

# A century of income tax headaches

By THOMAS V. DiBACCO

If you're getting a headache trying to get your federal income tax forms filed before Monday's deadline (that's right, it's April 18 this year), it's good you weren't around a century ago when the tax-rite-of-passage was in its infancy — only two years old. In 1916, the Feds left unanswered so many taxpayer questions.

The tax packet then consisted of four pages, including the last, an instruction page. The problem was that pages two and three had to be filled out before page one, with the information from the former delineated on the front page. That seemed to be a backward exercise.

Worse was the treatment of married couples. Each taxpayer got a \$3,000 personal exemption; married couples, however, received a total of only \$4,000. So if each spouse had an income and filed separately, the total was still \$4,000 and had to be split between them. The question was: how do you divide it?

Fortunately, very few Americans met the minimal level of income required to file (only one in 271 adults made the required \$3,000 or more per year). But this meant that audits were more likely for the unlucky few. And the penalties were stiff.

"False or fraudulent" returns resulted in a doubling of the tax due, with an additional penalty of up to \$2,000, a year in jail, or both, together "with the costs of prosecution." The penalty for not filing a return ranged from \$20 to \$1,000, but no information was provided in terms of how these amounts (or anything in between) would be determined.

The instructions required each taxpayer to file a return "with the Collector of Internal Revenue for the district in which the individual resides if he has no other place of business, otherwise in the district in which he has his principal place of business." But what if the individual held the position of a salaried employee (was that a type of business?) and lived in one district with a filing office and worked in another district with its own filing office?

And talk about unfairness. Congress, in writing the implementing law in late 1913, exempted from taxation the president of the United States and Supreme Court justices and all other federal judges, the theory being that, under separation of powers, one branch of the federal government couldn't regulate the other. By 1932, however, lower federal judges lost their exemption, and the president and Supreme Court justices voluntarily started to

pay taxes. I'm serious.

Local and state government employees got a free ride, but not federal workers: "In computing net income there shall be excluded the compensation of all officers and employees of a State or any political subdivision thereof, except when such compensation is paid by the United States Government."

As for pension income, "United States pensions shall be included in income." Did this mean only U.S. government pensions or all pensions in the nation?

Perhaps the worst part of the tax filing process was that the whole shebang "must be made under oath or affirmation. Affidavits may be made before any officer authorized by law to administer oaths. If before a justice of the peace or magistrate: not using a seal, a certificate of the clerk of the court as to the authority of such officer to administer oaths should be attached to the return."

Nor could the taxpayer expect much help in deducting a casualty loss. The form specified only three types of such losses: "fires, storms, or shipwreck."

Shipwreck?

Thomas V. DiBacco is professor emeritus at American University in Washington, D.C. His email address is tvnzdb6063@cs.com.

## Prioritizing civic innovation in Baltimore

By JENNIFER GOOLD AND BRUCE WILLEN

To become a world-class city Baltimore needs new approaches to the challenges facing its citizens and neighborhoods. Baltimore's next mayor needs more than strong messaging and leadership; innovation must be central to his or her agenda.

We propose that Baltimore create a city office tasked specifically with civic innovation. This new office would act as a laboratory to explore methods for radically improving city operations and citizens' lives. It should focus on Baltimore's areas of greatest need such as education, jobs, community-police relations, transportation and vacant properties. This innovation office would apply best practices from leading-edge cities around the world and the private sector, with the well being of everyone as its bottom line.

Progressive cities from Mexico City to Copenhagen already explore ways for local government to incubate breakthrough ideas and solutions.

In Boston, the Mayor's Office of New Urban Mechanics (MONUM) tests tools to keep housing affordable, strengthen parent engagement, build community empowerment and provide safe and equitable streets; it supports labs on economic development, education, engagement and streetscape. MONUM also created City Hall To-Go — a truck that brings city services to far-flung neighborhoods, allowing citizens to obtain permits, pay parking fines, and more without having to make long journeys downtown.

And in New York, the Mayor's Office of Tech & Innovation joined with the city's housing authority to develop a mobile app for maintenance service, is installing 7,500 communications kiosks for free public WiFi and is working with the health department to study how pollutants affect air quality in different neighborhoods.

