



PROBATIONARY OFFICER SULLIVAN, HOPING TO PULL OFF A CLEVER PIECE OF DETECTIVE WORK, HAS FOLLOWED FOR MANY BLOCKS THE TRACKS OF A MAN EVIDENTLY UNDER THE INFLUENCE. UNFORTUNATELY THE TRAIL LEADS RIGHT TO POLICE HEADQUARTERS, WHICH FACT SETS OFFICER SULLIVAN TO THINKING.

THE AMATEUR DETECTIVE
CHARACTER SKETCHES BY A RUSSELL



THE NEWSPAPERS ARE FULL OF PAY ROLL ROBBERIES, GANG MURDERS ETC., AND IT'S QUITE NATURAL FOR HUNT MILLIE TO BECOME SUSPICIOUS WHEN TWO ROUGH LOOKING MEN ENTER THE CAR AND TAKE A SEAT OPPOSITE HER. SHE DISTINCTLY HEARD ONE OF THEM SAY "I HAD TO GET THE HEAD SOLDIERS OUT OF THE ROOM BEFORE THE OLD WOMAN GOT HOME" HUNT MILLIE IS TAKING A GOOD LOOK AT THE MEN AND IS GOING TO REPORT THE MATTER TO THE POLICE.



MRS. HICKMAN IS A CAREFUL WOMAN AND CLEVER AT DETECTION. SHE HAS NOTICED THAT YOUNG MRS. SWIFT, WIFE OF THE FOURTH ASSISTANT CASHIER AT THE 17- NATIONAL BANK DRESSES ALTOGETHER TOO ELABORATELY AND MRS. HICKMAN MAKES UP HER MIND THEN AND THERE TO WITHDRAW HER SAVINGS ACCOUNT OF TWENTY SIX DOLLARS FROM THE 17- NATIONAL.



MRS. GATCH IS A BORN DETECTIVE FINDING SEVERAL CIGAR BUTTS IN THE KITCHEN THE MORNING AFTER NORAN'S POLICEMAN HAD CALLED. SHE INVESTIGATED FURTHER AND HIDDEN IN THE COALBUCKET, SHE DISCOVERED A CIGAR BAND MAT'ING EXACTLY THE BANDS ON HER HUSBAND'S STOCK OF HAWANAS. MRS. GATCH IS GOING TO GET AT THE BOTTOM OF THIS THING AND IS NOW COUNTING THE REMAINING CIGARS IN MR. GATCH'S BOX AND SETTING A TRAP FOR NORAN AND THE POLICEMAN.



PERCY GUMDIKE IS KEEPING A CLOSE WATCH ON THE MOVIE HOUSES. PERCY HAS WRITTEN AND SENT IN SEVERAL SCENARIOS, AND NOT HAVING HEARD FROM THE PRODUCERS IS SURE THAT HIS PLOTS HAVE BEEN APPROPRIATED IF NOT STOLEN OUTRIGHT, BUT PERHAPS PERCY FORGOT TO ENCLOSE RETURN POSTAGE.



HAVING FOUND A LONG RED HAIR ON HER HUSBAND'S COAT, MRS. FOX DROPS IN AT THE OFFICE TO GIVE THE FEMALE EMPLOYEES OF MR. FOX THE ONCE OVER. BUT THE PLOT DEEPENS RIGHT HERE, THE GIRLS ALL WEAR THEIR HAIR BOBBED AND THEIR ALIBIS ARE ESTABLISHED.

MRS. SELTZER, WHO HAS HAD FOUR HUSBANDS, CAN DETECT LIQUOR BY INSTINCT, AND SHE'S OFFERING HER SERVICES TO THE POLICEMAN AT THE CENTRAL RAILWAY STATION.

THE WAITING ROOM OF A CERTAIN NOSE AND THROAT SPECIALIST IS ACROSS THE STREET FROM IN AT THE OFFICE OF MR. TROTTER. MISS TROTTER SEEMS TO HAVE DEVELOPED A LOT OF NOSE OVER, BUT THE PLOT DEEPENS RIGHT HERE, THE GIRLS ALL WEAR THEIR HAIR BOBBED AND THEIR ALIBIS ARE ESTABLISHED.

Income Tax Facts

The tax on dividends is an important item in the returns of many taxpayers.

A "dividend" for the purpose of the income tax law is any distribution in cash or property made by a corporation to its stockholders or members (other than certain dividends of a personal-service corporation) out of its earnings or profits accumulated since February 28, 1913. Dividends are taxable and are taxed at the rates for the year in which the cash is made available, regardless of when the earnings or profits out of which they were paid were accumulated. Although interest on State bonds and certain other obligations is not taxable, when received by a corporation, upon amalgamation with other funds of the corporation and distributed to stockholders in dividends, it is taxable to the same extent as other dividends.

A dividend is income to the stockholder as of the date when the cash or property is unqualifiedly made subject to his demand. Cash dividends, while exempt from all normal tax, are taxable income to the individual recipient at the surtax rates for the year in which received. Accordingly, dividends must be included as gross income, but they may be deducted as a credit in computing normal tax.

The revenue act of 1918 provided for the taxation of stock dividends, but since the enactment of that law the Supreme Court of the United States has held that stock dividends do not constitute income within the meaning of the sixteenth amendment to the Constitution, and are accordingly not subject to the income tax. The revenue act of 1921 specifically provides that such dividends shall not be taxable when paid in good faith, but that if, after the payment of such a dividend, the corporation proceeds to cancel or redeem its stock at such time and in such manner as to make the distribution of a taxable dividend, the

amount received in redemption or cancellation of the stock shall be treated as a taxable dividend.

