

VOL. 25

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INCOME TAX

QUESTIONS AND ANSWERS ON THE NEW LAW

Treasury Department Issues A Book

The following Explanations of the requirements are taken from the such income amounted to \$2,500 Government's official document: Ouestion-When most I file a re

and not later than March 1.

Question-What period must my first return under this law cover? Answer-From March 1, 1913, to December 31, 1913.

Question-Where can forms of re turn be had?

Answer---At the office of the collector of internal revenue in the Federal Building.

Question-Who are required to make return?

Who Must Make Reports?

Answer--Every person of lawful age having a net income of \$3,000 or more for the taxable year must make a return to the collector of internal revenue for the district in which such person resides or has his principal place of business

If the normal 1 per cent, tax has been deducted at the source on all of ever form paid, or from professions, the income of an individual, such individual need not file a return unless his income exceeds \$20,000, in which case he will be liable for the addition- out of the ownership, use of or in-

sist entirely of dividends on stock of corporations subject to the tax, no return is necessary.

Guardians, trustees and others acting in a fiduciary capacity must file an annual return if the annual interest of any beneficiary in the income exceeds \$3,000, and also a list return certain public officers, also interest illness, will result in a penalty of 50 containing the name and address of apon obligations of the United States per cent. For false or fraudalent reeach beneficiary and the share to government and of any state, city. turn, 100 per cent of the amount of which each is entitled.

Corporations Must File.

Every corporation, except certain trade, civic and charitable associathereof. Corporations are liable only this act? for the normal tax of 1 per cent.

Question-If my net income is less than \$3,000, must I file a return? Answer---No. If married, however, see question pertaining to married value to \$93 on December 31, 1913, persons' incomes.

Questions-If my gross income is \$3,500, but payment of taxes and interest on mortgages aggregating \$600 give me a net income of only \$2,900. must I file a return?

Answer-No. A Common Question.

Question-If my gross income \$3,500, but \$600 of that income consists of dividends on stock of corporations, must I file a return? Answer-No.

Question-When must married persons living together file returns?

Answer-If each has a net incom of \$3,000 or more, each must file a years hence, the profit will be consid- Treasury. Copies of returns can not with a heel and toe shuffle, but as return, or the husband may file a joint ered as income for the year in which be sent to any person except the corthe sale is made.

more and the other has a net income own residence property include in his of a state imposing a general income by the performer. The selecton by of less than \$3,000, the husband return of his gross income a fair rent- tax may have access to returns of "The Moose Orehestra was also a should file a return of the joint in- al value of the property? come of both notwithstanding the pos- Answer-No. sibility that such income does not ex-

If each has a net income of less income? than \$3,000 and their aggregate inthan \$3,000 and their aggregate income exceeds \$4,000, the husband der this statute and need not be inwhatever, set forth in any return of lar mouthly Tea Party in the library increased with Mt. Hood to
rectangle of all the people. It is increased in
cased; inventory
increased in
cased; inventor

than \$3,000, but their aggregate net incomes do not exceed \$4,000, no re- an individual's return? turn is required.

IF You're Married

In each instance a total deduction of \$4,000 only is allowed to be deduct- or family or partnership expenses, his net income all money from pro- of dress proved a very interesting ed from their aggregate net incomes, (2) Interest on indebtedness. (3) duce and animals sold, for wool and discussion. If husband and wife living together Taxes, not including assessments for kides of slaughtered animals, provid-

ng exemption, arrange with the other ng and resultant penalty.

vidowers file returns?

Exemption is Only \$3,000. emption allowed in this instance is \$4,000.

only \$3,000. Question-From January 1, 1913, to December 31, 1913, my net income amounted to \$2,900, but from March I to the end of the calendar year,

Must I file a return? Answer-There is no express pro vision of the statute or regulations Answer-Any time after January 1, on the point. For 1914 and after, no deducted, but not the cost of repairs return would be required; but in view or fire insurance. of the fact that for the year 1913, your income is computed for only five- \$20,000, all from investments, and sixths of the calendar year, and that upon which the tax is levied at the five-sixths only on the exemption of source. Must I make a return? \$3,000, and \$2,500 is allowed for such year, a return should be filed where the income from March 1, 1913, amounts to \$2,500 or more for a single person, including widows or widowers, ble under the income tax act; thereor married persons living perman- fore, the levy of tax upon the interently apart.

What An Income Is.

Question---What income must be in- it is exempt.

cluded in an individual return? Answer-The statute provides that income shall include "gains, profits and income derived from salaries, return on the property? wages or compensation for personal service of whatever kind and in whatvocations, businesses, trades, commerce or sales, or dealings in property, whether real or personal, growing al tax on individuals and must make the transaction of any lawful business correct. Upon what basis would the If an individual is liable for the carried on for gain or profit, or gains individual's income be taxed? normal tax only, and his income consource whatever, including the income acquired by gift, bequest, devise or descent."

