

Neves Vs. Scott

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Decided On : 1851

Appeal No. : 54 U.S. 268

Appellant : Neves

Respondent : Scott

Judgement :

Neves v. Scott - 54 U.S. 268 (1851)

U.S. Supreme Court Neves v. Scott, 54 U.S. 13 How. 268 268 (1851)

Neves v. Scott

54 U.S. (13 How.) 268

APPEAL FROM THE CIRCUIT COURT OF THE

UNITED STATES FOR THE DISTRICT OF GEORGIA

SYLLABUS

The courts of the United States, under the Constitution and laws, have equity jurisdiction. Unless the general principles of equity have been modified by the laws or usages of a particular state, those general principles will be carried out

everywhere in the same manner, and equity jurisprudence be the same when administered by the courts of the United States in all the states.

Hence the decision of a state court in a case which involved only the general principles of equity and was not controlled by local law or usage is not binding as authority upon this Court.

In the case of [Neves v. Scott](#), 9 How. 196, this Court decided two points -- one, that volunteers could, in that case, claim the interference of chancery to enforce the marriage articles in question, and the other that the articles constituted an executed trust.

The supreme court of Georgia does not agree with this Court upon the first point. Nevertheless this Court does not change its decision.

Moreover the second point upon which this Court rested the case does not appear to have been brought before the Supreme Court of Georgia, and of course it expressed no opinion upon the point.

This case was argued at December term, 1849, and is reported in [50 U. S. 9](#) How. 196. It being suggested afterwards that, at the time when the case was argued and decided, Richard Rowell, the principal defendant, was dead, the judgment was stricken out and the cause argued again.

Page 54 U. S. 270

MR. JUSTICE CURTIS delivered the opinion of the Court.

This case came on to be heard at the December term, 1849, and was argued by counsel. The decision of the Court is reported in [50 U. S. 9](#) How. 196 under the name of *Neves v. Scott*. At the present term it was suggested to the Court that at the time when the cause was argued and decided, Richard Rowell, the principal party defendant in interest, was dead, and thereupon proceedings took place which made his representatives parties, and the decree heretofore entered was stricken out, the cause brought forward, and again heard at the present term. It

has been elaborately and ably argued upon the grounds

Page 54 U. S. 271

on which it was rested at the former hearing and upon one additional ground, which will first be adverted to.

It appears that a short time before the former argument, the Supreme Court of Georgia, where the marriage articles in question were made and the parties thereto domiciled, in a suit between other persons claiming a separate interest under these articles, had made a decision, involving an equitable title like that passed on by this Court. This decision was not made known to us at the former hearing, and the respondent's counsel now maintains that it is binding on this Court as an authoritative exposition of the local law of Georgia by the highest tribunal of that state.

To appreciate this position it is necessary to ascertain what questions have been decided by the Supreme Court of Georgia and are for decision by this Court.

By reference to the case in [50 U. S. 9](#) How. 196 it will be found that there were two questions presented to this Court, either of which, being decided in favor of the complainant, would dispose of the cause.

The first was whether the trusts manifested by this particular instrument, were what a court of equity deems executed trusts -- that is, trusts actually defined and declared and in the view of a court of equity created -- or whether a court of equity would treat the instrument as only exhibiting an incomplete intention to create some trusts at a then future period, and the second being whether the complainants, as collateral heirs of one of the settlers, can have the aid of a court of equity to enforce the delivery of the property to them, or are precluded from that relief by the fact that they are not issue of the marriage -- in other terms, whether by the rules of equity law, the complainants are volunteers, or within the consideration of the articles. No question has arisen concerning any statute law of Georgia, nor was it then nor is it now suggested that any word or phrase or provision of the articles should bear any peculiar or technical meaning by reason

of any local law or custom. Indeed, the actual intentions of the parties are so plain that no doubt has been suggested concerning them, and the only inquiry in either court has been how far and in favor of what parties a court of equity will lend its aid to carry those intentions into effect. And accordingly the Supreme Court of Georgia as well as this Court has resorted to the decisions of the High Court of Chancery in England and to approved writers on equity jurisprudence as affording the proper guides to a correct decision. If, according to sound principles of the law of equity, a trust existed or the complainants have an equitable right to the specific performance of an agreement to create a trust, then the relief is to be granted; otherwise it is to be refused.

