision reserved; W. B. Caughlan for the City.

Peo. ex rel. Samuel H. Zimmerman vs. M. R. Maltbie—Motion for peremptory writ of mandamus, submitted to Donnelly, J.; decision reserved; W. B. Caughlan for the City.

Peo. ex rel. Riverside Drive Realty Co. vs. L. Purdy et al.—Tried before Lehman, J.; decision reserved; W. Goldsticker for the City.

Celia Flammenbaum—Tried before Erlanger, J., and a jury; verdict for defendant; W. Chilvers for the City.

Mary G. Manda vs. G. R. Hawes et al.—Tried before Mullan, J.; decision reserved; E. J. Freedman for the City.

Peo. ex rel. Michael F. Gleason vs. L. Purdy et al.—Motion for leave to appeal to Court of Appeals, argued at Appellate Division; decision reserved; C. J. Druhan for the City.

George H. Fayerweather—Tried before Cropsey, J.; decision reserved; C. V. Nellany for the City.

Nicholas Engel—Tried before Delehanty, J.; decision reserved; J. Moroney for the City.

Crotona Ave. School Site—Tried before Mullan, J.; decision reserved; H. W. Mayo for the City.

Rose E. Flaxman—Tried before Cropsey, J.; decision reserved; C. V. Nellany for the City.

Louis Braun vs. F. C. Ringer—Tried before Murray, J., in Municipal Court; judgment for plaintiff; W. H. Doherty for the City.

Christina Holstrom—Tried before Murray, J., in Municipal Court; complaint dismissed; J. W. Goff, Jr., for the City.

City of N. Y. vs. Warren Scharf Asphalt Paving Co. (two actions)—Motions to dismiss complaints for lack of prosecution, argued before Donnelly, J.; decision reserved; J. A. Stover for the City.

Peo. ex rel. Helen Dougherty vs. Bd. of Estimate—Motion for peremptory writ of mandamus, argued before Donnelly, J.; decision reserved; A. Sweeny for the City.

Leon Samson vs. M. J. Stroock et al.—Motion for order directing reinstatement of plaintiff as student in College of City of N. Y., submitted to Donnelly, J.; decision reserved; motion for judgment on the pleadings; decision reserved; C. McIntyre for the City.

Peo. ex rel. Charter Construction Co. vs. L. Purdy et al.—Tried before Lehman, J.; decision reserved; E. Fay for the City.

William H. Powers—Tried before Cropsey, J.; decision reserved; C. V. Nellany for the City.

Frank Haskell vs. F. C. Ringer—Tried before Cowan, J., in Municipal Court; judgment for plaintiff; W. H. Doherty for the City.

In re Thomas E. Rush—Argued at Appellate Division; order modified; R. L. Tarbox for the City.

Fenella Burrell—Argued at Court of Appeals; decision reserved; C. J. Nehrbas for the City.

In re Sona Ratner—Motion for order directing Register to discharge mortgage, submitted to Donnelly, J.; decision reserved; W. B. Caughlan for the City.

Peo. ex rel. Orinoco Construction Co. vs. L. Purdy et al.—Tried before Lehman, J.; decision reserved; E. Fay for the City.

In re Helen T. Brown; In re James C. Parrish, Jr.—Reference proceeded and adjourned; C. J. Nehrbas for the City.

Peo. ex rel. One Hundred and Forty-ninth St. Realty Co. vs. W. A. Prendergast—Argued at Appellate Division; decision reserved; C. J. Nehrbas for the City.

MacArthur Bros. Co.—Submitted at Appellate Division; decision reserved; J. F. O'Brien for the City.

Peo. ex rel. Henry Murphy vs. W. A. Prendergast—Argued at Appellate Division; decision reserved; T. Farley for the City.

Peo. ex rel. John Mahoney vs. Bd. of Education—Argued at Appellate Division; decision reserved; C. McIntyre for the City.

William F. Rees vs. J. D. Ormsby—Complaint dismissed by default before Greenbaum, J.; G. M. Curtis for the City.

City of N. Y. vs. Empire City Subway Co.—Reference proceeded and adjourned; H. P. Walker for the City.

In re Archibald G. Greenswort—Hearing proceeded and adjourned; R. N. Reid for the City.

In re Ferdinand M. Becker—Motion to compel filing of certificate of nomination as candidate for Senator, 2nd Dist., argued before Callaghan, J., and granted; E. S. Malone for the City.

Pittsburgh Electric Specialties Co. vs. F. C. Ringer—Tried before Moore, J., in Municipal Court; judgment for plaintiff; W. H. Doherty for the City.

In re Samuel J. Burden—Motion to compel filing of certificate of nomination of Alexander Dujat as candidate for County Clerk, Kings Co., argued before Callaghan, J., and granted; E. S. Malone for the City.

Domenico Napolitano—Tried before Bogenshutz, J., in Municipal Court; complaint dismissed; F. H. Van Houten for the City.

In re Edward Riegelman and ano.; In re Burt J. Humphrey and ano.—Motions for recanvass of ballots cast at Primary Election, argued before Callaghan, J., and granted; T. F. Magner for the City.

Peo. ex rel. John Maloney vs. D. Moynahan—Motion for cancellation of tax lien, argued before Callaghan, J. Decision reserved; J. B. Shanahan for the City. "Motion granted."

Nathan Kaplan vs. A. Woods et al.—Tried before Strahl, J., in Municipal Court; decision reserved; F. H. Van Houten for the City.

Joseph Kastachar and ano.—Complaint dismissed by default before Ferguson, J., in Municipal Court; F. H. Van Houten for the City.

In re George J. Joyce; In re Patrick J. King—Motion for recount of ballots cast at Primary Election, 8th Assembly Dist., argued before Callaghan, J., and granted; G. A. Green for the City.

In re Frank S. Senior and ano.; In re James L. Vail and ano.; In re Timothy Healy and ano.; In re Carl Vogel and ano.—Motions to compel Bd. of Elections to accept certificates of nomination as Coroner, argued before Callaghan, J. Decision reserved; G. A. Green for the City. "Motion denied."

## Hearings Before Commissioners of Estimate in Condemnation Proceedings.

Willard Parker Hospital, 1 hearing; C. D. Olendorf for the City.

Sea View Hospital, 1 hearing; H. W. Mayo for the City.

Rapid Transit (Joralemon St.), 1 hearing; E. J. Kenney for the City.

## SCHEDULE "D."

## Contracts, Etc., Drafted, Examined and Approved as to Form.

Department.	Contracts Approved as to Form.	Contracts Examined and Returned for Revision.	Advertisements Approved as to Form.



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## SCHEDULE "E."

## Opinions Rendered to the Various Departments.

Department.	Opinions.	Department.	Opinions.
Finance	24	Borough President, Brooklyn	1
Borough President, Queens	7	Board of Estimate and Apportionment	1
City Clerk	3	Committee on General Welfare	1
Education	2	Water Supply, Gas and Electricity	1
Estimate and Apportionment	2	Total	44
Board of Water Supply	1		
Correction	1		

LAMAR HARDY, Corporation Counsel.

## Borough of Manhattan.

Report for week ended Nov. 24, 1917.

**Division of Audit and Accounts**—Orders Nos. 3,794 to 3,861, inclusive, were issued; 67 requisitions were received and acted upon; six requisitions, including 94 vouchers, amounting to \$65,849.04, were drawn on the Comptroller.

The following contracts were entered into:

**Cashier's Office**—Restoring and Repaving, special fund (water, sewer openings, etc.), \$7,661.31. Redemption of obstructions seized, \$8; shed permits, \$33; sewer connections, \$110; subpoena fees, \$2.50; prints, \$9.95; public comfort stations, \$36.84; old lamps sold, \$17.80; vault permits, \$4,276.42.

**Permits Issued**—To place building material on streets, 12; to construct street vaults, 20; to construct sheds, 5; for curbs, 3; for subways, steam mains, electrical and various connections, 201; for railway construction and repairs and to reset poles, 14; to repair sidewalks, 32; for sewer connections, 16; for water services, 49; for miscellaneous purposes, 36.

**Division of Sidewalks**—Obstructions removed from various streets and avenues, 7; inspections made, 587; notices served, 187; street signs erected, 45; miscellaneous signs cleaned, repaired, removed, etc., 37.

**Inspection Division, Bureau of Highways**—Linear feet gutters cleaned, 13,390; linear feet weeds cut, 1,800; linear feet crosswalk relaid, 124; square yards of pavement repaired, 23,382.

**Repairs to Sewers**—Linear feet of sewer built, 260; linear feet of sewer cleaned, 15,413; linear feet of sewer examined, 89,855; basins cleaned, 309; basins examined, 933; manhole heads set, 1; basins put in, 18; basin covers put on 1; basins relieved, 47; manholes examined, 4; manhole covers put on, 14; cubic feet of brickwork built, 76; linear feet of sewer relieved, 4,500; basin grates put in, 13; cuts opened and refilled, 17.

**Laboring Force Employed**—Repaving and renewal of pavements: Foremen, Inspectors and Mechanics, 170; Laborers, 389; teams, 14; carts, 50. Division of sidewalks: Foremen, Inspectors and Mechanics, 4; Laborers, 4; carts, 2. Sewers, maintenance, cleaning, etc.: Foreman, Inspectors and Mechanics, 50; Laborers, 126; carts, 36. Cleaning public buildings, baths, etc.: Bath Attendants, 218; Cleaners, 276.

MARCUS M. MARKS, President.

## BUREAU OF BUILDINGS.

Report for week ended Dec. 8, 1917.

Plans filed: For new buildings, 3; estimated cost, \$118,000. For alterations, 35; estimated cost, \$135,400. Buildings reported as unsafe, 34; other violations of law reported, 139; exit orders, 17.

## Department of Plant and Structures.

Report for Week Ended Dec. 8, 1917.

**Vouchers Forwarded to Comptroller**—Open market orders, \$3,084.07; contracts, \$9,284.80; miscellaneous, \$50; payrolls, \$28,622.01; total, \$41,040.88.

**Moneys Received—Privileges**: Brooklyn Bridge, \$2,840.42; Williamsburg Bridge, \$41.66; Manhattan Bridge, \$322; Queensboro Bridge, \$22; bridges over the Harlem River and in Bronx, \$28.07; bridges in Brooklyn, Queens and Richmond, \$50; total, \$3,304.15.

F. J. H. KRACKE, Commissioner.

## Changes in Departments, Etc.

## BOROUGH OF MANHATTAN.

**Salaries Increased—Bureau of Public Buildings and Offices**, effective Jan. 1, 1918: Peter Chieffo, Janitor, from \$1,560 to \$1,680; James McGuinness, Janitor, from \$1,500 to \$1,560; Michael McNally, Peter Harding and Louis F. McCoy, Janitors, from \$1,200 to \$1,320; Francis Conlin, Janitor, from \$1,020 to \$1,080; Oliver P. Byrne, Joseph Bauer, Louis J. de Gunto, Thomas Doyle, Walter J. Fay, Thomas Fisher, James F. Flock, Louis F. Gillen, Paul Gontowsky, Jacob Hellman, Henry C. Holtje, Thomas Irvine, Benjamin Jackmus, Patrick F. Kennedy, Martin Lavelle, Jeremiah Murphy, James H. McAuliffe, Max Pfannenschmidt, George Reynolds, Thomas Reilly, August M. Schreiber, William Warner, Samuel Weber and Henry Allwarden, Elevators, from \$900 to \$948; Charles Webs, John Tomasulo, Charles Pucciarelli, Roc-

F. Sheahan, John P. Malloy, James H. Gavin, Matthew J. Shea, William Gillane and William A. Kelly, Laborers, from \$780 to \$876; Johanna Bergen, Dora Bodamer, Catherine Boyce, Mary K. Bradish, Louis Brady, Margaret C. Brown, Lucie Bua, Lucia Budd, Mary E. Burns, Martha Cadigan, Mary Cleary, Margaret Coffey, Rose A. Conlon, Mary Conlon, Sarah Connihan, Bridget Connolly, Kate Corcoran, Rosanna Corbett, Eliza Corrigan, Caroline Cortez, Annie Greevey, Margaret Cummiskey, Mary Cunningham, Bridget Cusack, Mary V. Cusack, Margaret Daly, Minnie Daly, Nellie Davis, Mary Devereaux, Elizabeth Devlin, Maggie E. Donohue, Mary Donovan, Mary F. Doran, Margaret Dorsey, No. 2, Elizabeth Dougherty, Rose Brennan, Mary Ducey, Margaret Eckert, Elizabeth Farrell, Mary Fawcett, Kate Fay, Lauretta Feeley, Mary Fitzpatrick, Mary Flannery, Ellen Flynn, Kate A. Forbes, Charlotte Forrester, Julia A. Gerretty, Sarah Goss, Catherine Hagan, Mary Hahn, Margaret Halpin, Mary Ann Harrigan, Catherine Heath, Clara Howison, Sarah Hendry, Hattie Isaacs, Mary T. Jennings, Mary Johnson, Catherine Joyce, Charlotte Kahrs, Nellie Kane, Mary O'Brien, No. 1, Katherine T. Kane, Catherine Keenan, Julia Kiernan, Julia Keller, Bridget Kelly, Catharine Kelly, Mary Klan, Mary Knapp, Julia J. Lacau, Elizabeth Lahey, Kate Lane, Mae Lynch, Madeline Lynch, Norah Lynch, Josephine M. Mallahan, Louisa Malone, Kate Mason, Margaret Masterson, Isabel Mockler, Julia Moncrief, Kate A. Moran, Mary Mullane, Catherine Murphy, Elizabeth Murphy, Mary McAller, Margaret McCarthy, Nellie McCarthy, Mary McCormick, Elizabeth McDonough, Elizabeth McGrath, Elizabeth P. McGrath, Kate McMahon, Mary McNally, Mary McNamara, Emma McNerney, Frances Neuffer, Catherine M. Norton, Carrie O'Brien, Mary J. O'Brien, Mary O'Brien, No. 2, Margaret E. O'Brien, Maria O'Connell, Annie O'Connor, Elizabeth O'Gorman, Mary O'Grady, Maggie O'Hara, Agnes L. O'Keefe, Margaret O'Keefe, Catherine O'Neill, Ellen Pidgeon, Kate Pidgeon, Minnie Powers, Bridget Pratt, Emma B. Price, Elizabeth Purdy, Kate Radford, Isabelle M. Reilly, Margaret Reilly, Mary Reilly, Jane Rigney, Catherine Riley, Mary J. Robinson, Alice Rock, Bridget A. Ryan, Julia Scanlon, Margaret Scanlon, Theresa Schmidt, Lizzie Scholl, Clementine Sentenne, Amalie T. Seufert, Mary Sexton, Katherine E. Sheridan, Margaret Shiels, Annie Smith, Mary Smith, Amelia Smith, Anastasia Sparks, Anna Stanford, Ann Staunton, Olive Sullivan, Catherine Sweeny, Sophie Talmon, Bridget M. Taylor, Annie M. Tevlin, Katherine Thomas, Mary E. Timmins, Margaret Tracey, Ellen J. Tracy, Annie Traynor, Sarah Tregoning, Carrie Trout, Sarah Trout, Margaret L. Touhey, Sarah Walsh, Ellen Whalen, Jennie J. White, Jennie Williams, Matilda Williamson, Catherine A. Wilson and Mary J. Wolf, Cleaners, from \$360 to \$384.

**Salaries Increased—Mary A. Cleary**, Julia M. Cavanagh, Mary A. Cashon, Gertrude E. Casey, Martha K. Card, Emma L. Callahan, Mary J. Cahir, Mary Boyce, Charlotte C. Ashley, Elizabeth Aldrich, Mary Coleman, Florence Collins, Annie Conlon, Julia A. Connor, Mary Corcoran, No. 2, Mary A. Coughlin, Mary J. Courtney, Anna Cowan, Jennie A. Cunningham, Mary R. Cusack, Helen F. Daly, Bertha Davis, Abbie M. Degnon, Mary Dennehy, Mary A. Devlin, Elinor K. Lee, Elizabeth F. Kennedy, Elizabeth A. Hinda, Mary B. Harold, Susan V. Grogan, Lizzie Galbraith, Sarah J. Foulié, Elizabeth Flynn, Mary H. Flood, Lettie A. Dennehy, Margaret M. Duffin, Emma L. Dubois, Margaret L. Donohue, Elizabeth Leeson, Hester Livingston, Mary J. Martin, Josephine Murphy, Mary J. McEntee, Bridget McAndrews, Margaret McCarthy, Bridget McCarthy, Mary E. McGinty, Katherine A. McGrath, Rose H. McGrath, Mary McGurkin, Gertrude E. McKibbin, Margaret McMahon, Lillie Newman, Maria O'Brien, Mary O'Connell, Catherine A. Reilly, Katherine E. Reagan, Phoebe C. Prendergast, Josie A. Paul, Mary A. Parkhill, Margaret A. Pancoast, Honorable Reilly, Elizabeth Rice, Mary A. Rohan, Mary F. Russell, Margaret Sullivan, Frances M. Sullivan, Sarah Taylor, Anna K. Walker, Eleanor F. Walker, Agnes Ward, Anne Wicks and Mary V. Wilson, Attendants, \$768 to \$804 per annum, Bureau of Public Buildings and Offices, effective Jan. 1, 1918.

## DEPARTMENT OF PLANT AND STRUCTURES.

**Appointed—Mrs. Alice F. Boyle**, 216 E. 70th st., Manhattan, Temporary Attendant at \$2.50 a day, effective Dec. 27.

**Services Ceased—Herman L. Engstrom**, 155 Fourteenth st., Brooklyn, Clerk, Dec. 20.

**Transferred—Alfred Gold**, 406 Dean st., Brooklyn, Laborer at \$2.50 a day, to the President of the Borough of Brooklyn, effective Dec. 24.

**Promoted—Isidor Delson**, 7 Pearl st., Stapleton, S. I., Assistant Engineer at \$1,920 per annum, effective Jan. 1, 1918.



## OFFICIAL DIRECTORY.

Unless otherwise stated, the Public Offices of the City are open for business from 9 a. m. to 5 p. m.; Saturday, 9 a. m. to 12 noon.

## CITY OFFICES.

**MAYOR'S OFFICE**.  
City Hall, Telephone, 1000 Cortlandt.  
John Purroy Mitchel, Mayor.  
Theodore Rousseau, Secretary.  
Samuel L. Martin, Executive Secretary.  
Paul C. Wilson, Assistant Secretary.  
*Bureau of Weights and Measures*.  
Municipal Building, 3d floor, Telephone, 1498 Worth.  
Fred H. Tighe, Deputy and Acting Commissioner.

**COMMISSIONER OF ACCOUNTS**.  
Municipal Building, 12th floor, Telephone, 4315 Worth.  
Leonard M. Wallstein, Commissioner of Accounts.

## BOARD OF ALDERMEN.

Clerk's Office, Municipal Building, 2nd floor, Telephone, 4430 Worth.  
P. J. Scully, Clerk.

*President of the Board of Aldermen*.  
City Hall, Telephone, 6770 Cortlandt.  
Frank L. Dowling, President.

## BOARD OF AMBULANCE SERVICE.

Municipal Building, 10th floor, Ambulance Calls, 3100 Spring. Administration Offices, 748 Worth.

## ARMORY BOARD.

Municipal Building, 8th floor, Telephone, 594 Worth.

C. D. Rhinehart, Secretary.

## ART COMMISSION.

City Hall, Telephone, 1197 Cortlandt.

John Quincy Adams, Assistant Secretary.

## BOARD OF ASSESSORS.

Municipal Building, 8th floor, Telephone, 29 Worth.

William C. Ormond, Chairman.

St. George B. Tucker, Secretary.

## BELLEVUE AND ALLIED HOSPITALS.

26th st. and 1st ave. Telephone, 8800 Madison Square.

Dr. John W. Brannan, President.

Arden W. Robbins, Secretary.

## CENTRAL PURCHASE COMMITTEE.

Municipal Building, 12th floor, Telephone, 4227 Worth.

## BUREAU OF THE CHAMBERLAIN.

Municipal Building, 8th floor, Telephone, 4227 Worth.

Milo R. Maltbie, Chamberlain.

## BOARD OF CHILD WELFARE.

City Hall, Telephone, 4127 Cortlandt.

Harry L. Hopkins, Secretary.

## CITY CLERK AND CLERK OF THE BOARD OF ALDERMEN.

Municipal Building, 2nd floor, Telephone, 4430 Worth.

P. J. Scully, City Clerk.

## BOARD OF CITY RECORD.

Supervisor's Office, Municipal Building, 8th floor, Distributing Division, 96 Reade st. Telephone, 3490 Worth.

Joseph N. Quail, Supervisor.

## DEPARTMENT OF CORRECTION.

Municipal Building, 24th floor, Telephone, 1610 Worth.

Burdette G. Lewis, Commissioner.

## DEPARTMENT OF DOCKS AND FERRIES.

Pier "A," North River, Telephone, 300 Rector.

R. A. C. Smith, Commissioner.

## DEPARTMENT OF EDUCATION.

*Board of Education*.

Park ave. and 59th st. Telephone, 5580 Plaza.

Stated meetings of the Board are held at 4 p. m. on the first Monday in February, the second Wednesday in August and the second and fourth Wednesdays in every month, except August.

William G. Willcox, President.

