

\$2 FREE
IN MERCHANDISE
With Each \$5.00 Purchase
At The
SALE
MEN'S WEAR
1309 Adams Ave.
GRANT BEAN, Mgr.

Income Tax Facts

No. 12.

Donations to employees constitute allowable deductions from gross income when such payments are made in good faith as additional compensation for services actually rendered, provided that when added to the stipulated salaries they do not exceed a reasonable compensation. Donations or gifts to employees which do not have in them the element of compensation or are in excess of reasonable compensation for services, are not deductible from gross income.

Pensions paid retired employees or their families or others dependent upon them, or on account of injuries received by employees, and lump-sum amounts paid or accrued as compensation for injuries are proper deductions as ordinary and necessary business expenses. Such deductions are limited to the amount not compensated for by insurance or otherwise. No deductions are allowed for contributions to a pension fund held by the corporation, the amount deductible being the actual amount paid to employee. When the amount of salary of an officer or employee is paid for a limited period after his death to his widow or heirs in recognition of the services rendered by the officer or employee, such payments may be deducted. Salaries paid employees who are absent in the military, naval, or other service of the government, but who intend to return at the conclusion of such services, are allowable deductions.

Donations or gifts to employees which do not have in them the element of compensation for services rendered may not be deducted by the employer, and need not be included in the return of the recipient.

27 YEARS AGO

Daily Morning Observer, January 27, 1898.—P. A. Paddock is in the city in the interest of the Union Scout.

A new wheat club was organized yesterday by 20 ladies. It will be known as the Jolly club.

The funeral of Ralph Chandler will be held in the M. E. church at 1:30.

Arrangements are now being made where the Christian church of this city will purchase the E. O. college building, now owned by Prof. Carpenter. The building will soon be remodeled and when finished will make a most handsome appearance.

The battleship Maine has been ordered to Havana, Cuba, and is en route by this time. So very carefully has our government been not to hurt the feelings of Spain that she has, until now, kept her navy away from that troublesome port.

The catfish point registered Tuesday night was zero. And ten above zero was as high as the mercury reached.

Born.—In La Grande, January 26, 1898, to Mr. and Mrs. S. K. Baker, a 10 1/2 pound boy.

Died.—In this city Wednesday evening, January 22, 1898, John Dray, aged 52 years. Deceased came to this valley in 1863 and was well known among all the early pioneers. He was taken down with pneumonia last Saturday, which resulted fatally. The burial will take place in St. Ann's cemetery Friday alongside his wife, who preceded him six years. He leaves three daughters and two sons to mourn his loss.

Died.—At his home in this city Wednesday, January 26, 1898, Chas. W. Swinehart, died from heart trouble, at the age of 52 years. He was a member of the A. O. U. W., K. of P. and brotherhood of Trainmen, under whose auspices he will be buried Friday. The funeral services will be held in the opera house at 2 p. m.

Cove.—Mr. and Mrs. Esdaile

Science Discovers Cause of Canal Odor

ROTTERDAM, Holland (AP).—An American once said that he could face any death except by drowning in a Dutch canal, and indeed the offensive smells from many of these canals often make foreign visitors wonder how the natives can bear to live in such a perpetual stench.

These objectionable odors have now been traced to the presence in the water of a hitherto unknown microorganism which the Dutch discoverer, Dr. L. Eilon, describes in the German Biological Journal. He has named this organism the vibrio thermodesulfuricans. He explains the vibrio needs oxygen for its existence and destroys how, by chemical action, it liberates the sulphuretted hydrogen which poisons the atmosphere of many an otherwise attractive and picturesque Dutch town, especially in warm summers.

According to Dr. Eilon's experiments, these bacteria thrive best in a temperature exceeding 70 degrees Fahrenheit and are still active at 200 degrees, as well as during the hardest frost.

FIND IT HERE

Copy for this column must be in by 9:00 p. m.

Silver Tea.
A Misdoumy Silver Tea will be given at Mrs. Ray Murphy's Thursday afternoon from 2 to 5. 1-23-24

Plant Sale.
Beautiful cinerarias on sale Thursday, Friday and Saturday, Chicago Ave. See them in our window, Cherry Florists. 1-28-29

Thrift is worth a lot of money. It doesn't cost a cent.

