

## Of General Interest

### SECOND MEETING OF THE NATIONAL DRUG TRADE CONFERENCE.

#### MINUTES OF THE EXECUTIVE COMMITTEE.

The Executive Committee met in Room 132 of the New Willard Hotel at 11:00 o'clock Wednesday morning, April 9, those present being John C. Wallace, Chairman, Dr. J. H. Beal, James F. Finneran, C. Mahlon Kline and Charles J. Lynn, alternate for Secretary Charles M. Woodruff, who was ill at his home in Detroit and unable to be present. The Committee had under discussion:

First—The Harrison bill, known as H. R. 28277.

Second—A bill prepared by Mr. Samuel Rosengarten modeled after No. 28277.

Third—A bill drawn by Mr. Charles M. Woodruff modifying the Rosengarten bill.

Fourth—An entirely new bill submitted by Mr. F. H. Freericks, representing the N. A. R. D., and

Lastly—A bill known as the "American Medical Association Bill."

For the guidance of the Committee the following resolution, offered by Dr. J. H. Beal and second by Mr. J. F. Finneran was adopted:

*"Resolved, That it be the sense of this Committee that the bill is not intended, and ought not to be intended, to regulate sales to consumers, but only to trace narcotic drugs in commerce to the hands of the last distributor, and that the regulation of the sale of such drugs to the consumer in intrastate commerce should be left entirely to state, territorial and other local laws."*

After a very thorough discussion lasting until midnight, with only brief adjournment for lunch and dinner, a bill was drafted for submission to the Conference the next morning embodying in the main the provisions of the Rosengarten and Woodruff drafts, although, as a matter of fact being a composite bill containing what the Executive Committee considered to be the best features of all of the bills submitted for its consideration.

The Committee again met in Room 132 at 2:00 o'clock Friday afternoon, April 11, to carry out the instructions of the Conference as embodied in the resolution introduced by Dr. J. H. Beal, and found in the minutes of the meeting of the Conference Friday morning.

The bill as it left the Conference received only a few minor changes at the hands of the Executive Committee and these having to do mainly with changes in the "language" of the bill in order to harmonize certain inconsistencies brought about by the changes made in the bill by the Conference itself. The intent of the bill, however, was in no wise changed and a copy of the bill as presented to the Hon. Francis Burton Harrison is herewith attached and made a part of this report.

The bill as it left the Conference received the very careful consideration of the

Executive Committee from 2:00 o'clock Friday afternoon until late that evening, when it was turned over to a stenographer for final copies.

On Saturday morning, April 12, at 11:00 o'clock, the Executive Committee, with the exception of Mr. Kline, who was called home, met by previous engagement the Secretary of the Hon. Francis Burton Harrison, Miss Lanham, in Mr. Harrison's office in the Congressional Office Building, and there explained the Conference bill section by section, pointing out wherein it differed from the Harrison bill, H. R. 28277. Before leaving the office we requested Miss Lanham to say to Mr. Harrison that if he wished to make any changes in the Conference bill that the Committee would like very much to have a conference with him to discuss the changes before the bill, as he might amend it, was submitted to Congress so that after the bill was once introduced it might have the hearty support of all of the organizations represented in the Conference. Miss Lanham stated that this was just what Mr. Harrison wanted, and the Committee left the office with that understanding. It was impossible to see Mr. Harrison himself then, as explained by Miss Lanham, because of the fact that he could not get away from the Democratic caucus considering the tariff bill.

Respectfully submitted,

CHAS. J. LYNN, Secretary pro tem.

MINUTES OF THE SECOND MEETING OF THE NATIONAL DRUG TRADE CONFERENCE,  
WASHINGTON, D. C., APRIL 10-11, 1913.

(First Session.)

Delegates to the Conference met in the Gridiron Room of the New Willard Hotel, Washington, D. C., April 10, at 10:00 a. m. Chairman John C. Wallace, New Castle, Pa., presided. Charles J. Lynn, alternate for Secretary Charles M. Woodruff, was on motion of James H. Beal, elected Secretary pro tem of the Conference.

The roll call showed the following delegates present:

Representing the American Pharmaceutical Association—

John C. Wallace, New Castle, Pa.  
S. L. Hilton, Washington, D. C.  
J. H. Beal, Scio, Ohio.