A. Emerson Palmer, Secretary.

## BOARD OF ELECTIONS.

General Office and Office of the Borough of Manhattan, Municipal Building, 18th floor, Telephone, 1307 Worth.

Edward F. Boyle, President.

Moses M. McKee, Secretary.

## Other Borough Offices.

The Bronx.

368 E. 148th st. Telephone, 336 Melrose.

Brooklyn.

435-445 Fulton st. Telephone, 1932 Main.

Queens.

64 Jackson ave., L. I. City. Telephone, 3375 Hunters Point.

Richmond.

Borough Hall, New Brighton, S. I. Telephone, 1000 Tompkinsville.

All offices open from 9 a. m. to 4 p. m., Saturdays to 12 noon.

## BOARD OF ESTIMATE AND APPORTIONMENT.

Municipal Building, 13th floor, Telephone, 4560 Worth.

Joseph Haag, Secretary.

## Bureau of Records and Minutes.

Municipal Building, 13th floor, Telephone, 4560 Worth.

Joseph Haag, Secretary.

## Office of the

Fisher, Albert E. Hadlock, Shepard A. Morgan, Hubert L. Smith.

*Receiver of Taxes.*

Manhattan—Municipal Building, 2nd floor, Telephone, 1200 Worth.

Bronx—177th st. and Arthur ave. Telephone, 140 Tremont.

Brooklyn—236 Duffield st. Telephone, 7056 Main.

Queens—5 Court Square, L. I. City. Telephone, 3386 Hunters Point.

Richmond—Borough Hall, St. George. Telephone, 100 Tompkinsville.

William C. Hecht, Receiver of Taxes.

*Collector of Assessments and Arrears.*

Manhattan—Municipal Building, 3d floor, Telephone, 1200 Worth.

Bronx—177th st. and Arthur ave. Telephone, 47 Tremont.

Brooklyn—503 Fulton st. Telephone, 8340 Main, Queens—Municipal Building, Court Square, L. I. City. Telephone, 1553 Hunters Point.

Richmond—Borough Hall, St. George. Telephone, 1000 Tompkinsville.

Daniel Moynahan, Collector.

*FIRE DEPARTMENT.*

Municipal Building, 11th floor. Telephone, 4100 Worth.

Robert Adamson, Commissioner.

*DEPARTMENT OF HEALTH.*

Centre and Walker sts., Manhattan. Telephone, 6280 Franklin.

Burial Permit and Contagious Disease offices always open.

Bronx, 3731 Third ave. Brooklyn, Flatbush ave., Willoughby and Fleet sts. Queens, 372 Fulton st., Jamaica. Richmond, 514 Bay st., Stapleton.

Haven Emerson, Commissioner.

Alfred E. Shipley, Secretary.

*BOARD OF INBRIETY.*

300 Mulberry st. Telephone, 2990 Spring.

Board meets first Wednesday in each month at 4 p. m.

Charles Samson, Secretary.

*LAW DEPARTMENT.*

*Office of Corporation Counsel.*

Main office, Municipal Building, 16th floor, Telephone, 4600 Worth.

Lamar Hardy, Corporation Counsel.

Brooklyn office, 153 Pierrepont st. Telephone, 2948 Main.

*Bureau of Street Openings.*

Main office, Municipal Building, 15th floor, Telephone, 1380 Worth.

Brooklyn office, 165 Montague st. Telephone, 5916 Main.

Queens office, Municipal Building, L. I. City. Telephone, 3886 Hunters Point.

*Bureau for the Recovery of Penalties.*

Municipal Building, 15th floor. Telephone, 4600 Worth.

*Bureau for the Collection of Arrears of Personal Taxes.*

Municipal Building, 17th floor. Telephone, 4600 Worth.

*DEPARTMENT OF LICENSES.*

Main office, 49 Lafayette st. Telephone, 4490 Franklin.

George H. Bell, Commissioner.

Brooklyn—381 Fulton st. Telephone, 1497 Main.

Richmond—Borough Hall, New Brighton, Telephone, 1000 Tompkinsville.

Division of Licensed Vehicles—517-519 W. 57th st. Telephone, 6387 Columbus.

Public Employment Bureau—Men's departments, 128 Leonard st.; Women's departments, 53 Lafayette st. Telephone, 6100 Franklin.

Branch Offices: 157 E. 67th st., Manhattan; Telephone, 2001 Plaza, 436 W. 27th st., Manhattan, Telephone 1937 Chelsea, 12 W. 11th st., Manhattan; Telephone, 8065 Chelsea, 85 Java st., Brooklyn; Telephone, 3274 Greenpoint.

*MUNICIPAL CIVIL SERVICE COMMISSION.*

Municipal Building, 14th floor. Telephone, 1580 Worth.

Benjamin Patterson, President.

Robert W. Belcher, Secretary.

*MUNICIPAL REFERENCE LIBRARY.*

Municipal Building, 5th floor. Telephone, 1072 Worth. 9 a. m. to 5 p. m.; Saturday, to 1 p. m.

*DEPARTMENT OF PARKS.*

Municipal Building, 10th floor. Telephone, 4850 Worth.

Robert F. Valentine, Commissioner, Manhattan and Richmond.

*Borough of Brooklyn.*

Litchfield Mansion, Prospect Park, Brooklyn. Telephone, 2300 South.

Raymond V. Ingersoll, Commissioner.

*Borough of The Bronx.*

Zbrowski Mansion, Claremont Park. Telephone, 2640 Tremont.

Thomas W. Whittle, Commissioner.

*Borough of Queens.*

The Overlook, Forest Park, Richmond Hill, L. I. Telephone, 2300 Richmond Hill.

John E. Weier, Commissioner.

*PARK BOARD.*

Municipal Building, 10th floor. Telephone, 4850 Worth.

Robert F. Valentine, President; Louis W. Fehr, Secretary.

*PAROLE COMMISSION.*

Municipal Building, 24th floor. Telephone, 2254 Worth.

Thomas R. Minnick, Secretary.

*DEPARTMENT OF PLANT AND STRUCTURES.*

Municipal Building, 18th floor. Telephone, 380 Worth.

F. J. H. Kracke, Commissioner.

*EXAMINING BOARD OF PLUMBERS.*

Municipal Building, 9th floor. Telephone, 1800 Worth.

Janet A. G. Hahn, Clerk.

*POLICE DEPARTMENT.*

240 Centre st. Telephone, 3100 Spring.

Arthur Woods, Commissioner.

*DEPARTMENT OF PUBLIC CHARITIES.*

Principal office, Municipal Building, 10th floor. Telephone, 4440 Worth.

John A. Kingsbury, Commissioner.

Brooklyn and Queens, 327 Schermerhorn st., Brooklyn. Telephone, 2977 Main.

Bureau of Social Investigation, Pearl and Central sts. Telephone, 4405 Worth.

Borough of Richmond, Borough Hall, St. George, S. I. Telephone, 1000 Tompkinsville.

*DEPARTMENT OF PUBLIC MARKETS.*

Municipal Building.

Henry Moskowitz, Commissioner.

*PUBLIC SERVICE COMMISSION.*

120 Broadway, 8 a. m. to 11 p. m., every day, including holidays and Sundays. Telephone, 7500 Recter.

Oscar S. Straus, Chairman.

James B. Walker, Secretary.

*BOARD OF REVISION OF ASSESSMENTS.*

Municipal Building, 7th floor. Telephone, 1200 Worth.

John Korb, Jr., Chief Clerk.

*COMMISSIONERS OF SINKING FUND.*

Office of Secretary, Municipal Building, 7th floor. Telephone, 1200 Worth.

John Korb, Jr., Secretary.

*BOARD OF STANDARDS AND APPEALS.*

Municipal Building, 9th floor. Telephone, 184 Worth.

Rudolph P. Miller, Chairman.

*DEPARTMENT OF STREET CLEANING.*

Municipal Building, 12th floor. Telephone, 4240 Worth.

John T. Fetherston, Commissioner.

*DEPARTMENT OF TAXES AND ASSESSMENTS.*

Municipal Building, 9th floor. Telephone, 1800 Worth.

Lawson Purdy, President.

C. Rockland Tyng, Secretary.

*TENEMENT HOUSE DEPARTMENT.*

Manhattan and Richmond office, Municipal Building, 19th floor. Telephone, 1526 Worth.

Brooklyn and Queens office, 503 Fulton st., Brooklyn. Telephone, 3825 Main.

Bronx office, 391 E. 149th st. Telephone, 7107 Melrose.

John J. Murphy, Commissioner.

*BOARD OF WATER SUPPLY.*

Municipal Building, 22nd floor. Telephone, 3150 Worth.

Charles Strauss, President.

George Featherstone, Secretary.

*DEPARTMENT OF WATER SUPPLY, GAS AND ELECTRICITY.*

Municipal Building, 23d, 24th and 25th floors.

Telephones: Manhattan, 4320 Worth; Brooklyn, 3980 Main; Queens, 3441 Hunters Point; Richmond, 840 Tompkinsville; Bronx, 3400 Tremont.

Brooklyn, 50 Court st., Bronx, Tremont and Arthur aves. Telephone, 1100 Tremont and Arthur aves. Tremont and Arthur aves. Telephone, 1100 Tremont.

Francis Martin, District Attorney.

*COMMISSIONER OF JURORS.*

1932 Arthur ave. Telephone, 3700 Tremont.

John A. Mason, Commissioner.

*PUBLIC ADMINISTRATOR.*

2808 Third ave. Telephone, 9816 Melrose, 9 a. m. to 5 p. m., Saturday, to 12 noon.

Ernest E. L. Hammer, Public Administrator.

*REGISTER.*

1932 Arthur ave. Telephone, 6694 Tremont.

Edward Polak, Register.

*SHERIFF.*

1932 Arthur ave. Telephone, 6600 Tremont.

James F. O'Brien, Sheriff.

*SURROGATE.*

Bergen Building Annex, 1918 Arthur ave.

George M. Schulz, Surrogate.

*QUEENS COUNTY.*

*COUNTY CLERK.*

364 Fulton st., Jamaica. Telephone, 2608 Jamaica.

Alexander Dujat, County Clerk.

*COUNTY COURT.*

County Court House, L. I. City. Telephone, 596 Hunters Point.

Court opens 10 a. m. Trial Term begins first Monday of each month, except July, August and September, and on Friday of each week.

Court's office open 9 a. m. to 5 p. m.; Saturday, to 12 p. m. on Friday.

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Court's office open 9 a. m. to 5 p. m.; Saturday

## Richmond County.

Trial Term held at County Court House, Richmond, Special Term for trials held at Court room, Borough Hall, St. George. Special Term for motions held at Court House, Borough Hall, St. George.

C. Livingston Bostwick, County Clerk.

## POLICE DEPARTMENT.

## Owners Wanted for Unclaimed Property.

**OWNERS WANTED BY THE PROPERTY CLERK.** Clerk of the Police Department of The City of New York, 72 Poplar st., Brooklyn, for the following property now in custody, without claimants: Boats, rope, iron, lead, male and female clothing, boots, shoes, wine, blankets, diamonds, canned goods, liquors, etc.; also small amount of money taken from prisoners and found by Patrolmen of this Department.

ARTHUR WOODS, Police Commissioner.

**OWNERS WANTED BY THE PROPERTY CLERK.** Clerk of the Police Department of The City of New York, 240 Centre st., Manhattan, for the following property now in custody without claimants: Automobiles, baby carriages, bags, bicycles, boats, cameras, clothing, furniture, jewelry, junk, machinery, merchandise, metals, optical goods, silverware, tools, trunks, typewriters, umbrellas, etc.; also sums of money feloniously obtained by prisoners or found abandoned by Patrolmen of this Department.

ARTHUR WOODS, Police Commissioner.

## BOARD MEETINGS.

## Board of Aldermen.

The Board of Aldermen meets in the Aldermanic Chamber, City Hall, every Tuesday at 1:30 p. m.

P. J. SCULLY, City Clerk and Clerk to the Board of Aldermen.

## Board of Estimate and Apportionment.

The Board of Estimate and Apportionment meets in Room 16, City Hall, Fridays at 10:30 a. m.

JOSEPH HAAG, Secretary.

## Commissioners of Sinking Fund.

The Commissioners of the Sinking Fund meet in Room 16, City Hall, on Thursday, every two weeks, at 11 a. m.

JOHN KORB, Jr., Secretary.

## Board of Revision of Assessments.

The Board of Revision of Assessments meets in Room 16, City Hall, upon notice of the Secretary.

JOHN KORB, Jr., Secretary.

## Board of Appeals.

The Board meets every Tuesday at 2 p. m. in Room 919, Municipal Building.

RUDOLPH P. MILLER, Chairman.

## Board of Standards and Appeals.

The Board meets in Room 919, Municipal Building, every Thursday at 2 p. m.

RUDOLPH P. MILLER, Chairman.

## Board of City Record.

The Board of City Record meets in the City Hall at call of the Mayor.

JOSEPH N. QUAIL, Supervisor, Secretary.

## DEPARTMENT OF FINANCE.

## Proposals.

SEALED BIDS WILL BE RECEIVED AT the office of the Department of Finance, Municipal Building, Manhattan, until 11 a. m., on

**SATURDAY, DECEMBER 29, 1917.**

FOR FURNISHING ABOUT FOUR THOUSAND FIVE HUNDRED (4,500) HOURS OF AUTOMOBILE SERVICE WITHIN THE CITY OF NEW YORK. MACHINES TO START FROM AND RETURN TO THE MUNICIPAL BUILDING, CHAMBERS AND DUANE STS., MANHATTAN, ONE (1) TO SEVEN (7) FIVE-PASSENGER CARS, AS MAY BE REQUIRED, TO BE FURNISHED DAILY, EXCEPT SUNDAYS AND HOLIDAYS.

The time of the performance of the contract is from Jan. 1, 1918, to Dec. 31, 1918.

The amount of security shall be Two Thousand Dollars (\$2,000).

Bidders must state in their bids a price per hour of automobile service for a five-passenger car.

Blank forms and further information may be obtained at the office of the Chief Clerk of the Department of Finance, Room 723, Municipal Building, Manhattan.

SHEPARD A. MORGAN, Deputy and Acting Comptroller.

d17,29

**See General Instructions to Bidders on last page, last column, of the "City Record."**

## Corporation Sale of Real Estate.

**PUBLIC NOTICE IS HEREBY GIVEN THAT** the Commissioners of the Sinking Fund of The City of New York, by virtue of the powers vested in them by law, will offer for sale at public auction on

**MONDAY, DECEMBER 31, 1917,**

at 12 noon, in Room 368, Municipal Building, Manhattan, the following described property:

All that certain piece or parcel of land, situate in the Town of Philipstown, County of Putnam and State of New York, designated as Parcel 311B on Map Acc. E-671, entitled "Board of Water Supply of the City of New York. Map showing property of the New York Central Railroad Company and City of New York, situated in the Town of Philipstown, Putnam County, State of New York," bounded and described as follows:

Beginning at the most southerly corner of that parcel designated as Parcel No. 313A on said map, said point of beginning being also a distant northeasterly 150 feet at right angles from the monumented center line of the railroad of the New York Central Railroad Company; and running thence south 35 degrees and 43 minutes east, parallel with said center line, 491 feet to the southeasterly boundary line of land of the party of the first part; thence along said boundary line south 81 degrees and 45 minutes west 132.6 feet, more or less, to land of the party of the second part; thence along land of said party of the second part north 35 degrees and 42 minutes west 392.5 feet, more or less, thence north 36 degrees and 40 minutes east 123.3 feet, more or less, to the place of beginning, containing 1.15 acres of land, more or less.

The minimum or upset price at which said property shall be sold is hereby fixed at the sum of Five Hundred and Seventy-five Dollars (\$575). The sale to be made upon the following TERMS AND CONDITIONS:

The highest bidder will be required to pay ten (10) per cent. of the amount of his bid, together with the auctioneer's fees, at the time of sale and ninety per cent. (90%) upon the delivery of the deed, which shall be within sixty days from the date of sale.

The deed so delivered shall be in the form of a bargain and sale deed, without covenants.

The Comptroller may, at his option, resell the property if the successful bidder shall fail to comply with the terms of the sale, and the person so failing to comply therewith will be held liable for any deficiency which may result from such resale.

The right is reserved to reject any and all bids.

Maps of said real estate may be seen on application of the Department of Finance (Division

of Real Estate), Room 733, Municipal Building, Manhattan.

By order of the Commissioners of the Sinking Fund under resolution adopted at meeting of the Board held Dec. 6, 1917.

ALBERT E. HADLOCK, Deputy and Acting Comptroller.

Department of Finance, Comptroller's Office, Dec. 13, 1917.

## Confirmation of Assessments.

## NOTICES TO PROPERTY OWNERS.

**IN PURSUANCE OF SECTION 986 OF THE GREATER NEW YORK CHARTER.** The Comptroller of the City of New York hereby gives public notice to all persons, owners of property, affected by the following assessments for LOCAL IMPROVEMENTS IN THE BOROUGH OF THE BRONX.

**SECTION 10.**  
AUSTIN PL.—REGULATING, GRADING, SETTING CURBSTONES, FLAGGING SIDEWALKS, LAYING CROSSWALKS, BUILDING APPROACHES, ERECTING FENCES AND PAVING, from E. 144th st. to E. 149th st. Area of assessment affects blocks 2600 and 2601.

RECEIVING BASINS at the northeast and southeast corners of E. 166th st. and Franklin ave. and at the southeast corner of E. 168th st. and Franklin ave. Area of assessment affects block 2607, 2613 and 2614.

**SECTION 11.**

RECEIVING BASINS on Bathgate ave. at the northeast corner and northwest corner of E. 178th st. and the southwest corner of 183d st. Area of assessment affects blocks 3044 and 3050.

**SECTION 12.**

KINGSBRIDGE TERRACE—PAVING THE ROADWAY from Kingsbridge rd. to Filed Grade 110 south of W. 229th st. and adjusting curbs. Area of assessment affects blocks 3253 and 3256.

**SECTION 15.**

BENEDICT AVE.—PAVING THE ROADWAY AND SETTING CURB, from Storow st. to Pugsley ave. Area of assessment affects blocks 3930 and 3931.

ROSEDALE AVE.—PAVING THE ROADWAY AND SETTING CURB, from Walker ave. to Tremont ave. Area of assessment affects blocks 3893 to 3898, 3912, 3913, 3914, 3915, 3916, 3917 and 3910.

—that the above assessments were confirmed by the Board of Assessors on Dec. 11, 1917, and entered Dec. 11, 1917, in the Record of Titles of Assessments kept in the Bureau for the Collection of Assessments and Arrears of Taxes and Assessments and of Water Rents, and unless the amount assessed for benefit on any person or property shall be paid on or before Feb. 9, 1918, which is sixty days after the date of said entry of the assessments, interest will be collected thereon at the rate of seven per centum per annum, to be calculated from ten days after the date of said entry to the date of payment, as provided by Sections 159 and 1019 of the Greater New York Charter.

The above assessments are payable to the Collector of Assessments and Arrears at his office in the Bergen Building, 4th floor, southeast corner of Arthur and Tremont aves., Borough of The Bronx, between the hours of 9 a. m. and 2 p. m., and on Saturdays from 9 a. m. to 12 noon.

WILLIAM A. PRENDERGAST, Comptroller. Dated, New York, Dec. 11, 1917. d18,29

**IN PURSUANCE OF SECTION 1018 OF THE GREATER NEW YORK CHARTER.** The Comptroller of the City of New York hereby gives public notice to all persons, owners of property, affected by the following assessments for LOCAL IMPROVEMENTS IN THE BOROUGH OF BROOKLYN:

**SECTION 16.**

REGULATING, GRADING, CURBING AND FLAGGING TEHAMA ST., from 36th st. to West st., and ALBEMARLE RD., from West st. to Gravesend ave. Area of assessment affects blocks 5306, 5309, 5323 and 5332.

The above assessment was confirmed by the Board of Assessors on Dec. 12, 1917, and entered Dec. 12, 1917, in the Record of Titles of Assessments kept in the Bureau for the Collection of Assessments and Arrears of Taxes and Assessments and of Water Rents, and unless the amount assessed for benefit on any person or property shall be paid on or before Feb. 11, 1918, which is sixty days after the date of said entry of the assessments, interest will be collected thereon at the rate of seven per centum per annum, to be calculated from ten days after the date of said entry to the date of payment, as provided by Sections 159 and 1019 of the Greater New York Charter.

The above assessment is payable to the Collector of Assessments and Arrears at his office in the Offerman Building, 503 Fulton st., Brooklyn, between the hours of 9 a. m. and 2 p. m., and on Saturdays from 9 a. m. to 12 noon.

WILLIAM A. PRENDERGAST, Comptroller. Dated, New York, Dec. 12, 1917. d18,29

**IN PURSUANCE OF SECTION 1018 OF THE GREATER NEW YORK CHARTER.** The Comptroller of the City of New York hereby gives public notice to all persons, owners of property, affected by the following assessment for LOCAL IMPROVEMENTS IN THE BOROUGH OF BROOKLYN:

**SECTION 24TH AND 29TH WARDS, SECTIONS 5 AND 16.**

OPENING AND EXTENDING, LAYING OUT AND IMPROVING BEDFORD AVE. from Eastern Parkway to Flatbush ave., pursuant to the provisions of Chapter 764, Laws of 1900, as amended by chapter 500, Laws of 1901, and by chapter 498, Laws of 1903.

—that the area of assessment for this improvement, as fixed by the Commissioners of Estimate and Assessment appointed by the Supreme Court on Sept. 10, 1901, includes all those lands, tenements, hereditaments and premises situated, lying and being and which, taken together, are bounded and described as follows: Beginning at a point on the southerly side of Eastern Parkway distant 250 feet easterly of the easterly side of Bedford ave., running thence southerly and parallel with Bedford ave. to the northerly side of Flatbush ave.; thence northwesterly along the northerly side of Flatbush ave. to a point where a line drawn parallel with Bedford ave. and distant 250 feet westerly therefrom would intersect the same; running thence northerly and parallel with Bedford ave. to the southerly side of Eastern Parkway to a point 250 feet westerly of Bedford ave., running thence easterly along the southerly side of Eastern Parkway to the point or place of beginning.

The Board of Assessors of the City of New York has levied and assessed this assessment in twenty annual installments. The ninth installment in each case is now due and payable, and hereafter for eleven years an amount equal to one of the aforesaid installments shall be assessed upon the lots or parcels of land benefited by said improvement. This assessment was confirmed by the Board of Revisions of Assessments on Dec. 2, 1909, and entered Dec. 2, 1909, and the ninth installment entered Dec. 11, 1917, in the Record of Titles of Assessments kept in the Bureau for the Collection of Assessments and Arrears of Taxes and Assessments and of Water Rents, and unless the amount of the ninth installment shall be paid on or before Feb. 9, 1918, which is sixty days after the date of said entry of the assessments, interest will be collected thereon at the rate of seven per centum per annum, to be calculated from ten days after the date of said entry to the date of payment, as provided by Sections 159 and 1019 of the Greater New York Charter.

The above assessments are payable to the Collector of Assessments and Arrears at his office in the Municipal Building, north side, 3d floor, Manhattan, between the hours of 9 a. m. and 2 p. m., and on Saturdays from 9 a. m. to 12 noon.

WILLIAM A. PRENDERGAST, Comptroller. Dated, New York, Dec. 11, 1917. d18,29

**IN PURSUANCE OF SECTION 1018 OF THE GREATER NEW YORK CHARTER.** The Comptroller of the City of New York hereby gives public notice to all persons, owners of property, affected by the following assessments for LOCAL IMPROVEMENTS IN THE BOROUGH OF BROOKLYN:

**SECTION 3.**

RECEIVING BASINS on MADISON AVE. at the southwest corner of 127th st. and on 5TH AVE. at the southeast and northeast corners of 128th st. Area of assessment affects blocks 1751, 1752 and 1753.

The above assessments were confirmed by the Board of Assessors on Dec. 11, 1917, and entered Dec. 11, 1917, in the Record of Titles of Assessments kept in the Bureau for the Collection of Assessments and Arrears of Taxes and Assessments and of Water Rents, and unless the amount assessed for benefit on any person or property shall be paid on or before Feb. 9, 1918, which is sixty days after the date of said entry of the assessments, interest will be collected thereon at the rate of seven per centum per annum, to be calculated from ten days after the date of said entry to the date of payment, as provided by Sections 159 and 1019 of the Greater New York Charter.

The above assessment is payable to the Collector of Assessments and Arrears at his office in the Municipal Building, north side, 3d floor, Manhattan, between the hours of 9 a. m. and 2 p. m., and on Saturdays from 9 a. m. to 12 noon.

WILLIAM A. PRENDERGAST, Comptroller. Dated, New York, Dec. 11, 1917. d18,29

**IN PURSUANCE OF SECTION 1018 OF THE GREATER NEW YORK CHARTER.** The Comptroller of the City of New York hereby gives public notice to all persons, owners of property, affected by the following assessments for LOCAL IMPROVEMENTS IN THE BOROUGH OF BROOKLYN:

**SECTION 4.**

RECEIVING BASINS from Malone st. to Montgomery st. Area of assessment affects blocks 1301, 1302 and 1306.

**SECTION 12.**

POWELL ST.—PAVING, CURBING AND FLAGGING OVIDINGTON AVE. (68th st.) from 11th ave. to a line about two hundred feet westwardly, and 7th ave. from 40th st. to 41st st. Area of assessment affects blocks 918 and 919, 5765 and 5772.

**SECTION 5.**

CEDAR PL.—SEWER from Malbone st. to Montgomery st. Area of assessment affects blocks 1301, 1302 and 1306.

**SECTION 13.**

DUMONT AVE.—SEWER, from Ferriman st. to Atkins ave. Area of assessment affects blocks 4070 and 4086.

**SECTION 15.</**

Comptroller at the office of the Collector of City Revenue, Room 368, Municipal Building, Manhattan, until 11 a. m. on the 4th day of January, 1918, and then publicly opened for the sale for removal of the above described buildings and appurtenances thereto, and the award will be made to the highest bidder within twenty-four hours, or as soon as possible thereafter.

Each parcel must be bid for separately and will be sold in its entirety, as described in above advertisement.

Each and every bid must be accompanied by a deposit of cash or certified check in a sum equal to 25 per cent. of the amount of the bid, except that a minimum deposit of \$50 will be required with all bids, and that a deposit of \$500 will be sufficient to entitle bidders to bid on any or all of the buildings.

Deposits of unsuccessful bidders will be returned within twenty-four hours after successful bidders have paid purchase price in full and given security, and those of successful bidders may be declared forfeited to the City of New York by the Comptroller upon the failure of the successful bidder to further comply with the requirements of the terms and conditions of the sale as set forth hereinabove.

Successful bidders will be required to pay the purchase money and deposit the required security within twenty-four hours of the receipt of notification of the acceptance of their bids.

The Comptroller reserves the right to reject any and all bids and to waive any defects or informalities in any bid should it be deemed in the interest of the City of New York to do so.

All bids must state clearly (1) the number or description of the building or buildings bid for, (2) the amount of the bid, (3) the full name and address of the bidder.

All bids must be inclosed in properly sealed envelopes, marked "Proposals to be opened Jan. 4, 1918" and must be delivered, or mailed in time for their delivery, prior to 11 a. m. of that date to the "Collector of City Revenue, Room 368, Municipal Building, New York City," from whom any further particulars regarding the buildings to be disposed of may be obtained.

**THE MACHINERY WILL BE SOLD FOR IMMEDIATE REMOVAL ONLY, SUBJECT TO THE TERMS AND CONDITIONS PRINTED ON THE LAST PAGE OF THIS ISSUE OF THE "CITY RECORD."**

E. D. FISHER, Deputy and Acting Comptroller, City of New York, Department of Finance, Comptroller's Office, Dec. 13, 1917. d17,j4

**AT THE REQUEST OF THE PRESIDENT OF THE BOROUGH OF QUEENS,** public notice is hereby given that the Commissioners of the Sinking Fund, by virtue of the powers vested in them by law, will offer for sale by sealed bids certain encroachments standing upon property owned by the City of New York, acquired by it for street opening purposes in the

**Borough of Queens.**

Being the part of a building, etc., standing within the lines of Parcels No. 253 and No. 255 of the Corona ave, proceeding, in the Borough of Queens, which is more particularly described on a certain map on file in the office of the Collector of City Revenue, Department of Finance, Room 368, Municipal Building, Manhattan.

PURSUANT to a resolution of the Commissioners of the Sinking Fund adopted at a meeting held Dec. 6, 1917, the sale by sealed bids at the upset or minimum prices named in the description of each parcel of the above described buildings and appurtenances thereto will be held by direction of the Comptroller on

**FRIDAY, DECEMBER 28, 1917,** at 11 a. m., in lots and parcels, and in manner and form, and at upset prices as follows:

Parcel No. 253 and No. 255: Part of two-story frame building 200 Corona ave., corner of Strong st., Corona, L. I., being the part within the new lines of 51st st. and of Corona ave., measuring about 7.9 feet on the northerly side by about 2.68 feet on the southerly side. Upset price, \$10.

Sealed bids (blank forms of which may be obtained upon application) will be received by the Comptroller at the office of the Collector of City Revenue, Room 368, Municipal Building, Borough of Manhattan, until 11 a. m., on the 28th day of December, 1917, and then publicly opened for the sale for removal of the above described buildings and appurtenances thereto, and the award will be made to the highest bidder within twenty-four hours, or as soon as possible thereafter.

Each parcel must be bid for separately and will be sold in its entirety, as described in above advertisement.

Each and every bid must be accompanied by a deposit of cash or certified check in a sum equal to 25 per cent. of the amount of the bid, except that a minimum deposit of \$50 will be required with all bids, and that a deposit of \$500 will be sufficient to entitle bidders to bid on any or all of the buildings.

Deposits of unsuccessful bidders will be returned within twenty-four hours after successful bidders have paid purchase price in full and given security, and those of successful bidders may be declared forfeited to the City of New York by the Comptroller upon the failure of the successful bidder to further comply with the requirements of the terms and conditions of the sale as set forth hereinabove.

Successful bidders will be required to pay the purchase money and deposit the required security within twenty-four hours of the receipt of notification of the acceptance of their bids.

The Comptroller reserves the right to reject any and all bids and to waive any defects or informalities in any bid should it be deemed in the interest of the City of New York to do so.

All bids must state clearly (1) the number or description of the building or buildings bid for, (2) the amount of the bid, (3) the full name and address of the bidder.

All bids must be inclosed in properly sealed envelopes, marked "Proposals to be opened Dec. 28, 1917," and must be delivered, or mailed in time for their delivery, prior to 11 a. m. of that date to the "Collector of City Revenue, Room 368, Municipal Building, New York City," from whom any further particulars regarding the buildings to be disposed of may be obtained.

**THE BUILDINGS WILL BE SOLD FOR IMMEDIATE REMOVAL ONLY, SUBJECT TO THE TERMS AND CONDITIONS PRINTED ON THE LAST PAGE OF THIS ISSUE OF THE "CITY RECORD."**

E. D. FISHER, Deputy and Acting Comptroller, City of New York, Department of Finance, Comptroller's Office, Dec. 8, 1917. d11,28

**Sureties on Contracts.**

UNTIL FURTHER NOTICE SURETY COMPANIES will be accepted as sufficient upon the following contracts to the amounts named:

*Supplies of Any Description, Including Gas and Electricity.*

One company on a bond up to \$50,000.

When such company is authorized to write that amount as per letter of Comptroller to the surety companies, dated Jan. 1, 1914.

*Construction.*

One company on a bond up to \$25,000.

Including regulating, grading, paving, sewers maintenance, dredging, construction of parks, parkways, docks, buildings, bridges, tunnels, aqueducts, repairs, heating, ventilating, plumbing, etc.

When such company is authorized to write that amount as per letter of Comptroller to the surety companies, dated Jan. 1, 1914.

*Asphalt, Asphalt Block and Wood Block Pavement.*

Two companies will be required on any and every bond up to amount authorized by letter of Comptroller to the surety companies, dated Jan. 1, 1914.

WILLIAM A. PRENDERGAST, Comptroller.

**Interest on City Bonds and Stock.**

THE INTEREST DUE JAN. 1, 1918, ON REGISTERED AND COUPON BONDS AND STOCK OF THE CITY OF NEW YORK, AND OF THE FORMER CORPORATIONS NOW INCLUDED THEREIN, WILL BE PAID ON THAT DAY BY THE COMPTROLLER AT HIS OFFICE (ROOM 851), MUNICIPAL BUILDING, CHAMBERS AND CENTRE STS., MANHATTAN.

THE BOOKS FOR THE TRANSFER OF BONDS AND STOCK ON WHICH INTEREST IS PAYABLE JAN. 1, 1918, WILL BE CLOSED FROM DEC. 15, 1917, TO JAN. 1, 1918.

WILLIAM A. PRENDERGAST, Comptroller, City of New York, Department of Finance, Comptroller's Office, Dec. 1, 1917. d1,2,27

**BOARD OF WATER SUPPLY.**

**Proposals.**

SEALED BIDS WILL BE RECEIVED BY THE BOARD OF WATER SUPPLY, AT ITS OFFICES, 22D FLOOR, MUNICIPAL BUILDING, ROW, CENTRE AND CHAMBERS STS., NEW YORK CITY, UNTIL 11 A. M., ON

**THURSDAY, JANUARY 3, 1918,** FOR

CONTRACT A I.

FOR PRINTING.

AN APPROXIMATE STATEMENT OF THE QUANTITIES OF THE VARIOUS ITEMS OF WORK AND FURTHER INFORMATION ARE GIVEN IN THE INFORMATION FOR BIDDERS, FORMING PART OF THE CONTRACT. AT THE ABOVE PLACE AND TIME THE BIDS WILL BE PUBLICLY OPENED AND READ. THE AWARD OF THE CONTRACT, IF AWARDED, WILL BE MADE BY THE BOARD AS SOON THEREAFTER AS PRACTICABLE. THE BOARD RESERVES THE RIGHT TO REJECT ANY AND ALL BIDS.

A BOND IN THE SUM OF THIRTY-FIVE PER CENT. (35%) OF THE TOTAL AMOUNT OF THE CONTRACT WILL BE REQUIRED FOR THE FAITHFUL PERFORMANCE OF THE CONTRACT.

NO BID WILL BE RECEIVED AND DEPOSITED UNLESS ACCOMPANIED BY A CERTIFIED CHECK UPON A NATIONAL OR STATE BANK DRAWN TO THE ORDER OF THE COMPTROLLER OF THE CITY OF NEW YORK, TO THE AMOUNT OF FIVE HUNDRED DOLLARS (\$500).

PAMPHLETS CONTAINING INFORMATION FOR BIDDERS, FORMS OF BID AND CONTRACT, SPECIFICATIONS, ETC., CAN BE OBTAINED AT THE ABOVE ADDRESS, AT THE OFFICE OF THE SECRETARY, UPON APPLICATION IN PERSON OR BY MAIL, BY DEPOSITING THE SUM OF FIVE DOLLARS (\$5) IN CASH OR ITS EQUIVALENT FOR EACH PAMPHLET. THIS DEPOSIT WILL BE REFUNDED UPON THE RETURN OF THE PAMPHLETS IN ACCEPTABLE CONDITION WITHIN THIRTY DAYS FROM THE DATE ON WHICH BIDS ARE TO BE OPENED.

THE CONTRACT WILL TERMINATE ON THE COMPLETION OF ALL ITEMS UNDER WAY DEC. 31, 1918.

FOR FURTHER PARTICULARS APPLY TO THE OFFICE OF THE PRINCIPAL ASSISTANT ENGINEER AT THE ABOVE ADDRESS.

CHARLES STRAUSS, President; CHARLES N. CHADWICK, JOHN F. GALVIN, Commissioners, Board of Water Supply.

GEORGE FEATHERSTONE, Secretary. d14,3

NOTE—See General Instructions to Bidders on last page, last column, of the "City Record," so far as applicable hereto and not otherwise provided for.

**COMMISSIONER OF RECORDS, COUNTY OF NEW YORK.**

**Proposals.**

SEALED BIDS WILL BE RECEIVED BY THE COMMISSIONER OF RECORDS OF THE COUNTY OF NEW YORK, AT ROOM 715, HALL OF RECORDS, MANHATTAN, UNTIL 12 NOON, ON

**WEDNESDAY, DECEMBER 26, 1917,** FOR FURNISHING AND INSTALLING METALLIC CASE SECTIONS WITH STEEL SHELVES AND STEEL BASES THEREFOR; STEEL FILING CUPBOARDS AND STEEL SHELVES THEREFOR; AND SPECIAL STEEL SHELVING TO FIT EXISTING FILE CASES; ALL FOR THE OFFICE OF THE CLERK OF THE COUNTY OF NEW YORK, IN THE HALL OF RECORDS BUILDING, BOROUGH OF MANHATTAN, CITY OF NEW YORK, AS SHOWN ON PLANS OR AS MAY BE NECESSARY TO COMPLETE THE WORK IN A FIRST-CLASS AND PROPER MANNER; ALL TO BE DONE IN ACCORDANCE WITH THE SPECIFICATIONS AND DRAWINGS PREPARED BY THE COMMISSIONER OF RECORDS OF THE COUNTY OF NEW YORK.

THE TIME ALLOWED FOR DOING AND COMPLETING THE WORK WILL BE SIXTY (60) CONSECUTIVE CALENDAR DAYS.

THE SECURITY REQUIRED WILL BE THIRTY PER CENT. (30%) OF THE TOTAL AMOUNT FOR WHICH THE CONTRACT WILL BE AWARDED.

Each bid must be accompanied by a deposit of not less than one and one-half per cent. (1 1/2%) of the amount of the bid, in cash or certified check payable to the order of the Comptroller of the City of New York.

Bidders must state a lump sum for the above contract, as the contract is entire and for the complete job.

PLANS AND DRAWINGS MAY BE SEEN AND BLANK FORMS OF THE CONTRACT AND SPECIFICATIONS MAY BE OBTAINED AT THE OFFICE OF THE COMMISSIONER OF RECORDS, COUNTY OF NEW YORK, ROOM 715, HALL OF RECORDS, MANHATTAN.

CHARLES K. LEXOW, Commissioner of Records, New York County. d14,26

NOTE—See General Instructions to Bidders on last page, last column, of the "City Record," except for the address of the office for receiving and opening bids.

**DEPARTMENT OF HEALTH.**

**Proposals.**

SEALED BIDS WILL BE RECEIVED BY THE BOARD OF HEALTH, CENTRE AND WALKER STS., MANHATTAN, UNTIL 10:30 A. M., ON

**THURSDAY, DECEMBER 27, 1917,** FOR FURNISHING AND DELIVERING FORAGE TO THE MUNICIPAL SANATORIUM AT OTISVILLE, ORANGE COUNTY NEW YORK.

THE TIME FOR THE PERFORMANCE OF THE CONTRACT IS DURING THE MONTH OF DECEMBER, 1917.

THE AMOUNT OF SECURITY REQUIRED IS THIRTY (30%) PER CENT. OF THE CONTRACT AMOUNT AWARDED.

NO BID WILL BE CONSIDERED UNLESS IT IS ACCOMPANIED BY A DEPOSIT. SUCH DEPOSIT SHALL BE IN AN AMOUNT NOT LESS THAN ONE AND ONE-HALF (1 1/2%) PER CENT. OF THE TOTAL AMOUNT OF THE BID.

THE BIDDER WILL STATE THE PRICE PER UNIT, AS CALLED FOR IN THE SCHEDULES OF QUANTITIES AND PRICES, BY WHICH THE BIDS WILL BE TESTED. THE EXTENSIONS MUST BE MADE AND FOOTED UP, AS THE BIDS WILL BE READ FROM THE TOTAL AND AWARDS, IF MADE, MADE TO THE LOWEST BIDDER FOR EACH ITEM OR CLASS, AS STATED IN THE SCHEDULES.

BIDS MUST BE SUBMITTED IN DUPLICATE, EACH COPY IN A SEPARATE ENVELOPE. NO BID WILL BE ACCEPTED UNLESS THIS PROVISION IS COMPLIED WITH.

SPECIFICATIONS REFERRED TO IN THE SCHEDULES MAY BE HAD UPON APPLICATION AT THE OFFICE OF CONTRACT SUPERVISION, ROOM 1327, MUNICIPAL BUILDING, MANHATTAN.

BLANK FORMS AND FURTHER INFORMATION MAY BE OBTAINED AT THE OFFICE OF THE CHIEF CLERK OF THE DEPARTMENT OF HEALTH, CENTRE AND WALKER STS., MANHATTAN.

HAVEN EMERSON, M. D., PRESIDENT; ALFRED E. SHIPLEY, M. D., SECRETARY.

DATED, DEC. 14, 1917. d14,27

NOTE—See General Instructions to Bidders on last page, last column, of the "City Record."

**THE CITY RECORD.**

Blank forms and further information may be obtained at the office of the Chief Clerk of the Department of Health, Centre and Walker Sts., Manhattan.

HAVEN EMERSON, M. D., President; ALFRED E. SHIPLEY, M. D., Secretary.

DATED, DEC. 14, 1917. d14,27

NOTE—See General Instructions to Bidders on last page, last column, of the "City Record."

The bids will be compared and the contract awarded at a lump or aggregate sum.

Blank forms and specifications may be obtained at the office of the Auditor, offices of the Commissioner of Public Works, Room 2141, Municipal Building, Manhattan.

MARCUS M. MARKS, President.

DATED, DEC. 22, 1917. d12,14

NOTE—See General Instructions to Bidders on last page, last column, of the "City Record."

SEALED BIDS WILL BE RECEIVED BY THE PRESIDENT OF THE BOROUGH OF MANHATTAN, AT ROOM 2032, MUNICIPAL BUILDING, MANHATTAN, UNTIL 2 P. M., ON

**THURSDAY, DECEMBER 27, 1917,** FOR THE REREGULATING AND REGRADEING OF 4TH AVE., 32D ST. TO 34TH ST., AND 33D ST., LEXINGTON AVE., TO 4TH AVE., TOGETHER WITH ALL WORK INCIDENTAL THERETO.

The Engineer's estimate of the amount of work to be done is as follows:

Item 1—2,000 cubic yards earth excavation.

Item 2—350 cubic yards rock excavation.

Item 3—8,500 cubic yards filling.

