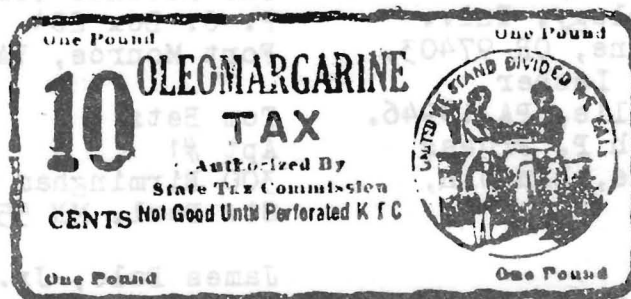


KENTUCKY OLEOMARGARINE TAX

Kenneth P. Pruess, SRS 48



The 10¢ Kentucky oleomargarine tax stamp listed as 01 by Cabot and Hubbard seems one of the rarest of all state revenue stamps. Even our oleomargarine specialist, Carter Litchfield, tells me he has never seen a copy. Our illustration was borrowed from Cabot's 1940 catalog.

The law creating this tax¹ was passed February 19, 1932 with the emergency clause. It imposed a tax of 10¢ per pound to be paid in the "form of a stamp in such denominations as will best carry out provisions of the section." Only the 10¢ denomination for one pound is known and it seems doubtful that other denominations were issued. The text on this stamp "Not Good Until Perforated K T C" suggests that the stamp was precancelled with perforated initials.

There seem two reasons for the scarcity of this stamp. Not only was it in use for only slightly over one year, but more importantly it practically precluded the sale of oleomargarine during that period. The history is recorded in the case of Field Packing Company vs. Glenn et al (Kentucky State Tax Commission)². The case was tried in a federal court since Field Packing Company believed this tax to violate the Bill of Rights.

The plaintiff was a Kentucky distributor of oleo. He claimed that in reality the tax prohibited the sale of oleomargarine but was disguised as a tax law. A summary was presented of the historical differential between butter and oleomargarine prices and it was found that a price differential of at least 10¢ per pound was necessary to make oleomargarine saleable. During most of the history of oleomargarine the differential averaged 20¢ per pound or more, but for the first seven months of 1932 the price differential was only 11½¢ per pound. During this stage of the depression butter declined in price from 32.3¢ in January to 20¢ per pound in September 1932. The wholesale price of oleomargarine was 9-11¢ per pound at that time. If a 10¢

(Cont. page 42)

STATE REVENUE NEWSLETTER
official organ of
THE STATE REVENUE SOCIETY

Issued bimonthly
Dues \$2 per year

PRESIDENT: M. E. Matesen
301 Fairmont Ave., Kingsport,
TN 37660.

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* Charles Bellinghausen
Box 304, Derby, KS 67037.

* E. L. Vanderford
532 San Miguel Way, Sacra-
mento, CA 95819.

Please address all correspon-
dence for the Secretary-Treas-
urer to M. E. Matesen, 801
Fairmont Ave., Kingsport, TN
37660.

SECRETARY'S REPORT

NEW MEMBERS

364 PAYNE, JOSEPH
297 Harrison Ave.
Buffalo, NY 14223

Revenues--Federal, State,
and City. Proposed by
Ron Leshner.

365 UTEGAARD, ROLF A.
Box 1092
Eau Claire, Wisc. 54701

Worldwide revenues,
covers and precancelled
stamps. Proposed by
Ken Pruess.

REINSTATEMENTS

230 STANFORD, EIDSEL C.

Previous Membership	197
New Members	2
Reinstatements	1
Current Membership	200

ADDRESS CHANGES:

David Anderson
The Revenue Company
P. O. Box 204
Fort Monroe, VA 23651

Tom Betz
Apt #1
300 Birmingham St.
St. Paul, MN 55106

James Dale, Jr.
348 Green St.
Syracuse, NY 13203

MINNESOTA Leech Lake Fishing

1973 Minnesota Leech Lake fishing
stamps are available at \$5.00 per
sheet of 10 from: Department of
Natural Resources, Attn: Mr. Larry
Brown, 625 N. Robert St., Saint
Paul, Minn. 55101. Stamps will
be sold at this reduced price
only in full sheets and remit-
tance must be by money order
payable to "Minnesota State
Treasurer."

Those wishing less than 10
stamps may send a stamped address-
ed return envelope plus remittance
of 50¢ per stamp desired to
E. L. Vanderford, 532 San Miguel
Way, Sacramento, CA 95819 who
will make up a pooled order for
the convenience of SRS members.
The pooled order will be mailed
30 days after distribution of
the Newsletter carrying this
notice. Please get requests to
Mr. Vanderford by Nov. 1, 1974.