Representing the National Wholesale Druggists' Association—

C. Mahlon Kline, Philadelphia, Pa.  
E. D. Taylor, Richmond, Va.  
Albert Plaut, New York, who held the proxy of F. E. Holliday, New York City.

Representing the National Association of Manufacturers of Medicinal Products—

Adolph Rosengarten, Philadelphia, Pa.  
A. R. L. Dohme, Baltimore, Md.  
Charles J. Lynn, Indianapolis, Ind., who held the proxy of Charles M. Woodruff, Detroit.

Representing the American Association of Pharmaceutical Chemists—

R. C. Stofer, New York City.  
A. S. Burdick, Chicago, Ills., holding the proxy of W. C. Abbott, Chicago.  
George Hall, holding the proxy of Willard P. Stearns.

Representing the National Association of Retail Druggists—

W. C. Anderson, Brooklyn, N. Y.  
F. H. Freericks, Cincinnati, Ohio.  
J. F. Finneran, Boston, Mass.

The following report of the Secretary of the Conference, Mr. Charles M. Woodruff, was read and approved:

SECRETARY'S REPORT.

To the Officers and Members of the National Drug Trade Conference:

"Regretting my inability on account of sickness to personally attend the meeting of the Conference called to be held Thursday, April 10, at the New Willard Hotel in Washington, D. C., I transmit herewith the official minutes of the proceedings of the Conference held January 15, 1913.

Copy of General Letter No. 1.

What suggestions I have received in response to such letter.

Preliminary financial report.

"I have no comments to make upon the suggestions received further than to express my regret that circumstances beyond my control prevented me from submitting them to the Executive Committee for study as contemplated in the first resolution quoted in General Letter No. 1.

"I desire to point out, however, that the Conference Bill introduced by Mr. Harrison as H. R. 28277, while as near perfect as any bill the Conference will agree upon so far as our understanding of it is concerned, when carefully analyzed in the quiet of the study was found to be full of inconsistencies, ambiguities and constitutional pitfalls as likely to be practically and judicially construed. Mr. Rosengarten has had this bill redrafted in a way, I think, that avoids these inconsistencies, ambiguities and pitfalls and meets the criticisms submitted on these scores.

"I have tried to look at the Rosengarten bill fairly from the viewpoint of every one concerned; and when three sections of it are modified as I will suggest, I do not see where any reasonable importer, manufacturer, wholesaler, retailer, physician, veterinarian or dentist can find any fault with it. The physician's prescriptions are not affected by the bill, neither is the druggist in filling them. Then again, the doctor is not restricted in purchasing; but if he purchases he must do so upon the same terms the druggist does, and this is only fair. It seems to me, however, that Section 5 of the Rosengarten bill as drafted is entirely unnecessary and will impose a burden that will probably fall heavier upon the wholesaler than any other class and nearly as heavy upon the retailer. Remembering that the law will require every purchaser to keep duplicate copies of his orders, what necessity exists for requiring him to register such purchases in a book daily? I submit a draft embodying a provision for a monthly report upon a form to be provided by the Collector of Internal Revenue which the importer, manufacturer, wholesaler or retailer, as the case may be, can make out from time to time at his convenience without interference of the rush of getting out orders. This monthly report can be compiled from the retained duplicate orders for the month and will answer every purpose.

"When I read Section 6 of Mr. Rosengarten's bill I supposed its intent was to punish a registered dealer for a sale to an unregistered dealer, even when he had received the official order. Then it occurred to me that if this be true what protection to the dealer is the official order. When I read this section the second time I perceived that the intent was to forbid shipments by those who had not

registered. Now this intent can be made more clear by transposing the words 'who shall not have registered and paid the special tax as required by Section 1 of this Act,' so that they will come immediately after the words 'any person' in the first line of Section 6 of Mr. Rosengarten's bill instead of after the words 'District of Columbia' in the fourth line.

