

Goldsboro, N. C., Feb 24th 1894

Hon Elias Loran
Raleigh N.C.

My Dear Governor

My efforts at Washington to save the State income from "N. C. R. R. Comp" hands from the "Income tax" were in the nature of getting an exemption on the ground that it was State income and should not be taxed more, ^{than} its income from its Pensions, or any other source of Revenue it might have. Senator Ransom gave me little encouragement, Capt Alexander promised to do what he could but evidently thought it a hopeless undertaking. Rep Woodard was away and returned only a short while before I was to leave for home. He gave me a copy of the Bill as it passed the House and asked me to examine it with Mr Allen and write him what we wanted done. Mr Allen has been at Duplin Court all the week but I have read the Bill carefully and am persuaded the safest and best thing to be done is not to ask any exemption of tax on the State interest but provide for its carrying in in the

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for taxation as income from any Corporation
and allow the State to change the two per centum
tax to the bondholders.

I intended to draw an amendment carrying the
feature and while it is not perfect I think Mr
Allen likes the idea and will prepare an amend-
ment along that line that ought to pass

Some may object Federal taxation upon money
in the States treasury but it is the least of two
evils. If not paid by Treasurer with authority
to charge to the bondholder it will be taxed
while in the hands of Treasurer N. C. R. R. Co
with ~~no~~ offset on drawback collection

Again when asked for in this form there will
be no objection to its passage by the Finance
Comm. I send you a copy of the Bill by this
mail. Mr Allen will go up next week to look
after our tax suit

Hope you had pleasant visit to the Fair

Yours very respectfully
W. F. Kornegay