Our thanks to Henry Peterson,
ATA president, for lining up this
deal.

--E. L. Vanderford

TREASURER'S FINANCIAL REPORT

Period covered by this report: June 1, 1973 to May 31, 1974.

Bank balance, May 31, 1973 \$733.51

INCOME

Dues. \$429.55
#Catalog sales 596.20
#Addenda sales 15.00
Back issues of Newsletter . . 53.00
Advertising 54.54
Interest - savings account. . 27.30

GROSS INCOME

\$1,175.59

#Reimbursements (overpayments)

24.00

ADJUSTED GROSS INCOME

\$1,885.10

OPERATING EXPENSES:

Publication of Newsletter \$462.86
Printing catalogs 213.44
Reprint back issues Newsletter. . . 23.79
Reprint membership cards. 12.00
Supplies/Equipment. 67.70
Postage - mail addendas, cat-
alogs & back issues 42.70
Secretary's expenses. 45.79
Transfer of SRS records - freight . 128.93
Purchase of file cabinets 25.45
External advertising. 15.00

TOTAL OPERATING EXPENSES. \$1,037.66

Bank Balance - May 31, 1974. \$847.44

Note: March and May Newsletter costs for postage and electronic stencils are included in the above report.

Savings \$615.03
Checking 205.21
Cash 27.20 (since deposited)
\$847.44

TEXAS Cigarette - A water decal for 10 cigarettes is in current use. This is 17 x 9 mm, printed in black on green.

There is also a similar water decal for 20 cigarettes. This is red on white and overprinted with a black serial number.

--Ken Pruess



OPEN LETTER TO THE MEMBERSHIP

With the publication of this issue we have two new firsts: the addition of Mr. Stephen Shedrowitz to our editorial staff and the conversion to a new method of printing of our Newsletter. Mr. Shedrowitz comes to us with an impressive set of credentials, which includes philatelic related work experiences with Minkus Publications and their Stamp Journal. Welcome aboard, Steve! Conversion to offset printing is being done on a trial basis, so your comments concerning its continuation is solicited.

Your Board of Governors has approved a reorganization of our advertising rates, the basic rates that is, which is reflected in this issue. The special display rates and trade offer insertions will remain unchanged. We hope this new system will preclude some of the "over and under" related payment problems encountered with the system previously employed.

For those of you that have taken an affirmative step towards placing state revenues in the exhibition world by entering exhibits in the LINPEX '74 show scheduled for next month, my hat is off to you. Overall though, I'm somewhat disappointed by the lack of interest shown by most members.

Before closing I would like to turn to the distasteful subject of expulsion. As was reported in the last issue Mr. Hubbard, SRS #1, was dropped from our roles (expelled) for actions unbecoming a member of this organization. This was not some impulsive action on the part of your Board of Governors, but was taken after due deliberation and consideration of all pertinent facts concerning the payment of monies owed SRS by Mr. Hubbard. Since this action was taken ex-member Hubbard has originated several pieces of correspondence under the guise of being SRS sanctioned, which is totally untrue. This individual no longer has any affiliation with this society and has no authority whatsoever to act in behalf of, or represent this society in any way, shape or form.

M. E. Matesen, President

KENTUCKY Oleo (Cont. from page 39)

tax were added, it would be impossible to sell oleomargarine at less than 20¢ per pound retail. If any allowance at all were made for a profit, oleo would be more expensive than butter. Without a price differential between the two products, there was no market for oleomargarine and thus the business of Field Packing Company in Kentucky had been destroyed.

The Kentucky Constitution authorized excise taxes and in this case the Federal Court held that the oleo tax was an "excise" tax within the Kentucky constitutional provision authorizing such taxes. However, it was ruled that this particular excise tax did violate the Bill of Rights in that it prohibited legitimate business and that the validity of such a measure must be measured by its effect during prevailing economic conditions. Our older readers will recall that this was during the great economic depression of the 1930's. A temporary injunction was granted April 20, 1933 which was made permanent on final hearing.

It would be interesting to know how much oleomargarine was sold in Kentucky during this period; my guess is very little.

(Cont next page)

KENTUCKY Oleo (Cont.)

