

WAGES PAID TO OWN FAMILY NOT EXEMPT OF TAX

May Be, However, if Son or Daughter Working for You Has Reached Majority.

DEFINE SELLERS' EXPENSES

Amounts Paid for Advertising, Clerk Hire and Other Employees, Water, Etc. Deducted.

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 those 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.

What Items may be deducted under the head of "business expenses," the status of wages paid a farm hand, whether the wages paid a minor child and whether the amounts set aside by the taxpayer as his own salary, can be claimed as deductions in reporting income tax statements are told in the following questions and answers prepared by the office of the collector of internal revenue for the information of the taxpayers:

Q. 46—What constitutes an item allowable as a deduction under the head of business expenses?

Answers—Labor Pay

Ans.—All amounts of expenses actually paid during the tax year in the conduct of a business, trade or profession.

This includes all amounts actually paid by a farmer for labor in preparing his land for a crop and the cultivation, harvesting and marketing of the crop, the cost of the seed and the fertilizer used, the amounts expended for labor used in caring for livestock and the cost of the feed, the cost of stock purchased for the purpose of resale. It should be understood, however, that if such cost is claimed as a deduction, the entire proceeds received upon a sale of the stock is to be returned as income. The amounts actually paid in making repairs to farm buildings, but not the dwelling house, repairs to fences, farm machinery, etc., the cost of materials for immediate use and farm tools which are used up in the course of a year or two, such as binding twine, stock powders, pitchforks, spades, etc., and the amount of rent paid for a farm may also be claimed. The amounts paid for livestock which is to be used for breeding purposes are held to represent investment of capital and are not allowable as deductions.

A merchant may claim as deductions the amounts paid for advertising, hire of clerks, and other employees, the cost of the light, fuel, water, telephone, etc., used in or at his place of business, drayage and freight bills, the cost of operating delivery wagons, trucks and the repairs to same.

The cost of goods purchased for resale is not to be claimed as a deduction as a credit for that cost may be obtained by following the method of computation outlined in the answer to the thirty-first question.

Where Physician Stands

A physician may claim as deductions the cost of medicines and medical supplies used by him in the practice of his profession, expenses paid in the operation and repair of an automobile used in making professional calls, dues to medical societies, and subscriptions to medical journals, the expenses of attending medical conventions, the rent paid for office rooms and the hire of

office assistants, the cost of the fuel, light, water, telephone, etc., used in such office rooms. Amounts expended for books, medical supplies and surgical instruments of a permanent character are not allowable as deductions.

This, in a general way, outlines the ordinary and usual expenses incurred by a farmer, a merchant or a professional man, which may be claimed as deductions, and the principles underlying these allowances are equally applicable in the case of any one engaged in a business, trade or profession. In short, all expenses connected directly and solely with the conduct of an income-producing business, trade, profession or vocation, are allowable.

Personal Expenses Not Included

Items of personal expense or items connected in any way with the support, maintenance and well-being of a family are not allowed; neither are the amounts paid for tools, implements, vehicles, machinery or surgical instruments which are more or less permanent in character, nor the cost of medical, law or other professional books, nor amounts expended in making permanent improvements or betterments of any kind whatsoever allowable as deductions. These latter items are held to be investments of capital upon which depreciation may be claimed.

Q. 47—If I employ a man to assist me in operating my farm and a woman to assist about the house, is the compensation paid to each allowable as a deduction?

Ans.—Questionably, as to the amount paid the male employe, but a line must be drawn as to the amount paid to the female employe. If her time is employed entirely in taking care of milk and cream produced for sale, in the production of butter, cheese, etc., the care of milk cans and churns, or, if a separate table is maintained for laborers employed on the farm and her services are used entirely in the preparation and serving of the meals furnished the laborers and in caring for their rooms, the compensation paid her constitutes an allowable deduction. If, however, she is employed to assist in caring for the farmer's own household, no deduction can be claimed.

As to Family Help

Q. 48—If I employ a minor son or daughter to assist me in my business or trade and I pay a salary or wage for such assistance, may I claim the amount as a deduction?

Ans.—If, however, the son or daughter has attained his or her majority, the amount of compensation paid for his or her services may be so claimed.

Q. 49—Can a taxpayer claim a deduction for his own remuneration?

Ans.—Wages or salary drawn by a taxpayer from his own business are more in nature of a charge out of profits than a charge against profits. If such could be deducted they would merely be added to his income, the effect of which would be to take money out of one pocket and put it in another. Therefore, no deduction can be claimed.