Page 54 U. S. 272

Such being the nature of the questions, we do not consider this Court bound by the decision of the Supreme Court of Georgia. The Constitution provides that the judicial power of the United States shall extend to all cases in equity arising between citizens of different states. Congress has duly conferred this power upon all circuit courts, and among others upon that of the District of Georgia, in which this bill was filed, and the same power is granted by the Constitution to this Court as an appellate tribunal.

Wherever a case in equity may arise and be determined under the judicial power of the United States, the same principles of equity must be applied to it, and it is for the courts of the United States, and for this Court in the last resort, to decide what those principles are and to apply such of them to each particular case as they may find justly applicable thereto. These principles may make part of the law of a state, or they may have been modified by its legislation or usages, or they may never have existed in its jurisprudence. Instances of each kind may now be found in the several states. But in all the states, the equity law recognized by the Constitution and by acts of Congress and modified by the latter is administered by the courts of the United States and upon appeal by this Court.

Such has long been the settled doctrine of this Court, repeatedly and steadily affirmed in whatever form the question has been presented. In [United States v. Howland](#), 4 Wheat. 115, Chief Justice Marshall said:

"As the courts of the Union have a chancery jurisdiction in every state, and the Judiciary Act confers the same chancery powers on all, and gives the same rule of decision, its jurisdiction in Massachusetts must be the same as in other states."

So Mr. Justice Story, in [Boyle v. Zacharie](#), 6 Pet. 658, says:

"The chancery jurisdiction given by the Constitution and laws of the United States is the same in all the states of the Union, and the rules of decision are the same in all."

See also [Robinson v. Campbell](#), 3 Wheat. 222; [Livingston v. Story](#), 9 Pet. 654; [Russell v. Southard](#), 12 How. 139.

But while we do not consider this decision of the Supreme Court of Georgia a binding authority on which we have a right to rest our decision, the respect we entertain for that learned and able court has led us to examine its opinion with great care, and although we find it not consistent with some of the views heretofore taken by us of one of the questions arising under this marriage settlement, we do not find that the ground on which our decision was actually rested was at all examined by that learned court. That ground is

"That the deed in question is a marriage settlement, complete in itself; an executed trust which

Page 54 U. S. 273

requires only to be obeyed and fulfilled by those standing in the relation of trustees for the benefit of the *cestuis que trust* according to the provisions of the settlement."

[50 U. S. 9](#) How. 211. This position does not appear to have been taken by the counsel for the complainants in the Supreme Court of Georgia, nor is it noticed by

the court in its opinion, though it is conceded in the course of the opinion that while "courts of equity will not enforce a mere gratuitous gift, or a mere moral obligation or voluntary executory trust, it is otherwise, of course, where the trust is already vested."

On the former argument in this Court we formed the opinion that the instrument in question did completely define and declare, and so did create, certain trusts; that they were, in the sense of a court of equity, trusts executed; that the complainants were *cestuis que trust*; that the failure to interpose trustees to hold the property created no difficulty, each party to the settlement being regarded, so far as may be necessary to effectuate their intent, as holding their several estates as trustees for the uses of the settlement; and so the complainants were entitled to the relief prayed.

We find nothing in the opinion of the Supreme Court of Georgia in conflict with these views, because we do not find they were there adverted to, and after considering the elaborate and able argument of the respondent's counsel at this term, we remain satisfied of the correctness of our opinion, and judgment must be entered accordingly.

ORDER

This cause came on to be heard on the transcript of the record from the Circuit Court of the United States for the District of Georgia and was argued by counsel. On consideration whereof, it is now here ordered, adjudged, and decreed by this Court that this cause be, and the same is hereby reversed with costs, and that this cause be, and the same is hereby remanded to the said circuit court for further proceedings to be had therein in conformity to the opinion of this Court.