"As I have said most of the criticisms received to H. R. 28277 related to inconsistencies, ambiguities, possible constitutional pitfalls and matters of form rather than of substance. So far as the substance is concerned the criticisms have about all been directed to Section 10, exempting certain provisions from the operation of the act and most of these have been reasonable in my opinion. Why restrict the sale of preparations of Coca that contain no Cocaine? Or Coca Leaves from which the cocaine has been extracted? Or of compound medicinal tablets, pills, etc., in which cocaine, morphine, etc., are combined practically in such a way as to prevent the use of the narcotic ingredient to satisfy the habit, and render unlikely that it will create a habit? Therefore, instead of the corresponding provision in Mr. Rosengarten's bill, which is Section 11, I submit the enclosed, based upon careful consideration of all the suggestions I have received. Please note the punctuation—the attempt to divide classifications by semicolons. Please also note that I have incorporated a provision not contained in any suggestion and which is entirely original with me, to wit: That a compound medicinal tablet, etc., to be exempt must contain at least as much non-narcotic medicinal ingredient as it does of the narcotic ingredients mentioned in the statute. I think this will prevent the exemptions from being abused or perverted.

"If it could have been my privilege to attend this meeting of the Conference I should urge that the Conference make the amendments to the Rosengarten bill that I suggest in this letter and adopt it as its last word upon the subject. I understand the attorney who drew the Rosengarten bill attempted to do nothing more than to put H. R. 28277 in such form as to relieve the latter of all ambiguities, inconsistencies and possible constitutional pitfalls. To my mind he has done his work admirably, and the only changes I suggest are matters of substance which I believe all who have studied the matter will concede to be important.

"I must say, however, that I have not had time to study the bill submitted by Mr. Freericks; therefore my commendations of the Rosengarten measure must not be accepted in any sense as derogatory of Mr. Freericks' suggestions. Another measure submitted by Mr. Queeny is worthy of your consideration."

I remain—

Yours very truly,

(Signed) CHARLES M. WOODRUFF, Secretary.

APRIL 7, 1913.

The following resolution adopted by the Executive Committee was reported to the Conference, and on motion of Mr. Kline, seconded by Mr. Dohme, was adopted by the Conference:

*Resolved*, That it is the sense of this Conference that the bill is not intended, and ought not to be intended, to regulate sales to consumers but only to trace narcotic drugs in commerce to the hands of the last distributor, and that the regu-

lation of the sale of such drugs to the consumer in intrastate commerce should be left entirely to state, territorial and other local laws.

The bill as reported by the Executive Committee was then read in full by the Secretary.

Dr. W. C. Woodward, Health Officer of the District of Columbia, and Chairman of the Legislative Committee of the American Medical Association, who was present, was introduced to the Conference and on motion was extended the privileges of the floor. The privileges of the floor were also extended to Mr. Samuel Rosengarten, Philadelphia.

It was then moved by Mr. Anderson that the bill be taken up seriatim, and that it then be referred to the delegates of the various organizations represented for consideration before final adoption. The motion carried.

The reading of the first draft of the new bill as prepared by the Executive Committee precipitated an extended discussion of the question whether the Executive Committee had met the issue regarding the possible unconstitutionality of the proposed measure. In order to have a careful study made of the subject, a sub-committee consisting of Dr. James H. Beal, F. H. Freericks, Dr. W. C. Woodward and Samuel Rosengarten, was appointed to consider this subject and redraft certain provisions of the bill so as to meet the various constitutional questions raised.

Throughout the morning session of the Conference a number of matters of minor detail and character, with respect to the phraseology of the bill as prepared by the Executive Committee, were submitted to this Special Committee with authority to report at a later session.

After an extended discussion of the bill as submitted by the Executive Committee the Conference adjourned to meet at 4:00 p. m. Thursday.

(Second Session.)

The delegates met at 4:00 o'clock on the afternoon of Thursday, April 10, and when it was reported that the Special Committee was not yet ready to report, on motion of Mr. Finneran seconded by Mr. Stofer, the Conference adjourned to meet at 8:00 o'clock Thursday evening.

(Third Session.)

The Conference met at 8:00 o'clock Thursday evening. Mr. G. Frank Bailey, Baltimore, was present as proxy for Mr. F. E. Holliday, in the absence of Mr. Albert Plaut, who was called home.