This new model for civic innovation brings the agility, leanness and speed of a private-sector startup to municipal government, applying human-centered design approaches that can be grassroots or high-tech. By rapidly implementing and evaluating small-scale pilot programs, these civic innovation offices are helping regions around the world to become faster and nimbler, and do more with fewer resources.

Agencies in Baltimore already supply innovative programs, including OpenBaltimore, the Baltimore Food Policy Initiative and B'More for Healthy Babies. However, the structure of municipal government limits experimentation — and on a large scale, rightly so.

A Baltimore innovation office would provide a safe space to experiment while allowing city agencies to stay focused on their daily operations. This office could support existing initiatives like the Budget Office's Lean Government Innovation Fund. And it would give city agencies a platform to quickly prototype new tools, see which work in Baltimore, measure pilot programs' results, and share lessons of success and failure. We all experience the ways in which Baltimore should do better; this approach can speed our city's progress.

A civic innovation office would also create vital new connections with outside foundations and institutions. It would provide a platform to direct national foundation funding and resources to promising programs throughout Baltimore. Expanding such public-private partnerships can augment an overstretched city budget. And these partnerships bring fresh energy and solutions to the most urgent issues.

This is a critical time for our city. The governor's plan to demolish thousands of vacant properties desperately needs fresh ideas to ensure that newly cleared land will benefit communities. A billion-dollar school construction program offers Baltimore a chance to show national leadership by building green schools that go beyond the classroom to engage communities and revitalize neighborhoods. BaltimoreLink is a big step toward modernizing our city's public transit and connecting residents to all corners of the city. But bold leadership and vision will be required to realize the full potential of such initiatives and to overcome the many obstacles facing our city.

Baltimore's next mayor has an enormous responsibility but also an extraordinary opportunity to seize this pivotal moment. While our city's path is uphill, it is also open with possibility. We challenge Baltimore's mayoral candidates to think bigger and embrace the power of civic innovation to build a healthier, smarter, more equitable Baltimore.

Jennifer Goold (jgoold@ndc-md.org) is director of *The Neighborhood Design Center*. Bruce Willen (bruce@posttypography.com) is principal of design studio *Post Typography*.



EZRA SHAW/GETTY IMAGES

Singer Beyoncé performs during the Pepsi Super Bowl XLVII Halftime Show at the Mercedes-Benz Superdome in New Orleans in 2013.

# Trademarking Queen Bey

When it comes to making money from music, trademarks beat out copyrights

By GABRIELLA E. ZICCARRELLI

In her iconic video for "Single Ladies," Beyoncé effortlessly teases viewers with her left hand — flipping back and forth and back again-cooing "If you like it then you shoulda put a ring on it."

If this were 1999, we would have seen this music video introduced by Carson Daily for the first time on MTV's "Total Request Live," rushed to the nearest Sam Goody to buy the single CD, taken that CD and burned a copy to upload to the peer-to-peer file sharing website Napster. The 1999 music world contemplated monetization and intellectual property enforcement with a calculated, predictable and copyright heavy approach.

Fast forward to 2016, to a music world filled with endless streaming, digital drops and regular album leaks. The currency of selling albums has plummeted in value, and so too has the exclusive intellectual property power that copyright law once provided to musicians. Today, trademark law rules when it comes to the monetization of music. Beyoncé's recent lawsuit filed in U.S. District Court for the Southern District of New York (No. 16-02532) directed individuals selling merchandise emblazoned with "FEYONCÉ" and "he put a ring on it" embodies this shift.

Indeed, Beyoncé claims the use of FEYONCÉ is confusingly similar to her

own trademarked name BEYONCÉ. She also claims use of "he put a ring on it" evokes lyrics from her 2008 hit "Single Ladies." But Beyoncé, affectionately referred to as "Queen Bey" by her fan base, the BeyHive (also a trademarked name), is not the only one to enforce her trademark rights as they refer to her songs. Taylor Swift filed trademark registrations for lyrics from her 1989 album including "This Sick Beat" and "Cause We Never Go Out of Style" in order to preempt any third party merchandise from using her famous lyrics. And this was just round one. Ms. Swift subsequently filed a number of other trademarks as her 1989 album grew in popularity; adding "Blank Space," "And I'll Write Your Name," "A Girl Named Girl" and "1989" to her trademark portfolio just months after her original filings.