If a dividend is paid in the stock of some other company, or some other form of property, the fair value of the property received is to be taken as the value of the dividend paid, and such amount is taxable to an individual receiving it. A corporation which receives a dividend in the stock of some other domestic corporation may deduct such amount from its gross income.

Section 262, an entirely new provision of the income tax law, places citizens of the United States and domestic corporations whose chief income is from sources within American possessions on a more equitable basis in comparison with competing aliens and foreign corporations. Special provisions of the income tax regulations deal with the taxation and personal exemption of dividends received from such corporations.

Dividends or interest received by individuals during the years 1922 to 1926, inclusive, from domestic building and loan associations, operated exclusively for the purpose of making loans to members, are exempt from both normal tax and surtax up to \$300.

WRECK VICTIM SUES

(By Associated Press)
THE DALLIES, Feb. 21.—A suit for \$25,000 damages has been filed by J. D. Casey of Umatilla county against the O-W. R. & N. for injuries received in a head-on collision at Celilo December first.

IMBLER HAS CANDY PULL

(Special to The Observer)
IMBLER, Feb. 21.—A party of friends gathered at the home of Mr. and Mrs. Watson Wednesday evening, enjoying a pleasant social time in music and dancing, with a candy-pull to finish up.

Mr. and Mrs. Lyle Stringham entertained a few friends at their home Wednesday evening. The old time dance given Friday evening was a great success, everyone having the time of their lives. The managers did themselves proud, giving treat of doughnuts, everybody dancing with a doughnut in his or her mouth.

Berth Larson came down Friday from La Grande to look after some apples that he shipped out.

Sam Morris returned home Saturday from La Grande, where he has been serving on the jury.

Mr. Dean has been under the weather this week.

Miss McCulley left Sunday for a visit in Cove with her uncle, Dennis McCulley.

Mattie Holmes returned home Sunday from La Grande, where she spent the week-end with her sister, Mrs. Estes.

Mr. and Mrs. Frank McKennon returned home Sunday morning from La Grande.

Mrs. John Skillings spent Friday shopping in Elgin.

Miss Parilla Kieffer shopped in Elgin this week.

Messrs. Hanks and Black of La Grande were here Sunday to attend the ward conference of the L. D. S. church.

A sleighload of young people who were going to take in the dance at Elgin changed their minds shortly after the wind changed his.

Both Larzen was a visitor from La Grande Tuesday.

Grandpa Ruckman sustained injuries from a fall last Tuesday.

Funeral services for the infant daughter of Mr. and Mrs. Leonard Billings were held Friday, Rev. L. M. Jensen of La Grande conducting the service. Burial took place at Sunnyside cemetery. The little one's death occurred Tuesday morning, from spinal meningitis.

Mr. Wino of Summerville is visiting her mother, Mrs. Litreal.

John Harris, who has been suffering for several weeks, submitted to a very serious operation on his head. His friends all wish him a very speedy recovery.

Mr. Besek of Summerville was here Tuesday to attend the dance.

Mrs. Frank Cassel was a La Grande visitor this week.

A surprise party was given at the home of Mrs. Frank Martin Saturday

in honor of Mr. and Mrs. Martin. A very pleasant evening was spent and light refreshments served.

Mr. Harnden paid Imbler a very pleasant call Saturday.

Welford Westenskow returned home Saturday from La Grande, where he underwent an operation for appendicitis.

FANCY DRINKS—FANCY DISHES. Delicious, delightful, delectable, at The Palace Confectionery. Try them.

Large-sized, clean cotton rags wanted at The Observer. 2-18-22

READ THE WANT ADS!

Salmon River burned. Nottingham, Eng., Feb. 21.—A great campaign to free the River Trent of pollution has been launched. The Trent was once one of the best salmon rivers, but now the salmon refuse to spawn there.

Remove "Death Curve". Douglas, Isle of Man, Feb. 21.—The Manx government has appropriated funds to eliminate the hairpin bend known as "Death Curve" on the course of the annual motor races. More than a score of drivers have been killed at that point.

Fire hose arrested. South Bank, Eng., Feb. 21.—Albert Massey, accused of theft, took refuge on a roof to escape the police. He pelted his pursuers with tiles.

Housekeepers. Do you know the WATKINS PRODUCTS? Household Medicines, Extracts, Spices, Toilet Articles, Soaps, Perfumes, Stock and Poultry Tonic—Guaranteed by the largest company of its kind in the world—fifty-four years in business. Mail orders are given special attention. Free with every \$2.00 cash purchase this week, a 50c article, your choice of goods.

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Children need iron that SUNMAID RAISINS CONTAIN. It helps them keep healthy. Raisins are nature's sweet-delicious, high in food values and easily digested. Fresh daily at your merchants or at the bakeries.

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WEATHER exposure and hard work bring pains and aches in muscles and joints. Have a bottle of Sloan's Liniment handy and apply freely. Penetrates without rubbing. You will find at once a comforting sense of warmth which will be followed by a relief from the soreness and stiffness of aching joints. Also relieves rheumatism, sciatica, neuralgia, sprains and strains. For forty years pain's enemy. Ask your neighbor. At all druggists—35c, 70c, \$1.40.

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