The Special Committee reported and the Conference devoted the evening to the consideration of the multitudinous details of the bill with the purpose of perfecting it in such manner as to make it acceptable to the members of the Conference. At midnight the Conference adjourned to meet at 9:00 o'clock Friday morning.

(Fourth Session.)

The Conference met at 9:00 o'clock Friday morning in the Gridiron Room of the New Willard Hotel, where the sessions of the Conference were held. Mr. R. C. Stofer, representing the American Association of Pharmaceutical Chemists,

who was compelled to leave, left his proxy with Mr. H. A. Stiles. The following resolution offered by Mr. Lynn, seconded by Dr. Beal, was adopted:

*Resolved*, That the thanks of the National Drug Trade Conference be extended to the Western Union Telegraph Company for the very courteous and unusual consideration extended us through Mr. G. L. Diven, Night General Traffic Chief, in making it possible to have our proceedings typewritten each day at the conclusion of our deliberations after the hour of midnight, when it was impossible to obtain the services of public stenographers for this purpose; and be it further

*Resolved*, That the Secretary be instructed to transmit a copy of these resolutions to Mr. Diven.

On motion of Dr. J. H. Beal, seconded by Mr. J. F. Finneran and Mr. W. C. Anderson, the following resolution was adopted:

1. That the Conference approve the draught of the bill before it as embodying, in the main, the substantive provisions which a Federal law regulating the distribution of opium and coca leaves and their derived narcotic should contain, but the Conference does not undertake to defend the constitutional validity of all of its several provisions.

2. That the Executive Committee is hereby instructed to present the draught to the Hon. Francis Burton Harrison, and to express to him that it is our hope that it may be embodied in a bill without greater changes in its substantive provisions than shall be necessary to cover constitutional defects and to add greater certainty and definiteness when necessary.

3. That the Executive Committee is authorized to make such minor changes in the language of the draught as may seem to them necessary on subsequent study, provided such changes do not operate to change the intent of its substantive provisions, and provided also that the members of the Conference be permitted to express their disapproval to the Conference by mail through the Secretary of such changes as the Executive Committee may make.

4. That the Conference hereby expresses to the Hon. Francis Burton Harrison its sincere appreciation of the patience he has manifested in considering the merits of the various propositions presented to him by this Conference and of the courtesy which he has uniformly extended to the Conference, its officers, committees, and individual members.

The following resolution offered by Mr. Hall, seconded by Mr. Finneran, was adopted:

*Resolved*, That the thanks of the Conference be extended to the Chairman, Mr. John C. Wallace, for the fair, kindly and impartial manner in which he presided over the Conference.

Dr. Dohme stated that the delegates representing the National Association of Manufacturers of Medicinal Products would recommend to their Association that its hearty support be given the Conference bill.

Mr. Hall, speaking for the delegates of the American Association of Pharmaceutical Chemists, also guaranteed the support of their organization in behalf of the Conference bill.

Dr. W. C. Woodward expressed his thanks to the Conference for the privileges extended him.

Mr. Samuel Rosengarten also expressed his appreciation of the courtesies shown him.

The bill submitted to the Executive Committee in accordance with the Beal resolution and as changed by the Committee in certain minor points under the

authority given it by the Conference and as finally submitted to the Hon. Francis B. Harrison, is attached hereto and made a part of this report.

On motion of Mr. Hall, seconded by Dr. Beal, the Conference adjourned subject to the call of the chair.

Respectfully submitted,

CHAS. J. LYNN,

Secretary pro tem.

THE COMPOSITE BILL APPROVED BY THE CONFERENCE.

A BILL

To impose a tax upon opium and coca leaves, upon imported compounds, manufactures, salts, derivatives and preparations thereof; imposing a special tax upon persons who produce, import, export, compound, manufacture, deal in, dispense, sell or give away opium or coca leaves or any compound, manufacture, salt, derivative or preparation thereof; providing for the registration of such persons with the collectors of internal revenue; and for other purposes.

Sec. 1. Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That on and after July first, nineteen hundred and —, every person who produces, imports, exports, manufactures, compounds, deals in, distributes, sells, dispenses or gives away opium or coca leaves or any compound, manufacture, salt, derivative or preparation thereof, shall register with the collector of internal revenue of the district his name or style, place of residence, trade or business, and the place where such trade or business is to be carried on. *Provided*, however, that the office, or if none, then the residence, of any person qualified by state or territorial law or by the laws of the District of Columbia to practice medicine, dentistry or veterinary medicine, shall be considered to be his place of business.