Fort Lawton Chief Denies Rioter Story

Seattle, Jan. 15.—(I. N. S.)—"If any soldiers have been brought here from Alaska or any other place for inciting mutiny or riot, I don't know anything about it," said the commanding officer at Fort Lawton here today, when asked concerning a report that five privates of the Fourteenth infantry had been brought to Fort Lawton secretly for inciting mutiny at Fort Seward, Alaska.

A rumor that soldiers have been brought here and some already shot or sentenced to be shot by a court-martial is emphatically denied by army officers and federal authorities.

Five soldiers are reported to be held under guard at Fort Worden, Wash., having been brought from Fort Seward, Alaska. The commanding officer at the fort refused information as to what charge has been placed against the men, but indicated the charge is not serious.

Questionnaire Reply Has Been Returned

John L. Edwards was bulletined by local exemption board No. 3 as having failed to return his questionnaire. Seeing his name in print as delinquent, Edwards notified the board that although he had failed to receive his blank through the mail, he had called for one in person and had filled it out within the hour. The board checked its record and found the questionnaire properly on file.

Sanitary Boon to Mothers

Soothers and relieves chafed, irritated skin of infants. Keeps baby fresh and sweet. Fits for baby's tender skin. See. All drug stores.

COIN IS FOUND IN WHISLER'S ROOM

Money Bag on Secret Shelf Believed to Contain All of \$62,826.21.

Camp Funston, Kas., Jan. 15.—(I. N. S.)—"The loot taken from the Army bank by Captain Lewis R. Whisler, axe murderer, was found this morning. While there has not been an opportunity to count it, it is believed that the entire amount that a check of the funds of the bank showed missing—\$62,826.21—has been recovered.

The recovery of the money is due to the refusal of Captain Thomas R. Gowenlock to abandon his theory that Captain Whisler did not have an accomplice. Firm in this belief, he started out early this morning to make another search of Captain Whisler's quarters. They already had been searched several times and the walls virtually torn away.

But this did not discourage Captain Gowenlock and he began a systematic search of the structure. Finally, in a corner of the quarters, he discovered that certain space was not accounted for. An investigation disclosed a hidden shelf and on the shelf was the money in one of the bank's money bags.

Under orders from the commanding general, Captain Gowenlock turned the money over to the custodian of the bank, Colonel G. V. Packer, judge advocate of the division, who has had charge of checking up the bank's funds.

Supposed Bomb Is Found on Drydock

At Atlantic Fort, Jan. 15.—(I. N. S.)—A supposed bomb was found today in a drydock at a United States naval station in which one of the largest United States battleships was docked.

The supposed bomb was about six inches long and shaped like a telephone receiver. A fuse was attached to it. Written on the side in German were the words of a modern household.

"This is a 25-second explosion bomb." It was found by one of the crew on one of the top steps of a stairway leading down to the bottom of the drydock.

The supposed bomb was at once turned over to the department of justice and agents started a thorough investigation. The missile was lying immediately opposite the side of a monster warship.

Steamer Texan Safe, Says Radio Dispatch

Washington, Jan. 15.—(I. N. S.)—The steamship Texan is still afloat. A radio dispatch to this effect was received by the navy department this afternoon. It was at first supposed that the vessel was in a sinking condition, as the result of a collision with another vessel Monday, but the damage proved not so serious as at first indicated, according to the navy department.

Scheme Proposed for Ridding Park of Rats

Kill the rats! This is the slogan of Park Superintendent Keyser who is annoyed by rodents now infesting Washington Park. George King, who claims to have a virus that will exterminate the pests, will be given an opportunity to test his theory in the park.

French Capture Germans

Paris, Jan. 15.—(I. N. S.)—A sharp bombardment between Doller and Thur in Alsace was the only activity reported in the war office statement today. Forty Germans were captured in Tuesday's surprise attack near Badenvillers, the statement added.

Greeters to Meet in Portland in June

"Onward to Portland in June" is the slogan of the annual convention of Greeters of Oregon, now in session in Portland.

It was definitely decided to hold the national convention of the Greeters in Portland June 17, 18 and 19, at the business session of the association held in the assembly room at the Portland hotel this morning.

The Greeters are planning to form an ambulance corps in France as many members are seeing service "over there."

The dinner and annual election will be held in the Tyrolean room, Benson derer, was found this morning. While there has not been an opportunity to count it, it is believed that the entire amount that a check of the funds of the bank showed missing—\$62,826.21—has been recovered.

The speakers for this evening are E. L. Larimore, R. W. Childs, Mark Woodruff, A. T. Lundborg, Phil Metschan Jr. and Mayor George L. Baker.