Remitting—Pilot Edge 5c
Mrs. J. P. O'Connell, 1194 O Ave. Corseteer for Barely corsets. 1-27-28

\$1.98—SHOES—\$1.98
Sizes 5 1/2 to 12. Oak tan water proof soles. Norton's Kiddy Shop. 1-27-28

Hot Water Bottles fountain syringes, the kind that are warranted for 2 years. The best sold in any city—at from \$1.00 to \$1.50 and \$2.00. The elegant appearing bottles made and full measure. Sold only by Silverthorn-Wright's Family Drug Store. 1-24-25

Observer Crossword Puzzle

1	2	3	4	5	6	7	8	9	10	11
12	13	14	15	16	17	18	19	20	21	22
23	24	25	26	27	28	29	30	31	32	33
34	35	36	37	38	39	40	41	42	43	44
45	46	47	48	49	50	51	52	53	54	55
56	57	58	59	60	61	62	63	64	65	66
67	68	69	70	71	72	73	74	75	76	77
78	79	80	81	82	83	84	85	86	87	88
89	90	91	92	93	94	95	96	97	98	99

- A little more difficulty than usual will be encountered with this puzzle, because of the number of unkeyed words. But that's no much more fun.
- HORIZONTAL**
- Later.
 - Geographical plan.
 - Trousers.
 - Also.
 - C. land.
 - Hardwood tree.
 - Beast of burden.
 - Single unit.
 - Top.
 - To exist.
 - More ancient.
 - The present.
 - Dispatch.
 - Silent.
 - Unruly.
 - Requiem.
 - Distant.
 - Infant's cry.
 - Preposition.
 - Fish swam.
 - Assent.
 - Preposition.
 - Torrid.
 - Throng.
 - Entire gain.
 - By.
 - Coordinate conjunction.
 - Center of the universe.
 - Water.
 - Note in music.
 - Burn.
 - Turf.
 - Value.
 - Profound.
 - Measure of distance.
 - Signal system.
 - Beach ridges.
 - Iniquities.
 - Near.
 - Point.
 - A portion.
 - To depart.
 - Electrified particle.
 - Not either.
 - Dejected.
 - Loop.
 - Horn.
 - To wear away.
- VERTICAL**
- Composition of molecules.
 - Reynard.
 - Mark of infinitive.
 - Irregularly shaped slip in a heel.
 - Personal pronoun.
 - Paintings or statuary.
 - Painter's grief.
 - Uncompensated.
 - Negative adverb.
 - Paik.
 - Hank.
 - Encounter.
 - Coagulate.
 - Ancient.
 - Slang for women.
 - Unit.
 - Beam.
 - Silver white metal.
 - A tree.
 - Compound.
 - Small bed.
 - Changed.
 - Object.
 - 39.37 inches.
 - An calculation.
 - 2900 lbs.
 - A coniferous tree, the wood of which is used to make long boxes.
 - Native metal.
 - Possessing savor or flavor.
 - Center of the universe.
 - Musical direction for silence.
 - Female pronoun.
 - Address of respect.
 - Animal's hair.
 - Plaything.
 - Draw off.
 - Administer.
 - Shoe bottom.
 - To wear away.
 - Finished.
 - Also.
 - Consumed.
 - Aeriform fluid.
 - Negative adverb.
 - Not out.
 - Personal pronoun.
 - Thus.

Section 6, Township 2 N. R. 25. E. W. M. in Union County, Oregon. Dated at La Grande, Union County, Oregon, this 23rd day of January, 1925.

JESSE BRESHEARS,
Sheriff of Union County, Oregon.
Date of first publication Jan. 25, 1925.
Date of last publication Feb. 25, 1925.
Jan. 28-Feb. 4-11-18-25

Notice of Sheriff's Sale.
Notice is hereby given, that by virtue of a foreclosure execution and order of sale, duly issued out of and under the seal of the Circuit Court of the State of Oregon for the County of Union, bearing date of the 19th day of January, A. D. 1925, and to me directed and delivered, upon a judgment and decree and order of sale, duly entered in said Court, in the suit therein pending, wherein John LaBine was plaintiff and J. W. Cleveland and Lulu B. Cleveland, his wife, were defendants, in which judgment and decree was entered in favor of John LaBine and against the defendants J. W. Cleveland and Lulu B. Cleveland, and each of them, in the sum of \$1,960.00, with interest thereon at the rate of 8 per cent per annum from the 18th day of May, 1923, until paid, and for the further sum of \$299.00 as attorneys fees for the collection of said note and the foreclosure of said mortgage, and for plaintiff's costs and disbursements herein incurred and taxed at \$500.00, and for accruing costs, and in which said execution I am commanded to make sale of the hereinafter described real property to satisfy said judgment and decree, interest, attorney fees, costs and disbursements thereof, including accruing costs.