At the time of such registry and on or before the first day of July annually thereafter every importer, exporter, producer, manufacturer or wholesaler of opium or coca leaves or of any compound, manufacture, salt, derivative or preparation thereof, shall pay to the said collector a special tax at the rate of twenty-five dollars per annum, and every retailer of opium or coca leaves or of any compound, manufacture, salt, derivative or preparation thereof, shall pay to the said collector a special tax at the rate

of one dollar per annum. Every person who imports opium or coca leaves or any compound, manufacture, salt, derivative or preparation thereof, shall be regarded as an importer thereof. Every person who exports opium or coca leaves or any compound, manufacture, salt, derivative or preparation thereof, shall be regarded as an exporter thereof. Every person who engages in the cultivation of the poppy plant, in the United States of America, for the production of opium, shall be regarded as a producer thereof. Every person who engages in the cultivation of the coca plant, in the United States of America, for the production of coca leaves, shall be regarded as a producer thereof. Every person who refines, purifies, manufactures, or compounds with other drugs, opium or coca leaves, or any salt, derivatives or preparation thereof, for sale only to manufacturers, wholesalers or retailers, shall be regarded as a manufacturer thereof. Every person who sells opium or coca leaves, or any compound, manufacture, salt, derivative or preparation thereof, in unbroken importers' or manufacturers' packages for resale and not for consumption, or who sells in an individual transaction more than one ounce of opium, or more than one pound of coca leaves, or more than one-eighth of an ounce of morphine, or more than one-eighth of an ounce of cocaine, or more than one-eighth of an ounce of any salt or derivative of opium, or more than one-eighth of an ounce of any salt or derivative of coca leaves, or more than one pint of any liquid preparation, or its equivalent in solid or semi-solid preparations, of opium or coca leaves, or any salt or derivative of opium or coca leaves, or more than one hundred tablets or pills containing opium or coca leaves or any compound, salt, derivative, or preparation thereof, shall be regarded as a wholesaler thereof; *provided*, however, that any pharmacist who shall manufacture for sale in the ordinary conduct of the business of a retail pharmacy, or who shall sell, in any individual transaction, any of the articles

aforsaid to any other retailer or to any hospital or scientific institution registered under this act or who shall sell any of the articles aforesaid upon the written and signed prescription of any lawfully authorized practitioner of veterinary medicine when such prescription is issued in good faith for administration to an animal under treatment by the said practitioner in a quantity in excess of the quantities severally above specified, shall not be regarded as a manufacturer or wholesaler as herein defined. Every person, other than an importer, exporter, producer, manufacturer, or wholesaler, as herein defined, who sells, compounds, manufactures, distributes, dispenses or gives away opium or coca leaves, or any compound, manufacture, salt, derivative or preparation thereof, shall be regarded as a retailer thereof. Every person who pays the tax at the rate of twenty-five dollars per annum shall have the right to import, export, produce, manufacture, compound, deal in, distribute, sell or give away opium or coca leaves, or any compound, manufacture, salt derivative or preparation thereof, as an importer, exporter, producer, manufacturer, wholesaler and retailer, as herein defined, without the payment of any further special tax. Every person who pays the tax at the rate of one dollar per annum shall have the right to compound, manufacture, deal in, distribute, dispense, sell or give away opium or coca leaves or any compound, manufacture, salt, derivative or preparation thereof, as a retailer, as herein defined, without the payment of any further special tax. No person shall import, export, produce, manufacture, compound, deal in, distribute, sell, dispense, or give away opium or coca leaves, or any compound, manufacture, salt, derivative or preparation thereof, without having registered, and paid the special tax as required by this section; *provided*, however, that the registration and the payment of the tax as herein provided shall not be construed to relieve any person from the effect of any law of any State or Territory or of the District of Columbia or any lawful municipal ordinance regulating, prohibiting or taxing the manufacture, transportation, distribution, selling, or giving away of opium, coca leaves, their salts, derivatives or preparations.