If true, then Kentucky was not gaining any great revenue from this tax. While not so stated in the laws, it seems logical that this tax was originally initiated to protect the dairy industry in Kentucky as has been the case in other states. Certainly the price of butter was dropping rapidly at the time the tax went into effect and the tax could well have served to remove the competition from oleo. I can think of no other reason that this loss of what must have been nominal revenue would have resulted in the appeal of this case by the Tax Commission to the U. S. Supreme Court^{2/}.

The Supreme Court affirmed, but modified, the ruling of the District Court. It was ruled that the ultimate determination of the validity of a State statute under the State Constitution rests with the highest court of the state. The state courts were skipped in the original legal contest. It was ruled that the State Tax Commission could apply to the Supreme Court provided the Court of Appeals of Kentucky says the law is valid and that the Federal Court decree should be modified to permit application for a further order in the event of a different decision by the highest State Court or a change in circumstances - presumably a more favorable economic situation. This case was argued November 15, 1933 and decided December 4, 1933. Apparently no further action was taken and the tax remained on the books, but unenforced.

References Cited:

1. Kentucky Acts 1932: Chapter 158, pp. 717-24.
2. Field Packing Co. v Glenn et al. 5 Federal Supplement 4.
3. Glenn et al v Field Packing Co. 290 U. S. 177, 54 S. Ct. 138.

STATE Cigarette Taxes - J. C. Ragland encloses a summary of state cigarette tax rates from U. S. News and World Report. I believe the rates are of January 1, 1973. Rates are for 20 cigarette pack.

State	Now	Mid-1967	Mid-1962
Ala	12¢	7¢	6¢
Alaska	8¢	8¢	8¢
Ariz	10¢	6.5¢	2¢
Ark	17.75¢	8¢	6¢
Calif	10¢	3¢	3¢
Colo	5¢	5¢	0
Conn	21¢	8¢	5¢
Del	14¢	7¢	5¢
D. C.	6¢	3¢	2¢
Fla	17¢	8¢	5¢
Ga	12¢	8¢	5¢
Hawaii*	40%	40%	20%
Ida	9.1¢	7¢	6¢

*Percentage of wholesale price.

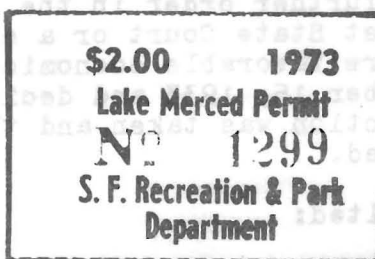
(Cont. page 45)

FORBIN Catalog Reprint Available. ARA member Duane F. Zinkel has undertaken a private reprinting of this classic catalog of worldwide revenues. Here is your chance to have a copy on your library bookshelf at a quite reasonable cost.

CATALOGUE de TIMBRES-FISCAUX by A. Forbin, 3rd Edition of 1915, 800 pp., is now available from Duane F. Zinkel, 2323 Hollister Ave., Madison, Wis. 53705. The reprint, in a revised 7" x 8½" format, is available with either a plastic spiral binding (to allow the catalog to lie flat when in use) or a hard cover library binding. Prices are \$11.50 for the reprint with the plastic binding and \$14.50 for the hard cover; 25¢ per copy (\$1 outside of USA) should be added to defray shipping costs. All profits from this publication will go to the St. Francis Indian Mission, St. Francis, SD.

The 1915 edition of the Forbin catalog is the last publication covering the revenue stamps of the entire world. Although it is the "bible" of the foreign revenue collector, the catalog is quite rare with copies being offered far as high as \$150 each. Robson Lowe has a project underway to prepare a new catalog of world revenues in several volumes. However, completion of this worthwhile and ambitious project is a number of years away. The inexpensive reprint of the Forbin classic will be invaluable until completion of the Robson Lowe endeavor.

CALIFORNIA -- Lake Merced Fishing Stamps



Lake Merced is a large reservoir located on the southwestern edge of San Francisco. Fishing and recreational useage is controlled by the San Francisco Recreation and Park Department. Stamps were first issued in 1972.

- 1972 \$2.00 (Value not printed on stamp). Black printed text only on white paper. Red serial number. Overall size approx. 44 x 31½ mm. From vertical panes of unknown size with horizontal red 9½ rouletting between stamps.
Type 1 - On high gloss surfaced white paper.
 Pressure sensitive gum.
Type 2 - On ordinary white paper with white gum.
- 1973 \$2.00 (Value printed on stamp). Black printed text on yellow paper with ordinary gum. Red serial number. Overall size approx. 44 x 29 mm. From vertical panes of unknown size with horizontal red 9½ rouletting between stamps.