Certain Proceeds Exempt.

tions, etc., must file a return of in- sold at \$93 in November, 1913. Must jeet to a fine of not more than \$2. come, irrespective of the amount that profit be listed as income under 000, imprisonment for one year, or

stock purchased at \$90 in April, 1913, son concerned. were found to have appreciated in as income?

A Few Examples.

Question-Property purchased in June 1? 1909 for \$10,000 sold in November. 1913, for \$12,500. Most this total or can it be apportioned?

Answer---Unless it can be established that such profit accrued subsequent to March 1, 1913, such profit should be apportioned according to the number of years the property was held. March 1, 1913, is sold at profit several

Question-Must a legacy received

On Individual Returns.

owll agreement or in proportion to sated by insurance or otherwise. (5) the value of animals raised shall not heir relative incomes.

In case the husband or wife has outpons or other income subject to off in the year. Not to be deducted, as expenses for producing farm producing fa

emption to be claimed by them re- stock of any corporation or associaspectively, so as to prevent overclaim- tion taxable upon its net income. (Not deductable in determining ad-

Can't Deduct Living Expenses. Question-Can personal, living or family expenses be deducted? Answer-No.

Question---Can the owner of a residence mortgage for \$5,000 deduct interest on the mortgage, repairs, fire insurance, premiums or taxes?

Question-I have an income of

Answer-No. Note-Such income would be the income from the ownership of stock or bonds of a corporation, itself taxaest or dividends received by such owner would be a double tax, Therefore

Question-I am the executor of an estate, the testator of which died December 26th, 1913. Must I make a

Answer-Yes. Administrators, executors and fidnciary officers are required to make returns on incomes of dead persons for that part of the year the person was alive.

Question-Should false return be proved against an individual, which

The Penalty Made Clear.

Answer-Provision is made for the from but not the value of property internal revenue collector of each district to make returns in such cases The tax would be assessed on his return, with 50 to 100 per cent penalty The statute exempts the preceeds added. Refusal or neglect to file reof life insurance policies, salaries of turns, except in cases of absence of county; town or village. Such items the assessment will be added. Perneed not be included in the return sons required to make, render, sign or Question-A hundred shares of verify returns (notaries) who make stock purchased at \$90 in April, 1913, fraudalent statements, will be subwill be given in case of absence or Question-One hundred shares of sickness when applied for by the per-

Must the increase in value be listed as income?

Answer—June I of each year.

Answer—June I of each year.

Answer—June I of each year.

Question—what time limit is fixed for the payment of the income tax? present were well pleased with the modest modern dressing. It is the water has been turned in, in the trator pay claims. Question-What penalty is assess- character reading was very good and intention of this club to provide social Culebra cut, in clearing away the trator pay claims.

additional lapsed time.

to be treated as confidential? sidered as public records, subject to a compliment. Mrs. J. W. Downey in inspection on the order of the Presi- her characteristic sketch as "A Coon-Where property purchased after dent of the United States under rules ville Suffragist' brought down the prescribed by the Secretary of the house and as an encore, responded poration concerned or its attorney, is tight skirts it somewhat handicap-If one has a net income of \$3,000 or Question-Must, the owner of his but on request of a governor, officers ped the ability that was clearly shown corporations doing business in that pleasing number.

"United States district attorneys

duction at the source, he or she however, until after determined ducts, live stock, etc., and for repairs ruary 17th, 1914. ould, before filing certificates claim- worthless by legal procedure. (6) of the current year. The cost of tools A reasonable allowance for depre- or machinery is deductable, but not games were enjoyed by all. High is to the proportion of the \$4,000 ex- cintion. (7) Dividends upon the to exceed the value of those replaced. school yells were given in memory of

Oregon Schools.

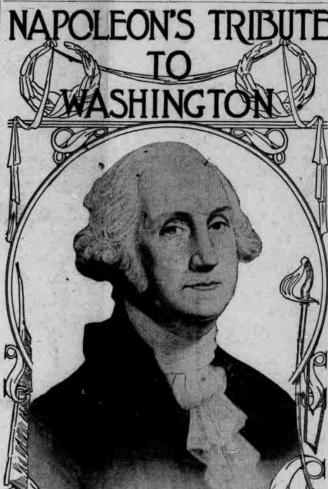
Question-When must widows or ditional tax.) (8) Amount of in-that-"The estimated reports from at Ashland. come upon which tax has been deduct- our county superintendents show that ed or paid at source. (9) Three the value of school houses and Answer-When the net income thousand dollars of income, or in case grounds for 1913 was \$10.813,193. amounts to \$3,000 or more. The ex- of married persons living together, The disbursements for public schools including high schools amounted to \$6,450,638. There are 2562 school houses in Oregon and 5515 teachers.

