

QUESTIONS AS TO INCOME TAX LAW ARE ANSWERED

Authentic Information Is Being
Published Daily in The Jour-
nal's Columns.

25,000 IN STATE TO PAY

Speakers Will Explain Act in
Theatres; Field Workers Are
Busy Outside City.

Questions Will Be Answered

Out of the mass of questions that daily are being put up to the collector of internal revenue office by those seeking information concerning the scope and application of the income and war revenue tax acts, the office has compiled a list of the most common questions covering the points which seem to cause the most uncertainty in the minds of the taxpayers. Those questions have been answered by the experts in the collector's office, and both questions and answers will be printed, from day to day, until the entire list has been completed—this for the information of those who come within the act.

Twenty-five thousand people of the state will be required to pay income taxes, according to the estimates made by the office of Collector of Internal Revenue M. A. Miller. That a large proportion of this number are not sure of the facts to put into their reports, which must be filed with the collector's office by March 1, is indicated by the continuous stream of questions for information that come into the office, both in person and by mail.

To meet this demand for information the collector has sent field workers out over the state, who will be stationed for varying periods in every county of the state until the close of February. Speakers will also explain the main provisions of the act, in the moving picture theatres and elsewhere.

Still additional information will be found in the questions and answers to mooted points in the law which are being published by The Journal daily, as prepared by the office of the collector of internal revenue. A segment of this list, from question 14 to 17 inclusive, follows:

Q—14. What amount of personal exemption is allowed by each of the two acts?

Ans.—Section 7 of the act of September 8, 1916, allows a personal exemption of \$3000 for unmarried persons, plus \$1000 additional if the person making the return be the head of a family or a married man with a wife living with him. This additional exemption of \$1000 is allowed if the person making the return is a married woman with a husband living with her, but in no event shall this additional \$1000 be deducted by both husband and wife.

The exemptions allowed by section 3 of the act of October 3, 1917, are the same as under the act of September 8, 1916, except that the exemption of \$3000 and \$4000 allowed by the 1916 act are, respectively, \$2000 and \$3000.

In addition, a further exemption of \$200 is allowed for each dependent child under 18 years of age, or other that age if incapable or self-support because mentally or physically defective, and this is allowed in computing normal tax liability under both acts.

Q—15. What is meant by the term "head of a family"?

Ans.—Treasury decision 2427 states that a "head of a family" is held to be a person who actually supports and maintains one or more individuals who are closely connected with him by blood relationship, relationship by marriage or by adoption, and whose right to exercise family control and provide for these dependent individuals is based on some moral or legal obligation.

Q—16. What income, if any, is exempt?

Ans.—(a) The proceeds of life insurance policies paid to individual beneficiaries upon the death of the insured.

(b) The amount received by an insured, as a return of premium or premiums paid by him under life insurance, endowment or annuity contracts, during the term or at the maturity or surrender of the insurance contract.

(c) The value of property received by gift, bequest, devise or descent. It must be understood, however, that the income derived from such property is taxable.

(d) Interest upon the obligations of a state or any political subdivision of a state, or upon the obligations of the United States, except in the case of obligations of the United States issued after September 1, 1917, only to the extent provided in the act authorizing their issue.

(e) Interest upon the obligations of any possession of the United States, or securities issued under the provisions of the federal farm loan act of July 17, 1917.

(f) The compensation of the present president of the United States during the term for which he has been elected, and the judges of the supreme and inferior courts of the United States elected on October 3, 1917.

(g) The compensation of all officers and employees of a state or any political subdivision of a state, except when compensation is paid by the United States government. This includes the official salaries received by public school teachers, state and county officers and employees of municipalities, but income derived by such persons from sources other than state, county or municipal funds, and the other sources enumerated in this answer, is taxable. (See section 4, act of September 8, 1916, as amended.)

Q—17. What is meant by the term "net income"?

Ans.—For the purpose of determining whether or not a personal income tax should be rendered, net income means your total net income less the exemptions specified in the answer to the sixteenth question and the general deductions specified in section 5 of the act of September 8, 1916, as amended by the war revenue act.

KAISER HAS NEW CRISIS IN ARMY TO DEAL WITH

(Continued From Page One.)

are given full support by the emperor.

Kaiser Meets With Staff

The emperor conferred all day Sunday with members of the general staff and the minister of war.

The Kaiser also held a long conference with the newly appointed field marshal Von Wyrach, who distinguished himself in the fighting on the Eastern front.

News of the momentous developments which have arisen in Germany followed a report that General von Ludendorff, "the brains of the German army," had resigned, but this was subsequently denied.

The domestic struggle in Germany had its inception in discussions over the peace terms offered by Germany to Russia.

The militarists stood out for annexations, while the Moderates, supporting the principle of no annexations, were said to have enlisted the Kaiser in their behalf.

