

# Bottom Dollar

## Tax laws will affect students

By Betsy Clayton  
Emerald Reporter

Many students who didn't have to file income tax returns in the past may not be so lucky this year.

As a result of the Tax Reform Act of 1986, rules determining personal exemptions and standard deductions have changed. Restrictions for exemptions on scholarship and fellowship grants also have been outlined.

Approximately three million more returns are expected to be filed nationwide, said Larry Hillebrecht, public affairs specialist for the Internal Revenue Service in Portland.

"Normally tax laws change every year, but in 1986 there were very massive changes in the majority of tax laws," Hillebrecht said. He explained

2 Royalties 3 Prizes and awards 5 Fishing boat proceeds 7 Nonemployee compensation		<b>1987</b> Statement for Recipients of		Miscellaneous Income  Copy A For Internal Revenue Service Center For Paperwork Reduction Act Notice and instructions to
		4 Federal income tax withheld 6 Medical and health care payments 8 Substitute payments in lieu of dividends or interest		

the personal exemption deductions and scholarship changes were written specifically for students.

The Tax Reform Act of 1986 states an individual who can be claimed as a dependent on another person's tax return must file his or her own tax return in three cases: If the dependent has earned income only, and the gross of that income is more than \$2,540; if he or she has unearned income only, and the gross income is more than \$500; or if earned and unearned income gross is more than \$500.

Earned income is defined as salaries, wages, professional fees and other amounts received as pay for work actually done.

Unearned income is income other than salaries or wages, such as interest, dividends and capital gains. Gains from trusts also are unearned income to an individual who is a beneficiary of the trust.

Hillebrecht said it is difficult to compare the '86 changes to those of the past because there are a lot of variables involved. He stressed the importance of students noting these changes. "Now with the Tax Reform Act of '86, if I am eligible to be claimed as a dependent, then there are different filing requirements," he said.

Donn Potter, a partner at Barkman, Gibbs and Greig accounting firm, said with the '80s, tax changes seem to be happening every six months. "Things have been changing all the time. A large number of students will be affected by these (changes)," he said.

The Tax Reform Act of 1986 outlined changes in exemptions on scholarships and fellowship grants. The act states, "Under prior law, a candidate for a degree could exclude from income a scholarship or

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## Market tactics inflate high cost of textbooks

By Maile Field  
Emerald Contributor

The price college textbooks increases each year, along with grumblings from students at bookstore checkouts.

But market inflation may not be the only reason for these increases. Several practices within the book-dealing market may be jacking up the price tag.

Publishers frequently send instructors free copies of new texts. The gratuitous distribution allows for early evaluation of possible class literature. However, zealous competition within the industry often means the instructors are besieged by numerous editions of unusable texts.

Shlomo Libeskind, a University mathematics professor, supports the logic of the practice. "We are not going to order a book that we haven't seen," he said.

But when the complimentary texts start stacking up, national used-book dealers step in offering to buy them off instructors' hands.

Although Libeskind advocates the free distribution of examination copies, he

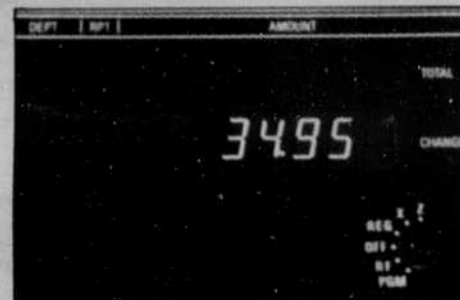


Photo by Jim Mason

Publishing and used-book industries contribute to the soaring costs of textbooks, making \$34.95 a common text price tag.

said instructors should refrain from selling the extras on the used-book market, calling such transactions unethical. "I did not pay for them," he said.

John Gage, director of composition in the University's Department of English, looks at it differently. "We've all read 'Dear Abby.'

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"Bottom Dollar" is the Emerald's new weekly section covering financial, business and economic issues. It is published every Tuesday. Mail should be sent to the Managing Editor, Oregon Daily Emerald, P.O. Box 3159, Eugene, Ore., 97403, or delivered to the Emerald office, EMU Suite 300.

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We, the business community of Eugene, would like to "Take a Duck to lunch." If you are interested in having lunch with a local business person to discuss a career in their profession, or about the business work in general, here's your chance. **Simply fill out and return this application to Student University Relations Council, Room 202 Johnson Hall by 5:00 p.m. Friday, January 22.**

You will be contacted by mail as to whom your lunch will be with. We'll even pick up the tab...so sign up today! Now who ever said there's no free lunch?

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 ADDRESS: \_\_\_\_\_  
 PHONE: \_\_\_\_\_ YR. IN SCHOOL: \_\_\_\_\_  
 MAJOR: \_\_\_\_\_  
 CAREER INTEREST: \_\_\_\_\_

PREFERRED DATE & TIME  
TO LUNCH

DATE	TIME
_____ TUESDAY 2/2/88	_____ 11:30
_____ WEDNESDAY 2/3/88	_____ 12:30
_____ TUESDAY 2/9/88	
_____ WEDNESDAY 2/10/88	