WOMAN DISAPPEARS WITH 2 STRANGERS; KIDNAPING IS FEARED

Mrs. Annie Trautmann Goes to Linnton in Answer to Call for Housekeeper.

Following the disappearance of Mrs. Annie Trautmann from the home of her brother-in-law, Martin Ritz, near Gresham Monday, Deputy Sheriff Christoffersen today is seeking her in the vicinity of Linnton.

Ritz declared his belief that the woman had been kidnaped, two strangers having appeared at his home Monday in answer to an advertisement carrying Mrs. Trautmann's request for employment. The strangers, who did not give their names, he said, represented themselves to be widowers in need of a housekeeper and that Mrs. Trautmann would find a good home at their Linnton residence.

They were affable conversationalists and succeeded in inducing Mrs. Trautmann to accept their offer. They pictured their home as being replete with all the luxuries of a modern household, including a piano.

Mrs. Trautmann left with the men and had been away from the Ritz home a few days when her sister decided to visit her.

Only One "BROMO QUININE"

To get the genuine call for full name, L.A.T.I.V.E. BROMO QUININE. Look for signature of E. W. GROVE. Cures a Cold in One Day. 50c. (Adv.)

NO PATRIOTIC FUND DRIVES IN OREGON FROM FEB. 1 TO 15

Respite Allowed to Give Time to Prepare for the Third Liberty Loan Campaign.

LIMIT IS PUT ON AMOUNTS Future Contributions to Be for Sum Sought Plus 10 Per Cent for Unpaid Pledges.

Oregon is to have no patriotic fund drives between February 1 and 15, according to action by the coordination committee of the state council of defense Tuesday night.

Hereafter, the committee ruled, contributions to a patriotic fund will be limited to the amount asked plus 10 per cent to cover uncollected pledges. The committee's endorsement of a fund gathering campaign will be conditioned on the signing by children of pledge cards in school rooms as it has been found that unless children consult with their parents they obligate themselves unreasonably. The action will prevent presenting patriotic campaigns in the schools, nor will it interfere with the Oregon thrift campaign. Mrs. William MacMaster appeared in behalf of the out-state Y. W. C. A. war work campaign for \$25,000, which is to occupy a week beginning January 21. William D. Wheelwright announced that, though the Armenian-Syrian relief campaign covers a period of 13 days, only seven days will actually be devoted to solicitation. Permission to conduct a musical and dramatic entertainment at the Auditorium on the evening of February 22 was granted Miss Virginia Drake and Mrs. Percy W. Lewis, the proceeds to be donated to the Oregon boys' emergency fund. Attending the meeting were T. B. Neuhansen, chairman; Charles F. Berg, S. C. Bratton, T. H. Edwards, J. C. English, Max S. Hirsch, L. L. Jones, Miss Viola Orlichild, John H. Stevenson, F. E. Taylor, H. H. Ward, W. D. Wheelwright and Mrs. George L. Williams.

The executive committee of the Portland chapter of the American Red Cross

Red Cross Benefits Stopped

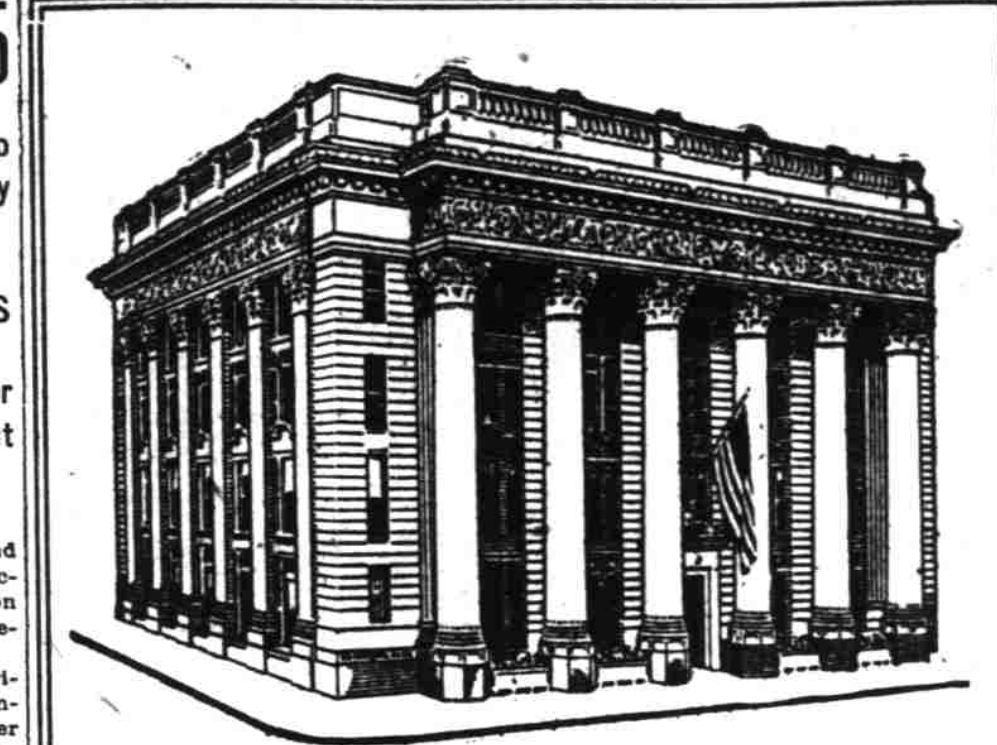
The executive committee of the Portland chapter of the American Red Cross