Item 4—550 cubic yards Class "A" concrete.

Item 5—200 cubic yards Class "F" concrete.

Item 6—1,000 cubic yards rubble concrete.

Item 7—50 cubic yards dry rubble masonry.

Item 8—10 cubic yards brick masonry.

Item 9—10 cubic yards hollow terra cotta masonry.

Item 10—5,000 cubic feet granite masonry.

Item 11—1,400 linear feet new 6-inch granite curb.

Item 17—1,000 feet, B. M., of timber and planking for bracing and sheeting. The time allowed for constructing and completing the receiving basins and appurtenances will be twenty-five (25) consecutive working days.

The amount of security required will be One Thousand Dollars (\$1,000), and the amount of deposit accompanying the bid shall be five per cent. (5%) of the amount of security.

NO. 3 FOR THE RECONSTRUCTION OF SEWER IN 63RD ST., FROM 3D AVE. TO PARK AVE.

The Engineer's estimate of the quantity and quality of the material, and the nature and extent as near as possible of the work required, is as follows:

Item 1—702 linear feet of 3-foot 6-inch by 2-foot 4-inch brick sewer, complete.

Item 2—13 linear feet of 12-inch basin connection, complete.

Item 3—7 manholes, complete.

Item 4—75 spurs for house connections.

Item 5—300 cubic yards of rock (Class "A") excavated and removed.

Item 6—100 cubic yards of rock (Class "B") excavated and removed.

Item 7—2 cubic yards of concrete (Class "A").

Item 8—2 cubic yards of brick masonry.

Item 9—5 cubic yards of extra earth excavation.

Item 10—665 square yards of restoration of permanent roadway pavement, all kinds.

Item 11—20,000 feet, B. M., of timber and planking for bracing and sheeting.

The time allowed for reconstructing and completing the sewer and appurtenances will be one hundred (100) consecutive working days.

The amount of security required will be Eight Thousand Dollars (\$8,000), and the amount of deposit accompanying the bid shall be five per cent. (5%) of the amount of security.

The bidder will state the price for each item or article contained in the specifications or schedules herein contained or hereto annexed, per foot, yard or other unit of measure or article by which the bid will be tested. Each contract, if awarded, will be awarded for the whole work at a lump sum.

Blank forms may be had and the drawings, form of specifications and contract may be seen at the offices of the Commissioner of Public Works, Bureau of Sewers, Room 2103, Municipal Building, Manhattan.

MARCUS M. MARKS, President.

Dated, Dec. 14, 1917. d14.27

See General Instructions to Bidders on last page, last column, of the "City Record."

SEALED BIDS WILL BE RECEIVED BY the President of the Borough of Manhattan, at Room 2032, Municipal Building, until 2 p. m., on

THURSDAY, DECEMBER 27, 1917, FOR THE CONSTRUCTION OF SANITARY SYSTEM OF SEWERS WITH PUMPING STATION AND APPURTENANCES IN THOMPSON ST. FROM CANAL ST. TO A POINT ABOUT 350 FEET NORTH OF BROOME ST., ETC.

The Engineer's estimate of the quantity and quality of the material, and the nature and extent as near as possible of the work required, is as follows:

Sanitary Sewer Items.

Item 1—25 linear feet of 4-foot 0-inch circular brick sewer, Method "A," complete.

Item 2—25 linear feet of 4-foot 0-inch circular brick sewer, Method "B," complete.

Item 3—62 linear feet of 24-inch vitrified pipe sewer, Method "A," complete.

Item 4—328 linear feet of 24-inch vitrified pipe sewer, Method "B," complete.

Item 5—65 linear feet of 20-inch vitrified pipe sewer, Method "A," complete.

Item 6—161 linear feet of 20-inch vitrified pipe sewer, Method "B," complete.

Item 7—20 linear feet of 20-inch vitrified pipe sewer, Method "C," complete.

Item 8—353 linear feet of 18-inch vitrified pipe sewer, Method "A," complete.

Item 9—138 linear feet of 18-inch vitrified pipe sewer, Method "B," complete.

Item 10—1,533 linear feet of 15-inch vitrified pipe sewer, Method "A," complete.

Item 11—933 linear feet of 15-inch vitrified pipe sewer, Method "B," complete.

Item 12—20 linear feet of 15-inch vitrified pipe sewer, Method "C," complete.

Item 13—2,142 linear feet of 12-inch vitrified pipe sewer, Method "A," complete.

Item 14—1,768 linear feet of 12-inch vitrified pipe sewer, Method "B," complete.

Item 15—730 linear feet of 12-inch vitrified pipe sewer, Method "C," complete.

Item 16—1,060 linear feet of 6-inch drains for sanitary house connections, Method "A," complete.

Item 17—2,160 linear feet of 6-inch drains for sanitary house connections, Method "B," complete.

Item 18—20 linear feet of 6-inch drains for sanitary house connections, Method "C," complete.

Item 19—500 spurs for sanitary house connections.

Item 20—15 4-foot 0-inch circular manholes, Type "A," complete.

Item 21—80 4-foot 0-inch by 3-foot 0-inch elliptical manholes, Type "B," complete.

Item 22—1 5-foot 0-inch circular manhole, Type "C," complete.

Item 23—1 4-foot 0-inch circular manhole, Type "D," complete.

Item 24—6 5-foot 0-inch by 4-foot 0-inch elliptical manholes, Type "E," complete.

Item 25—4 4-foot 0-inch by 3-foot 0-inch elliptical manholes, Type "F," complete.

Item 26—1 4-foot 0-inch circular manhole, Type "G," complete.

Item 27—4 4-foot 0-inch chamber manholes, Type "H," complete.

Item 27A—39 temporary elevated railroad supports, complete.

Temporary Automatic Pumping Station Items.

Item 28—665 cubic yards of earth excavation in pumping station.

Item 29—210 cubic yards of backfill in pumping station.

Item 30—217 cubic yards of concrete, Class "A," in pumping station.

Item 31—19,000 pounds of steel reinforcement bars, in pumping station.

Item 32—10,400 pounds of structural steel beams and shapes, with or without connections, in pumping station.

Item 33—66 square feet vault lights and frames, complete.

Item 34—33 square feet of pressed steel doors and frames, complete.

Item 35—24 square feet of removable reinforced concrete floor slabs, complete.

Item 36—2 8-inch vertical centrifugal sewage pumps, complete.

Item 37—20-H. P. variable-speed D. C. pump motors, complete.

Item 38—1 main switchboard and appurtenances and connections, complete.

Item 39—2 float control switches and appurtenances and connections, complete.

Item 40—20 electric light fixtures and connections, complete.

Item 41—3 electric light wall push buttons, panels and connections, complete.

Item 42—225 pounds of  $\frac{1}{2}$ -inch to 2-inch galvanized wrought iron screw water pipe and cast iron fittings.

Item 43—550 pounds of 3-inch extra strong wrought iron or steel screw water pipe and cast iron fittings.

Item 44—3,700 pounds of 10-inch to 16-inch standard Class "B" straight flanged cast iron section, discharge and overflow piping.

Item 45—3,200 pounds of 10-inch to 16-inch flanged cast iron wyes, reducers, increasers, curves and specials.

Item 46—7 1-inch gate valves, complete.

Item 47—3 3-inch gate valves, complete.

Item 48—4 10-inch gate valves, complete.

Item 49—3 12-inch gate valves, complete.

Item 50—1 16-inch gate valve, complete.

Item 51—2 10-inch gate floor stands, complete.

Item 52—1 1½-inch check valve, complete.

Item 53—1 3-inch check valve, complete.

Item 54—2 10-inch check valves, complete.

Item 55—3 10-inch flap valves, complete.

Item 56—1 ventilating blower and motor, complete.

Item 57—22 linear feet of 4-inch circular galvanized iron ventilating flue pipe, complete.

Item 58—1 sidewalk ventilating post and appurtenances, complete.

Item 59—1 12-inch Venturi meter and appurtenances, complete.

Item 60—1 enameled iron corner lavatory and fittings, complete.

Item 61—2,000 pounds of 8-inch and 15-inch wrought iron float tubes and connections, complete.

Item 62—300 pounds of miscellaneous bronze and copper in floats and appurtenances, complete.

Item 63—200 pounds of miscellaneous galvanized cast iron, wrought iron and steel, complete.

Item 64—6,700 pounds of miscellaneous cast iron, wrought iron and steel complete.

Item 65—100 linear feet of 1-inch 4-ply wire-wound rubber hose.

Item 66—2 1-inch bronze hose nozzles.

General Items—Applies to Both Sanitary Sewers and Temporary Automatic Pumping Station.

Item 67—5 cubic yards of rock excavation, Class "A" and "B."

Item 68—50 cubic yards of extra earth excavation.

Item 69—20 cubic yards additional concrete, Class "A."

Item 70—125 cubic yards of additional concrete, Class "D."

Item 71—20 cubic yards of rubble masonry in mortar.

Item 72—50 cubic yards of brick masonry.

Item 73—1 cubic yard of vitrified brick masonry.

Item 74—100 linear feet of 12-inch vitrified drain pipe.

Item 75—100 linear feet of 8-inch vitrified drain pipe.

Item 76—40,000 pounds of extra steel reinforcement bars.

Item 77—1,000 pounds of extra structural steel beams and shapes, with or without connections.

Item 78—31,000 feet, B. M., of timber and flooring in foundation.

Item 79—200,000 feet, B. M., of plain timber sheeting and bracing.

Item 80—300,000 feet, B. M., of tongued and grooved timber sheeting.

Item 81—1,000 linear feet of piles in place.

Item 82—4,84 square yards of restoration of permanent roadway pavement, all kinds.

Item 83—748 linear feet of curb reset in concrete.

Item 84—26 linear feet of new 6-inch x 16-inch granite curb, Class "B," furnished and laid.

Item 85—100 square feet of flagstone sidewalk pavement redressed and laid.

Item 86—840 square feet of flagstone sidewalk pavement furnished and laid.

Item 87—2,157 square feet of concrete sidewalk pavement furnished and laid.

Auto Engineman (Ambulance) \$1,320 per annum.

Assistant Physician, \$1,020 per annum.

Assistant Pharmacist (Assistant Pharmacist-C). \$1,24

See General Instructions to Bidders on last page, last column, of the "City Record."

SEALED BIDS WILL BE RECEIVED BY the President of the Borough of Manhattan, at Room 2032, Municipal Building, Manhattan, until 2 p. m., on

THURSDAY, DECEMBER 27, 1917, FOR THE CONSTRUCTION OF SANITARY SYSTEM OF SEWERS WITH PUMPING STATION AND APPURTENANCES IN THOMPSON ST. FROM CANAL ST. TO A POINT ABOUT 350 FEET NORTH OF BROOME ST., ETC.

The Engineer's estimate of the quantity and quality of the material, and the nature and extent as near as possible of the work required, is as follows:

Sanitary Sewer Items.

Item 1—25 linear feet of 4-foot 0-inch circular brick sewer, Method "A," complete.

Item 2—25 linear feet of 4-foot 0-inch circular brick sewer, Method "B," complete.

Item 3—62 linear feet of 24-inch vitrified pipe sewer, Method "A," complete.

Item 4—328 linear feet of 24-inch vitrified pipe sewer, Method "B," complete.

Item 5—65 linear feet of 20-inch vitrified pipe sewer, Method "A," complete.

Item 6—161 linear feet of 20-inch vitrified pipe sewer, Method "B," complete.

Item 7—20 linear feet of 20-inch vitrified pipe sewer, Method "C," complete.

Item 8—353 linear feet of 18-inch vitrified pipe sewer, Method "A," complete.

Item 9—138 linear feet of 18-inch vitrified pipe sewer, Method "B," complete.

Item 10—1,533 linear feet of 15-inch vitrified pipe sewer, Method "A," complete.

Item 11—933 linear feet of 15-inch vitrified pipe sewer, Method "B," complete.

Item 12—20 linear feet of 15-inch vitrified pipe sewer, Method "C," complete.

There is one vacancy in the Department of Correction at \$2,100 per annum.

The term of the eligibility of the list resulting from this examination is fixed at not less than one year nor more than four years.

d12,27 ROBERT W. BELCHER, Secretary.

PUBLIC NOTICE IS HEREBY GIVEN THAT applications will be received by the Municipal Civil Service Commission, Municipal Building, Manhattan, New York City, from

WEDNESDAY, DECEMBER 12, 1917, TO

THURSDAY, DECEMBER 27, 1917,

for the position of

RESIDENT PHYSICIAN (MALE), GRADE 2.

No applications delivered at the office of the Commission, by mail or otherwise, after 4 p. m., THURSDAY, DEC. 27, 1917, will be accepted. Application blanks will be mailed upon request provided a self-addressed stamped envelope or sufficient postage is enclosed to cover the mailing. The Commission will not guarantee the delivery of the same. Postage on applications forwarded by mail must be fully prepaid.

The subjects and weights of the examination are: Experience, 7; 70 per cent. required. Oral, 3; 70 per cent. required.

A qualifying physical examination will be given.

Applications for this examination must be filed on a special blank, Form D.

Duties—Incumbents of these positions are assigned to the medical examination and the routine medical and surgical care and treatment of hospital or institutional inmates and the supervision of inmates.

Requirements—Candidates must present their license to practice medicine in the State of New York for inspection when filing their applications.

The requirement that applicants must be residents of the State of New York is waived for this examination. Competitive examination to be open to all citizens of the United States. Persons who accept appointment must thereafter reside in the State of New York.

The requirement that every application shall bear the certificates of four reputable citizens whose residences or places of business are within the City of New York is waived for applicants for this examination whose previous occupation or employment has been wholly or in part outside the City of New York, and the said certificates will be accepted from persons resident or engaged in business elsewhere.

Candidates must be at least 21 years of age on or before the closing date for the receipt of applications.

Candidates who filed applications for Resident Physician (Male), Grade 2, between Nov. 15 and Nov. 30, 1917, need not file applications for this examination.

There is one vacancy in the Department of Correction at \$1,380 per annum.

The term of the eligibility of the list resulting from this examination is fixed at not less than one year nor more than four years.

d12,27 ROBERT W. BELCHER, Secretary.

#### DEPARTMENT OF CORRECTION.

##### Proposals.

SEALED BIDS WILL BE RECEIVED BY the Commissioner of Correction at Room 2400, Municipal Building, until 11 a. m., on

FRIDAY, JANUARY 4, 1918.

ITEM I—BID A—FOR ALL LABOR AND MATERIAL REQUIRED FOR THE CONSTRUCTION AND COMPLETION OF THE ALTERATIONS TO THE INDUSTRIAL BUILDING OF THE PENITENTIARY LOCATED ON BLACKWELLS ISLAND, NEW YORK CITY, INCLUDING NEW FLOORS OF COMPOSITION, TOGETHER WITH ALL WORK INCIDENTAL THERETO, WITH THE EXCEPTION OF THE PLUMBING AND HEATING, WHICH ARE PROVIDED FOR UNDER SEPARATE CONTRACTS.

The amount of security is Fourteen Thousand Dollars (\$14,000).

The time required to complete the work will be one hundred and fifty (150) consecutive calendar days. Certified check or cash in the sum of Seven Hundred Dollars (\$700) must accompany bid and must be in separate envelope.

ITEM I—BID B—FOR ALL LABOR AND MATERIAL REQUIRED FOR THE CONSTRUCTION AND COMPLETION OF THE ALTERATIONS TO THE INDUSTRIAL BUILDING OF THE PENITENTIARY LOCATED ON BLACKWELLS ISLAND, NEW YORK CITY, INCLUDING NEW FLOORS PARTLY OF COMPOSITION AND PARTLY OF WOOD, TOGETHER WITH ALL WORK INCIDENTAL THERETO, WITH THE EXCEPTION OF THE PLUMBING AND HEATING, WHICH ARE PROVIDED FOR UNDER SEPARATE CONTRACTS.

The amount of security is Fourteen Thousand Dollars (\$14,000). The time required to complete the work will be one hundred and fifty (150) consecutive calendar days. Certified check or cash in the sum of Seven Hundred Dollars (\$700) must accompany bid and must be in separate envelope.

One deposit of Seven Hundred Dollars (\$700) is sufficient for both Bids A and B under Item I.

ITEM II—FOR ALL LABOR AND MATERIAL REQUIRED FOR THE INSTALLATION AND COMPLETION OF THE PLUMBING, DRAINAGE AND WATER SUPPLY OF THE ADMINISTRATION AND DORMITORY BUILDING AND STORAGE BUILDING OF THE NEW YORK CITY WOMEN'S FARM COLONY, LOCATED AT GREY COURT, ORANGE COUNTY, NEW YORK, TOGETHER WITH ALL WORK INCIDENTAL THERETO, WITH THE EXCEPTION OF THE PLUMBING AND HEATING, WHICH ARE PROVIDED FOR UNDER SEPARATE CONTRACTS.

The amount of security is Fourteen Thousand Dollars (\$14,000).

The time required to complete the work will be one hundred and fifty (150) consecutive calendar days. Certified check or cash in the amount of One Hundred and Fifty Dollars (\$150) must accompany bid and must be in separate envelope.

Blank forms, drawings and specifications may be seen at the office of the Department of Correction in the Municipal Building, Manhattan, and at the office of the Architect, Charles E. Meyers, 1 Union Square West, Manhattan. Blank forms, specifications and orders for blue prints may be obtained from the Architect. Prints of the drawings may be obtained at cost from the National Blue Print Co., 110 W. 32nd st., Manhattan, upon presentation of an order from the Architect.

Dated, Dec. 20, 1917.  
d21,4 BURDETTE G. LEWIS, Commissioner.  
See General Instructions to Bidders on last page, last column, of the "City Record."

SEALED BIDS WILL BE RECEIVED BY the Commissioner of Correction at Room 2400, Municipal Building, Manhattan, until 11 a. m., on

FRIDAY, DECEMBER 28, 1917,

FOR FURNISHING AND DELIVERING NATURAL ICE, FROM JAN. 1 TO DEC. 31, 1918.

The amount of security required is thirty (30) per cent. of the amount of the bid. No bid will be considered unless it is accompanied by a deposit in cash or certified check upon one of the National or State Banks or Trust Companies of the City of New York drawn to the order of the Comptroller of the City of New York, in an amount not less than 1 1/2 per cent. of the total amount of the bid.

Bids must be submitted in duplicate, each in a separate envelope. The deposit must be enclosed in a separate envelope and handed to the officer in charge of the bid box. No bid will be accepted unless this provision is complied with.

Deliveries will be required to be made at the time and in the manner and in such quantities as may be directed.

Blank forms and further information may be obtained at the office of the Department of Correction, Room 2400, Municipal Building, Manhattan.

d17,28 BURDETTE G. LEWIS, Commissioner.

See General Instructions to Bidders on last page, last column, of the "City Record."

SEALED BIDS WILL BE RECEIVED BY the Commissioner of Correction at Room 2400, Municipal Building, Manhattan, until 12 noon, on

THURSDAY, DECEMBER 27, 1917,

ITEM I—CONTRACT NO. I, BID A—FOR ALL LABOR AND MATERIAL REQUIRED FOR THE ERECTION AND COMPLETION OF THE ADMINISTRATION AND DORMITORY BUILDING AND STORAGE BUILDING OF THE NEW YORK CITY WOMEN'S FARM COLONY, LOCATED AT GREY COURT, ORANGE COUNTY, NEW YORK, TOGETHER WITH ALL WORK INCIDENTAL THERETO, WITH THE EXCEPTION OF THE PLUMBING AND HEATING, WHICH ARE PROVIDED FOR UNDER SEPARATE CONTRACTS.

The amount of security is Seventy-five Thousand Dollars (\$75,000). The time required to complete the work will be four hundred (400) consecutive calendar days. Certified check or cash in the sum of Nine Hundred Dollars (\$900) must accompany the bid and be in a separate envelope.

SEALED BIDS WILL BE RECEIVED BY the Commissioner of Correction at Room 2400, Municipal Building, Manhattan, until 12 noon, on

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## MOND (CLASS 1), AND IN THE BOROUGHS OF MANHATTAN AND RICHMOND (CLASS 2), HEREINAFTER CALLED SERVICES.

The time for the completion of the work and the full performance of the contract is on or before the expiration of Dec. 31, 1918.

The amount of security required is as follows:

Class 1—\$1,642½ days' services, security the sum of \$2,100; deposit with bid, the sum of \$105.

Class 2—4,380 days' services, security the sum of \$5,200; deposit with bid, the sum of \$260.

The bidder shall state, both in writing and in figures, a price per day of eight hours for the services of one horse, with harness and driver, at which unit price he is prepared to furnish all of the services required in the class upon which a bid is submitted. Bids may be submitted on one or both classes, as each class will be the basis of a separate and distinct contract. Award, on either of the two classes, if made, will be to the bidder whose unit price per day is the lowest, and whose bid is regular in all respects. In case of discrepancy between the written price and that given in figures, the price in writing will be considered as the bid.

Services will be required at the time and in the manner and in such quantities as may be directed.

Blank forms and further information may be obtained at the office of the said department.

R. A. C. SMITH, Commissioner.

Dated, Dec. 17, 1917. d19,2

*See General Instructions to Bidders on last page, last column, of the "City Record," except for the address of the office for receiving and opening bids.*

## BELLEVUE AND ALLIED HOSPITALS, FIRE DEPARTMENT, DEPARTMENT OF PARKS, MANHATTAN AND RICHMOND; PARKS, BRONX; PARKS, BROOKLYN; STREET CLEANING, AND WATER SUPPLY, GAS AND ELECTRICITY.

