

hind. The rebels left upward of 80 dead and 40 wounded. We also took nearly 200 of them prisoners. Among their killed and wounded was the Colonel and Lieutenant Colonel of the Fifth North Carolina regiment.

THE PURSUIT CONTINUED AND WILLIAMSBURG OCCUPIED.

The following dispatch from Gen. McClellan is the latest authentic intelligence we have from his army before going to press:—

HEADQUARTERS ARMY OF THE POTOMAC,
Williamsburg, Va., May 6.

Hon. E. M. STANTON, Secretary of War:—I have the pleasure to announce the occupation of this place as the result of the hard-fought action of yesterday. The effect of Hancock's brilliant engagement yesterday afternoon was to turn the left of their line of works. He was strongly reinforced, and the enemy abandoned the entire position during the night, leaving all his sick and wounded in our hands. His loss yesterday was very severe. We have some 300 uninjured prisoners, and more than 1,000 wounded. Their loss in killed is heavy. The victory is complete. I have sent cavalry in pursuit. The conduct of our men has been excellent, with scarcely an exception. The enemy's works are very extensive and exceedingly strong, both in respect to position and the works themselves. Our loss was heavy in Hooker's division, but very little on other parts of the field. Hancock's success was gained with a loss of not over 20 killed and wounded. The weather is good to-day, but there is great difficulty in getting up food, on account of the roads. Very few wagons have yet come up. Am I authorized to follow the examples of other Generals, and direct the names of battles to be placed on colors of regiments? We have other battles to fight before reaching Richmond.

G. B. MCCLELLAN,
Major General Commanding.

IMPORTANT BATTLE IN NEW MEXICO.

An official dispatch confirms the report that Gen. Canby had obtained a decisive victory over the rebels at Paralta, in New Mexico. The Texan rebels' works had been so invested that after the battle they had but two choices—to surrender or flee to the mountains, where, if they adopted the latter course, they would most assuredly fall into the hands of the Indians.

THE PRIVATEER "SUMTER."

On the 17th of April, Capt. Semmes and other officers of the privateer *Sumter* arrived in England on the steamer *Mooltan*. They left the *Sumter* at Gibraltar. The crew had been disbanded, and it was reported that the vessel had been sold, though this was denied by one of the officers.

GEN. BEAUREGARD RE-ENFORCED BY LOVELL.

Gen. Halleck telegraphed to the War Department on the 6th inst. that the rebel army under Gen. Lovell, which evacuated New Orleans on the approach of our troops, had arrived at Corinth.

TENNESSEE RETURNING TO THE UNION.

The Nashville *Union* of the 3d contains a call, signed by one hundred and fifty influential citizens, assigning Monday for a meeting to take measures to restore the former relations of Tennessee with the Federal Union.

CAVALRY FIGHTS IN TENNESSEE.

The rebel marauder Morgan, with a force of about one thousand cavalry, attacked a small body of Union troops at Pulaski, Tennessee, on Friday, May 2, and after a fight of two hours and a half, during which the rebels lost six killed and two wounded, and our troops lost two killed, three wounded and one missing, our whole force was taken prisoners. The prisoners were released on parole and are now in Nashville. The rebels out-numbered our forces four to one. On Monday morning a body of cavalry under Gen. Dumont, found and attacked the united rebel cavalry under Morgan and Wood, at Lebanon, and utterly routed them, after killing a great number, capturing one hundred and fifty prisoners and nearly all their horses and arms. The fight lasted an hour and a half, and the rebels fled, closely pursued by General Dumont.

DEMORALIZATION OF THE REBEL ARMY.

Deserters at all points agree in stating that the soldiers of the Confederate army are exceedingly discouraged by their great and constant reverses. Such statements from such a source are to be received with much caution, but they are partly confirmed by other evidence. We learn by Southern papers that two regiments under Beauregard who had been enlisted for twelve months, refused to serve longer on learning of the law recently passed by the Confederate Congress, requiring all soldiers to continue to serve till the end of the war. A band of 400 Germans, also in Beauregard's army, recently deserted in a body and came over to our lines.