Tuesday voted to decline all offers of Red Cross benefits in Portland.

This action, however, it was pointed out, was not intended to refer to small local benefits by auxiliaries, the advisability of which shall be passed upon by Amodeo M. Smith, general manager of the chapter.

Car Heater Blows Up

Johnson City, Ill., Jan. 15.—(I. N. S.)—One man was killed and 11 persons injured when a heater in a streetcar blew up here this morning. Loral Wooten, 18, was killed. The explosion is thought to have been caused by an accumulation of gas.



This Bank and Its Service

IN OUR new banking home, with every facility at our command, we are glad to render you modern banking service in the safe-keeping of your money, in the issuance of foreign and American exchange, and in the manifold uses and courtesies that a bank should extend to those who favor it with their patronage.

Especially do we welcome the steadily increasing number who deposit here regularly small sums, evidencing the results of the Nation-wide movement for thrift and conservation.



We are pleased to see you at this banking-house. Officers and associates alike delight in serving you cheerfully and in helping to promote a community of spirit that shall benefit mutually.

The United States National Bank
Sixth Street at Stark
Capital and Surplus, \$2,500,000

LIBERTY

LAST DAY

Taylor Holmes in UNEASY MONEY Taken from the Saturday Evening Post Story

GO!

Tomorrow "The Man Without a Country" Edward Everett Hale's Eternal Story

STRAND THEATER

Today Thursday Friday and Saturday



DARING TOM MIX

IN **Cupid's Round-Up**
An Unusual Treat for Photoplay Fans

TRANSCONTINENTAL VAUD WITH **LOU PARKER AND HER JAZZ BAND** AND **Edward Zoeller Trio** Comedy, Pantomimists FEATURED

Weekday Matinees 10c

Children under 10 free at matinee when accompanied by adults, except Saturday, Sunday and holidays.

STRAND THEATER

Be sure it's **Davidson's LIBERTY BREAD**

See Ad, Page 3

NO! IT'S NOT A COSTUME PLAY!



PEOPLES

PHOTOPLAYS OF MERIT

ALL THIS WEEK

HIS LATEST HUGE HIT

DROP IT! HE DID!

THE MAN WITH A SMILE AS LONG AS A MILE

DOUG FAIRBANKS

IN **A Modern Musketeer** OR **A KANSAS CYCLONE**

LAUGH AND LIVE OTHER FEATURES

No Gloom, Just Joy!

FUN

In this production "Doug" performs amazing feats. Many of the scenes were taken in the Grand Canyon of Arizona, and the work of the acrobatic star on lofty peaks, 8000 feet above the sea level and along the precipitous canyon, will thrill everybody—and of course in connection with its sensationalism and great scenic beauty, it is replete with intensely humorous situations!

"Over the Top" With More Than \$3,500,000 Business in 1917

An Unbeaten Record—

"The largest amount of business ever produced in the state of Oregon by a single insurance company was produced by the Oregon Life Insurance Company for the year 1917."—Evening Telegram, January 10, 1918.

We Thank You—

For giving preference to **Oregon Products First**. You are helping to upbuild your own business when every worthy Oregon enterprise prospers.

You Sellers of Insurance—

Should get in touch with us at once, if you are considering a change. We have two good district managerships open which will be filled in the next few days. The first high-grade men applying will be given preference.

Oregon Life Insurance Company
Successful — Conservative — Progressive

Try Oregon Products First

A. L. Mills, President
C. S. Samuel, General Manager
E. N. Strong, Assistant Manager

Communicate with our Mr. Strong at once if interested in a splendid Agency opportunity