The word "person" as used in this Act shall be construed to mean and include a partnership, association, company, or cor-

poration, as well as a natural person. That all provisions of existing law relating to special taxes, so far as applicable, including the provisions of section thirty-two hundred and forty of the Revised Statutes of the United States are hereby extended to the special tax herein imposed.

Sec. 2. That no person shall sell, or give away opium or coca leaves, or any compound, manufacture, salt, derivative or preparation thereof, except upon a written order of the purchaser or person to whom such article is given, on a form to be issued in blank for that purpose by the Commissioner of Internal Revenue; and every person who shall accept any such order and shall sell or deliver any of said articles thereunder shall preserve such order for a period of two years in such a way as to be readily accessible to inspection by internal revenue officers and the state and municipal officials mentioned in Section nine of this Act. Every person who shall give an order as aforesaid for any of said articles shall, at or before the time of giving such order make or cause to be made a duplicate thereof on a form to be issued in blank for that purpose by the Commissioner of Internal Revenue, and in case of the acceptance of such order shall preserve such duplicate for said period of two years in such a way as to be readily accessible to inspection by the officers and officials aforesaid. Nothing contained in this section shall apply to the distribution or dispensing of any of said articles by lawfully authorized practitioners of medicine, dentistry or veterinary medicine in the course of their professional practice only, or to the sale, distribution or dispensing of any of said articles by pharmacists, under and in pursuance of written prescriptions of lawfully authorized practitioners of medicine, dentistry or veterinary medicine, in personal attendance upon the case for which the prescription is intended and such prescription shall be signed by said practitioner; or to the sale to the consumer on an affidavit setting forth that the same is desired for his personal use as a medicine and not for resale or distribution to others, on a form approved by the Commissioner of Internal Revenue and supplied to the consumer by the retailer, which affidavit shall be forwarded, on or before the tenth day of the month next succeeding, to the Collector of Internal Revenue in his district, and a copy of which shall be pre-



served for a period of two years and open to inspection by internal revenue officers or other officers referred to in Section nine of this Act; or to the sale, exportation, shipment or delivery of any said article by any person within the United States of America, to any person in any foreign country, or to the sale, distribution or dispensing of preparations or remedies which do not contain more than two grains of opium, or one-fourth of a grain of morphine, or one-third of a grain of heroin, or one grain of codeine, or their salts or derivatives, in one fluid ounce; or if a solid or semi-solid preparation, in one avoirdupois ounce; or to liniments, ointments, or other preparations which are prepared for external use only; *provided*, that such remedies or preparations are sold, distributed, or dispensed as medicine, and not for the purpose of evading the provisions of this Act. The Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall cause suitable forms to be prepared for the purpose aforesaid. Such forms shall be furnished to collectors of internal revenue for sale by them to those persons who shall have registered and paid the special tax, as required by this Act, in their districts, respectively, and no collector shall sell any of such forms to any person other than a person who shall have registered and paid the special tax, as required by this Act, in his district and such form shall not be transferable. The price at which such forms shall be sold by said collectors shall be fixed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, but shall not exceed the sum of fifty cents per hundred. Every collector shall keep an account of the number of such forms sold by him, the names of the purchasers and the number of such forms sold to each of such purchasers.

Sec. 3. That there shall be levied and collected upon all opium and coca leaves now held by any importer, exporter, producer, manufacturer, wholesaler, or retailer, as herein defined, or hereafter produced or received, an internal-revenue tax of five cents per pound or fraction of a pound on opium, and one-quarter of a cent per pound or fraction of a pound on coca leaves, in addition to any import duties on these products; and said revenue taxes shall be paid by affixing to each package or receptacle con-

taining opium or coca leaves before removal of the same from a customs warehouse, their place of manufacture or storage, or before being further manufactured or compounded, and before being offered for sale, an engraved stamp, to be affixed and cancelled in such manner as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may prescribe.