So grave is the internal conflict in

Y. W. C. A. Drive Is To Secure Funds For Maintenance

The board of directors of the Portland Young Women's Christian association has issued the following statement in reference to its annual budget:

"We wish the public, as well as regular subscribers to Y. W. C. A. work in Portland, to understand that this is our regular annual campaign for maintenance funds and includes increased war work activities carried on in our building and radiating from it as a general center."

The statement is signed by Miss Carrie A. Holbrook, president, and Mrs. James Failing, treasurer.

Germany that some go so far as to predict that the future fate of the German empire may depend upon the steps which the Kaiser takes to solve the problem.

Austria Complicates Situation

There were hints of a militarist uprising if the Kaiser rejects the peace program of the Pan-Germans and the Junkers.

The whole affair has been made more critical by the demands of Austria-Hungary for peace, and the insistent demands of the Socialists that the Russian terms be accepted.

That the German Socialists have been emboldened to start a peace drive in behalf of the democratic principle of self-determination of peoples by the influence of the Russian Bolsheviks is being made more and more apparent by developments.

It is generally believed now that the real reason why the German government refused to transfer the Brester-Litovsk parcel to Stockholm was that the Socialist influence might prove predominant over that of the diplomats and military men taking part in the conference.

Kuehlmann Faces Crisis

The breach between the Germans and the anti-annexationist groups led by Philip Scheidemann, Dr. Haas and Dr. Erzberger, for peace, and the insistent demands of the Socialists that the Russian terms be accepted, is being made more and more apparent by developments.

Dr. von Kuehlmann, the German foreign minister, faces the gravest predicament he has faced since he took office. The Pan-Germans and Junkers are attacking him for offering "cheap terms" to Russia and for lack of firmness, while the German Socialists are condemning him for insisting upon the retention of Austro-German soldiers in occupied Russian territory.

The Socialists at their meeting on Sunday are reported to have resolved upon a "political revolt" unless the government stands by the peace bloc resolution passed by the reichstag last July.

This resolution calls for peace without forced annexations nor indemnities.

Lloyd George Criticized

The peace situation in Germany may be influenced to some extent by the hostile criticism in the German press of Premier Lloyd George's war aims speech, but it is too early yet to see what the real effect of the speech will be.

The dissensions over the situation are said to have extended to the highest "war lords" of the empire. At the latest crown council in Berlin the Kaiser is said to have supported Foreign Minister von Kuehlmann when the crown prince and the militaristic clique opposed him.

Charles to Visit Sultan

Amsterdam, Jan. 8.—(U. P.)—Emperor Charles of Austria-Hungary is shortly to make a visit to the sultan of Turkey, "on a political mission," Vienna dispatches stated today.

Jackson Club Annual Meeting Is Tonight

Patriotic Program at Library Replaces Banquet; Mrs. Alexander Thompson to Be Speaker; Meeting Is Open.

The annual meeting of the Jackson club will be held this evening in the library. The usual banquet will not be given. Instead, a patriotic program has been arranged. The public is invited to attend.

The program will be as follows:

Music, patriotic airs, Misses Agnes and Dora Dooley; address, John H. Smith of Detroit; vocal solo, Mrs. F. Jacob; address, Mrs. Alexander Thompson of The Dalles; vocal solo, Mrs. George F. Alexander; address, Judge Samuel White; vocal solo, Miss Bertha Barry; address, Walter M. Pierce of La Grande.

The following composed the program committee: John D. Mann, Oglesby Young, Dr. E. T. Hedlund, John S. Smith and Mrs. Alice McNaught.

Burglars Visit School

School Clerk Thomas reported to the police that the Kenton school had been entered over Saturday and Sunday and that the mail had been opened and many of the desks ransacked. Miss Grace DeGraff is principal of the school. The police believe they have a clue.

Keeping the Quality Up

LAXATIVE BROMO QUININE, the World-Famous Cure for Constipation, is now 30c per box. On account of the advance in the price of the six different Medicines contained in LAXATIVE BROMO QUININE, it was necessary to increase the price to the Drugist. It has stood the test for a Quarter of a Century. Used by every Civilized Nation. Ad.

Both are unequivocally opposed to the 6-cent fare, while Mayor Baker and Commissioners Mann and Barbour are waiting for the opinion from the city attorney.

The city council meets Wednesday morning and the matter probably will come up then for discussion. Mayor Baker says, however, that he is waiting for an opinion from the city attorney as to the city's legal rights before officially presenting the subject to the council.

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OREGON SCHOOLS TO ALL BE MADE W. S. S. STATIONS

Five Thousand Teachers of State
Will Be Appointed to Be War
Savings Stamp Sales Agents.