Now therefore, by virtue of said writ and in obedience to its commands, I will on Monday, the 2nd day of March, 1925, at the hour of 3 o'clock p. m., of said day, at the front door of the County Court House in the City of La Grande, Union County, Oregon, sell at public auction to the highest bidder for cash in hand, subject to the statutory rights of redemption, all the right, title and interest of said defendants, or either of them, in and to the following described real property, to-wit:

Lot 2 in Block 63 in Chaplin's Addition to La Grande, Union County, Oregon, together with the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.

Dated at La Grande, Union County, Oregon, this 23 day of January, 1925.

JESSE BRESHEARS,
Sheriff of Union County, Oregon.
Date of first publication Jan. 25, 1925.
Date of last publication Feb. 25, 1925.
Jan. 28-Feb. 4-11-18-25

CHITON.
In the County Court, for the County of Union, State of Oregon, In the Matter of the Estate of I. C. Holmes, Deceased.

To Ella Whitehead, John Holmes, Harry Holmes, George Holmes, John Senter, Eva Crandall and Sylvester Virgil Kelta, heirs of I. C. Holmes, deceased, and all other persons unknown, if any such there be, Greeting:

In the Name of the State of Oregon, you are hereby cited and required to appear in the County Court of the State of Oregon, for the County of Union, at the courtroom thereof, at La Grande, in County of Union at the March term of said Court, on Monday, the 2nd day of March, 1925, at ten o'clock in the forenoon of that day, then and there to show cause, if any exists, why an order of sale of the real property of the above entitled

J.C. Penney Co.
A NATION-WIDE INSTITUTION
571 DEPARTMENT STORES
108 Depot St., La Grande, Ore.

A Remarkable Offering
JAPANESE CREPE
In a Splendid Variety of Colors
21c the yard



This Is Indeed a Splendid Opportunity to Secure a Worth-While Saving.


In this showing you will find every color desired in a fine quality Imported Japanese Crepe, at a price conspicuously low.

Because of our enormous purchasing power we are able to bring these savings to 571 American communities.

Your early inspection is cordially invited, for you will surely want several yards of this or that color, especially so with the approach of a new season.

SEE OUR WINDOW DISPLAY

Wherever they sell good candy



RODEO BAR
EVERY BITE'S A DELIGHT

Have You Property For Sale?

Are you going to offer your property for sale this spring? We are pleased to offer you our best services in the selling of city property and acreages. Property if salable, priced right and on reasonable terms, should sell in 60 days or less. Phone or see us.

Wm. Miller & Co.
"New Our Sign"
Phone Main 1

Hal Bohnenkamp
Funeral Director
Fifth at Spring St. Main 42

S.H.E.R.R.Y.'S
LAST SHOWING TONIGHT
'The Masked Dancer'
With HELENE CHADWICK and LOWELL SHERMAN
Adapted from "The Woman with the Mask"
By Rodolph Lothar
Comedy
"LOST DOG"
Tomorrow — DOUGLAS MacLEAN in "THE YANKEE CONSUL"

By Drug Store. 1-24-25

Rent, sell and repair all makes sewing machines. Ask about free demonstrating course. White Sewing Machine Co., New Foley Bldg., Phone 183 W. 22-12-27-28

Your prescriptions are always filled promptly and correctly, and delivered with no charge for delivery at Silverthorn-Wright's Family Drug Store. 1-24-25

Notice of Final Account.
Notice is by this given, that the undersigned administratrix of the estate of Markon McMurry, deceased, has filed her final account as such administratrix in the County Court of the State of Oregon for Union County, and that said Court has set Friday, February 12th, 1925, at 10 A. M., at the County Court Room in La Grande, Union County, Oregon, as the time and place to hear objections to, and for the settlement of said final account.

OLIVE B. McMURRY,
Administratrix.
La Grande, Oregon.
Jan. 14-21-25-Feb. 4-11

Notice to Creditors
Notice is hereby given that the undersigned has been appointed by the County Court of the State of Oregon for Union County as the administrator of the estate of Chas. Stinson, deceased. All persons having claims against the said estate are hereby directed to present them to the undersigned, with proper vouchers therefor, at the office of H. E. Dixon in Foley Bldg., La Grande, Oregon, within six months from the date of this notice.