## Proposals.

SEALED BIDS WILL BE RECEIVED BY Bellevue and Allied Hospitals and the Departments of Fire; Parks, Manhattan and Richmond; Parks, Bronx; Brooklyn; Street Cleaning, and Water Supply, Gas and Electricity, at the office of the Central Purchase Committee, Room 1220 Municipal Building, Manhattan, until 12.30 p. m.

THURSDAY, DECEMBER 27, 1917, FOR FURNISHING AND DELIVERING LUMBER.

The time for the performance of the contract is on or before March 31, 1918.

The amount of security required is thirty per cent, of the contract amount awarded. No bid shall be considered unless it is accompanied by a deposit. Such deposit shall be in an amount not less than one and one-half per cent, of the total amount of the bid.

The bidder will state the price per unit, as called for in the schedules of quantities and prices, by which the bids will be tested. The extensions must be made and footed up, as the bids will be read from the total and awards, if made, made to the lowest bidder on each item or class, as stated in the schedules.

Bids must be submitted in duplicate, each copy in a separate envelope. No bid will be accepted unless this provision is complied with.

Specifications referred to in the schedules may be had upon application at the office of the Bureau of Contract Supervision, Room 1327, Municipal Building, Manhattan.

Blank forms and further information may be obtained at the office of the Central Purchase Committee, 12th floor, Municipal Building, Manhattan.

BELLEVUE AND ALLIED HOSPITALS, JOHN W. BRANNAN, M. D., President.

FIRE DEPARTMENT, ROBERT ADAMSON, Commissioner.

DEPARTMENT OF PARKS, BRONX, THOMAS W. WHITTLE, Commissioner.

DEPARTMENT OF PARKS, MANHATTAN AND RICHMOND, ROBERT F. VOLANTINE, Commissioner.

DEPARTMENT OF STREET CLEANING, JOHN T. FETHERSTON, Commissioner.

DEPARTMENT OF PARKS, BROOKLYN, RAYMOND V. INGERSOLL, Commissioner.

DEPARTMENT OF WATER SUPPLY, GAS AND ELECTRICITY, WILLIAM WILLIAMS, Commissioner.

d14,27

*See General Instructions to Bidders on last page, last column, of the "City Record," except for the address of the office for receiving and opening bids.*

## BELLEVUE AND ALLIED HOSPITALS, DEPARTMENTS OF PUBLIC CHARITIES, CORRECTION, HEALTH.

## Proposals.

SEALED BIDS WILL BE RECEIVED BY Bellevue and Allied Hospitals, and the Departments of Public Charities, Correction and Health, at the office of the Central Purchase Committee, Room 1220, Municipal Building, Manhattan, until 12.30 p. m.

THURSDAY, DECEMBER 27, 1917, FOR FURNISHING AND DELIVERING STOCK FRUITS AND VEGETABLES.

The time for the performance of the contract is on or before March 31, 1918.

The amount of security required is thirty per cent, of the contract amount awarded. No bid shall be considered unless it is accompanied by a deposit. Such deposit shall be in an amount not less than one and one-half per cent, of the total amount of the bid.

The bidder will state the price per unit, as called for in the schedules of quantities and prices, by which the bids will be tested. The extensions must be made and footed up, as the bids will be read from the total and awards, if made, made to the lowest bidder on each item or class, as stated in the schedules.

Bids must be submitted in duplicate, each copy in a separate envelope. No bid will be accepted unless this provision is complied with.

Specifications referred to in the schedules may be had upon application at the office of the Bureau of Contract Supervision, Room 1327, Municipal Building, Manhattan.

Blank forms and further information may be obtained at the office of the Central Purchase Committee, 12th floor, Municipal Building, Manhattan.

BELLEVUE AND ALLIED HOSPITALS, JOHN W. BRANNAN, M. D., President.

DEPARTMENT OF PUBLIC CHARITIES, JOHN A. KINGSBURY, Commissioner.

DEPARTMENT OF CORRECTION, BURDETT G. LEWIS, Commissioner.

DEPARTMENT OF HEALTH, HAVEN EMERSON, M. D., Commissioner.

*See General Instructions to Bidders on last page, last column, of the "City Record," except for the address of the office for receiving and opening bids.*

SEALED BIDS WILL BE RECEIVED BY Bellevue and Allied Hospitals and the Departments of Public Charities, Correction and Health, at the office of the Central Purchase Committee,

Room 1220, Municipal Building, Manhattan, until 12.30 p. m.

## THURSDAY, DECEMBER 27, 1917, FOR FURNISHING AND DELIVERING CANNED GOODS AND GROCERIES.

The time for the performance of the contract is on or before March 31, 1918.

The amount of security required is as follows:

Class 1—\$1,642½ days' services, security the sum of \$2,100; deposit with bid, the sum of \$105.

Class 2—4,380 days' services, security the sum of \$5,200; deposit with bid, the sum of \$260.

The bidder shall state, both in writing and in figures, a price per day of eight hours for the services of one horse, with harness and driver, at which unit price he is prepared to furnish all of the services required in the class upon which a bid is submitted. Bids may be submitted on one or both classes, as each class will be the basis of a separate and distinct contract. Award, on either of the two classes, if made, will be to the bidder whose unit price per day is the lowest, and whose bid is regular in all respects. In case of discrepancy between the written price and that given in figures, the price in writing will be considered as the bid.

Services will be required at the time and in the manner and in such quantities as may be directed.

Blank forms and further information may be obtained at the office of the said department.

R. A. C. SMITH, Commissioner.

Dated, Dec. 17, 1917. d19,2

*See General Instructions to Bidders on last page, last column, of the "City Record," except for the address of the office for receiving and opening bids.*

## BOARD OF ESTIMATE AND APPORTIONMENT.

## Proposals.

SEALED BIDS WILL BE RECEIVED BY Bellevue and Allied Hospitals and the Departments of Fire; Parks, Manhattan and Richmond; Parks, Bronx; Brooklyn; Street Cleaning, and Water Supply, Gas and Electricity, at the office of the Central Purchase Committee, Room 1220 Municipal Building, Manhattan, until 12.30 p. m.

THURSDAY, DECEMBER 27, 1917.

FOR FURNISHING AND DELIVERING LUMBER.

The time for the performance of the contract is on or before March 31, 1918.

The amount of security required is thirty per cent, of the contract amount awarded. No bid shall be considered unless it is accompanied by a deposit. Such deposit shall be in an amount not less than one and one-half per cent, of the total amount of the bid.

The bidder will state the price per unit, as called for in the schedules of quantities and prices, by which the bids will be tested. The extensions must be made and footed up, as the bids will be read from the total and awards, if made, made to the lowest bidder on each item or class, as stated in the schedules.

Bids must be submitted in duplicate, each copy in a separate envelope. No bid will be accepted unless this provision is complied with.

Specifications referred to in the schedules may be had upon application at the office of the Bureau of Contract Supervision, Room 1327, Municipal Building, Manhattan.

Blank forms and further information may be obtained at the office of the Central Purchase Committee, 12th floor, Municipal Building, Manhattan.

BELLEVUE AND ALLIED HOSPITALS, JOHN W. BRANNAN, M. D., President.

FIRE DEPARTMENT, ROBERT ADAMSON, Commissioner.

DEPARTMENT OF PARKS, BRONX, THOMAS W. WHITTLE, Commissioner.

DEPARTMENT OF PARKS, MANHATTAN AND RICHMOND, ROBERT F. VOLANTINE, Commissioner.

DEPARTMENT OF STREET CLEANING, JOHN T. FETHERSTON, Commissioner.

DEPARTMENT OF PARKS, BROOKLYN, RAYMOND V. INGERSOLL, Commissioner.

DEPARTMENT OF WATER SUPPLY, GAS AND ELECTRICITY, WILLIAM WILLIAMS, Commissioner.

d14,27

*See General Instructions to Bidders on last page, last column, of the "City Record," except for the address of the office for receiving and opening bids.*

## BOARD OF ESTIMATE AND APPORTIONMENT.

## Proposals.

SEALED BIDS WILL BE RECEIVED BY Bellevue and Allied Hospitals and the Departments of Fire; Parks, Manhattan and Richmond; Parks, Bronx; Brooklyn; Street Cleaning, and Water Supply, Gas and Electricity, at the office of the Central Purchase Committee, Room 1220 Municipal Building, Manhattan, until 12.30 p. m.

THURSDAY, DECEMBER 27, 1917.

FOR FURNISHING AND DELIVERING LUMBER.

The time for the performance of the contract is on or before March 31, 1918.

The amount of security required is thirty per cent, of the contract amount awarded. No bid shall be considered unless it is accompanied by a deposit. Such deposit shall be in an amount not less than one and one-half per cent, of the total amount of the bid.

The bidder will state the price per unit, as called for in the schedules of quantities and prices, by which the bids will be tested. The extensions must be made and footed up, as the bids will be read from the total and awards, if made, made to the lowest bidder on each item or class, as stated in the schedules.

Bids must be submitted in duplicate, each copy in a separate envelope. No bid will be accepted unless this provision is complied with.

Specifications referred to in the schedules may be had upon application at the office of the Bureau of Contract Supervision, Room 1327, Municipal Building, Manhattan.

Blank forms and further information may be obtained at the office of the Central Purchase Committee, 12th floor, Municipal Building, Manhattan.

BELLEVUE AND ALLIED HOSPITALS, JOHN W. BRANNAN, M. D., President.

FIRE DEPARTMENT, ROBERT ADAMSON, Commissioner.

DEPARTMENT OF PARKS, BRONX, THOMAS W. WHITTLE, Commissioner.

DEPARTMENT OF PARKS, MANHATTAN AND RICHMOND, ROBERT F. VOLANTINE, Commissioner.

DEPARTMENT OF STREET CLEANING, JOHN T. FETHERSTON, Commissioner.

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additional license fees shall be deducted from the percentages otherwise payable to the city under the provisions of this contract.

**Third**—The annual charges or payments shall continue throughout the whole term of this contract, notwithstanding any clause in any statute or in the charter of any other company providing for payment for similar rights or franchises at a different rate.

**Fourth**—Nothing in this contract shall be deemed to affect in any way the right of the City to grant to any individual or other corporation a similar right and privilege upon the same or other terms and conditions, over the said streets and avenues.

**Fifth**—At the termination or forfeiture of this grant, the City at the election of the Board, shall have the right, provided that in the case of termination it gives at least six (6) months' notice, to purchase such part of the property and plant of the Company as the Board shall determine is necessary for the purpose of the operation of the stages or omnibuses on said streets and avenues at a sum equal to a fair value of such property and plant, exclusive of any value which such property and plant may have by reason of this contract. Such property and plant are to be valued as if the Company had not exercised the right and privilege granted by this franchise; and no allowance shall be made to the Company in such valuation by reason of such exercise.

If the Company and the City cannot agree upon the extent of the property and plant necessary to be taken over, nor upon a fair value of such property and plant, then the extent and the value thereof shall be determined and fixed by arbitration at the instance of either party upon notice to the other party hereto, in the following manner:

One disinterested person shall be chosen by the Company, one disinterested person shall be chosen by the Board, and the two so chosen shall choose a third disinterested person. The decision under oath of any two of such persons, who shall be so selected, shall be final and conclusive.

If either the Company or the City fails to appoint an arbitrator as herein provided, or should the first two arbitrators fail to agree on the selection of the third arbitrator within thirty (30) days after the first two arbitrators shall be chosen, or if no two arbitrators so selected shall agree upon the extent and value of such property within sixty (60) days after the arbitrators shall be so selected, then such extent and value may be fixed by a commission appointed by the Supreme Court on the application of either party.

**Sixth**—The rights and privileges hereby granted shall not be assigned or transferred, either in whole or in part, whether by consolidation, merger, reorganization or otherwise, or leased or sublet in any manner, either in whole or in part, without the consent of the City, acting by the Board, evidenced by an instrument under seal, anything herein contained to the contrary thereof in any wise notwithstanding, and the granting, giving or waiving of any one or more of such consents shall not render unnecessary any subsequent consent or consents, nor shall the title thereto, or right, interest or property therein pass to or vest in any other person or corporation whatsoever, either by the act of the Company or by operation of law, whether under the provisions of the statutes relating to the consolidation, merger or reorganization of corporations or otherwise, unless in addition to the above consent of the Board the proposed successor in title to the rights of the Company shall file with the Board an instrument under seal, agreeing to assume and be bound by each and all of the terms and conditions of this contract and agreeing to waive any more favorable conditions created by its charter or any statute relating to the consolidation, merger or reorganization of corporations or otherwise. The filing of such agreement shall constitute a condition precedent to the passing to or vesting in such proposed successor in title to the rights of the Company of the rights and privileges hereby granted, or of any portion thereof, or of any right, interest or property therein. In case of the failure of such proposed successor in title to the rights of the Company to file such agreement within sixty (60) days after the date on which such succession in title is to take effect, the right and privilege hereby granted may be forfeited, or the consent of the City provided for herein may be revoked by resolution of the Board.

**Seventh**—The Company shall place vehicles in regular operation as follows:

(a) A sufficient number of vehicles to operate in the manner herein required upon Broadway and St. Nicholas ave. from 135th st. to 193rd st.; 181st st. from Fort Washington ave. to St. Nicholas ave.; St. Nicholas ave. from 149th st. to Broadway; Fort Washington ave. from Broadway to 181st st.; Edgecombe rd. from 155th st. to 167th st.; 167th st. from Edgecombe rd. to Broadway; 125th st. from 5th ave. to Park ave.; Park ave. from 125th st. to 127th st.; Seventh ave. from the Pennsylvania Station to Longacre sq.; Broadway from Longacre sq. to 57th st.; Morningside ave. from Manhattan ave. to Convent ave.; Convent ave. from Morningside ave. to St. Nicholas ave.; and upon such streets and avenues as are necessary to operate a line from the Pennsylvania Railroad Station to the Grand Central Station in 32nd st., Madison ave., Park ave., and other streets, within ten (10) days from the date upon which the Company obtains the permission and approval of the Public Service Commission.

(b) A sufficient number of vehicles, in addition to the above, to operate in the manner herein required, upon such streets and avenues as are necessary to operate a line from 14th st. to 96th st., Irving pl., Lexington ave., 23rd st., Madison ave., Park ave., and other streets, and also upon 57th st. from 5th ave. to Park ave.; within four (4) months from the date upon which the Company obtains the permission and approval of the Public Service Commission;

(c) A sufficient number of vehicles, in addition to the above, to operate in the manner herein required, a crosstown route from 5th ave. to Broadway in Transverse rd. No. 1 through Central Park and 66th st. within four (4) months after a suitable pavement has been completed in said Transverse rd. No. 1 and upon the streets and avenues which constitute the cross-town line from the East River to Riverside Drive in East 79th st., Transverse rd. No. 2 through Central Park, Central Park West, West 27th Street, Columbus ave, and West 79th st., within four (4) months after a suitable pavement has been completed in said Transverse rd. No. 2 and upon the streets and avenues which constitute the crosstown line from Park ave. to Riverside Drive, in West 96th st., 5th ave., Transverse rd. No. 4, through Central Park, Central Park West, West 96th st., Broadway and West 95th st., within four (4) months after a suitable pavement has been completed in said Transverse rd. No. 4;

(d) A sufficient number of vehicles in addition to the above to operate in the man-

ner herein required upon Manhattan st. between Fort Lee Ferry and 125th st. and upon 125th st. between Manhattan st. and 1st ave.; upon Willis Avenue Bridge and the approaches thereto, and on East 132nd st. between Willis Avenue Bridge and the station of the New York, Westchester and Boston Railway; and upon Broadway from 110th st. to 135th st., within four (4) months from the date upon which the Company obtains the permission and approval of the Public Service Commission;

(e) A sufficient number of vehicles in addition to the above to operate in the manner herein required upon 57th st. from Broadway to 8th ave., 8th ave. from 57th st. to Central Park West, those portions of Central Park West from 59th st. to 77th st., from 81st st. to 96th st. and from 97th st. to 8th ave. at 110th st., 8th ave. from 110th st. to 113th st., 113th st. from 8th ave. to Morningside Park East, 106th st. from Central Park West to Broadway and Broadway from 106th st. to 110th st., within one month after there shall have been furnished a sufficient roadway for the operation of omnibuses and other vehicles between the railroad tracks on Central Park West and the curb of the sidewalk between 59th st. and 110th st.

otherwise this right and privilege shall cease and determine; provided that the periods for the placing of such vehicles in operation may be extended by the Board, but the total extension of time for any such period shall not exceed in the aggregate six (6) months; and, provided, further, that when the commencement of said operation shall be prevented by legal proceedings in any court or by works of public improvement, or from other causes not within the control of the Company, the time for the commencement of such operation may be extended for the period of such prevention, but no delay shall be allowed for unless the court proceedings shall be diligently prosecuted by the Company, and provided further that in no case shall such delay be deemed to begin until the Company shall have given written notice to the Board of any such court proceedings or other occasion of delay, and shall have delivered to the Board copies of any injunction or other orders, and the papers upon which the same shall have been granted, and unless upon the request of the Board, the Company shall, in writing, consent that the Board, either in its own name as a party, or in the name of the City as a party, may intervene in any such proceedings.

**Eighth**—Nothing herein contained shall be construed as permitting the Company to erect any structures whatever upon City streets, and the Company shall not construct or maintain any fixture or structure in any street unless especially authorized by resolution of the Board.

**Ninth**—All vehicles which may be operated pursuant to this contract shall comply with the following general requirements:

1. They shall be propelled by power generated or contained within the vehicle itself, but no power shall be used which will in its generation or use produce smoke or noxious odors sufficient in the opinion of the Board or its authorized representatives, to constitute a nuisance.

2. The maximum weight, including fuel, water, oil or any other material or any accessories used in operation, shall not exceed ten thousand five hundred (10,500) pounds, except as to such omnibuses as may be operated provisionally during only the first year of this contract.

3. The maximum width shall not exceed seven (7) feet six (6) inches.

4. The maximum height over all shall not exceed twelve (12) feet six (6) inches.

5. The maximum height of the floor of the upper deck shall not exceed nine (9) feet seven (7) inches.

6. The maximum length shall not exceed twenty-five (25) feet.

7. They shall be designed and constructed in a manner which will permit ease and freedom of movement under all conditions.

8. The distribution of weight on axles, length of wheel base and other features of design shall be such as to avoid skidding in so far as possible and shall be such as to permit easy steering and control.

9. They shall be fitted with brakes capable of stopping and holding the same under all conditions.

10. All parts shall be so constructed that no undue noise or vibration shall result from operation.

11. They shall be so constructed that the oil or grease cannot drop on the roadway.

**Tenth**—No stage or omnibus, except such as may be used provisionally during only the first year of this contract, shall be operated pursuant to this contract, unless there shall be painted thereon in letters sufficiently large to be clearly legible at a distance of seventy-five (75) feet: (a) The name of the Company owning and operating such vehicle.

(b) The number of the vehicle which is assigned to it upon receiving the approval of the Board or its authorized representatives.

(c) The number of adults for which the vehicle has seating space.

**Eleventh**—No advertising shall appear on the outside of any stage or omnibus.

**Twelfth**—The destination of each stage or omnibus shall be plainly indicated on the front of the vehicle, and shall be illuminated at night.

**Thirteenth**—The number of passengers to be carried in any vehicle shall at no time exceed the seating capacity of the vehicles.

**Fourteenth**—The inclosed portion of all stages or omnibuses which are operated on said routes shall be heated during the cold weather, in conformity with such laws and ordinances as are now in force affecting surface railway cars or such laws and ordinances affecting stages or omnibuses as may hereafter, during the term of this contract, be in force, or as may be required by resolution of the Board.

**Fifteenth**—The inclosed portion of all stages or omnibuses operated on said routes shall be well lighted and as may be required by resolution of the Board.

**Sixteenth**—Before any stage or omnibus is put into service it shall be submitted to the Board or its authorized representatives and receive the approval thereof. If any vehicle which may be so submitted for approval shall not conform with the requirements herein the Company shall not operate such vehicle. If after a vehicle shall have been so approved, defects develop which in the opinion of the Board or its authorized representatives render it unsuitable for public service, then the Board or its authorized representatives may require the withdrawal of such vehicle from service until such defect has been remedied and the Board notified to that effect.

Upon being approved by the Board or its authorized representatives, each vehicle shall be given a number which shall not be changed so long as such vehicle shall be operated by the Company, unless and until the Company shall notify the Board that it proposes to change the number of the vehicle and of the new number which it is proposed to use.

**Seventeenth**—All vehicles operated pursuant to this grant shall be maintained in good and safe repair and in a manner which will in all ways render the vehicle fit for public service. The Company shall permit the Board or its authorized representatives to inspect at all reasonable times any or all the vehicles used by the Company. If

upon inspection any vehicle shall appear in the judgment of said Board or its authorized representatives to be unfit for public service, then the Company shall, upon notice, immediately withdraw such vehicle from service, and shall remedy the defect and notify the Board or its authorized representatives that the defect has been remedied before such vehicle shall be restored to service.

