



Tax terminology explained (sort of)

Ned Hickson

For the last several years I've promised myself I would do my taxes early. And for the last several years I have found myself Tokyo-drifting my way to the post office at 11:59 p.m. April 14.

This year, I was determined to get an early start. After clearing off the kitchen table and finding an outlet for the calculator, I sat down to do my taxes. As always, I made sure to have all the necessary documentation and forms, like W4s, tax forms, bank statements, insurance reports, tax schedules and, most importantly, a

box of Kleenex.

As I sat staring at this year's tax booklet, I noticed a special section of "Tax Terms," which is an alphabetical listing of terms one may encounter during the tax preparation process.

Each term is followed by a brief description meant to enlighten the truth-seeking taxpayer through "real-life" examples. For instance, the IRS uses "Jane" and "John" to illustrate the term "Ability to Pay."

In this scenario, Jane is filthy rich, with homes on both coasts that she visits by way of her own Lear jet.

By comparison, John earns what the IRS calls a "more modest salary," which affords him a flashlight and a camper shell to live in.

The only thing these two have in common is the oil industry: Jane is an executive in it, and John had his SUV re-possessed.

According to the booklet, due to their income disparity, "John and Jane do NOT pay the same amount of taxes, because their ability to pay differs vastly."

This brings us to a term not included in the handbook: "Highly-paid tax lawyer."

In this example, Jane is able to filter her \$1.6 million earnings through a maze of tax shelters and special credits before wiring an undisclosed amount into a Swiss bank account, leaving her with a taxable income of: \$6.28.

John, who files his return

on the 1040 EZ form, is entitled to a refund that, coincidentally, adds up to exactly... \$6.28!

See? "Jane" PAYS and "John" gets a tax CREDIT! All together, there are 65 terms listed in the handbook, many of which seem self-explanatory until you read them closely.

I've taken the liberty of paraphrasing some of the more complex terms that you may encounter before now and tax day.

1040EZ:

- 1.) Simplest tax form offered by the IRS.
- 2.) A wealthy, white rapper.

Gross Income: The dollar amount that appears in the box after "federal income

tax withheld."

Adjusted Really Gross Income: The amount left over after completing your taxes.

Bank interest income: If you make more than \$400 from your savings account, the IRS is interested.

Tax Shift: What the average taxpayer does in their seat after determining his/her adjusted gross income.

Dependent: A child, parent, spouse or household pet with a human-sounding name, such as "Fred" or "Sally," whom the creative taxpayer can claim on his/her income taxes.

Estate Tax: The amount of tax on a deceased individual's estate that has been passed on to surviving fami-

ly members. *Short explanation:* Something my children will never have to worry about.

Passive Income: The response most writers get when people ask them about their annual income, i.e., "Thanks, but I'll pass."

Duty Deposit: What most taxpayers would like to include with their IRS payment.

While there are plenty of other terms in the new IRS tax glossary, it's probably a good idea to stop here.

To be honest, I'm already feeling taxed.

Ned is a syndicated columnist with News Media Corporation. His book, "Humor at the Speed of Life," is available online at Port Hole Publications, Amazon Books and Barnes & Noble. Write to him at nedhickson@icloud.com.

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KCST winter auction on the air this weekend

More than 140 items will be sold to the highest bidder Friday and Saturday, Feb. 12 and 13, during Coast Radio's annual Winter Auction.

Whether you're a "foodie," a contractor, a local resident or just passing through, there's something for everyone.

Because it is not a charity auction, Coast Radio General Manager Jon Thompson says buyers will reap the benefits of purchasing more than \$30,000 worth of goods and services at sometimes extreme discounts.

"Everything comes from our advertisers" says Thompson, "They barter merchandise for additional advertising, then we pass it on at a discount to our listeners."

Bidding will begin Friday at 9:15 a.m., and continues until the first 85 items are sold that day; likely between 2 p.m. and 3 p.m. The final 55 items will be sold the next day, Saturday, starting at 9:10 a.m. and continuing until everything is gone.

Items include a wood stove; mirror or glass replacement; paint; tools; carpet and carpet



COURTESY PHOTO

KCST Coast Radio auction merchandise is piling up at the radio office.

cleaning; pest control; and several pieces of art.

Bidders will also find furniture as well, including a dual power recliner with a power lift on one side. Another is a very nice "made in Oregon" Stanton loveseat.

Go online at www.kcst.com to see the entire list of 140 items, which includes tickets to the Oregon Jamboree; The Cape Blanco and Willamette Country Music Festival; golf and lodging gift certificates; and dining opportunities from more than two dozen different area eateries.

The average discounts range between 40 to 50 percent, according to Thompson.

"But we occasionally have some screaming deals," said Thompson. "We had one year that something sold for 10 cents on the dollar."

Online, items up for auction are numbered, making it easier to follow along.

Thompson said some listeners have told him they spend all day, both days, listening for the

best value. Others keep track of what item is up for sale, double check the list, and then tune in seriously when something comes up they want to buy.

A complete list is also included in today's edition of the Siuslaw News.

Bidding is simple, but it can be even simpler by pre-registering. To do that, just call the station at 541-997-9136 during regular business hours prior to Friday morning.

"It doesn't cost anything to register, nor does it obligate you to anything," said Thompson. "By pre-registering, you get a unique bid number. That way, all you have to give operators when you bid is your number instead of having to give us your full name and phone number each time."

The auction airs on KCST 106.9 FM and KCFM AM 1250/FM 104.1/FM 103.1.

The regular format on both stations will be suspended during bidding.

"We keep three items active on the block at any one time",

Thompson said. "We describe them, invite bidders to call, and then after a few minutes we will close it out."

Some items prove extremely popular and often bidders will get competitive. When that happens, the item will stay active until all the bidders drop out except the winner.

The station maintains a phone room with plenty of lines and operators to take the bids and record the sales.

Winning bidders will need to pick up their buy at the station, 4480 Highway 101, during regular business hours within 10 days. Winners can pay with cash, a local check or by using a Visa or Mastercard.

There is a wide variety of items with a broad value. Items will range from less than \$50 to more than \$3,700 in value.

"But," says Thompson, "you'll only want to focus on how much you save."

The auction on Coast Radio is one of two held each year by the stations. The other is the "Hot 100 Radio Auction" held in August of each year.

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