

Exhibit 5

over and accounted for under the instructions of the Treasury Department: *Provided*, That in no case shall such commissions exceed the sum of four thousand dollars for a principal officer and two thousand dollars for an assistant. And there shall be further allowed to each collector their necessary and reasonable charges for stationery and blank books used in the performance of their official duties, which, after being duly examined and certified by the commissioner of taxes, shall be paid out of the Treasury.

Proviso.

Allowance for stationery, blank books, &c.

SEC. 49. *And be it further enacted*, That, from and after the first day of January next, there shall be levied, collected, and paid, upon the annual income of every person residing in the United States, whether such income is derived from any kind of property, or from any profession, trade, employment, or vocation carried on in the United States or elsewhere, or from any other source whatever, if such annual income exceeds the sum of eight hundred dollars, a tax of three per centum on the amount of such excess of such income above eight hundred dollars: *Provided*, That upon such portion of said income as shall be derived from interest upon treasury notes or other securities of the United States, there shall be levied, collected, and paid a tax of one and one half per centum. Upon the income, rents, or dividends accruing upon any property, securities, or stocks owned in the United States by any citizen of the United States residing abroad, there shall be levied, collected, and paid a tax of five per centum, excepting that portion of said income derived from interest on treasury notes and other securities of the Government of the United States, which shall pay one and one half per centum. The tax herein provided shall be assessed upon the annual income of the persons hereinafter named for the year next preceding the time for assessing said tax, to wit, the year next preceding the first of January, eighteen hundred and sixty-two; and the said taxes, when so assessed and made public, shall become a lien on the property or other sources of said income for the amount of the same, with the interest and other expenses of collection until paid: *Provided*, That, in estimating said income, all national, state, or local taxes assessed upon the property, from which the income is derived, shall be first deducted.

Income tax.

[Repealed, 1862, ch. 119, § 89. *Post*, p. 473.]

Excess over \$800.

Proviso.

Of what date to be assessed. Lien.

Income, how to be estimated.

SEC. 50. *And be it further enacted*, That it shall be the duty of the President of the United States, and he is hereby authorized, by and with the advice and consent of the Senate, to appoint one principal assessor and one principal collector in each of the States and Territories of the United States, and in the District of Columbia, to assess and collect the internal duties or income tax imposed by this act, with authority in each of said officers to appoint so many assistants as the public service may require, to be approved by the Secretary of the Treasury. The said taxes to be assessed and collected under such regulations as the Secretary of the Treasury may prescribe. The said collectors, herein authorized to be appointed, shall give bonds, to the satisfaction of the Secretary of the Treasury, in such sums as he may prescribe, for the faithful performance of their respective duties. And the Secretary of the Treasury shall prescribe such reasonable compensation for the assessment and collection of said internal duties or income tax as may appear to him just and proper; not, however, to exceed in any case the sum of two thousand five hundred dollars per annum for the principal officers herein referred to, and twelve hundred dollars per annum for an assistant. The assistant collectors herein provided shall give bonds to the satisfaction of the principal collector for the faithful performance of their duties. The Secretary of the Treasury is further authorized to select and appoint one or more depositaries in each State for the deposit and safe-keeping of the moneys arising from the taxes herein imposed when collected, and the receipt of the proper officer of such depository to the collector for the moneys deposited by him shall be the proper voucher for such collector in

Mode of assessing and collecting income tax.

[Repealed in part, 1862, ch. 119, § 89. *Post*, p. 473.]

Collector to give bond.

Pay.

Assistant-Collectors' bond.

Depositaries.