After a short business meeting our absent basket ball team. The girls decided to send a telegram to State Superintendent Churchill says give the boys courage for their game IT COSTS A VAST SUM TO KEEP

> At a late hour a dainty lunche was served.

The evening was enjoyed by all be held at the high school building.

Carl Gerlinger made a husiness trip



TASHINGTON is dead. This great man struggled against tyranny. He has achieved the liberty of his country. His memory will be cherished forever by the French people, as American steam shovels have been therewith have been steamships costby all freemen of the two hemispheres, and especially by used in the work. A part of the ex. ing in the neighborhood of a million

French soldiers, who, like Washington and the American soldiers, brought to Panama by the French fought for equality and liberty. Therefore the First Consul directs was utilized, but most of the French that for ten days crape be hung on all the flags and guidons of the republic.—Napoleon (Order to the Army, Champs de Mars, 1800).

In the flags and guidons of the flags and guidons of the republic.—Napoleon (Order to the Army, Champs de Mars, 1800).

The case of Leslie Stone, whose first trial resulted in a hung jury, was dismissed by the judge on account of a facility indictment. Harry, Belt, the

THE BAND CONCERT

The third band concert of the series to be given was well attended last Wednesday evening at the armory.

core. The masterly manner in which women of this city. the audience with much favor and the urged to be present. Answer--All returns shall be con- young lady was the recipient of many

Young Women's Tea Party.

in the year be included in the year's under certain restrictions, may have. The Young Women's Section of the access to such returns. Disclosure by Women's Club, which is the social take a look and see the grand old come peculiarly close to the interests. In re-estate of Geo. H. Ellers, deshould file a return of the joint inshould file a return of the join and one year's imprisonment, and if ing evening which all enjoyed. These Beats all the high price paintings and 1914. Retired officers of the army re-Question---What can be deducted in the person found guilty is a United young women make a practice of dis-does not cost you a cent. States employe, he will be dismissed cussing some subject, and their Tues-Answer--(1) Necessary expenses and thereafter be incapable of ever day night's subject was "Dress, actually paid in carrying on any bus-holding office under the government." This is always a common subject with iness not including personal living The farmer is required to include in women, but the manner of the origin

Some of the boots which were dis

deferred by their contents.

cas in a solo, "The Kiss," with the Womanhood." This should be an in- firm, Question-Are corporation returns band as accompanist, was received by teresting one and all members are Since Americans talk more about pointed guardian-ad-Litem for Eugen-

ney Johnson to Miss Dorothy Dan-

Have you noticed the beautiful Cas-

Only 511 Registered, Get Busy.

THIS GOVERNMENT

Next Tuesday evening, literary will Fred J. Haskins Writes From Washington Where The Money Goes.

> in the world. The personal active and more than a million. retired, draws about \$40,000,000 a navy this year is \$7,592,441. Con-tracts for fuel include not only the To the special delivery letter car-

with the United States which per- 000 for carrying the mail, and the govmitted a beginning of canal constructermment spends twenty-five million tion in 1904, congress has appropri- more for the force that handles the ated for the period up to June 30th, mail in transit. The transportation 1914, a little more than \$349,000,000, of foreign mails cost \$3,900,000 a year. chargeable against the total authoriz- Postoffice inspectors are employed in ed Panama Canal bond issue of \$375,- considerable numbers to detect crimes

great task of cutting a ditch across lars a year. this sum. So closely has the steam undertaken, the Panama canal, is un shovel been identified with the Her- der the charge of the engineer corps culean labor that most Americans will of the army, and the largest indibe surprised to learn that only 102 vidual purchases made in connection penses of the club will be partially included sixty-one cranes, seventeen

pile drivers and ten track shifters, in The subject of discussing modern addition to drills innumerable and styles through the news papers was all the lesser equipment, as well as Question-What time limit is fixed The program was well received and all talked about, as the young women are a targe number of dredges utilized at ed for failure to pay on or before she gracefully responded to an en entertainment for the young men and carth deposited in the canal by the troublesome slides. As the work of ceased; will admitted to probate, Tay-Answer---A penalty of 5 per cent., the band rendered the selection from after ten days' notice with an ad- Verdi's Opera II Travatore, was a second Tuesday in March and the sub- one contract for 4,500,000 barrels of fixed at \$2,400. profit be included in the 1913 return, ditional 1 per cent. a month for all credit to the director. Miss Eva Lu- ject for discussion will be, "Modern Portland cement was let to a single In re-guardianship of James M.