**Eighteenth**—All laws and ordinances affecting the operation of stages or omnibuses now in force, or which may be in force during the term of this contract, and shall not be inconsistent with the specific privileges conferred under this contract, shall be complied with by the Company. The Company shall also comply with and enforce the carrying out of any orders or regulations which may be issued by the Board, designed for the protection of persons, of property or of the comfort and health of the public.

**Nineteenth**—The Company shall, during the term of this contract, be entitled to charge for a single fare upon the said new routes the sum of ten (10) cents but no more, and upon the payment of such fare a passenger shall be entitled to ride as directly as possible from any point on any of the streets or avenues in which the Company is hereby or has heretofore been authorized to operate to any other such point, either in one vehicle or by means of one or more transfers to other vehicles, provided that for a single fare of ten (10) cents no passenger shall be entitled to return toward the point at which the ride originated, and the Company shall accordingly, where an equivalent through service is not provided, issue transfers upon demand, good within a reasonable time at such points of intersection or divergence of the company's operating routes to be designated by the Company or by the Public Service Commission as are necessary to enable passengers to ride between any two points above, for a fare of ten (10) cents.

In consideration of the right hereby granted the Company agrees to operate "special" five cent lines over the streets hereinabove described.

The rate of fare upon any one of said "special" lines shall be five (5) cents but no more, and upon the payment of such fare a passenger shall be entitled to ride as directly as possible from any point on such a line to any other point upon such "special" line. The streets and avenues in which said "special" five cent lines shall be operated are described as follows:

Transverse rd. No. 1 through Central Park from 5th ave. to Central Park West at 66th st.; 66th st. from Central Park West to Broadway.

79th st. from Riverside Drive to Columbus ave.; Columbus ave. from 79th st. to 77th st.; 77th st. from Columbus ave. to Central Park West; Central Park West from 77th st. to Transverse rd. No. 2 through Central Park; Transverse rd. No. 2 through Central Park from Central Park West to 5th ave.; 79th st. from 5th ave. to East End ave.

95th st. from Riverside Drive to Broadway; Broadway from 95th st. to 96th st.; 96th st. from Broadway to Central Park West; Central Park West from 96th st. to Transverse rd. No. 4 through Central Park; Transverse rd. No. 4 through Central Park from Central Park West to 5th ave.; 5th ave. from Transverse rd. No. 4 to Central Park to 96th st.; 96th st. from 5th ave. to Park ave.

**Twenty-first**—Stages or omnibuses shall be run on said streets and avenues at intervals of not more than ten (10) minutes between the hours of 7 a. m. and 12 o'clock midnight, and as much oftener as reasonable convenience of the public may require or as may be directed by resolution of the Board, and stages or omnibuses shall be operated at such intervals between the hours of 12 o'clock midnight and 7 a. m., as reasonable convenience of the public may require, or as may be directed by resolution of the Board.

It is hereby agreed that the Board shall at all times during the term of this contract have the right to fix, for any period, the maximum number of vehicles which shall be operated in 32nd st. from Madison ave. to 5th ave. and in 33rd st. from Madison ave. to 8th ave., and to fix, for any period, the ratio of the number of vehicles operated on Vanderbilt ave. between 42d st. and 45th st. to the number of vehicles operated over the elevated roadway on the southerly and westerly sides of the Grand Central Station, and to fix, for any period, the ratio of the number of vehicles operated on Vanderbilt ave. between 42d st. and 45th st. to the number of vehicles operated over the temporary route on Lexington ave. from 46th st. to 42d st.

**Twenty-first**—In the event of a snowfall, the Company shall, as directed by the Commissioner of Street Cleaning, clear snow, by means of plows, brooms, or other appliances, from two passageways, each not less than seven (7) feet in width on double route streets, and one passageway not less than seven (7) feet in width on single route streets, over all or any of said streets and avenues herein described.

**Twenty-second**—It is understood that the Company shall operate, pursuant to this contract, only upon the streets and avenues upon which the Company is hereby authorized to operate, but should vehicular traffic be diverted from any portion of any said streets or avenues because of fires, parades or because of any other event which will close the street to vehicular traffic temporarily, then the Company may use such other streets or avenues as are necessary to continue the operation. If, however, for any reason any of the streets and avenues in which the operation is hereby authorized shall be closed to vehicular traffic for a longer period than twenty-four hours, then the Company shall communicate with the Board or its authorized representatives and obtain authority for the operation upon such other streets and avenues for the period during which said street or avenue may be closed.

**Twenty-third**—If in the opinion of the Board it shall, at any time during the original term, or during the first seven (7) years of the renewal term of this contract be deemed necessary that the Company operate an extension or extensions to any of the routes on the said streets and avenues or operate routes in addition to and distinct from and in no way connected with those in the said streets and avenues, and the Board shall so order after a public hearing, at least ten (10) days prior to the date thereof, then the Company shall within thirty (30) days after the date of such order, apply for the right and privilege to maintain and operate such extension, extensions, additional route or routes, and shall accept a grant to operate such extension, extensions or additional route or routes for a term expiring not later than the date of the expiration of the renewal term of this contract, but if the said order of the Board shall be issued at any time during the first twelve (12) years of this contract, then the grant to operate any such extension or additional route shall be for a term expiring on the date of the original term of this contract, with the privilege of a renewal term expiring not later than the date of the renewal term of this contract. Such grant shall contain the following special clauses:

"(1) The Company shall keep accurate accounts of the gross annual receipts from all sources acquired from the operation of the route herein authorized and of the number of bus miles operated thereon, and shall take such measures as are necessary and approved by the Board to keep such accounts.

"(2) The annual cost of operation of the route herein authorized shall be deemed to equal the sum of the following items:

"(a) The number of bus miles actually operated thereon, multiplied by the average cost of operation per bus mile over all the routes of the Company within the city, which average cost of operation shall include taxes and a sum sufficient to pay for the depreciation of the plant and equipment used for the purpose of operation of said routes, which sum for depreciation for the entire period covered by this contract, shall in no event amount to less than a sum sufficient to pay for three (3) years depreciation during the term of this franchise.

"(b) Interest at the rate of six (6) per cent. per annum upon the value of the physical property actually required to carry on the operation of the route herein authorized, which value, unless a less value is agreed to by the Company and the City, or a less value determined by arbitration, shall be an amount equal to ten thousand dollars (\$10,000) for each additional vehicle for the operation of the route herein authorized. The number of additional vehicles necessary for said operation on the route herein authorized shall be deemed to be equal to the number of bus miles operated thereon per annum, divided by the average number of bus miles per annum operated by each of the vehicles of the Company upon all of its routes within the city, which shall in no case be less than twenty thousand (20,000) miles.

"(3) The gross annual receipts as herein used shall be the actual gross annual receipts to the Company from whatever source derived, either directly or indirectly, in any manner, out of or in connection with the operation of the routes herein authorized. Provided, however, if said route is operated in conjunction with any other route or routes of the Company not described in this contract, then the gross annual receipts shall be deemed to be the cash fares collected on said route plus that proportion of the receipts of the Company from any other source, derived either directly or indirectly, in any manner out of or in connection with the operation of the route hereby authorized, as the number of bus miles per annum operated on the route hereby authorized bears to the total bus miles operated per annum by the Company upon all its routes within the City, unless some other method to determine the gross receipts shall be agreed to by the Company and the City.

"(4) If during any year ending September 30 the cost of operation of the route herein authorized shall exceed the gross receipts therefrom for that year, then the amount of the excess of cost of operation over such gross receipts shall be deducted from the payments due the City for that year required by the first or original grant to the Company by the Board of Estimate and Apportionment.

"(5) If during any year the total cost of operation of all the routes operated by the Company under rights and privileges applied for in compliance with orders of the Board pursuant to section 2, subdivision twenty-third, of the original grant to the Company, by the Board of Estimate and Apportionment exceeds for the corresponding year the aggregate of the gross receipts therefrom by a sum in excess of seventy-five (75) per cent. of the amount payable to the City by the Company pursuant to paragraphs designated as 2 and 3 of (b) in Section 2, Subdivision Second of the first or original grant to the Company by the Board of Estimate and Apportionment, then the Company shall have the right to discontinue and abandon one or more of such routes operated in compliance with such orders of the Board as is necessary to limit the loss to an amount which shall not be in excess of seventy-five (75) per cent. The routes to be abandoned shall be selected by the Board."

All other terms and conditions of such grant shall be the same as contained in this contract, unless otherwise mutually agreed to by the Company and the City, with, however, the following exceptions, omissions, changes and additions.

1. Section 2, subdivision second, clause (a) shall be changed so as to

within thirty (30) days from the date of such notice, or should the first two arbitrators fail to agree on the selection of the third arbitrator within thirty (30) days after the first two arbitrators shall be chosen, or if no two arbitrators so selected shall agree upon said amount or amounts within sixty (60) days after the arbitrators shall be so selected, then such amount or amounts may be fixed by a commission appointed by the Supreme Court on the application of either party."

9. Such additional provisions as may be required by reason of conditions peculiar to the operation of such extension or additional route and which may be agreed upon between the City and the Company.

Nothing contained in this subdivision shall apply to any extension or additional route for which a right and privilege is voluntarily applied for by the Company.

Twenty-fourth—If, in the opinion of the Board, it shall at any time during the term of this contract be deemed necessary that the Company operate upon streets or avenues other than those in which the Company is hereby authorized to operate, in substitution for any route or portion of a route herein authorized running in a general northerly and southerly direction, and not greater than one mile in length, or in substitution for any route herein authorized running in a general easterly and westerly direction, and the Board shall so order after a public hearing, notification of which shall be given to the Company at least ten (10) days prior to the date thereof, then the Company shall apply for the right to operate such substituted route or routes within thirty (30) days after the date of such order and accept a grant therefor upon the same terms and conditions as those contained herein for a term expiring not later than the date of the expiration of this contract, and upon receiving such grant the Company shall surrender the right to operate over the route for which such substitution has been made.

Twenty-fifth—The Company shall submit to the Board a verified report not later than November 1 of each year for the year ending September 30 next preceding, and at any other time, upon request of the Board, which shall state:

1. The amount of stock issued, for cash, for property.
2. The amount paid in as by last report.
3. The total amount of capital stock paid in.
4. The funded debt by last report.
5. The total amount of funded debt.
6. The floating debt as by last report.
7. The total amount of floating debt.
8. The total amount of funded and floating debt.
9. The average rate per annum of interest on funded debt.
10. Statement of dividends paid during the year.
11. The total amount expended for same.
12. The names of the directors elected at the last meeting of the corporation held for such purpose.
13. Location, value and amount paid for real estate owned by the Company as by last report.
14. Location, value and amount paid for real estate now owned by the Company.
15. Number of passengers carried during the year.
16. Number of bus miles operated during the year.
17. Total receipts of Company for each class of business.
18. Amounts paid by the Company for damage to persons or property on account of construction and operation.
19. Total expenses for operation, including salaries, and such other information in regard to the business of the Company as may be required by the Board.

Twenty-sixth—The Company shall at all times keep accurate books of account of its gross annual receipts and shall, on or before November 1 of each year, make a verified report to the Comptroller of the City of the business done by the Company, for the year ending September 30 next preceding, in such form as he may prescribe. Such report shall contain a statement of such gross annual receipts, the total miles in operation and the miles operated under this contract, and such other information as the Comptroller may require. The Comptroller shall have access to all books and papers of the Company for the purpose of ascertaining the correctness of its report, and may examine its officers and employees under oath.

Twenty-seventh—The Company shall keep accurate books of the performance of different types of vehicles and the different services rendered and the cost thereof, and shall at any time furnish the Board or its authorized representatives such information with respect thereto as shall be requested.

Twenty-eighth—In case of any violation or breach or failure to comply with any of the provisions herein contained or with any orders of the Board or its authorized representatives or any other official of the City acting under the powers herein reserved, the Board may serve upon the Company notice of default, specifying therein the particular default complained of, and directing the Company to cure the same within ninety days. If there shall be any dispute as to the fact of default or as to the remedying thereof, the Company may apply to the court. If the default shall not be remedied within such time, or within such further time as may be allowed by the Board or by the court the franchise herein granted may be declared forfeited by the Board.

Any false entry in the books of the Company or false statement in the reports to the Comptroller as to a material fact, knowingly made by the Company, shall constitute such a violation or breach or failure to comply with the provisions herein contained as to warrant the forfeiture of the right and privilege hereby granted.

Twenty-ninth—The Company shall assume all liability for damages to persons or property occasioned by reason of the maintenance and operation of the stages or omnibuses hereby authorized, and it is a condition of this contract that the City shall assume no liability whatsoever to either persons or property on account of the same, and the Company shall repay the City any damage which the City shall be compelled to pay by reason of any acts or default of the Company.

Thirtieth—This grant is upon the express condition that the Company, within thirty (30) days after the date on which this contract is signed by the Mayor, and before anything is done in exercise of the rights and privileges hereby granted, shall deposit with the Comptroller of the City the sum of thirty thousand dollars (\$30,000), either in money or securities to be approved by the Comptroller, which fund shall be security for the performance by the Company of all the terms and conditions of this contract and for its compliance with all orders of the Board and of the officials of the City acting under the powers herein reserved. Deductions may be made from the said fund as hereinbefore provided.

(a) Should the Company, within such time after notice as may be herein prescribed, or, where no time is prescribed, within such time as the Board or the proper official of the City may hereafter prescribe, fail to comply with the provisions of this contract, or with the orders of the Board or of the officials of the City herein named or referred to, relating to the removal of snow and ice, the City shall have the right to

cause the work to be done or the defect remedied and to reimburse itself for the cost of such work, by deducting such cost, with interest, from the security fund hereinabove provided for. Such deduction shall be made by the Comptroller upon the direction of the Board.

(b) Should the Company, within ten (10) days after demand has been made upon it, fail to repay to the City any damages caused to persons or property which the City shall be compelled to pay by reason of the maintenance or operation of the stages or omnibuses, or by reason of any acts or defaults of the Company in connection therewith, the City shall have the right to collect such costs or damages, with interest, by deducting the amount of the same, with interest, from the security fund hereinabove provided for. Such deduction shall be made by the Comptroller upon the direction of the Board.

(c) Should the Company fail to pay to the City the annual charges required to be paid by this contract, within the time fixed for the payment thereof, the City shall have the right to collect the amount of such charges, with interest, by deducting the same from the security fund hereinabove provided for. Such deduction shall be made by the Comptroller without further or other direction.

(d) Should the Company fail to comply with the provisions of this contract, or with the orders of the Board or of the officials of the City herein named or referred to, then the Company may be required to pay to the City, as liquidated damages for each breach or violation, the following sums:

For failure to maintain the headway as herein prescribed, or to properly heat or light its vehicles, the sum of fifty dollars (\$50) per day for each day of violation, and the further sum of ten dollars (\$10) per day for each vehicle which shall not be operated, heated, or lighted in compliance with this contract, or with the orders of the Board or of the officials of the City having jurisdiction.

For failure to give efficient public service at rates herein fixed, or to maintain its vehicles and equipment in good condition throughout the whole term of this contract, the sum of two hundred and fifty dollars (\$250) for each day during which the default of defect remains.

For failure to comply with any other provision of this contract as to which liquidated damages are not fixed herein, the sum of fifty dollars (\$50) per day for each day during which such failure or default remains.

All of such sums may be collected by deducting the same from the security fund hereinabove provided for.

The procedure for the collection of such liquidated damages shall be as follows:

Whenever the Board shall have knowledge of any such breach or violation on the part of the Company, the Board shall give notice to the Company, specifying the nature of such breach or violation and the amount of liquidated damages which it is proposed to collect therefrom, and directing its president or other officer to appear before the Board on a certain day, not less than ten (10) days after the service of such notice, to show cause why the Company should not be required to pay such liquidated damages in accordance with the foregoing provisions. If the Company fails to make an appearance, or, after a hearing, appears in the judgment of the Board to be in fault, the Board shall forthwith direct the Comptroller to collect such liquidated damages by deducting the amount of the same from the security fund hereinabove provided for.

(e) In case of any deduction from the security fund pursuant to this contract, either for the reimbursement of the City for work done by it or amounts expended by it on behalf of the Company, or amounts paid by it to any person by reason of any act or default of the Company, or for the collection by it of the annual charges or of liquidated damages, the same shall be in addition to the City's right, as herein reserved, to forfeit the right and privilege hereby granted.

(f) Should the right and privilege hereby granted be forfeited pursuant to the provisions of this contract, or should such right and privilege be terminated upon the dissolution of the Company as herein provided, the security fund hereinabove provided for shall be forfeited to the City as liquidated damages for failure of the Company to perform this contract pursuant to the terms hereof.

(g) No action or proceeding or right under the provisions of this subdivision shall affect any other legal rights, remedies or causes of action belonging to the City, nor the right of the Company to apply to the courts for a review of the fact of default or the remedying thereof.

The provisions for the reimbursement of the City for work done by it or amounts expended by it on behalf of the Company, or amounts paid by it to any person by reason of any act or default of the Company, or for the collection by it of the annual charges or of liquidated damages, are and shall be in addition to the City's right, as herein reserved, to forfeit the right and privilege hereby granted.

(h) The words "notice," "order," or "direction," wherever used in this contract, shall be deemed to mean a written notice, order or direction. Every such notice, order or direction to be served upon the Company shall be delivered at such office in the City as shall have been designated by the Company, or if no such office shall have been designated, or if such designation shall have for any reason become inoperative, shall be mailed in the City, postage prepaid, addressed to the Company at the City. Delivery or mailing of such notice, order or direction as and when above provided shall be equivalent to direct personal notice, order or direction, and shall be deemed to have been given at the time of delivery or mailing.

(i) The words "streets or avenues" and "streets and avenues," wherever used in this contract, shall, unless otherwise herein specified, be deemed to mean streets, avenues, highways, parkways, driveways, concourses, boulevards, bridges, viaducts, tunnels, public places or any other property to which the City has title encountered by the streets and avenues upon which or in which authority is hereby given to the Company to operate stages or omnibuses.

(j) The words "waiver or surrender" by either the City or the Company, or by either party hereto against the other party, existing on or prior to the date on which this contract is signed by the Mayor. This provision is intended to prevent a waiver or surrender by either the City or the Company of any rights, privileges, claims, damages, suits, damages, penalties or forfeitures held or possessed by the Company on or prior to the date on which this contract is signed by the Mayor. This provision is intended to prevent a waiver or surrender by either the City or the Company of any rights, privileges, claims, damages, suits, damages, penalties or forfeitures held or possessed by the Company on or prior to the date on which this contract is signed by the Mayor. In the

event of the termination of the rights and privileges hereby granted, whether by default, forfeiture, expiration or otherwise, no rights or privileges of the Company, other than those conferred by this contract, shall be deemed affected by the fact that the Company has become a party to this contract.

Section 4. Nothing in this contract shall be construed as in any way limiting the present or future jurisdiction of the Public Service Commission under the Laws of the State of New York. Neither shall anything herein contained prevent the Company from asserting or relying on any contractual right it may possess under this contract. The City, however, shall in no event be liable to the Company, in damages or otherwise, because of, owing to, or caused by the fact that the Company has become a party to this contract.

Section 5. The Company promises, covenants and agrees on its part and behalf during the entire term of this contract, whether original or renewal, to conform to and abide by and perform all the terms, conditions and requirements in this contract fixed and contained.

In WITNESS WHEREOF, the party of the first part, by its Mayor, thereunto duly authorized by the Board of Estimate and Apportionment of said City, has caused the corporate name of said City to be hereunto signed and the corporate seal of said City to be hereunto affixed; and the party of the second part, by its officers, thereunto duly authorized, has caused its corporate name to be hereunto signed and its corporate seal to be hereunto affixed, the day and year first above written.

THE CITY OF NEW YORK, Mayor

[CORPORATE SEAL]

Attest: City Clerk, FIFTH AVENUE COACH COMPANY,

By President, [SEAL]

Attest: Secretary, (Here add acknowledgments.)

Resolved, That the results of the inquiry made by this Board as to the money value of the franchise or right proposed to be granted and the adequacy of the compensation proposed to be paid therefor and of the terms and conditions, including the provisions as to rates, fares and charges, are as hereinbefore specified and fully set forth in and by the foregoing form of proposed contract for the grant of such franchise or right.

Resolved, That these preambles and resolutions, including the said resolution for the grant of a franchise or right applied for by the Fifth Avenue Coach Company, and the said form of a proposed contract for the grant of such franchise or right, containing said results of such inquiry, after the same shall be entered in the minutes of this Board, shall be published in full for at least fifteen (15) days immediately prior to Friday, December 28, 1917, in the City Record, together with the following notice, to wit:

Notice Is Herby Given that the said resolution for the grant of the franchise or right applied for by the Fifth Avenue Coach Company and fully set forth and described in the foregoing form of proposed contract for the grant of such franchise or right, and before adopting any resolutions authorizing such contract, will, at a meeting of said Board to be held in Room 16, City Hall, Borough of Manhattan, City of New York, on Friday, December 28, 1917, at 10:30 o'clock a. m., hold a public hearing thereon at which citizens shall be entitled to appear and be heard.

Resolved, That a notice of such hearing, stating that copies of the proposed contract and resolution of consent thereto may be obtained by all those interested therein, at the Bureau of Franchises, Room 1307, Municipal Building, Centre and Chambers sts., Borough of Manhattan, shall be published at least twice, at the expense of the proposed grantee, during the ten (10) days immediately prior to Friday, December 28, 1917, in the "Evening Sun" and "New York Times," the two daily newspapers in which the petition and notice of hearing thereon have been published.

JAMES D. McGANN, Assistant Secretary, Room 1307, Municipal Building. Telephone 4560 Worth.

Dated, New York, November 30, 1917 d10.28

#### FIRE DEPARTMENT.

##### Proposals.

SEALED BIDS WILL BE RECEIVED BY THE FIRE COMMISSIONER at his office, 11th floor, Municipal Building, Manhattan, until 10:30 a. m. on

WEDNESDAY, JANUARY 2, 1918,  
FOR FURNISHING AND DELIVERING PNEUMATIC TIRES, TUBES AND SOLID RUBBER TIRES.

The time allowed for the performance of the contract is on or before Dec. 31, 1918.

The amount of security required for the performance of the contract is thirty per cent (30%) of the total amount for which the contract is awarded.

No bid will be considered unless it is accompanied by a deposit, which shall be in the form of money or a certified check upon one of the State or National banks or trust companies in the City of New York, or a check of such bank or trust company, signed by a duly authorized officer thereof, drawn to the order of the Comptroller, or corporate stock or other certificates of indebtedness of any nature issued by The City of New York and approved by the Comptroller.

Such deposit shall be in an amount not less than one and one-half per cent. (1 1/2%) of the total amount of the bid.

The bidder will state the price per unit for each item under those classes for which he desires to bid, as called for in the schedule of quantities and prices, by which the bids will be tested. The extensions must be made and footed up, as the bids will be read from the total and awards, if made, will be made to the lowest bidder on each item or class, as stated in the schedules.

Bids must be submitted in duplicate, each copy in a separate envelope. No bid will be accepted unless this provision is complied with.

Specifications referred to in the schedules may be had upon application at the office of the Bureau of Contract Supervision, Room 1327, Municipal Building, Manhattan.

Blank forms and further information may be obtained at the office of the Central Purchase Committee, 12th floor, Municipal Building, Manhattan.

DEPARTMENT OF PUBLIC CHARITIES, JOHN A. KINGSTON, Commissioner.

DEPARTMENT OF CORRECTION, BURDETTE G. LEWIS, Commissioner.

DEPARTMENT OF WATER SUPPLY, GAS AND ELECTRICITY, WILLIAM WILLIAMS, Commissioner.

BELLEVUE AND ALLIED HOSPITALS, JOHN W. BRANNAN, M. D., President.

POLICE DEPARTMENT, ARTHUR WOODS, Commissioner.

FIRE DEPARTMENT, ROBERT ADAMSON, Commissioner.

d14.27

#3 See General Instructions to Bidders on last page, last column, of the "City Record," except for the address of the office for receiving and opening bids.

#### BOARD OF ASSESSORS.

##### Completion of Assessments.

PUBLIC NOTICE IS HEREBY GIVEN TO THE OWNER OR OWNERS OF ALL HOUSES AND LOTS, IMPROVED AND UNIMPROVED LANDS AFFECTED THEREBY, THAT THE FOLLOWING PROPOSED ASSESSMENTS HAVE BEEN COMPLETED AND ARE LODGED IN THE OFFICE OF THE BOARD OF ASSESSORS FOR EXAMINATION BY ALL PERSONS INTERESTED, VIZ.:

Borough of Manhattan.

5639. Paving and Curbing W. 190th st. from St. Nicholas Avenue to Wadsworth ave., and Basins on the northeast corner 190th st. and Wadsworth ave. Affecting Blocks 2168 and 2169.

5640. Paving and Curbing Cooper st. from Academy st. to 204th st., and Basins on Cooper st. at the northwest corner Academy st. and at the southwest corner 204th st. Affecting Blocks 2238 and 2239.

5641. Paving and Curbing 209th st. from 10th ave. to the Harlem River, and Basins at all four corners of 209th st. and 9th ave. Affecting Blocks 2189, 2190, 2205 and 2206.

5642. Basins at the southeast corner of Pleasant and 124th st. Affecting Block 1819.

5643. Alteration and Improvement to Sewer in Spruce st. between Gold st. and Nassau st. Affecting Blocks 93, 94 and 99 to 103.

Borough of The Bronx.

5729. Regulating, Grading, Curbing and Flagging W. 180th st. from Loring pl. to University ave. Affecting Blocks 3216, 3221, 3222 and 3229.

5828. Sewer and appurtenances in Byron ave. between E. 237th st. and E. 235th st. Affecting Blocks 4999, 5044 and 5045.

Borough of Queens.

5560. Paving and Curbing 9th ave. from Broadway to Jamaica ave., 1st Ward. Affecting Blocks 164 and 171.

5623. Regulating, Grading, Curbing, Flagging, Paving, etc., Toledo st. from Corona ave. to Justice st., 2nd Ward, together with an award for damages caused by a change of grade. Affecting Blocks 932 to 935, 937 to 944, 946 to 9

5855. Sewer and appurtenances in Castleton ave. between Glen ave. and a point about 185 feet east of Webster ave., First Ward. Affecting Blocks 110, 113 and 114.

**Borough of Brooklyn.**

5705. Repairing sidewalks at the following locations: Chester st., Nos. 202-204; Clay st., No. 81; Diamond st., No. 101; Franklin st., Nos. 43 and 238-40 and southeast corner Freeman st.; Freeman st., No. 145; Fulton st., Nos. 2139 and 2141 and northwest corner Sackman st.; Greenpoint ave., No. 179; Java st., No. 191; Kent ave., Nos. 90 and 303-05 and southeast corner North 9th st.; Manhattan ave., No. 406; Meeker ave., Nos. 2-8; Milton st., northwest corner Manhattan ave.; Meserole ave., northeast corner Franklin st.; Metropolitan ave., Nos. 432 and 466 and southeast corner Marcus ave.; Newell st., Nos. 45-49; St. Marks ave., No. 1615; Somers st., Nos. 70, 70½, 72, 72½ and 74; South 1st st., No. 323, and northeast corner Rodney st.; South 2nd st., Nos. 275-277; Sutter ave., Nos. 326-332, and southeast and southwest corners Watkins st.; Wythe ave., Nos. 350-352 and southwest corner South 2nd st.; 14th ave., No. 4301 and south corner of 43rd st.; 51st st., Nos. 349; 53rd st., Nos. 539; and 55th st., No. 565. Accepting property in front of which work was done.

5754. Regulating and Grading the sidewalk space and Flagging 86th st. from 3rd ave. to 5th ave. Affecting Block 6034, 6035, 6044 and 6045.

5756. Paving 35th st. from 14th ave. to West st. Affecting Blocks 5350 and 5351.

5776. Regulating, Grading and Curbing Durvea pl. from Flatbush ave. to E. 22nd st. Affecting Block 5132.

5778. Paving 10th ave. from 68th st. to Bay Ridge ave. (69th st.). Affecting Blocks 5764, 5765, 5773 and 5772.

5779. Regulating, Grading, Curbing and Flagging 20th ave. from 76th st. to 78th st. Affecting Blocks 6239, 6240, 6250 and 6251.

5786. Paving Carroll st. from Albany ave. to about 270 feet west. Affecting Blocks 1286 and 1293.

5806. Basin on 17th ave. at the south corner of 80th st. Affecting Block 6284.

5853. Sewer in Avenue H from Ocean ave. about 150 feet. Affecting Blocks 6694 and 6703.

5854. Sewer in E. 36th st. from Avenue L to Kings Highway. Affecting Blocks 7653 and 7654.

All persons whose interests are affected by the above named proposed assessments and who are opposed to the same, or either of them, are requested to present their objections in writing to the Board of Assessors, Room 809, Municipal Building, Manhattan, New York, on or before Tuesday, Jan. 15, 1918, at 10 a. m., at which time and place the said objections will be heard and testimony received in reference thereto.

WILLIAM C. ORMOND, JACOB J. LESSER, ST. GEORGE B. TUCKER, Board of Assessors, Dec. 15, 1917.

d15,27

**BELLEVUE AND ALLIED HOSPITALS, DEPARTMENTS OF PUBLIC CHARITIES, POLICE, CORRECTION, HEALTH, PARKS, MANHATTAN AND RICHMOND; PARKS, BRONX; WATER SUPPLY, GAS AND ELECTRICITY, AND FIRE.**

**Proposals.**

SEALED BIDS WILL BE RECEIVED BY Bellevue and Allied Hospitals and the Departments of Public Charities, Police, Correction, Health; Parks, Manhattan and Richmond; Parks, Bronx; and the Department of Water Supply, Gas and Electricity and Fire Department, at the office of the Central Purchase Committee, Room 1220, Municipal Building, Manhattan, until 12.30 p. m.

**THURSDAY, DECEMBER 27, 1917.** FOR FURNISHING AND DELIVERING CLEANING MATERIALS AND COMPOUNDS. The time for the performance of the contract is on or before March 31, 1918.

The amount of security required is thirty per cent. of the contract amount awarded. No bid shall be considered unless it is accompanied by a deposit. Such deposit shall be in an amount not less than one and one-half per cent. of the total amount of the bid.

The bidder will state the price per unit, as called for in the schedules of quantities and prices, by which the bids will be tested. The extensions must be made and footed up, as the bids will be read from the total and awards, if made, made to the lowest bidder on each item or class, as stated in the schedules.

Bids must be submitted in duplicate, each copy in a separate envelope. No bid will be accepted unless this provision is complied with.

Specifications referred to in the schedules may be had upon application at the office of the Bureau of Contract Supervision, Room 1327, Municipal Building, Manhattan.

Blank forms and further information may be obtained at the office of the Central Purchase Committee, 12th floor, Municipal Building, Manhattan.

BELLEVUE AND ALLIED HOSPITALS, JOHN W. BRANNAN, M. D., President.

DEPARTMENT OF PUBLIC CHARITIES, JOHN A. KINGSBURY, Commissioner.

POLICE DEPARTMENT, ARTHUR WOODS, Commissioner.

DEPARTMENT OF CORRECTION, BURDETTE G. LEWIS, Commissioner.

DEPARTMENT OF HEALTH, HAVEN EMERSON, M. D., Commissioner.

DEPARTMENT OF PARKS, MANHATTAN AND RICHMOND, ROBERT F. VOLINTE, Commissioner.

DEPARTMENT OF PARKS, BRONX, THOMAS W. WHITTLE, Commissioner.

DEPARTMENT OF WATER SUPPLY, GAS AND ELECTRICITY, WILLIAM WILLIAMS, Commissioner.

FIRE DEPARTMENT, ROBERT ADAMSON, Commissioner.

**g7See General Instructions to Bidders on last page, last column, of the "City Record," except for the address of the office for receiving and opening bids.**

**BELLEVUE AND ALLIED HOSPITALS, DEPARTMENTS OF PUBLIC CHARITIES, HEALTH, FIRE, POLICE, PLANT AND STRUCTURES, WATER SUPPLY, GAS AND ELECTRICITY, PARKS, QUEENS; CORRECTION, STREET CLEANING, PARKS, MANHATTAN AND RICHMOND; PARKS, BROOKLYN, AND BRONX.**

**Proposals.**

SEALED BIDS WILL BE RECEIVED BY Bellevue and Allied Hospitals, Department of Public Charities, Department of Health, Fire Department, Police Department, Departments of Plant and Structures, Water Supply, Gas and Electricity; Parks, Queens; Correction, Street Cleaning; Parks, Manhattan and Richmond; Parks, Brooklyn, and Parks, Bronx, at the office of the Central Purchase Committee, Room 1220, Municipal Building, Manhattan, until 12.30 p. m.

**THURSDAY, DECEMBER 27, 1917.** FOR FURNISHING AND DELIVERING GASOLINE AND KEROSENE.

The time for the performance of the contract is on or before March 31, 1918.

The amount of security required is thirty per cent. of the contract amount awarded. No bid shall be considered unless it is accompanied by a deposit. Such deposit shall be in an amount not less than one and one-half per cent. of the total amount of the bid.

The bidder will state the price per unit, as called for in the schedules of quantities and prices, by which the bids will be tested. The extensions must be made and footed up, as the bids will be read from the total and awards, if made, made to the lowest bidder on each item or class, as stated in the schedules.

Bids must be submitted in duplicate, each copy in a separate envelope. No bid will be accepted unless this provision is complied with.

Specifications referred to in the schedules may be had upon application at the office of the Bureau of Contract Supervision, Room 1327, Municipal Building, Manhattan.

Blank forms and further information may be obtained at the office of the Central Purchase Committee, 12th floor, Municipal Building, Manhattan.

JOINING THE MUNICIPAL ASPHALT PLANT, 7TH ST. ST. BASIN, GOWANUS CANAL, NO. 9, FOR FURNISHING AND DELIVERING 550 TONS OF PAVING PITCH.

To be delivered as follows:

250 tons to corporation yard, Wallabout Basin, foot of Hewes st.

50 tons to yard adjoining the Municipal Asphalt Plant, 7th St. Basin, Gowanus Canal.

25 tons to corporation yard, Hopkinson ave., near Marion st.

100 tons to corporation yard, N. 8th st., near Union ave.

100 tons to corporation yard, DeKalb ave., near Irving ave.

25 tons to corporation yard, 19th ave. and 56th st.

NO. 10, FOR FURNISHING AND DELIVERING 17,000 CUBIC YARDS OF ASPHALT SAND.

To be delivered to the yard adjoining the Municipal Asphalt Plant, 7th St. Basin, Gowanus Canal.

NO. 11, FOR FURNISHING AND DELIVERING 7,000 CUBIC YARDS OF PAVING SAND.

To be delivered as follows:

2,000 cubic yards to corporation yard, Wallabout Basin, foot of Hewes st.

1,000 cubic yards to yard adjoining the Municipal Asphalt Plant, 7th St. Basin, Gowanus Canal.

1,000 cubic yards to corporation yard, 19th ave. and 56th st.

500 cubic yards to corporation yard, Neck rd. and Gravesend ave.

NO. 12, FOR FURNISHING AND DELIVERING 7,500 CUBIC YARDS OF BINDER STONE.

To be delivered to the Municipal Asphalt Plant, 7th St. Basin, Gowanus Canal.

1,000 cubic yards to corporation yard, Hopkinson ave., near Marion st.

800 cubic yards to corporation yard, N. 8th st., near Union ave.

700 cubic yards to corporation yard, DeKalb ave., near Irving ave.

1,000 cubic yards to corporation yard, 19th ave. and 56th st.

500 cubic yards to corporation yard, Neck rd. and Gravesend ave.

NO. 13, FOR FURNISHING AND DELIVERING 6,000 CUBIC YARDS OF ONE AND ONE-HALF INCH BROKEN STONE FOR CONCRETE.

To be delivered as follows:

1,800 cubic yards to corporation yard, Wallabout Basin, foot of Hewes st.

500 cubic yards to corporation yard, 19th ave. and 56th st.

1,000 cubic yards to yard adjoining the Municipal Asphalt Plant, 7th St. Basin, Gowanus Canal.

NO. 14, FOR FURNISHING AND DELIVERING 6,000 CUBIC YARDS OF ONE AND ONE-HALF INCH BROKEN STONE FOR CONCRETE.

To be delivered as follows:

1,800 cubic yards to corporation yard, Wallabout Basin, foot of Hewes st.

500 cubic yards to corporation yard, 19th ave. and 56th st.

1,000 cubic yards to yard adjoining the Municipal Asphalt Plant, 7th St. Basin, Gowanus Canal.

NO. 15, FOR FURNISHING AND DELIVERING 6,000 CUBIC YARDS OF ONE AND ONE-HALF INCH BROKEN STONE FOR CONCRETE.

To be delivered as follows:

1,800 cubic yards to corporation yard, Wallabout Basin, foot of Hewes st.

500 cubic yards to corporation yard, 19th ave. and 56th st.

1,000 cubic yards to yard adjoining the Municipal Asphalt Plant, 7th St. Basin, Gowanus Canal.

NO. 16, FOR FURNISHING AND DELIVERING 6,000 CUBIC YARDS OF ONE AND ONE-HALF INCH BROKEN STONE FOR CONCRETE.

To be delivered as follows:

1,800 cubic yards to corporation yard, Wallabout Basin, foot of Hewes st.

500 cubic yards to corporation yard, 19th ave. and 56th st.

1,000 cubic yards to yard adjoining the Municipal Asphalt Plant, 7th St. Basin, Gowanus Canal.

NO. 17, FOR FURNISHING AND DELIVERING 6,000 CUBIC YARDS OF ONE AND ONE-HALF INCH BROKEN STONE FOR CONCRETE.

To be delivered as follows:

1,800 cubic yards to corporation yard, Wallabout Basin, foot of Hewes st.

500 cubic yards to corporation yard, 19th ave. and 56th st.

1,000 cubic yards to yard adjoining the Municipal Asphalt Plant, 7th St. Basin, Gowanus Canal.

NO. 18, FOR FURNISHING AND DELIVERING 6,000 CUBIC YARDS OF ONE AND ONE-HALF INCH BROKEN STONE FOR CONCRETE.

To be delivered as follows:

1,800 cubic yards to corporation yard, Wallabout Basin, foot of Hewes st.

500 cubic yards to corporation yard, 19th ave. and 56th st.

1,000 cubic yards to yard adjoining the Municipal Asphalt Plant, 7th St. Basin, Gowanus Canal.

NO. 19, FOR FURNISHING AND DELIVERING 6,000 CUBIC YARDS OF ONE AND ONE-HALF INCH BROKEN STONE FOR CONCRETE.

To be delivered as follows:

1,800 cubic yards to corporation yard, Wallabout Basin, foot of Hewes st.

500 cubic yards to corporation yard, 19th ave. and 56th st.

1,000 cubic yards to yard adjoining the Municipal Asphalt Plant, 7th St. Basin, Gowanus Canal.

NO. 20, FOR FURNISHING AND DELIVERING 6,000 CUBIC YARDS OF ONE AND ONE-HALF INCH BROKEN STONE FOR CONCRETE.

To be delivered as follows:

1,800 cubic yards to corporation yard, Wallabout Basin, foot of Hewes st.

500 cubic yards to corporation yard, 19th ave. and 56th st.

1,000 cubic yards to yard adjoining the Municipal Asphalt Plant, 7th St. Basin, Gowanus Canal.

NO. 21, FOR FURNISHING AND DELIVERING 6,000 CUBIC YARDS OF ONE AND ONE-HALF INCH BROKEN STONE FOR CONCRETE.

To be delivered as follows:

1,800 cubic yards to corporation yard, Wallabout Basin, foot of Hewes st.

500 cubic yards to corporation yard, 19th ave. and 56th st.

1,000 cubic yards to yard adjoining the Municipal Asphalt Plant, 7th St. Basin, Gowanus Canal.

NO. 22, FOR FURNISHING AND DELIVERING 6,000 CUBIC YARDS OF ONE AND ONE-HALF INCH BROKEN STONE FOR CONCRETE.

To be delivered as follows:

1,800 cubic yards to corporation yard, Wallabout Basin, foot of Hewes st.

500 cubic yards to corporation yard, 19th ave. and 56th st.

1,000 cubic yards to yard adjoining the Municipal Asphalt Plant

extent, as near as possible, of the work required is as follows: Shoeing 31 draft horses, per month; shoeing 7 driving horses, per month.

The time for the completion of the work and the full performance of the contract is Jan. 1, 1918, to Dec. 31, 1918.

The amount of security required is Three Hundred Dollars (\$300).

NO. 2. FOR SHOEING THE HORSES IN STABLE "B," CLOVE RD., WEST NEW

BRIGHTON, S. I.

The Superintendent's estimate of the quantity and quality of the material, and the nature and extent, as near as possible, of the work required is as follows: Shoeing 26 draft horses, per month; shoeing 3 driving horses, per month.

The time for the completion of the work and the full performance of the contract is Jan. 1, 1918, to Dec. 31, 1918.

The amount of security required is Two Hundred and Fifty Dollars (\$250).

The contracts must be bid for separately, and the bids will be compared and the contract awarded at a lump or aggregate sum for each contract.

Bidders are requested to make their bids or estimates upon the blank form prepared by the President, a copy of which, with the proper envelope in which to enclose the bid, together with a copy of the contract, including the specifications, in the form approved by the Corporation Counsel, can be obtained upon application therefor at the office of the said President. Other information may be obtained at the office of the Commissioner of Public Works of the Borough of Richmond, Borough Hall, New Brighton, Borough of Richmond.

CHARLES D. VAN NAME, President.

Dated, DEC. 12, 1917. d14,27

*See General Instructions to Bidders on last page, last column, of the "City Record."*

### BOROUGH OF THE BRONX.

#### Proposals.

SEALED BIDS WILL BE RECEIVED BY the President of the Borough of The Bronx at his office, Municipal Building, Crotona Park, Tremont ave. and 3rd ave., until 10:30 a. m., on

THURSDAY, DECEMBER 27, 1917.

NO. 1. FOR REGULATING, GRADING AND REGRADING, SETTING AND RESETTING CURB, LAYING AND RELAYING SIDEWALKS, BUILDING OR REBUILDING INLETS, RECEIVING BASINS, DRAINS, CULVERTS AND APPROACHES WHERE NECESSARY IN UNIVERSITY AVE. FROM THE GRADE POINT 130.0 SOUTH OF FEATHERBED LANE TO THE NORTHERLY SIDE OF W. 174TH ST., TOGETHER WITH ALL WORK INCIDENTAL THERETO.