-- E. L. Vanderford

TOP OF MY HEAD

It's been several issues since I've written what I had hoped would be a regular feature. After a very hectic year for me personally, this first anniversary issue of my editorship has a chance of hitting the mails before the end of the month. My thanks to Steve Shedrowitz who makes it possible. I'd like to thank you all for bearing with me.

The cartoon reprinted below (copyright, Los Angeles Times) should bring about a few smiles from our members. Who among our membership does not have at least one stamp that legally was to be destroyed. I smile every time I look at that page of Ohio wine and mixed beverage stamps; each of the scraps of paper beams its message "THIS STAMP MUST BE DESTROYED WHEN CARTON IS EMPTIED." On yet another page stares one of those tags referred to in the cartoon "DO NOT REMOVE THIS TAG UNDER PENALTY OF LAW." We stamp collectors are an odd lot, rescuing those little scraps of printed paper from oblivion.

YANKEE DOODLES



STATE Cigarette Taxes (Cont. from page 43)

State	Now	Mid-1967	Mid-1962
Ill	12¢	7¢	4¢
Ind	6¢	6¢	3¢
Ia	13¢	8¢	4¢
Kans	11¢	8¢	4¢
Ky	3¢	2.5¢	2.5¢
La	11¢	8¢	8¢
Me	14¢	8¢	6¢
Md	6¢	6¢	6¢
Mass	16¢	10¢	6¢
Mich	11¢	7¢	7¢
Minn	18¢	8¢	7¢
Miss	9¢	8¢	8¢
Mo	9¢	4¢	4¢
Mont	12¢	8¢	8¢
Nebr	13¢	8¢	4¢

(Cont. page 46)

The following column is the first of what promises to be a regular contribution of our new editorial assistant, Steve Shedrowitz.

NEW STATE TAXES AND THEIR STAMPS

MISSOURI Motor Vehicle Stamp Tax Imposed

Effective January 1, 1975, motor vehicles and the stock of goods, wares and merchandise held for use and sale by motor vehicle dealers in the ordinary course of their business are classified as a separate class of personal property. In lieu of ad valorem personal property taxes thereon, the value is fixed and a motor vehicle tax is imposed as follows:

1. new motor vehicles \$2.43
2. used motor vehicles \$1.50
3. goods, wares and merchandise other than motor vehicles \$.57

The tax on new motor vehicles and goods, wares and merchandise other than motor vehicles is imposed at the time of sale or transfer of each motor vehicle. The tax on used motor vehicle is imposed at the time of sale or transfer of each used motor vehicle. No tax applies to the sale or transfer of any motor vehicle dealer to another. The tax must be paid by the dealer and may not be charged directly to the purchaser.

Payment of the tax shall be evidenced by affixing a TAX STAMP by the dealer to each application for title at the time of sale. Tax stamps must be purchased by dealers from the county collector or the collector of the City of St. Louis, depending upon where the dealer's place of business is located. Definitions are added to the law for "motor vehicle dealer," "motor vehicle," and "dealer." The term "motor vehicle" does not include farm tractors. S. B. 402, effective January 1, 1975.

Stephen Shedrowitz

STATE Cigarette Taxes (Cont. from page 45)

State	Now	Mid-1967	Mid-1962
Nev	10¢	7¢	7¢
N.H.*	42%	30%	15%
N. J.	19¢	11¢	7¢
N. M.	12¢	8¢	8¢
N. Y.	15¢	10¢	5¢
N. C.	2¢	0	0
N. D.	11¢	8¢	6¢
Ohio	15¢	5¢	5¢
Okla	13¢	8¢	7¢
Oreg	9¢	4¢	0
Pa	18¢	8¢	6¢
R. I.	13¢	8¢	6¢
S. C.	6¢	5¢	5¢
S. D.	12¢	8¢	5¢
Tenn	13¢	8¢	5¢

*Percentage of retail price

(Cont. page 47)

BACK ISSUES DISCONTINUED

Since its inception your State Revenue Society has endeavored to maintain stocks of all our Newsletters. The idea behind this being that most members would avail themselves of the wealth of information that had been contained in each issue by purchasing these for their own reference library. I'm sure the question comes to mind "why should I buy something my dues already pays for?" None, if you have been a member since the SRS was founded, but how many members do we have that fall into this category? Take a moment and thumb through the indexes of Newsletters (contained in whole numbers 75, 88, 100, and 108) and you will find articles on everything from South Dakota Sugar Beets in No. 56 to Montana Punchboard Stamps in issue No. 8, and that doesn't even begin to scratch the surface on the abundance of information that is contained in these back issues.

