Schuster, 44 Neb. 269, 273, 62 N. W. 470; Lick v. Ray, 43 Cal. 83. The decree below is reversed, and the case is remanded to the court below for further proceedings not inconsistent with the views expressed in this opinion.

CITY AND COUNTY OF SAN FRANCISCO v. CROCKER-WOOLWORTH NAT. BANK OF SAN FRANCISCO.

(Circuit Court, N. D. California. February 25, 1899.)

No. 12,522.

TAXATION OF NATIONAL BANKS—POWERS OF STATE.

The personal property of a national bank cannot be directly assessed for taxation by state authorities.

This is an action to recover taxes assessed against a national bank. Heard on demurrer to complaint.

Alfred Fuhrman, for plaintiff.
Lloyd & Wood, for defendant.

DE HAVEN, District Judge. The defendant is a national banking association, organized and existing under and by virtue of the laws of the United States, and having its principal place of business at the city and county of San Francisco, state of California. The action is brought to recover the sum of $7,754.64 and interest thereon, alleged to be due from the defendant for state, city, and county taxes on personal property, consisting of fixtures and money belonging to and assessed to it under the laws of the state for the purposes of taxation for the year 1896. The defendant has demurred to the complaint, and the single question arising thereon is whether personal property belonging to a national bank is subject to taxation by the state.

Congress, in the exercise of its undoubted power, has, in section 5219, Rev. St. U. S., declared what property of national banks may be thus taxed. It is therein provided that real property of national banks shall be subject to state, county, and municipal taxes, "to the same extent, according to its value, as other real property is taxed," and that the shares in any such association shall be assessed as other personal property, to the owner or holder of such shares. The effect of this statute is to exempt personal property belonging to national banks from direct assessment and taxation by the state; that is, the personal property of such banks cannot be directly assessed to them by the state for purposes of taxation. That this is so is so well settled as not to require discussion at this time. Rosenblatt v. Johnston, 104 U. S. 462; People v. Weaver, 100 U. S. 539–543; Covington City Nat. Bank v. City of Covington, 21 Fed. 484; People v. National Bank of D. O. Mills & Co. (Sup. Ct. Cal., Dec. 19, 1898) 55 Pac. 685. The demurrer will be sustained, and judgment thereupon entered in favor of the defendant, the defendant to recover costs.

HADDEN et al. v. DOOLEY et al.

(Circuit Court of Appeals, Second Circuit. January 25, 1899.)

No. 25.

1. BANKS—OFFICERS AS AGENTS—ACTS AGAINST INTERESTS OF BANK.
A cashier of a bank, who was also a director of a manufacturing company, and as such director assisted in promulgating false statements as to the financial condition of the company, for the purpose of defrauding all of its creditors, including the bank, was not the agent of the bank in such matter so as to affect the validity of its claims against the company.

2. FRAUDULENT CONVEYANCE—BILL OF SALE AS SECURITY—CHANGE OF POSSESSION.
A bill of sale made by a debtor to a creditor, where no change of possession takes place, but the property is permitted to remain in the possession of the debtor, and to be sold by it, is void as to other creditors.

3. INSOLVENT CORPORATIONS—POWER OF OFFICERS—TRANSFER OF PROPERTY.
A general manager of a corporation, though given by its by-laws the entire charge of its business and affairs, subject to the order and approval of its board of directors, has no power, after he knows the corporation to be insolvent and about to be placed in the hands of a receiver, to transfer the bulk of its property to one of its creditors in payment of a preexisting debt; and such a transfer, not authorized nor ratified by the directors, is void as to its other creditors.

4. ATTACHMENT—VALIDITY—ASSIGNMENT OF CLAIM FOR SUIT.
A colorable transfer of a just cause of action against a foreign corporation by a nonresident to a resident of the state of New York, for the purpose of enabling the assignee to maintain an action by attachment thereon in the courts of the state of New York for the real benefit of the assignor, does not render an attachment obtained by the assignee void, and it cannot be attacked by junior attaching creditors of the common debtor.

5. SAME—VALIDITY AS AGAINST SUBSEQUENT ATTACHING CREDITORS.
An attachment cannot be defeated by junior attaching creditors unless there has been some element of unfair dealing which entered into the conduct of the plaintiff in taking his judgment.

6. PROMISSORY NOTES—EFFECT OF RENEWAL.
The giving of a renewal note to a bank, where it retains the original, does not discharge the precedent debt for which it is given, unless such is the agreement and intention of the parties.

7. ATTACHMENT—VALIDITY—SETTING ASIDE IN EQUITY.
A corporation had been for a number of years becoming more and more heavily indebted to a bank of which one of its directors was cashier. Notes given by the company were from time to time renewed, merely as a matter of form, and without expectation of payment, as the company was hopelessly insolvent. Finally, both the company and the bank went into the hands of receivers. *Held*, that an attachment thereafter obtained on behalf of the bank against the company based on such notes would not be held invalid by a court of equity, merely because the renewal notes taken for a portion of the indebtedness lacked a few days of maturity.

8. SAME—UNFAIR PRACTICE AS BETWEEN CREDITORS.
The removal and secretion of goods of a debtor by one creditor, who had an invalid bill of sale for the same, until he could obtain and levy an attachment thereon, is an unfair attempt to gain an advantage over a second creditor, who had procured an attachment, and served it on the custodian of the goods, and was engaged in securing an indemnity bond, required by the sheriff, before levying on the goods, when they were removed by the other creditors, who knew of such attempted attachment, and, as to such goods, the attachment of the second creditor will be given preference.