the weather than any one other sub- is M. Carlisle, Cecil E. Carlisle, Helen ject, it is interesting to know that the M. Carlisle, Alice H. Carlisle, Ellis weather bureau will cost this year L. Carlisle and Tom A. Carlisle, Min-Word has been received in Dallas \$1,356,750. The inspection of meat, or children of Charles Carlisle, deunnouncing the marriage of Mr. Sid-including the work for the cradica-ceased. tion of diseases of meat animals, is Report of guardian-ad-Litem filed hauser of Tacoma, Washington, both costing \$645,000, and the protection and petition for sale of real property popular in social circles of that city. of our food from adulteration costs heard and prayer of petition granted. The groom is the son of Mr. W. Wynn 8675,000 to which should be added In re-estate of Mary Ann Morrow, Johnson, who until a few weeks ago enough more of salaries in the bureau deceased; final account filed Wednesresided on a fruit farm south of Dal- of chemistry to approach the million day, 18th day of March, 1914, at 10 las leaving there to accept the posi- mark. For the single item of pre- o'clock a. m., set for hearing. tion as manager of the Tacoma Times. venting the spread of moths \$300,000 In re-estate of Martha Conner, dewas appropriated.

cade range these mornings? If not, agriculture are held by its officials to tate closed. of all the people. It is increased in ceased; inventory and appraisement, appropriations have grown from \$3. ed; annual report filed and approved. 726,022 in 1800, to \$17,986,945 for Prohibition, Progressive and Socialist, draw \$720,000 a year, and the mem- 18th, 1914. file separate returns, the \$4,000 exlocal benefits. (4) Losses actually either or
empted may be deducted by either or
sustained in trade or from fires, simus actually baid for the animals
apportioned between them by their
storms and shipurcek, not compensioned between them by their
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storms and shipurcek, not compensioned between them by their
storms and shipurcek, not compensioned between them by their
storms. The police of the Dallas their home.

Miss Opal MeDevitt has returned \$3,304,500, in addition to \$175,000
mileage for representatives, and \$51,000
mileage for representatives, and \$51,000
mileage for representatives. The police of the Dallas their home.

capital building cost \$41,200, while the stationery bill for the house and senate is nearly \$100,000.

The library of congress will cost this year \$608,385, of which only \$100,000 is available for the purchase of books. The salary and official expenses of the president and vice-president of the United States and their

imployees is only \$183,040. The rivers and harbors act for the current fiscal year authorizes projects and work to the extent of \$41,000,000. but much of this will not be expended until years to come. For education in Alaska \$200,000 is expended, and the government hospital for the insane costs \$302,000. The maintenance of United States courts comes to \$7,004,-

To keep the beacons burning bright The item of pay for the navy is one ly for the benefit of mariners, the cost of the largest expenditures in the of the light house service is more than government, for the American fight- five million dollars, while the protecing man affoat is the best paid sailor tion and propagation of fisheries costs

The immigration service will reyear for its services. About \$7,000, quire \$2,776,000, and the preserva-000 is being spent this year for or- tion of good relations with Canada dinance and ordinance stores, includ- through the instrumentality of the ining the manufacture and purchase of ternational joint commission, \$100,000, smokeless powder, while the bill for The government printing office and increase of the navy will come to binding the proceedings and debates twenty-two million. The expenses of of the various departments. The the United States Marine Corps ag- largest appropriation bill, with the exgregate about eight million dollars, ception of that for the postal service, covering its activities in all parts of is the shortest. In twenty-five lines the world. The provision bill for the the pension appropriation act votes

supply of the vessels of the navy, riers the government makes a carfare ut coal dealers all over the world and bicycle allowance of \$475,000 a are asked to give the figures at which year. For suggestions which will imany time during the ensuing year they prove the postal service, the postwill supply coal to the vessels of the master general is authorized to pay United States navy in seventy-three rewards not exceeding \$1,000 in any different ports as widely separated as single instance, or ten in number Wellington, Zanzibar, Hong Kong and Letter earriers receive nearly forty million dollars, exclusive of the rural Since the Republic of Panama re- free delivery service which costs \$47,olted and entered into the treaty 000,000. Railroads are paid \$51,500, against the service, and the cost of The purchase of equipment for the this protection exceeds a million dol-

the Isthmus has taken a large part of The greatest government work yet

COURT NOTES

The case of Leslie Stone, whose first compliments by the able manner in which he handled the case.

In re-estate of George Dee; report

In re-estate of Mary Swarts, de-

Carlisle, insane; Geo. H. Bronson ap-

ceased; order approving final account The activities of the department of entered of record; approved and es-

ceive \$2,877,000 and retired men, \$2,- Lewis V. Macken, age 25, to Elsie 400,035. The federal government L. Keyt, age 25, February 13th, 1914. Total registration of the voters of pays half of the expenses of the dis- Frank F. Fisher, age 22 to Hat-Polk County up to vesterday morning triet of Culumbia, amounting to ap- tie E. Black, age 16. E. F. Black of was 511 with the following parties proximately \$5,000,000 a year. The Independence gave his written consent represented:-Republican, Democrat, government's ninety-six senators to his daughter's wedding, February