While your SRS has been trying to maintain these stocks we have been burdened with spiralling costs of paper, postage and other supplies which has forced us to discontinue this practice with this Newsletter. Stocks now on hand are being offered for sale until our supplies have been exhausted. An order form has been enclosed with this issue so don't pass up an opportunity to purchase these valuable reference pieces for your library.

M. E. Matesen

Ed. Note: Several years ago I completed my set of Newsletters and they really are a valuable source of information. Also please check the list of other publications available from Mack. Here's your chance to get some of those catalogs you may have missed when they were first published.

STATE Cigarette Taxes (Cont from page 46)

State	Now	Mid-1967	Mid-1962
Tex	18.5¢	11¢	8¢
Utah	8¢	8¢	4¢
Vt	12¢	10¢	7¢
Va	2.5¢	2.5¢	3¢
Wash	16¢	11¢	7¢
W. Va	12¢	6¢	6¢
Wisc	16¢	10¢	6¢
Wyo	8¢	8¢	4¢

This certainly gives us the perspective to see why cigarette prices have soared. Over that same period Federal taxes on cigarettes did not increase.

Who will do the same for some of the other taxes that are imposed by most of the states. I'd love to see the same sort of presentation on the documentary, real estate, and certainly the beer, wine, and liquor taxes. Who will step forward?

MASSACHUSETTS Archery Deer

1972 \$1.10 blue, orange, and black on white. Archer, bow, and arrow. Design size approximately $36\frac{1}{2} \times 22\frac{1}{2}$ mm. Perf 11 $3/4$.



Archery stamp fees have been increased to \$5.10 effective October 11, 1972. Presumably the first stamp of this denomination was issued in 1973, but I have not yet confirmed this. However, all obsolete stamps are still available at face value. These can be ordered from Massachusetts Division of Fisheries and Game, 100 Cambridge Street, Boston, MA 02202.

--Ken Pruess

MASSACHUSETTS Duck Stamps

John M. Zambella sends along several articles from the Boston Herald-American which describe a \$1.25 waterfowl stamp that will be required this fall. The city or town clerk selling the stamps will retain 25% of the purchase price as community revenue. An additional 20% would be retained by the state and 80% will go to Ducks Unlimited to purchase land in Canada on which to breed waterfowl.

Since about 80% of the U. S. waterfowl breed in Canada and the \$5 Federal stamp only can be used inside the continental U. S., Massachusetts hunters are reported excited about the prospects of more and better sport.

More as details become available.

CHICAGO Motor Vehicle Tax

I recently acquired this stamp for 1945. Printed in red on a yellow background, it has a black serial number. This one is inscribed "35 H.P. OR LESS", suggesting that other stamps may also have been used.

--Ken Pruess



WASHINGTON State Cigarette

Washington state is changing the color of their heat fusion decals faster than we are able to report them. Mr. Schur reported a new color change in the September 1973 issue and we have now just been advised by Mr. Ford E. Wilson that yet another has been appearing on the scene. The background color has been changed to green with a yellow exterior border (all others were white). By our count this should be number 4.

-- M. E. Matesen

MINNESOTA Oleomargarine

Look for a new 5¢ stamp to have appeared July 1. The 10¢ tax has been reduced to 5¢ effective July 1, 1974. After July 1, 1975 the tax will be eliminated.

--Ken Pruess

NEWS ITEMS DESPARATELY NEEDED FOR NOVEMBER ISSUE. SHORT AND LONG ARTICLES NEEDED. GET TO SEE YOUR NAME IN PRINT.

NEW YORK Stock Transfer Stamps - Many members do not seem to realize that stamps are still in use and remain one valid means of paying the stock transfer tax. In fact, there are still new printings of these stamps being made. Current stamps are printed by the American Bank Note Company and sheets have the printer's imprint in the selvage at the top of the sheet over positions 5 and 6. Dates are given in the selvage above position 1. I recently acquired a full sheet of 100 of the 1¢ which has the date "August, 1971-56". Sheet numbers are printed in red above position 10. The fact that the stamps recently purchased show sheet number 75 does not indicate that current useage of these stamps is minimal. For interested members, these stamps can still be purchased at face value from:

Tax Stamp Department
The Bank of New York
20 Broad Street
New York, NY 10005

Denominations available are still those reported some time ago by Terry Hines: 1¢, 2¢, 4¢, 5¢, 8¢, 10¢, 20¢, 40¢, 50¢, 80¢, \$1, \$2, \$3, \$4, \$10, \$20, \$40, \$100, \$1000.