NEWS DIRECT FROM NEW ORLEANS.

Since the preceding matter was in print the steamship *Columbia* has arrived at this port, and by her we

have the Cuban *Herald*, extra, containing the particulars of the bombardment of Forts Jackson and St. Phillip, on the Mississippi.

The bomb boat *Daniel Smith* arrived at Havana on the 30th ult., bringing dispatches for the United States government. By her we have the particulars of the bombardment of the forts, which had been carried on for six days with unabated fury. The *Daniel Smith* left the scene of action on the 26th ult.

The chain which was placed across the river was broken by two of the gunboats.

Twenty-one mortar and three gunboats had been engaged in the attack upon the forts, and succeeded on the 25th in silencing the fortifications, and securing the safe passage up the river of fourteen war steamers, which were bound for New Orleans, 80 miles above.

The *Hartford* was set on fire by coming in contact with one of the fire ships, but the fire was extinguished before much damage was done.

The Federal forces had destroyed eleven Confederate gunboats.

The Federal gunboat *Verona* and the Confederate steamer *Webster* had an engagement, and the *Webster* ran into the *Verona*, injuring her so badly that she was in a sinking condition. The *Verona*, while disabled, discharged eight guns into the *Webster*, with such destructive and crushing effect that they both went down together.

The Federal gunboat, *Maria J. Carlton*, was sunk by the guns of the forts.

Gen. Butler had landed 4,000 men above the forts.

On the 25th a flag of truce was sent on board to Commodore Porter, asking what terms would be demanded in the surrender. The reply was "unconditional," and the arrangements for the surrender were to be made on the 27th.

It is said the contest has been a hard one, many of the men on the mortar boats falling at their posts from fatigue, so incessantly had they been kept at work.

The floating battery *Manassas* was sunk by the steamship *Mississippi*.

Fire ships had been sent down the river every night by the rebels, but a force was detailed with small boats to tow them off where they could do no harm.

The loss on the part of the Federals is said to be 114, while that of the enemy is not known.

Four hundred rebel prisoners have been taken.

A New and Simple System of National Taxation.

The subject of taxation and the raising of a large revenue has engaged the attention of some of the most profound and subtle intellects in our country. It is a very difficult question to master. A simple, and comprehensive system of taxation, suitable to the habits and pursuits of our people is desirable. The tax bill which has been maturing by our statesmen in Washington is very complex. The following proposed system of raising a large revenue is original, simple and comprehensive, and it is believed that \$1,000,000 per day may be raised by it without being felt as a severe burden by the people.

PRINCIPLE OF THE SYSTEM:—A stamp tax of one per cent on receipts given for all money paid (in sums of five dollars and upward) in all business transactions of purchase and sale of all manner of property, and on all payments of rent, interest and dividends.

REASONS.—1. It will be promptly realized or prepaid. 2. It will save nearly all the cost of collection, thereby adding from fifteen to twenty millions to the available revenue. 3. It will avoid the frequent administration of oaths and its consequent demoralizing effect. 4. It will prevent a large increase of one of our greatest political dangers—Executive patronage—in the appointment of assessors, examiner and collectors. 5. It will not disturb the existing relations of trade and manufactures. 6. It makes unnecessary any adjustment of the tariff, or any consideration of the Reciprocity treaty. 7. Its tendency will be to check mere speculation, and to reduce the number of "middle men," and so save their profits to consumers. 8. It requires no inquisition into private affairs, and so avoids the danger of bringing the government and its officers into disrepute. The bill now before congress is extremely offensive on this score. 9. The tax on sales by each class of producers or traders will be so small that prices will be gradually and imperceptibly adjusted to the new order—

giving this the character of an indirect tax. 10. The tax will be paid principally by a class who, from their habits of business, will understand their liabilities in the matter, and will therefore more promptly comply with the requirements of the law. Being paid only when money is received and by the party receiving, it will be more readily and willingly done than in any other way. 11. It will relieve trade and industry from uncertainty—members of Congress from the annoying importunities of interested parties and the country from the expense of a prolonged, tedious and unsatisfactory legislation. 12. It will be collected on all past transactions that have not been finally settled and paid, and from disloyal as well as loyal people.