Dated January 21, 1925.
GARFIELD SIMMONS,
Administrator of the Estate of Chas. Stinson, deceased.
H. E. Dixon, Attorney for administrator.
Jan. 21-28-Feb. 4-11-18-25

Notice of Sheriff's Sale.
Notice is hereby given, that by virtue of a foreclosure execution and order of sale, duly issued out of and under the seal of the Circuit Court of the State of Oregon for the County of Union, bearing date of the 19th day of January, A. D. 1925, and to me directed and delivered, upon a judgment and decree and order of sale, duly entered in said Court in the suit therein pending, wherein Frank Pike and Minnie Pike, husband and wife were plaintiffs and Warren L. Webb and Catherine Webb, his wife, G. L. Burton and Nita Burton, his wife, were defendants, in which judgment and decree was entered in favor of Frank Pike and Minnie Pike, husband and wife, and against Warren L. Webb in

ANNOUNCEMENT.
My new auto paint shop will be open for business about February 1st. Second Street at south end of viaduct. George Fager. 1-24-25

A regular advertiser is a dependable merchandiser.

Special price, \$5.00 per cord for 16-inch wood. Phone 287-W. 1-27-28

Astrologer.
Mrs. P. A. Balmus, Jefferson Ave., corner Willow. Phone 248-J. 1-15-22-23

Blooming plants on sale this week at the flower store, Foley Hotel building. 1-28-29

Remitting, pleating, button holes, etc. Norton's Kiddy Shop. 16-14-25

Plumbing and Steamfitting.
Contractor. Phone 248-J. 1-15-18-19

Zuber Brick, under new management. Steam heated rooms, also room and board, with rates. 1408 Wash. 1-28-29

Se—Remitting—Se
By Mrs. E. C. Tuckey. All work guaranteed. Mrs. E. C. Tuckey, 1808 Second. 1-12-1m

You will be pleased with the Violet cream that cures chaps, and rough skins and pimples—the kind that costs you only 25c. And sold only by Silverthorn-Wright's Family

Get Weighed Every Week At
"NEWLIN'S On the Corner"
Newlin Drug Co.

Get Weighed Every Week At
"NEWLIN'S On the Corner"
Newlin Drug Co.

the sum of \$1,145.00, together with interest thereon at the rate of 8 per cent per annum from September 29th, 1924 until paid, and for the further sum of \$180.00, together with interest thereon at 5 per cent per annum from October 25th, 1924 until paid, and for the further sum of \$132.77, together with interest thereon at 5 per cent per annum from October 25th, 1924 until paid, and for the further sum of \$150.00 attorney fees, and for plaintiff's costs and disbursements herein incurred and taxed at \$500.00, and for accruing costs, and in which said execution I am commanded to make sale of the hereinafter described real property to satisfy said judgment and decree, interest, attorney's fees, costs and disbursements thereof, including accruing costs.

Now therefore, by virtue of said writ, and in obedience to its commands, I will on Monday, the 2nd day of March, 1925, at the hour of 3 o'clock p. m., of said day, at the front door of the County Court House in the City of La Grande, in Union County, Oregon, sell at public auction to the highest bidder for cash in hand, subject to the statutory rights of redemption, all the right, title and interest of said defendants, or either of them, in and to the following described real property, to-wit:

Commencing at a point 185.5 feet North of the Northwest corner of Tract "H" in Hamlet's Addition to the Town of La Grande, Oregon, running thence East 589 feet, thence North 198.3 feet, thence West 240 feet, thence South 105.3 feet to the point of beginning, being a part of the Southeast Quarter of the Southeast Quarter of

DO YOU SUFFER FROM SORE, TENDER OR BLEEDING GUMS?

We have a Remedy for this condition that is guaranteed.

50c BOTTLE

Moon Drug Co.
Everything for the Sick Room
PHONE MAIN 68

QUAKER MILK MACRONI
FULL POUND PACKAGE 17c

OUR SEAL FLOUR	\$1.94	Medium 63c; Large	\$1.25
FEDERATION HARD WHEAT FLOUR	\$2.38	FLORIDA GRAPEFRUIT, 6 for	49c
OLYMPIC PANCAKE FLOUR, 10-lb. sack	79c	SMALL NAVAL ORANGES, 5 doz.	69c
OLYMPIC QUICK OATS, Large pkg.	33c	MEDIUM SIZE ORANGES, doz.	39c
FANCY EASTERN BUCKWHEAT, 10-lb. sack	89c	SMALL DELICIOUS APPLES, box	\$1.00
MAPLE LEAF CANE & MAPLE SYRUP 1/4s	50c	LIMIT STARCH—The New Quality Box	10c
1/2s	89c; 1 gal.	COUNTRY CURED SHOULDERS, lb.	15c
LOG CABIN SYRUP, Small	32c	COD FISH, 2 lb. bricks	45c

PROMPT MOTOR DELIVERY—MAIN 49

WHERE THE THRIFTY THROG

HOOVERIZED GROCERY
Phone Main 49
2 Deliveries

Dated at La Grande, Union County, Oregon, this 23 day of January, 1925.

JESSE BRESHEARS,
Sheriff of Union County, Oregon.
Date of first publication Jan. 25, 1925.
Date of last publication Feb. 25, 1925.
Jan. 28-Feb. 4-11-18-25

CHITON.
In the County Court, for the County of Union, State of Oregon, In the Matter of the Estate of I. C. Holmes, Deceased.

To Ella Whitehead, John Holmes, Harry Holmes, George Holmes, John Senter, Eva Crandall and Sylvester Virgil Kelta, heirs of I. C. Holmes, deceased, and all other persons unknown, if any such there be, Greeting:

In the Name of the State of Oregon, you are hereby cited and required to appear in the County Court of the State of Oregon, for the County of Union, at the courtroom thereof, at La Grande, in County of Union at the March term of said Court, on Monday, the 2nd day of March, 1925, at ten o'clock in the forenoon of that day, then and there to show cause, if any exists, why an order of sale of the real property of the above entitled

estate should not be granted, said real property being described as follows, to-wit:

Lots numbered 1 and 2, Block 2, Grandy's Second Addition to the City of La Grande, Union County, Oregon, Lots numbered 17 and 18, Block 2, Grandy's Second Addition to the City of La Grande, Union County, Oregon.

E. G. COUCH,
Judge of the County Court of the State of Oregon, Court for the County of Union, with the seal of said Court affixed this 27th day of January, 1925.

(SEAL)
Attest: C. K. McCormick, Clerk.
Jan. 28-Feb. 4-11-18-25

Guardian's Sale of Land.
Notice is by this given that the undersigned, guardian of Dolores

Williams, an incapable person, will, by and pursuant to an order of this County Court of the State of Oregon for Union County, made and entered on the 26th day of January, 1925, from and after the 26th day of February, 1925, at his residence near Island City, Union County, Oregon, sell to the highest bidder for cash at private sale, or with approved security, an undivided one-sixth interest belonging to the said Dolores Williams in the E. J. Parker farm, described as:

The SW 1/4 of Section 12 in Township 3 South, Range 36 E. W. M. in Union County, Oregon.

Dated this 27th day of January, 1925.


GEORGE W. WILLIAMS,
Guardian.
Island City, Oregon.
Jan. 28-Feb. 4-11-18-25

MONUMENTS
ORDER THAT MONUMENT NOW

—We have made a profound study of monument building, and an order placed in our hands is sure to receive faithful, intelligent execution

We Will Gladly Furnish Estimates

Blue Mountain Marble Granite Company
1502 S. Ave., La Grande, Ore.



Gen. Carr's Memorial Troop

GOVERNOR PIERCE & SON
Have just sold a carload of their famous HEREFORD STEERS.
Try one of these nice juicy steaks.

Grande Ronde Meat Co.
CITY, ECONOMY and HOOVER MARKETS

QUAKER MILK MACRONI
FULL POUND PACKAGE 17c

OUR SEAL FLOUR	\$1.94	Medium 63c; Large	\$1.25
FEDERATION HARD WHEAT FLOUR	\$2.38	FLORIDA GRAPEFRUIT, 6 for	49c
OLYMPIC PANCAKE FLOUR, 10-lb. sack	79c	SMALL NAVAL ORANGES, 5 doz.	69c
OLYMPIC QUICK OATS, Large pkg.	33c	MEDIUM SIZE ORANGES, doz.	39c
FANCY EASTERN BUCKWHEAT, 10-lb. sack	89c	SMALL DELICIOUS APPLES, box	\$1.00
MAPLE LEAF CANE & MAPLE SYRUP 1/4s	50c	LIMIT STARCH—The New Quality Box	10c
1/2s	89c; 1 gal.	COUNTRY CURED SHOULDERS, lb.	15c
LOG CABIN SYRUP, Small	32c	COD FISH, 2 lb. bricks	45c

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