I can supply an official order form for anyone interested but this does not seem at all necessary. On small orders it is best to send a self-addressed stamped envelope. Otherwise you may be billed for postage and registration.

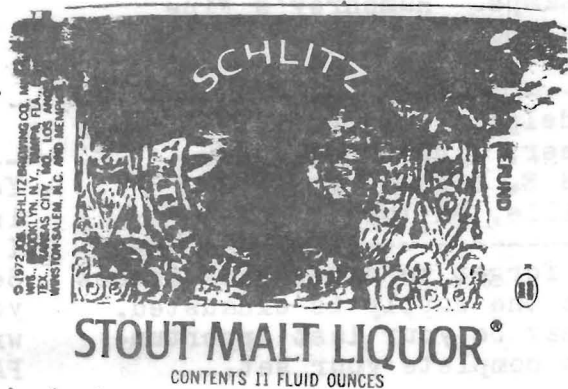
--Ken Pruess

OREGON Bottle Return -

Illustrated is an Oregon beer label showing 2¢ refund. This is the famous Oregon Bottle Law that makes a charge to keep the bottle from being broken. The refund on 11 or 12 oz. bottles is 2¢ and 3¢ on quarts. There is a 5¢ refund on aluminum beer and pop cans but they can't be pull-top.

This is called a refund instead of a tax, but might it be considered a tax? I have about 40 different labels from different brands and sizes, but haven't gotten any foreign beer labels yet, so can't say how they're handled. Most labels say "Oregon 2¢ tax refund", although the illustrated one says only "2¢ refund"

--Charles Wells



A full report on LINPEX '74 will be included in the November Newsletter, including photos of the winning exhibits.

ADVERTISING: Minimum of \$1.00 for insertions up to and including 25 words. 5¢ for each additional word over 25. Name and return address no charge. 3 insertions for price of 2; 5 for price of 3. Send payment and copy to: M. E. Matesen, 801 Fairmont Ave., Kingsport, TN 37660.
SPECIAL DISPLAY RATES: 1 page - \$6.00; 1/2 page - \$3.50; 1/4 page - \$2.00.
TRADES: Short ads offering material for trade accepted free for one time.

WANTED: Sales Tax Receipts and/or punch cards of Kentucky, PA, NC, W. Va, Iowa, Kans, CA, Nebr, Wash, and Ill Script and tokens used by food stores to make change in the federal Food Stamp Program. Jerry Bates, Box 777R, St. Charles, MO 63301.

WANTED Beer stamps, both USIR (Federal) and State. Also tobacco tinfolils. Michael Zinman, P. O. Box 104, Ardsley, NY 10502.

I offer 40% catalogue in Scott's listed mint of used sets for each state fishing and hunting stamp you send that I keep. Humphrey's Fine Stamps, Box 710, Spencer, Iowa 51301.

WANTED Quality revenues paying 50% Scott's. What can you offer? Also wanted Xmas seals, proofs, ducks, (state) fishing and hunting stamps. Humphrey's Fine Stamps, Box 710, Spencer, Iowa 51301.

Philadelphia documentary to trade for beer, wine and liquor. Ronald E. Leshner, Box 242, Pineville, PA 18946.

Don't forget to order back issues before the supply is exhausted. This may be your last opportunity to complete your set.

Who will step forward next to put together another state catalog revision. I guarantee you will meet many new friends in your effort (and add to your collection of that state, too)

WANTED: State issued F&G stamps. Buy or exchange. Have state beer & tobacco stamps. P. V. Pierce, 70 Stetson St. Hyannis, Mass. 02601.

SELLING LARGE COLLECTION OF

FISH AND GAME STAMPS. MANY

STATES COMPLETE OR NEARLY SO,

TO 1972. INDIVIDUAL SCARCE

ITEMS FOR ADVANCED COLLECTORS;

LOTS OR GROUPS FOR BEGINNERS.

INQUIRIES INVITED.

W. R. Schroeder
151 Forest Place
Fredonia, NY 14063

Your editor needs help in finishing the PA catalog revisions. I need information on Liquor Seals from 1949 to 1965. If you have information, please write to Box 242, Pineville, PA 18946.

A SMALL NEWS ITEM WOULD HAVE FILLED THESE FEW LINES, INSTEAD OF THIS USELESS SPACE-FILLING RAMBLING SERIES OF WORDS.