The Engineer's estimate of the work is as follows:

3,310 cubic yards earth excavation.

350 cubic yards rock excavation.

50 cubic yards filling.

200 linear feet new bluestone curb.

225 linear feet concrete curb (including main tenance for one year).

130 linear feet vitrified pipe drains, 12 inches in diameter.

1,000 feet (B. M.) timber.

340 linear feet old bluestone curb.

180 square feet new bluestone flagging.

1,600 square feet old flagging.

120 square feet old bridgestone.

35 cubic yards Class B concrete.

inlet, Type D.

The time allowed for the full completion of the work herein described will be 60 consecutive working days.

The amount of security required for the proper performance of the contract will be Twenty-eight Hundred Dollars (\$2,800).

NO. 2. FOR REGULATING, GRADING, SETTING CURB, LAYING SIDEWALKS AND CROSSWALKS, BUILDING INLETS, RECEIVING BASINS, DRAINS, CULVERTS, APPROACHES AND GUARD RAILS WHERE NECESSARY IN W. 174TH ST., FROM UNIVERSITY AVE. TO MONTGOMERY AVE., TOGETHER WITH ALL WORK INCIDENTAL THERETO.

The Engineer's estimate of the work is as follows:

2,360 cubic yards earth excavation.

2,770 cubic yards rock excavation.

715 cubic yards filling.

370 linear feet new bluestone curb.

900 square feet concrete sidewalk (including maintenance for one year).

30 cubic yards dry rubble masonry.

1,000 feet B. M. timber.

The time allowed for the full completion of the work herein described will be 90 consecutive working days.

The amount of security required for the proper performance of the contract will be Thirty-six Hundred Dollars (\$3,600).

NO. 3. FOR REGULATING, GRADING AND REGRADING, SETTING AND RESETTING CURB, LAYING AND RELAYING SIDEWALKS AND CROSSWALKS, BUILDING AND REBUILDING INLETS, RECEIVING BASINS, DRAINS, CULVERTS, APPROACHES AND GUARD RAILS WHERE NECESSARY AND PAVING AND REPAIRING WITH SHEET ASPHALT AND ASPHALT BLOCKS ON A CONCRETE FOUNDATION AND GRANITE BLOCKS ON A SAND FOUNDATION IN 3D AVE. FROM EAST 188TH ST. TO FORDHAM RD.; PARK AVE. EAST, FROM E. 188TH ST. TO 3D AVE.; PARK AVE. WEST, FROM E. 188TH ST. TO FORDHAM RD.; FROM PARK AVE. WEST TO WEBSTER AVE.; FORDHAM RD., FROM PARK AVE. WEST TO WEBSTER AVE., TOGETHER WITH ALL WORK INCIDENTAL THERETO.

The Engineer's estimate of the work is as follows:

1,600 cubic yards of excavation of all kinds.

25,000 cubic yards of filling.

1,400 linear feet of new bluestone curb.

2,600 linear feet of old bluestone curb.

4,800 square feet of new bluestone flagging.

4,800 square feet of old flagging.

5,900 square feet of concrete sidewalk (including maintenance for 1 year).

400 square feet of old bridgestone.

2,400 cubic yards of dry rubble masonry.

1,500 cubic yards of Class B concrete.

25 cubic yards of brick masonry.

6 receiving basins, Type B.

2 inlets.

300 linear feet of vitrified pipe drains, 12-inch diameter.

2,000 feet (B. M.) of timber.

2,500 linear feet of new guard rail.

890 square yards of old granite block pavement, relaid on a sand foundation with sand joints, outside of railroad area, and keeping the pavement in repair for one year from date of completion.

510 square yards of old granite block pavement, relaid on a sand foundation with sand joints, in railroad area.

5,100 square yards of sheet asphalt pavement (heavy traffic mixture) outside of railroad area, and keeping the pavement in repair for five years from date of completion.

1,130 square yards of sheet asphalt pavement (heavy traffic mixture), in railroad area.

1,130 square yards of old asphalt block pavement, relaid outside of railroad area, and keeping the pavement in repair for one year from date of completion.

730 square yards of old asphalt block pavement relaid in railroad area.

1,100 linear feet of parging.

The old granite block pavement to be relaid within and between the railroad tracks (about 390 square yards) and the parging may be omitted from this contract at the option of the City.

The time allowed for the full completion of the work herein described will be 225 consecutive working days.

The amount of security required for the proper performance of the contract will be Twenty-thousand Dollars (\$23,000).

The bidder will state the price of each item or article contained in the specification or schedules herein contained or hereto annexed, per linear foot, square foot, square yard, cubic yard, or other unit of measure by which the bids will be given.

The bids will be compared and each contract awarded at a lump or aggregate sum for the contract.

Each bid must be accompanied by a deposit in cash or certified check of 5 per cent. of the amount of the bond required as security for the proper performance of the contract bid for.

Blank forms of bids, upon which bids must be made, can be obtained upon application therefor, the plans and specifications may be seen and other information obtained at said office.

1/2 See General Instructions to Bidders on last page, last column, of the "City Record."

#### Auction Sale.

NOTICE OF SALE AT PUBLIC AUCTION, under the direction of Douglas Mathewson, President, Borough of The Bronx, on

WEDNESDAY, DECEMBER 26, 1917, at 11 a. m., at the stable of the Bureau of Sewers and Highways, Maintenance, 181st st. and Webster ave.

Lot No. 1—Contents of fish store: 1 fish counter, 1 chopping block, 2 pieces of hook rack.

Lot No. 2—Household furniture: 1 bedstead,

5 mattresses, 1 folding bed, 6 chairs, 2 tables, 1 washstand, 2 looking glasses, 1 saw, 2 washboards, 2 cuspids, cooking utensils.

Lot No. 3—Household furniture: 1 bureau and mirror, 1 iron bed, 1 bed spring, 1 mattress, 2 cribs, 1 small table, 1 sachet, 6 chairs, 1 bread box, 1 gas stove, kitchen utensils.

Lot No. 4—Household furniture: 2 chairs, 1 washstand, 2 desks, 1 typewriter, 1 small cylinder stove.

Lot No. 5—Household furniture: 1 wooden bedstead, 1 mattress, 1 bureau, 1 bed spring, 1 small kitchen table.

Lot No. 6—Contents of butcher shop: 2 butcher blocks, 1 icebox counter, 13 feet long, 1 lot fixtures.

Lot No. 7—Saloon fixtures: Broken back bar fixtures, 1 bar counter.

Lot No. 8—3 bootblack stands, 3 chairs.

Lot No. 9—1 push cart.

Lot No. 10—Contents of grocery store and furniture: 1 grocer's icebox, 2 counters, 2 coffee mills, 1 stove, small quantity of stock in open boxes.

Lot No. 11—Household furniture: 1 dresser, 1 cabinet chest, 7 chairs, 1 kitchen table, 2 iron beds, 2 bed springs, 3 mattresses, 1 brass bed, 1 rocker, 1 hat rack, 1 crib, 1 sideboard, 1 rug, 1 centre table, 1 ironing board and 1 small table, 1 washboard, 4 pictures, 1 hair broom, 1 basket rags, 1 lot kitchen utensils.

Lot No. 12—Grocery store fixtures: 4 hanging lamps, 1 sectional icebox, 1 cash desk, 1 trunk.

Lot No. 13—Saloon fixtures: 1 back bar (broken), 1 back bar mirror (broken), 1 small mirror.

Lot No. 14—1 lot scrap iron (about 7 tons, more or less).

Lot No. 15—1,352 lbs. old rubber tires.

Lot No. 16—197 lbs. inner tubes.

Lot No. 17—170 lbs. solid rubber.

Lot No. 18—1 Locomobile (Commercial, 30 H. P., 1909).

Lot No. 19—1 pile of old rubber boots (235 lbs., more or less).

Lot No. 20—1 pile of cast iron scrap (about 5 tons).

Lot No. 21—1 pile old rubber hose.

Lot No. 22—Fence rail (36 feet), iron posts (5) strop rails, 5 ft. by 16 feet (2 pieces), taken from No. 1093 Washington ave.

Lot No. 23—Railing, iron pipe (16 feet), taken from No. 1134 Washington ave.

Lot No. 24—Railing, iron (17 feet), iron posts (2), taken from No. 1244 Washington ave.

Lot No. 25—Railing, iron (19 feet), strop rail (9 feet), brass top (9 feet), taken from No. 1685 Washington ave.

Lot No. 26—Railing, iron (7 feet), iron posts (2), taken from No. 1924 Washington ave.

Lot No. 27—Railing, iron (22 feet), iron posts (2), taken from N. E. Cor. Tremont and Washington ave.

Lot No. 28—Railing, pipe (6 feet), taken from No. 1929 Washington ave.

Lot No. 29—Railing, iron (53 feet), iron posts (6), taken from No. 2188 Washington ave.

Lot No. 30—Fence, iron (25 feet), taken from No. 2330 Washington ave.

Lot No. 31—Railing, iron (22 feet), hand rails, brass, 5 feet (2), iron posts (4), taken from No. 1687 Washington ave.

Lot No. 32—Fence, iron (48 feet), taken from No. 1699 Washington ave.

Lot No. 33—Fence, iron (20 feet), taken from No. 1703 Washington ave.

Lot No. 34—1 old couple.

Lot No. 35—1 iron boiler.

#### TERMS OF SALE.

All property shall be sold "as is." Cash payments or bankable funds at the time and place of sale, and the removal of the materials within 48 hours from the date of sale. If the purchaser or purchasers do not comply with the above conditions of removal they shall forfeit their or their purchase money and the ownership of the articles purchased, which will thereafter be resold for the benefit of the City.

The City will not be liable for any loss or damage to property sold between the time of sale and time of removal.

And the President of the Borough of The Bronx reserves the right on the day of sale to withdraw from the sale any of the articles and materials or reject all bids.

DOUGLAS MATHEWSON, President.

#### PUBLIC SERVICE COMMISSION.

##### Invitation to Contractors.

For the Station Finish Work for Parts of the Broadway-Fourth Avenue and Seventh Avenue-Lexington Avenue Rapid Transit Railroads.

SEALED BIDS OR PROPOSALS FOR THE construction of station finish for four (4) stations on parts of the Broadway-Fourth Avenue and Seventh Avenue-Lexington Avenue Rapid Transit Railroads, in the Boroughs of Manhattan and Brooklyn, will be received by the Public Service Commission for the First District (hereinafter called the "Commission") on behalf of

The City of New York at the office of the Commission at No. 120 Broadway, Borough of Manhattan, New York City, until the 26th day of December, 1917, at eleven thirty (11:30) o'clock a. m., at which time and place or at a later date to be fixed by the Commission, the proposals will be publicly opened.

Said parts of the railroads extend under Trinity pl., private property, Whitehall st., East River,



of BATH AVENUE from the line between the former towns of New Utrecht and Gravesend to Stillwell avenue, excepting the right-of-way of the Brooklyn, Bath and West End Railroad, in the 31st Ward, Borough of Brooklyn, The City of New York.

NOTICE IS HEREBY GIVEN THAT THE bill of costs, charges and expenses incurred by reason of the proceedings in the above entitled matter will be presented for taxation to one of the Justices of the Supreme Court of the State of New York, Second Department, at a Special Term thereof, to be held at the Garfield Building, No. 26 Court street, in the Borough of Brooklyn, in The City of New York, on the 31st of December, 1917, at 10 o'clock in the forenoon of that day, or as soon thereafter as Council can be heard thereon; and that the said bill of costs, charges and expenses has been deposited in the office of the Clerk of the County of Kings, there to remain for and during the space of ten days, as required by law.

Dated, New York, December 17, 1917.

JOHN N. HARMAN, FRANCIS A. McCLOSKEY, JAMES CUNNINGHAM, Commissioners of Estimate; JOHN N. HARMAN, Commissioner of Assessment.

ANDREW C. TROY, Clerk.

d17.28

Filing Preliminary Abstracts.

In the Matter of the Application of The City of New York, relative to acquiring title, wherever the same has not been heretofore acquired for the same purpose in fee, to the lands, tenements and hereditaments required for the opening and extending of THEODORE STREET, from Astoria (Flushing) avenue to the bulkhead line of the East River, in the 2nd Ward, Borough of Queens, City of New York.

NOTICE IS HEREBY GIVEN TO ALL persons interested in the above entitled proceeding, and to the owner or owners, occupant or occupants, of all houses and lots and improved and unimproved lands affected thereby, and to all others whom it may concern, to wit:

First.—That the undersigned, Commissioners of Estimate, have completed their estimate of damage, and that all persons interested in this proceeding, or in any of the lands, tenements and hereditaments and premises affected thereby, having any objection thereto, do file their said objections in writing, duly verified, with them at their office, in the Municipal Building, Court House Square, Long Island City, in the Borough of Queens, in The City of New York, on or before the 10th day of January, 1918, and that the said Commissioners will hear parties so objecting, and for that purpose will be in attendance at their said office on the 14th day of January, 1918, at 3 o'clock p. m.

Second.—That the undersigned, Commissioner of Assessment, has completed his estimate of benefit and that all persons interested in this proceeding, or in any of the lands, tenements and hereditaments and premises affected thereby, having any objection thereto, do file their said objections in writing, duly verified, with him at his office, in the Municipal Building, Court House Square, Long Island City, in the Borough of Queens, in The City of New York, on or before the 10th day of January, 1918, and that the said Commissioner will hear parties so objecting, and for that purpose will be in attendance at his said office on the 15th day of January, 1918, at 3 o'clock p. m.

Third.—That the Commissioner of Assessment has assessed any or all such lands, tenements and hereditaments and premises as are within the area of assessment fixed and prescribed as the area of assessment for benefit by the Board of Estimate and Apportionment on the 1st day of July, 1915, and that the said area of assessment includes all those lands, tenements and hereditaments and premises situate and being in the Borough of Queens, in The City of New York, which, taken together, are bounded and described as follows, viz:

Beginning at a point on the bulkhead line of the East River where it is intersected by a line midway between Steinway avenue and Theodore street, running thence southwardly along the said bulkhead line to the intersection with a line midway between Theodore street and 15th avenue; thence southwardly along the said line midway between Theodore street and 15th avenue to the intersection with the center line of Berrian avenue; thence northwardly along the center line of Berrian avenue to the intersection with the prolongation of a line midway between Theodore street and 15th avenue; thence westwardly along the center line of Riker avenue to the intersection with a line midway between Theodore street and 15th avenue; thence northwardly along the center line of Riker avenue to the intersection with a line midway between Steinway avenue and Theodore street; thence northwardly along the said line midway between Steinway avenue and Theodore street, to the point of beginning.

Fourth.—That the abstracts of said estimate of damage and of said assessment for benefit, together with the damage and benefit maps, and also all the affidavits, estimates, proofs and other documents used by the Commissioners of Estimate and by the Commissioner of Assessment in making the same, have been deposited in the Bureau of Street Openings in the Law Department of The City of New York, in the Municipal Building, Court House Square, Long Island City, in the Borough of Queens, in said City, there to remain until the 7th day of January, 1918.

Third.—That the undersigned, Commissioners of Estimate, have completed their estimate of damage, and that all persons interested in this proceeding, or in any of the lands, tenements and hereditaments and premises affected thereby, having any objection thereto, do file their said objections in writing, duly verified, with them at their office, No. 166 Montague street, in the Borough of Brooklyn, in The City of New York, on or before the 26th day of February, 1918, at the opening of the Court on that day.

Fourth.—That the abstracts of said estimate of damage and of said assessment for benefit, together with the damage and benefit maps, and also all the affidavits, estimates, proofs and other documents used by the Commissioners of Estimate and by the Commissioner of Assessment in making the same, have been deposited in the Bureau of Street Openings in the Law Department of The City of New York, in the Municipal Building, Court House Square, Long Island City, in the Borough of Queens, in said City, there to remain until the 14th day of January, 1918.

Fifth.—That, provided there be no objections filed to either of said abstracts, the supplemental and amended final report herein will be presented to the Supreme Court of the State of New York, Second Department, at a Special Term thereof for the hearing of motions, to be held in the County Court House in the Borough of Brooklyn, in The City of New York, on or before the 26th day of February, 1918, at the opening of the Court on that day.

Dated, New York, December 10, 1917.

HARRY H. HUBER, Chairman; JOHN K. GILLETTE, FRANK E. LOSEE, Commissioners of Estimate; HARRY I. HUBER, Commissioner of Assessment.

WALTER C. SHEPPARD, Clerk.

d20.28

In the Matter of the Application of The City of New York, relative to acquiring title, wherever the same has not been heretofore acquired, to the lands and premises required for the opening and extending of EIGHTEENTH AVENUE (although not yet named by proper authority), from Jackson avenue to the East River, in the First Ward, Borough of Queens,

in the City of New York, as amended by an order of this Court bearing the 11th day of October, 1911, and entered in the office of the Clerk of the County of Queens on the 13th day of October, 1911, so as to relate to said Eighteenth avenue, from Jackson avenue to Berrian avenue, in accordance with the resolution adopted by the Board of Estimate and Apportionment on the 15th day of June, 1911.

WE, THE UNDERSIGNED COMMISSIONERS of Estimate and Assessment in the above entitled matter, hereby give notice to all persons interested in this proceeding, and to the owner or owners, occupant or occupants of all houses and lots and improved and unimproved lands affected thereby, and to all others whom it may concern,

First.—That we have completed our supplemental and amended estimate as to Damage No. 391 and assessments for benefit, and that all persons interested in this proceeding, or in any of the lands, tenements and hereditaments and premises affected thereby, having any objection thereto, do present their said objections in writing, duly verified, to us at our office in the Municipal Building, Court House Square, Long Island City, in the Borough of Queens, in The City of New York, on or before the 30th day of January, 1918, and that we, the said Commissioners, will hear parties so objecting, and for that purpose will be in attendance at our said office on the 7th day of January, 1918, at 9:30 o'clock a. m.

Second.—That the abstracts of our said estimate and assessment, together with our damage and benefit maps, and also all the affidavits, estimates, proofs and other documents used by us in making the same, have been deposited in the Bureau of Street Openings in the Law Department of The City of New York, No. 166 Montague street, in the Borough of Brooklyn, in said City, there to remain until the 7th day of January, 1918.

Third.—That the limits of our assessment for benefit include all those lands, tenements and hereditaments and premises situate, lying and being in the Borough of Queens, in The City of New York, which, taken together, are bounded and described as follows, viz:

Beginning at a point on the northerly side of Jackson avenue where the same is intersected by a line drawn parallel to 18th avenue and 100 feet west of the westerly line of 18th avenue; running thence northerly and at all times parallel with the westerly line of 18th avenue to the northerly line of Berrian avenue; thence running easterly along the northerly line of Berrian avenue to a point 100 feet easterly from the easterly line of 18th avenue, said distance being measured at right angles to 18th avenue; thence running southerly and at all times parallel with the easterly line of 18th avenue to the northerly line of Jackson avenue, thence running westerly along the northerly line of Jackson avenue to the point or place of beginning.

Fourth.—That, provided there be no objections filed to either of said abstracts, our supplemental and amended final report herein will be presented to the Supreme Court of the State of New York, Second Department, at a Special Term thereof for the hearing of motions, to be held in the County Court House in the Borough of Brooklyn, in The City of New York, on or before the 26th day of February, 1918, at the opening of the Court on that day.

Fifth.—That the abstracts of our said estimate and assessment, together with our damage and benefit maps, and also all the affidavits, estimates, proofs and other documents used by us in making the same, have been deposited in the Bureau of Street Openings in the Law Department of The City of New York, No. 166 Montague street, in the Borough of Brooklyn, in said City, there to remain until the 7th day of January, 1918.

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Fourth.—That the abstracts of our said estimate and assessment, together with our damage and benefit maps, and also all the affidavits, estimates, proofs and other documents used by us in making the same, have been deposited in the Bureau of Street Openings in the Law Department of The City of New York, No. 166 Montague street, in the Borough of Brooklyn, in said City, there to remain until the 7th day of January, 1918.

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Fourth.—That the abstracts of our said estimate and assessment, together with our damage and benefit maps, and also all the affidavits, estimates, proofs and other documents used by us in making the same, have been deposited in the Bureau of Street Openings in the Law Department of The City of New York, No. 166 Montague street, in the Borough of Brooklyn, in said City, there to remain until the 7th day of January, 1918.

Third.—That the limits of our assessment for benefit include all those lands, tenements and hereditaments and premises situate, lying and being in the Borough of Queens, in The City of New York, which, taken together, are bounded and described as follows, viz:

Beginning at a point on the northerly side of Jackson avenue where the same is intersected by a line drawn parallel to 18th avenue and 100 feet west of the westerly line of 18th avenue; running thence northerly and at all times parallel with the westerly line of 18th avenue to the northerly line of Berrian avenue; thence running easterly along the northerly line of Berrian avenue to a point 100 feet easterly from the easterly line of 18th avenue, said distance being measured at right angles to 18th avenue; thence running southerly and at all times parallel with the easterly line of 18th avenue to the northerly line of Jackson avenue, thence running westerly along the northerly line of Jackson avenue to the point or place of beginning.

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