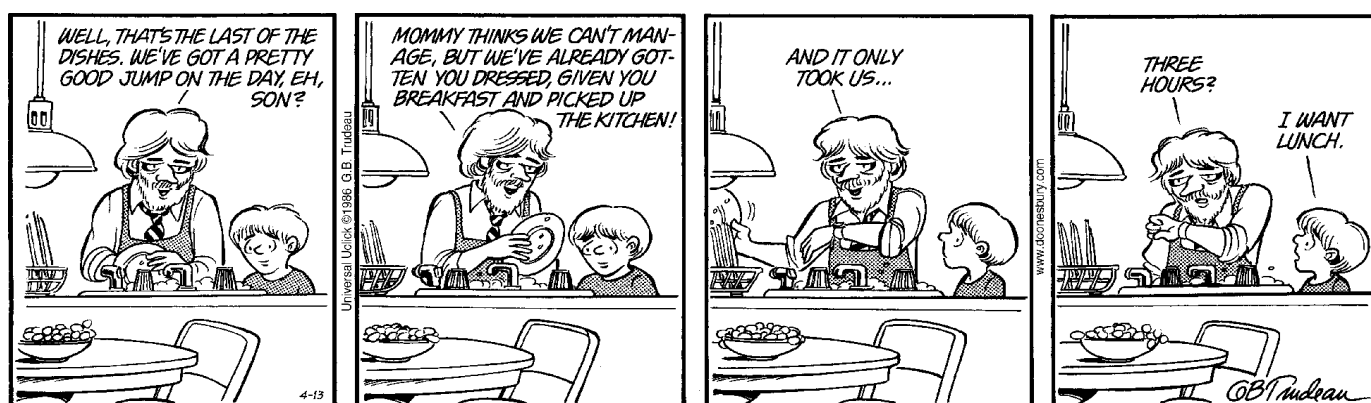
Not only are artists investing in trademark protection early by filing trademark applications, but by using the lyrics-turned-trademarks on apparel immediately. Prior to her Super Bowl appearance and immediately after the surprise release of her music video for her empowering single "Formation," Beyoncé's official online store offered fans "Formation" inspired merchandise (e.g., "Twirl On Them Haters" sweat-shirts and "I Got Hot Sauce In My Bag" carry all bags). And this rush to create merchandise is with good cause. With

the advent of customization websites and marketplaces such as Etsy for third-party vendors, it is easier than ever for individuals to create custom merchandise and make a profit off placing famous lyrics on T-shirts and coffee mugs.

The actions of artists and their legal teams tell us the tide is turning. Copyright law may still run the (music) world, but trademark law provides musicians with an upgraded approach to monetization in the digital age. Fans no longer just listen to the music, but rather they incorporate it into their daily lives and social media presence — through lyrical hashtags, YouTube music covers and wearing shirts proudly showcasing their favorite lyrics. The value in a single or in the songs contained within an album are no longer just in the music itself; the lyrics provide just as much value. Song lyrics have become a brand closely linked to the brand of the musician. And so, in order to be competitive and continue to monetize, musicians are incentivized to not only create unique, quotable lyrics to accompany infectious beats, but to protect and monetize those lyrics as a brand through the protections offered by trademark law.

OK, lawyers, now let's get in formation. Gabriella E. Ziccarelli is an intellectual property attorney in Washington D.C.; her email is gziccarelli@blankrome.com; Twitter: @IPwithGZ.

## DOONESBURY BY GARRY TRUDEAU



## What Maryland thinks

Do you believe Hillary Clinton's presidential campaign promise "to pay attention to our cities, like Baltimore" is genuine?



**NEXT POLL:** Are you pleased or disappointed by the accomplishments of the Maryland General Assembly this legislative session?

Vote at [baltimoresun.com/vote](http://baltimoresun.com/vote)