CHILDREN TO BE DEPUTIES

Essentially Practical Plan for
Promoting Great Thrift, Cam-
paign Announced Monday.

Oregon's 2500 schools will be designated by the government as stations for the sale of war savings stamps.

The 5000 teachers of Oregon's schools will be appointed as war savings stamp sales agents.

The 140,000 school children of the state will be active deputy sales agents. An essentially practical plan for use of the Oregon school organization in promoting the campaign was announced Monday afternoon by J. A. Churchill, state superintendent of public instruction, at the conference of thrift campaign leaders.

Will Have Blue Card

Each child will carry home what is called the "blue card." The card is a common sense invitation to every father and mother to become a member of the great national thrift organization.

On one side is the address of the local postmaster. The card requires no postage. It is official government business to mail it, for on the reverse side is a space for name and address and a request that the letter carrier deliver any given number of war savings stamps at \$4.12 each or thrift stamps at 25 cents each. The card also carries this:

"By buying war saving stamps:

(1) You help your government by lending it your savings.

(2) You invest your savings safely at 4 per cent compound interest.

Delivery Plan Worked Out

By means of the unique plan the public schools and the United Postal service will simplify the getting of the appeal to parents and sending of the stamps for thrift stamps and war savings stamps.

Leon Cohen, chairman for the second congressional district, announced that he would personally visit each county east of the mountains to aid in organizing local thrift campaigns.

State Distributor J. A. Curry said W. S. Jelliff, associate distributor, and Edgar H. Senech, banking commission agent of his department, had worked out a plan that promises to be extremely effective for the preparation and delivery of various sized packages of war savings stamps to sales stations.

Will Daly, chairman of the committee on industry, announced a plan by which he will make personal visits to each county east of the mountains to aid in organizing local thrift campaigns.

The state committee will meet again at 7:30 tonight, while the Portland committee's meeting was set for 4:30.

Copen, Emerald and other colors.

—Third Floor, Lipman, Wolfe & Co.

—Fourth Floor, Lipman, Wolfe & Co.

—Fifth Floor, Lipman, Wolfe & Co.

—Sixth Floor, Lipman, Wolfe & Co.

—Seventh Floor, Lipman, Wolfe & Co.

—Eighth Floor, Lipman, Wolfe & Co.

—Ninth Floor, Lipman, Wolfe & Co.

—Tenth Floor, Lipman, Wolfe & Co.

—Eleventh Floor, Lipman, Wolfe & Co.

—Twelfth Floor, Lipman, Wolfe & Co.

—Thirteenth Floor, Lipman, Wolfe & Co.

—Fourteenth Floor, Lipman, Wolfe & Co.

—Fifteenth Floor, Lipman, Wolfe & Co.

—Sixteenth Floor, Lipman, Wolfe & Co.

—Seventeenth Floor, Lipman, Wolfe & Co.

—Eighteenth Floor, Lipman, Wolfe & Co.

—Nineteenth Floor, Lipman, Wolfe & Co.

—Twentieth Floor, Lipman, Wolfe & Co.

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—Twenty-eighth Floor, Lipman, Wolfe & Co.

—Twenty-ninth Floor, Lipman, Wolfe & Co.

—Thirtieth Floor, Lipman, Wolfe & Co.

—Thirty-first Floor, Lipman, Wolfe & Co.

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ECONOMY JANUARY

Still Bringing NEW FORCES in Our Great DRIVE AGAINST RISING PRICES

You will find great savings in every Department in the House. The best we can do for you is to urge you to shop now—while articles are offered at good savings! Prices are rapidly advancing on Merchandise of Merit!

Costume Velvet, Velvetene, Silk, Satin SKIRTS



Wonderfully
Underpriced—
Less Than Wholesale!

\$6.95 AND MANY
LESS THAN
COST OF
MATERIALS!

—Every Newest model—the bustle skirt—the Russian tunic—the side draped skirt and many plain, tailored straight styles are shown in these. Many of the silk skirts are shirred at the top, with large novel pockets to add to their smartness.

—The colors are Navy, Black and Lighter Blue. EVERY SKIRT NEW AND FRESH—MANY SHOWN FOR THE FIRST TIME IN THIS SALE. Every one worth two or three times the sale price!

NEW SKIRTS—MANY SPRING MODELS—SAMPLES From ONE of the BEST MAKERS

—Third Floor, Lipman, Wolfe & Co.

CHIFFON TAFFETA AND JERSEY TOP SILK

PETTICOATS

Special
at
\$4.95

—Really unusual silk petticoats at this moderate price! There is a large assortment of styles—some with knife pleating and others accented with pleated or with shirring and tucking. All with fitted tops and elastic waistband. In black, Navy, gold, taupe, and other colors.

—Third Floor, Lipman, Wolfe & Co.

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