Stamps of various amounts should be provided, so as readily to meet the requirements of any transaction, and efficient penalties provided for non-usage, and for the sale thereof at any other than government offices.

The following statement (embracing less than one-third of the transactions occurring), based on census returns and estimates therefrom, shows the amount of revenue derivable from them alone:—

Products of mines and quarries,.....	\$164,000,000	
from which deduct value of the precious metals,.....	82,000,000	\$82,000,000
Product of manufactures,.....		1,700,000,000
Products of agriculture and of the forests, 2,200,000,000		
from which deduct estimated consumption by producers,.....	1,000,000,000	1,200,000,000
Products of fisheries,.....		20,000,000
Imports of foreign merchandise,.....	\$63,000,000	
to which must be added duties, freights and other cost of importation 33 1/2 per cent.....	121,000,000	484,000,000
		\$3,436,000,000
Add for profits on sale 5 per cent,.....		174,000,000
		\$3,660,000,000

This amount sold three times gives total sales,..... \$10,980,000,000

which at 1 per cent will yield a revenue of,..... \$109,800,000

One million per day would quietly fall into the treasury, and the expense of selling hardly increase the cost of selling postage stamps.

The only objection conceivable to this system of taxation, in lieu of proposed bill, would come from a corrupt party happening to be in office, and wishing the influence which 300,000 tax gatherers would give them, to corrupt the people, control elections and retain place and power.

This scheme has been the subject of much careful thought and investigation, and it is proposed to be substituted for the complicated, unequal and annoying scheme of taxation proposed in the bill now before Congress.

UNITED STATES CIRCUIT COURT—NEW JERSEY.

Infringement of Patent—Hat Manufacturers in Court.

Burr vs. Duryee and others—GRIER, D. J.—Three suits brought against the defendants, who were extensive hat manufacturers, in Newark, N. J., by Henry A. Burr. The plaintiff was the owner of a patent originally granted to Henry A. Wells, April 25, 1846, for an improvement in the machinery and process for making fur hat bodies. This patent was re-issued in 1856, extended in 1860, and after the extension was again surrendered and re-issued, and suit was brought on this extended and re-issued patent.

The defendants used several machines, constructed under Letters Patent granted to Seth Boyden, August 30, 1859, and January 10, 1860. The defendants also used two machines under a license from Burr constructed in precise accordance with the Wells patent. The defendants claimed under the license the right to make new machines whenever the old ones were worn out—but the plaintiff insisted that this license, merely authorizing the use of two machines, did not entitle defendant to build. On this point the Court decided that as the invention was one in which the value of the monopoly consisted in the use of the machine and not in the sale of the machine, that the license to use two machines implied the right to build the two machines and when worn out to replace them by others. The Court also decided that the fact that the defendant was a licensee as to two machines did not prevent him from using other hat body machines and setting up every defence as to those other machines which a non-licensee might.

The Court held that the Boyden Machine did not infringe the Wells patent as re-issued. That any construction of the Wells patent which would make the Boyden Machine an infringement, would also make the Wells patent void for claiming too much. The Judge was very severe in his criticism on the extent to which re-issues are carried of late.

The defendants were also charged with infringing the patent granted to A. B. Taylor, March 18, 1856, re-issued Aug. 25, 1860—and with infringing the patent granted to Leasing E. Hopkins, December 21, 1852.

The Court decided that the Boyden Machine did not infringe either of these patents.

The cases were argued by Messrs. Gifford & Bradley with whom were Keller & Dickerson for plaintiff, and by George Harding and Cortlandt Parker for defendants. The bills were dismissed with costs in each case.

The veteran arctic voyager, Sir James C. Ross, recently died in England, aged 72.