That the provisions of existing laws governing the engraving, issue, sale, accountability, effacement, cancellation and destruction of stamps relating to tobacco and snuff, as far as applicable, are hereby made to apply to the stamps provided for by this section; and all opium and coca leaves, and all packages and receptacles containing the same, not stamped as herein provided, shall be forfeited to the United States and may be sold subject to the provisions of existing law, to any person who has registered and paid the special taxes imposed by this Act; *provided*, that whenever packages of opium or coca leaves, after the payment of the internal-revenue tax thereon, shall be subdivided, further manufactured, or compounded, such sub-divisions, compounds, or manufactures may be sold or otherwise disposed of without any internal-revenue tax stamp being affixed to the packages or receptacles containing the same.

Every person registering under the provisions of this Act, shall, at the time of such registration, file with the collector of internal revenue of the district, a sworn statement showing to the best of his knowledge and belief the number of pounds of opium and coca leaves, in his possession at the date when this Act went into effect, and the said collector shall collect the revenue taxes on such opium and coca leaves at the rate of taxation as provided for by this section.

Sec. 4. That there shall be levied and collected upon all of the following described articles hereafter imported from foreign countries, to-wit, all manufactures, compounds, salts, derivatives, preparations and further manufactured products of opium or coca leaves, in addition to any import duties on said articles, an internal-revenue tax at the rate of two and one-half cents per ounce. The payment of said internal revenue tax shall be evidenced by affixing an engraved stamp to each package or receptacle containing any of the said articles, which stamp

shall be affixed and cancelled by the owner or importer of the said articles while they are in the custody of the proper custom-house officers, and such articles shall not pass out of the custody of said officers until the stamps have been affixed and cancelled; and the owner or importer shall be liable to the penal provisions prescribed by this Act. Whenever it is necessary to take any such articles, so imported, to any place for the purpose of repacking, affixing and cancelling such stamps, other than the public stores of the United States, the collector of customs of the port where they are entered shall designate a bonded warehouse to which they shall be taken, under the control of such customs officer as he may direct. And every officer of the customs who permits any such articles to pass out of his custody or control without compliance by the owner or importer thereof with the provisions of this section relating thereto, shall be deemed guilty of a misdemeanor, and shall be fined not more than five thousand dollars, or imprisoned not more than three years, or both, in the discretion of the court. The provisions of existing laws governing the engraving, issue, sale, accountability, effacement, cancellation and destruction of stamps relating to tobacco and snuff, as far as applicable, are hereby made to apply to the stamps provided for by this section and all such articles hereafter imported, to-wit, all manufactures, compounds, salts, derivatives, preparations and further manufactured products of opium or coca leaves, and all packages and receptacles contained the same, not stamped as herein provided, shall be forfeited to the United States and may be sold, subject to the provisions of existing laws, to any person who has registered and paid the special tax as required by this Act.

Sec. 5. The Collector of Internal Revenue may, in his discretion, require monthly or quarterly reports from any or all producers, importers, exporters, manufacturers, wholesalers, or retailers of their purchases of opium, coca leaves, their salts, derivatives or preparations, and from whom received during the preceding three months, but said reports shall not be required to cover a period longer than the preceding three months, which said reports shall be filed in the office of Collector of Internal Revenue for reference as herein provided.

Sec. 6. That it shall be unlawful for any

person who shall not have registered and paid the special tax as required by Section one of this Act, to ship opium or coca leaves, or any manufacture, compound, salt, derivative or preparation thereof, from any State or Territory or the District of Columbia, to any person in any other State, Territory or the District of Columbia; or for any person, in any State or Territory or the District of Columbia, who shall not have registered and paid the special tax as required by Section one of this Act, to receive from any other State or Territory or the District of Columbia or any foreign country, in original unbroken packages, any opium of coca leaves, or any manufacture, compound, salt derivative or preparation thereof; *provided*, however, that nothing contained in this section shall apply to common carriers engaged in transporting opium or coca leaves, or any manufacture, compound, salt, derivative or preparation thereof, or to the sale or delivery of any of said articles to consumers in pursuance of written and signed prescriptions of lawfully authorized practitioners of medicine, dentistry or veterinary medicine for the treatment in good faith of patients upon whom they are in personal attendance.

Sec. 7. That under such regulations and upon the filing of such notices, entries, and bonds, as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may prescribe, opium or coca leaves, or any manufacture, compound, salt, derivative or preparation thereof, may be removed from a customs warehouse, or from the place of manufacture or storage, for export free of the revenue taxes imposed by Sections three and four of this Act; but upon the reimportation of any of said articles the same shall be held in the custody of the collector of customs until the required internal-revenue stamps in payment of the taxes imposed by this Act shall have been placed thereon.

