

Case No. 16,507. UNITED STATES V. THREE HUNDRED AND TWENTY-SIX CASES OF
HOSIERY, MARKED H. & V. & T. S.

{N. Y. Times, Nov. 22, 1861.}

District Court, S. D. New York.

Nov. 20, 1861.

VIOLATION OF CUSTOMS LAWS—FORFEITURES—FRAUDULENT
INVOICE—FOREIGN CURRENCY.

{Claimants purchased merchandise in Saxony, which was invoiced in Prussian thalers, whose value is fixed by our statutes at 69 cents each. The goods were sent to Bremen, where claimants' correspondents made new invoices, stating the value in Prussian thalers and also in Bremen thalers, which are valued by our statutes at 71 cents, and the entry was made by transmuting the value of the Bremen thalers at this rate into currency of the United States; the claimants swearing that this Bremen invoice was the true and only invoice received by them. There was evidence tending to show that the real value of the Bremen coin was $78\frac{3}{4}$ cents, and that the transmutation from Prussian thalers was made at that rate, and that the goods were by this means entered at much less than their value according to the original invoice, which claimants, in fact, had in their possession. *Held* that, as the invoice by which the entry was made stated the value in both Prussian and Bremen thalers, there was no fraud justifying a forfeiture;}

This was an action to forfeit the goods on the ground of an alleged fraudulent extension of the invoice by the claimants, with intent to evade the payment of duties. Henschen & Unkart, the claimants, are importers, doing business here, and imported these goods, in value about \$30,000, in the latter part of 1857 and the early part of 1858. They purchased the goods at Stollberg, near Chemintz, in the kingdom of Saxony. The currency there is Prussian thalers, whose value is fixed by our statutes at 69 cents each. The goods were sent from Saxony to Bremen, and thence to the United States. At Bremen their correspondents made out new invoices, stating the value of the goods in Prussian thalers, which they transmuted into Bremen thalers of 72 grotes, and these new invoices were presented by the claimants to the collector on making entry of the goods here, making oath that these were the true and only invoices by them received. They had, however, at the time in their possession invoices made out and furnished to them by the person in Stollberg from whom they had purchased.

Our statute fixes the value of the Bremen thaler of 72 grotes at 71 cents, and the value of the goods in the invoices on which the entry was made was carried out into federal currency at that rate. Evidence was given, however, to show that the real value of the Bremen thaler of 72 grotes was $78\frac{3}{4}$ cents, and that the transmutation from Prussian thalers in the invoice was made at that rate, and that by this means the claimants were enabled to enter the merchandise at some \$1,800 less value than if the entry had been made on the invoices which stated the value in Prussian thalers, on which difference the duty amounted to \$404.79.

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The government claimed that this extension of the invoice was such a one that if the jury found that it was done with intent to evade the payment of the duties, the goods were forfeited, and claimed that that question should be passed upon by the jury.

Messrs. Allen, Craig, and Webster, for the United States.

O'Connor & Dunning, for claimants.

THE COURT [SHIPMAN, District Judge], however, held that whether the claimants were bound to have produced the original Saxony invoices was simply a question of law, and as the invoices which they did produce contained the value in Prussian thalers as well as in Bremen thalers, held that the government could not recover. The jury accordingly found for the claimants.