

## THE PHARMACIST AND THE LAW.

## WAR EXCISE TAXES.

Attention is called to the following articles because they may be overlooked in rendering taxes.

ART. XIX. *Medicinal preparations.*—The tax is 2 percent of the price for which pills, tablets, powders, tinctures, troches or lozenges, sirups, medicinal cordials or bitters, anodynes, tonics, plasters, liniments, salves, ointments, pastes, drops, waters, essences, spirits, oils, and all medicinal preparations, compounds or compositions whatsoever, are sold by the manufacturer; provided that

(1) The manufacturer claims to have any private formula, secret or occult art for making or preparing them; or

(2) The manufacturer has or claims to have any exclusive right or title to making or preparing them; or

(3) They are prepared, uttered, vended, or exposed for sale under any letters patent or trade-mark; or

(4) They are held out or recommended to the public by the makers, venders, or proprietors thereof, either (a) as proprietary medicines or medicinal proprietary articles or preparations, or (b) as remedies or specifics for any disease or affection whatever affecting the human or animal body.

ART. XX. *Medicinal preparations: Scope of tax.*—Every medicinal preparation, compound, or composition which is embraced within one or more of subdivisions (1), (2), (3) and (4) in the preceding article is subject to the tax. If, for instance, an article is made or prepared by a manufacturer claiming to have a private formula, secret or occult art for it, it is taxable, even though it is not prepared, uttered, vended, or exposed for sale under any letters patent or trade-mark, and it is not held out or recommended to the public as a proprietary medicine or medicinal proprietary article or preparation, or as a remedy or specific for any disease or affection of the human or animal body. Preparations made in accordance with formulas contained in the United States Pharmacopoeia and National Formulary by pharmaceutical manufacturers, when not held out or recommended as proprietary medicines or medicinal proprietary articles or preparations, or as remedies or specifics, are not subject to the tax; but if so held out or recommended they are taxable, although not identified by any name, trade-mark, or otherwise.

ART. XXI. *Medicinal preparations: Who is a "manufacturer?"*—Within the meaning of this subdivision a manufacturer or producer is a person who prepares an article or has it prepared and sells it, and who identifies the article by a commercial name, trade-mark, or trade name, or by other means, or holds out or recommends the article as a proprietary medicine or medicinal proprietary article or preparation, or as a remedy or specific. If the article or its container has on it both a trade-mark or trade name of one manufacturer and the individual or business name of another, the owner of the trade-mark or trade name will be deemed the manufacturer. If the article or its container has on it both the commercial name of the article and an individual or business name, the latter will be deemed to designate the manufacturer. A person who is employed to make an article and receives for it the cost of materials and labor, plus a specified profit, shall be considered a manufacturing agent, and the person who procures the preparation of the article will be considered the manufacturer. Where the owner of a formula contracts with a manufacturer to prepare an article according to such formula and to deliver it to him in complete, salable form, the labels bearing the formula owner's name, he is considered the manufacturer. A person who bottles or otherwise prepares an article, and merely for advertising purposes places on such article the name of any dealer who may handle it, shall be deemed the manufacturer if the names of both persons appear, but if only the dealer's name appears he shall be deemed the manufacturer. "Held out or recommended" includes representation by any means, personal canvas and statements on the labels, in pamphlets and in advertisements, or otherwise. A holding out or recommendation intended for physicians only is a holding out to the public.

ART. XXII. *Medicinal preparations: Articles included.*—The word "medicinal" is applicable to any substance adapted to cure or alleviate disease or pain. Accordingly, a medicinal preparation is a preparation of any substance whatever intended to be applied for the cure or mitigation of pain or disease. Many articles or substances which are not usually considered as belonging to *materia medica* may become taxable medicinal preparations by being held out or advertised as remedies for diseases affecting the human or

animal body. Boric acid when sold under a trade-mark as a medicinal preparation is taxable.

ART. XXVI. *Return of tax on commodities.*—Each manufacturer of any of the articles hereinabove enumerated must make monthly returns under oath in duplicate and pay the taxes imposed on such articles to the collector of internal revenue for the district in which his principal place of business is located. The returns shall be made on Form 728. Instructions for preparing will be found on the back of the form. The returns are to be rendered and the tax paid on or before the last day of each month covering the transactions of the preceding month, the first return

to cover all transactions since October 3, 1917. Where articles are sold over a period of time under an agreement for a quantity rebate, the tax, if originally computed on the gross price, may be adjusted in the return for the month in which the price is finally determined. Branch houses should in general make reports to the parent house, which is liable to make monthly returns of the sales of the branch house. An itinerant manufacturer should make return and pay the tax to the collector of the district where the sales are made. The books of every person liable to the tax shall be open at all times for inspection by examining internal revenue officers.

### CHANGES OF ADDRESS.

All changes of address of members should be sent to the General Secretary promptly.

The Association will not be responsible for non-delivery of the Annual Volume or Year Book, or of the JOURNAL unless notice of the change of address is received before shipment or mailing.

Both the old and the new address should be given thus:

HENRY MILTON,

From 2342 Albion Place, St. Louis, Mo.

To 278 Dartmouth St., Boston, Mass.

Titles or degrees to be used in publications or in the official records should be given, and names should be *plainly* written, or typewritten.

#### CHANGES OF ADDRESS SINCE APRIL 23, 1918.

TWOMBLY, A. P. W.

From 721 Huntington Ave., Boston, Mass.

To Box 94, N. Rochester, New Hampshire.

McGOGY, J. F.

From 6219 12th Ave., N. E., Seattle, Washington.

To 1015 E. 55th St., Seattle, Washington.

GROSS, E. O.

From Albia, Iowa, care G. D. Miller.

To Elma, Iowa.

KING, G. A. N.

From Twin City Drug Mills, Minneapolis, Minnesota.

To 2631 Emerson South, Minneapolis, Minnesota.

MERNER, P. M. P.

From Cedar Falls, Iowa.

To 89 Auburn Ave., Sierra Madre, Cal.

BOTKIN, R. J.

From Residence unknown.

To 138 W. 31st, Bayonne, New Jersey.

BERGER, E. R.

From Residence unknown.

To Odebolt, Iowa.

ELLIOTT, C. S.

From Residence unknown.

To Base Hospital, Camp Grant, Rockford, Illinois.

BRACONIER, F. G.

From 1145 Main St., Campello, Massachusetts.

To U. S. S. Wilhelmina, Brooklyn, New York.

MOORE, M. S.

From 308 W. Chestnut St., Albion, Michigan.

To 320 W. Lapeer St., Lansing, Michigan.

STOUT, M. A.

From Peoples Gas Bldg., No. 1213, Chicago, Ill.

To Bluffton, Indiana.

HOFFMAN, E. S.

From 138 Linden St., Allentown, Pennsylvania.

To 3238 Chestnut St., Philadelphia, Pennsylvania.

GERMER, F. W.

From 5 Salem St., Newark, New Jersey.

To Maplewood, New Jersey.