

Mr. Alston Boyd,
Memphis, Tenn.

Jan. 18, 1919.

Dear Sir:-

I acknowledge receipt of your letter of the 17th inst., also of copy of letter mailed ~~xxx~~ by you to Mr. A. W. Newson of Huntsville, Ala. Mr. Newson and I agreed on his commission while I was in Huntsville last Monday afternoon.

In regard to the matter of the income tax that may arise from the sale of your lands to us. We regard the value of the land in 1913 and 1919 as nearly the same, that we are willing to enter this agreement with you: We will pay any normal income tax that may be incurred by each one of the Boyd heirs on account of this sale to us. As to our ability to carry out this agreement we would refer you to the Farmers Merchants Bank of this place. Of course, the normal tax would be all that could justly be asked of us, inasmuch as it would be impossible to say which tax should be exempt from surtax and which should not. I trust this offer meets with your approval.

In the meantime, I will agree to furnish statements from reliable land-owners ~~xxx~~ to the effect that the present value and that of 1913, when there was much activity in lands here, of the Boyd place is practically the same.

My records show that in the fall of 1913 I sold lands in South Limestone at higher prices than the same lands have sold for within the past twelve months. The lands I refer to are situated on a pike and within half mile of a railroad station.

When I was in Memphis I failed to ask whether you wished to deed us land and retain vendor's lien or give us a deed and then take mortgage back on the land. Either way would suit us, but the former method would be less expensive to us, as we are to pay the expenses. Under Alabama laws, as you know no doubt, when a mortgage is given the wives of the mortgagors have to sign. It so happens that my wife will leave next Thursday for Florida, Mr. Smith's wife a few days thereafter for Marlin, Texas, and Mr. Nelson's wife for Battle Creek, so if you wish the mortgage we would be pleased to have it reach us so our wives can sign before they leave here. The retention of vendor's lien is the usual method used in Tennessee, I believe. I suppose you know that after deed, with vendor's lien retained, is filed in Alabama the deferred payments are not subject to taxes, the mortgage tax paid at time of filing being in lieu of all taxes on the money secured until paid by mortgagors. This applies also to mortgages. This will make the Boyd heirs receive 6% net on the deferred payments.

I trust you will be able to let us have deed at an early date, as we are anxious to make a trade with Mr. Wise to do some clearing and improving on the place, if we cannot trade with him on the matter of giving up the lease for 1919.

Yours very truly,

The above agreement as to payment of income tax will be signed by us with Mr. Walker