Sec. 8. That any person who violates or fails to comply with any of the requirements of this Act shall, on conviction, be fined not more than two thousand dollars, or be imprisoned not more than five years, or both, in the discretion of the court.

That whenever on trial for violation of this act an unregistered person is shown to have, or to have had possession of any opium, coca leaves, their salts, derivatives or preparations not expressly excepted in sections two

and eleven of this act, after this act shall have gone into effect, such possession shall be deemed sufficient evidence that he is engaged in the unlawful traffic in such opium, coca leaves, their salts, derivatives or preparations unless such possession shall be explained to the satisfaction of the jury.

Sec. 9. That the returns of importers, exporters, producers, wholesalers and retailers filed in the office of the collector of the internal revenue district under Section five of this Act shall be open to inspection by internal revenue officers and such officials of any State or Territory or of any organized municipality therein, or of the District of Columbia, as shall be charged with the enforcement of any law, or municipal ordinance, regulating the sale, dispensing, dealing in, or distribution of opium or coca leaves, or any manufacture, compound, salt, derivative or preparation thereof. Each Collector of Internal Revenue is hereby authorized to furnish, upon written request, certified copies of any of said returns filed in his office to any of such officials of any State or Territory or organized municipality therein, or the District of Columbia, as shall be entitled to inspect the returns aforesaid filed in the office of the said Collector of Internal Revenue, upon the payment of a fee of one dollar for each one hundred words or fraction thereof in the copy or copies so requested. Any person who shall disclose the information contained in the said returns, except as herein expressly provided, and except for the purposes of enforcing the provisions of this Act, or for the purpose of enforcing any law of any State or Territory or the District of Columbia, or ordinance of any organized municipality therein, regulating the sale, dispensing, dealing in, or distribution of opium or coca leaves, or any compound, salt, derivative or preparation thereof, shall, on conviction, be fined or imprisoned as provided by Section eight of this Act. And collectors of internal revenue are hereby authorized to furnish, upon written request, to any person, a certified copy of the names of any or all persons who may be listed in their respective collection districts as special taxpayers under the provisions of this act, upon payment of a fee of one dollar for each one

hundred names or fraction thereof in the copy so requested.

Sec. 10. That the sum of one hundred and fifty thousand dollars, or so much thereof as may be necessary, be, and hereby is, appropriated for the purpose of carrying into effect the provisions of this act, and the Commissioner of Internal Revenue is hereby authorized to appoint such agents, deputy collectors, inspectors, chemists, assistant chemists, clerks, and messengers in the field and in the Bureau of Internal Revenue in the District of Columbia as may be necessary to enforce the provisions of this act.

Section 11. That the provisions of this act shall not apply to decocainized coca leaves, or preparations made therefrom, nor to other preparations of coca leaves which do not contain cocaine.

Sec. 12. That all laws relating to the assessment, collection, remission, and refund of internal-revenue taxes, including sections thirty-one hundred and sixty-four to thirty-one hundred and seventy-seven, Revised Statutes; thirty-one hundred and seventy-nine to thirty-two hundred and forty-three; thirty-three hundred and forty-six as amended; thirty-four hundred and forty-five to thirty-four hundred and forty-eight; thirty-four hundred and fifty to thirty-four hundred and sixty-three, all inclusive, so far as applicable to and not inconsistent with the provisions of this Act, are hereby extended and made applicable to the taxes imposed by this Act.

Sec. 13. That all the provisions of the Act of Congress approved June thirtieth, nineteen hundred and six, entitled "An Act for Preventing the Manufacture, Sale or Transportation of Adulterated or Misbranded or Poisonous or Deleterious Foods, Drugs, Medicines, and Liquors, and for Regulating Traffic therein, and for other purposes," and any amendments thereof, and of that Act approved February ninth, nineteen hundred and nine, entitled "An Act to Prohibit the Importation and Use of Opium for Other than Medicinal Purposes" and any amendments thereof, are hereby extended and made to apply, so far as applicable, to the provisions of this Act.