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Taxation of “Corporate Securities”

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the will (and so not a valid execution of the power) but in legal effect a mere gift of the land, and it was therefore set aside in favor of the residuary legatees. It was held that she could only convey the land by deed for an adequate consideration and not make a disposition by *gift*, testamentary disposition or other mode of transfer. A holding to the contrary would have the effect of enlarging the widow's life estate into a fee simple, which result would be contrary to the testator's intention in accordance with the construction put upon the will.

It has been repeatedly held in the State of Missouri that a life tenant with power of sale and disposal or power to execute deeds, cannot make a *gift* of the property or dispose of it by any other method than that expressly set forth in the will and thereby defeat the remainders over upon his death. *Garland v. Smith*, 164 Mo. 1; *Burnet v. Burnet*, 244 Mo. 491; *Tallent v. Fitzpatrick*, 253 Mo. 10; *Priest v. McFarland*, 262 Mo. 236.

TAXATION OF "CORPORATE SECURITIES".

Section 6318-p. of the Compiled Statutes Annotated Supplement of 1919 provides for the taxation of "everything known as corporate securities." In the case of the *Fidelity Trust Co. v. Lederer*, 276 Fed. 51, the question arose as to whether *car trust certificates* are included within this act as one form of "corporate security." In deciding this question the court first said that all forms of securities or investment issued by corporations are taxable. It then went on to say that while *car trust certificates* were neither evidences of indebtedness nor of shares in corporate assets, yet they are a form of corporate security within the meaning of that phrase as used in the act of Congress referred to above. In its opinion the court says that simply because *car trust certificates* were not thought of at the time of passing this taxation act and consequently not among the enumerated forms of securities, yet as it was the manifest intent of Congress to include all conceivable forms of corporate securities, *car trust certificates* must be taxed under this act.

TRADE SECRETS AS PROPERTY.

In a recent case which is now under advisement, one of the parties took the untenable position that trade secrets are not property, but are personal to their possessor and that his rights are extinguished with his death and do not constitute assets in his estate.

No one could deny that anything that is assignable, that can be conveyed by deed, that constitutes assets in bankruptcy, that is a subject of sale, that may be held in trust, and that constitutes assets in the estate of a decedent, is property in the fullest and most comprehensive sense of the term. Trade secrets possess all these attributes. The following are the leading cases on this subject and conclusively establish the proposition that trade secrets are property: