Revenue Dapartment answers tax questions

Many Oregon income taxpayers are charging themselves too much state tax when filing their state short form (40-S) tax return, says John J. Lobdell, Director of the Oregon Revenue Department.

Lobdell says that the most common error found on returns is failure to deduct federal taxes before looking up state taxes in the 40-S tables. Failure to deduct the federal tax means that a taxpayer figures income tax on a figure that is too large. Consequently, his tax is too high.

Lobdell advises persons who are preparing 40-S returns to write their federal tax on line 12 and subtract it from adjusted gross income. The result is subject to Oregon tax.

Persons who neglect to subtract the federal tax and have already filed their returns should file an amended return on form 40-X.

Every day the Oregon Department of Revenue receives 150 to 200 calls from persons who have questions about their income tax returns and property tax refund claims.

The department has selected the most commonly asked questions and provided answers so that persons can save themselves a call. However, if a person has a question not answered here, he or she should call the nearest revenue department office listed in the Oregon State Government section of the white pages of the phone book under the heading "Revenue Department of."

Question: Are social security and welfare payments received by parents for the benefit of their children included in household income?

Answer: Yes, the parent has control over the use of these funds.

Question: Is a disability pension, deducted as sick pay, included in household income? Is disability compensation included as household items?

Answer: Yes, in both cases, compensation is a permanent pension.

Question: Does a child qualify for a renter refund when the child lives at home and pays $50 per month to help with the family expenses?

Answer: Yes, if there is a tenant-landlord relationship. Only part of the payment can be claimed as rent, the part that is used for the room, but not the part used for food. The payment must be reported as income on the parent's income tax return.

Question: Is the $50 social security bonus paid during 1975 considered household income?

Answer: No.

Question: Are veterans' educational benefits considered household income?

Answer: No.

Question: How much property tax refund can be claimed by the owner of a duplex who lives in one half of the duplex?

Answer: The duplex owner can claim a refund based on one-half of the tax assessed on the land.

Question: I sold my home during the year and purchased a new one. Are my property taxes prorated?

Answer: No. You may claim a property tax refund for the property taxes assessed on the home in which you were living on December 31, 1975.

Question: Can a divorced man who no longer lives in the house claim a portion of the property taxes for a property tax refund?

Answer: No. Since the home was not his principal residence on December 31, 1975, it cannot be included on his claim form.

Question: What if I cannot get a copy of my property tax statement?

Answer: Contact the county tax collector's office and get a duplicate statement.

Question: How must a person file for a property tax refund when he is a renter for part of the year and a homeowner for the rest of the year?

Answer: A person's filing status is determined by whether he was an owner or renter on December 31, 1975. If on December 31st, he owned his home, he would file as an owner.

Question: Does rent paid to a nursing home qualify for the property tax refund?

Answer: Yes, provided the property is not exempt from property taxes. Use 20 percent of the total amount paid to the nursing home as net rent, unless the rent is shown as a separate item on the billing statement.

Question: Are rent certificates required for 1975?

Answer: Rent certificates are no longer required. However, the claimant must complete the rental schedule on the claim form (70-R). In the event of an audit, claimant must be able to substantiate claim.

Question: Can only one member of a household file for a property tax refund?

Answer: Yes.

Question: I made a mistake on my property tax refund claim. What should I do?

Answer: File an amended return, Form 40-X, showing where the error was made and the correct computation of your refund.

Question: To what address should I mail property tax refund claim?

Answer: If you are not filing an income tax return, Mail to: REFUND, P.O. Box 700, Salem, Oregon 97308, or, if you are filing your claim with a tax return and are claiming a refund, mail to: REFUND, P.O. Box 700, Salem, Oregon 97308.

If you are filing your claims with a tax return and must pay additional income tax, mail to: Department of Revenue, State of Oregon, Salem, Oregon 97310.

ADA REED

MLK Scholar

Miss Ada Reed is a senior at Portland State University, majoring in Speech Communications. A 1972 graduate of John Adams High School, she is a three year recipient of a Martin Luther King Scholarship.

Miss Reed is a native of Baton Rouge, Louisiana, and has lived in Oregon for five years.

She was the 1972 winner of the I.B.P.O.E. of W. (Elks) Oratorical Contest scholarship and won first place in the 1972 Oregon High School speech competition in Oral Interpretation and Poetry. She was one of the top ten talent performers at the 1972 All Oregon State Fair Talent Show. She has travelled with the PSU speech team and is a member of the Pi Kappa Delta National Forensic Fraternity.

Miss Reed began singing in church at the age of four. She has travelled through the Northwest with chorus and singing groups and has performed in concerts in local churches. She has had the opportunity to sing with Blues singer Bobby Blue Blan, Carla Thomas, Shirley Ceasen, The Edwin Hawkins Singers and Andre Crouch and the Disciples.

She is a member of the Maranatha Church choir and assists with the children's choir.

Miss Reed is employed by Portland General Electric as an Evaluation Coder.

(This is an **Observer** "Salute to MLK Scholars". For information about the scholarship program call (503) 229-4475.

Students visit University

Prospective freshmen, freshmen level transfer students and their parents are encouraged to participate in the University of Oregon's Early Orientation and Registration Program (EORP).

The program will be held on five days in July and provides students an opportunity to obtain academic advising and early registration.

Orientation Director Neil Murray says more than 1,000 students participated in the program last year.

This year's program will be held on Monday, July 19th; Friday, July 23rd; Saturday, July 24th; Friday, July 30th and Saturday, July 31st. The last date, July 31st, is reserved for freshmen who are transferring to the University of Oregon with fewer than 45 quarter credit hours earned at another school.

An optional "EORP Eve" program is planned for those who can arrive on campus the evening prior to their EORP date. The session will include program planning and course selection. Parents are invited to attend a separate and informal social gathering to meet University faculty, staff and other parents.

Arrangements can be made for participants to stay in University of Oregon dormitories. While there is no fee for taking part in EORP, individuals must purchase their own meals.

More information may be obtained from school counselors or by contacting the Orientation Office, Room 164 Oregon Hall, University of Oregon, Eugene 97403.

AT HOME

by Cal R. Williams

From the day you buy a house, you should plan for the taxes when you sell. Unless you know how to get the best price for your house and also how to keep taxes on the "profit" at a minimum, you can lose a lot of the investent you thought was a hedge against inflation.

Keeping careful records from the beginning will guarantee you a fair sale price and a fair tax break. Your records can reduce the taxes on the profit when you sell if you have proof of expenditures.

You can subtract your closing costs for title search and insurance, lawyers fees, bank appraisal, mortgage and deed recording, et cetera. You can also subtract for improvements made over the years. Although you can't take off for normal maintenance, it is a good idea to keep those records too because sometimes what seems to be maintenance can be credited as improvement.

Painting your house is considered maintenance. If, however, your house has seven coats of chipping paint and you install aluminum siding or remove all of the old paint and apply two fresh coats, it may be a deductible expense.

Replacing a rotted window frame is maintenance but substituting storm windows is an improvement. A new kitchen stove is maintenance, but a sizable kitchen remodeling is an improvement.

Get the most for your money. Start today to save those receipts and cancelled checks for all remodeling, additions and improvements.

PCC tuition increases

Tuition rate increases for Portland Community College effective fall quarter 1976 were approved Monday, March 1st, by the college's board. The board approved a $9 increase for the full-time student and $1 increase per credit hour.

For residents of the PCC district taking one to eight hours of credit the cost will be $12 per credit hour, $108 for nine to eighteen hours, and an additional $12 per credit hour for those over eighteen.

Oregon residents outside the PCC district formerly paying $21 per credit hour will start paying $23 in the fall. Tuition for a full-time student will be $207.

The board increased the nonresident fee (which also applies to foreign students) from $31 to $34.

CHICKEN CURRY, CHINESE-STYLE

Chinese Chicken Curry is is a little different from those usually seen on a restaurant menu. It can be prepared with regular kitchen utensils using ingredients found in your local supermarket—no special equipment or exotic foods necessary. The recipe uses Planters Peanut Oil which is the favorite choice in this country for Chinese-style cookery. As the most subtle of the polyunsaturated cooking oils it wakes up the flavor of other ingredients without imparting a taste of its own.

Chinese Chicken Curry

4 tablespoons Planters Peanut Oil
4 cloves garlic, crushed
3 medium onions, sliced lengthwise
2 large chicken breasts, boned and cut into 2-inch pieces
1 tablespoon curry powder
1 tablespoon sugar
2 teaspoons salt
2 tablespoons soy sauce
1/2 cup water
3 medium potatoes, cut into 1-1/2-inch roll cuts
1 tablespoon cornstarch
1 tablespoon water
Hot cooked rice

~

Heat 2 tablespoons peanut oil in Dutch oven over high heat. Add garlic; fry until brown. Add onions; stir-fry 3 minutes. Remove onions; set aside.

Heat remaining 2 tablespoons peanut oil in Dutch oven. Add chicken and curry powder; stir-fry 3 minutes. Add sugar, salt, soy sauce and 1/2 cup water. Mix in potatoes. Bring mixture to a boil. Reduce heat; cover and simmer 20 minutes. Mix in onions. Cover and simmer 10 minutes longer. Blend cornstarch and remaining 1 tablespoon water. Stir into chicken mixture. Boil 1 minute, or until thickened. Makes 4 to 6 servings.

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Reg. 2.25. **Polo shirt** in easy care polyester has color contrast numerals on solids plus white. A great shirt for boys in sizes 1-4.

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Reg. 2.39. **Boys' boxer jeans** in an easy care blend of polyester and cotton with elasticized waist. Fashion colors. Boys sizes 1-4.

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Reg. 2.75. **Boys' action print shirts** of easy care polyester/cotton knit. Short sleeve hemmed styling with ribbed crewneck. Boys sizes 3-7.

Sale 3.60

Reg. 4.50. **Boys' jeans** of no-iron polyester and cotton blend sail cloth. Snap closure with zipper fly and belt loop styling. Your choice of our assorted solid colors. Boys sizes 3-7.

Sale prices effective through Sunday.

Sale 2.20

Reg. 2.75. **Girls easy care polyester/cotton top** with sloppy sleeve. A cool topper for the coming season. Fashion colors in a novelty print. Girls sizes 3 to 6x.

Sale 2.80

Reg. 3.50. **Woven pants for girls** in an easy care blend of polyester and cotton. Your choice of our assorted fashion colors. Girls sizes 3 to 6x.