

TWICE  
A  
WEEK

# GRESHAM OUTLOOK

TUESDAYS  
AND  
FRIDAYS

VOL. 8, NO. 94

GRESHAM, MULTNOMAH COUNTY, OREGON TUESDAY, JANUARY 21, 1919

\$1.50 PER YEAR

## TELEPHONE FINANCIAL STATEMENT

Trial Balance December 31, 1918	
ASSETS	
Material	\$ 146.50
Line	13,444.01
Instruments, wall	6,793.91
Instruments, desk	1,588.35
Accounts receivable	570.71
Cash, First State Bank	772.33
Bank of Gresham	1,714.24
Office fixtures	435.02
Office expense	1,350.35
Salary	\$ 878.00
Postage	243.55
Printing and stat.	71.20
Rent	72.00
Light and heat	49.22
Miscellaneous	36.38
Operating Expense	2,863.70
Salary	2,688.67
Rent	72.00
Light and heat	75.62
Miscellaneous	27.41
Maintenance	3,495.33
Wages	2,457.00
Material	994.00
Miscellaneous	44.33
Construction	299.50
Wire	235.00
Labor	64.50
Taxes and fees	502.80
Sandy office expense	610.00
Sandy Exchange	704.94
State Accident Com.	38.00
Automobile account	377.05
General expense	455.02
Liberty Bonds	1,000.00
Directors' salaries	168.00
Suspense account	207.12
Pacific Tel. & Tel.	59.60
	\$37,093.51

LIABILITIES	
Capital stock	7,225.00
Surplus	6,842.75
Rent	10,274.80
Tolls	1,506.54
Profit and loss	3,615.48
Depreciation reserve	7,616.14
Directory account	12.50
	\$37,093.51

Balance Sheet, December 31, 1918	
ASSETS	
Material	146.50
Line	13,444.01
Construction (new line, etc)	299.50
Instruments, wall	6,793.91
Instruments, desk	1,588.35
Accounts receivable	570.71
First State Bank	772.33
Bank of Gresham	1,714.24
Office fixtures	435.02
Sandy Exchange	704.94
Liberty Bonds	1,000.00
Suspense account	207.12
	\$27,586.63

LIABILITIES	
Capital stock	7,225.00
Surplus	10,458.23
Profit and loss	1,205.15
Depreciation reserve	8,698.25
	\$27,586.63

Profit and Loss Statement, December 31, 1918	
EXPENSES	
Office Expense	1,350.35
Operating	2,863.70
Maintenance	3,495.33
Taxes and fees	502.80
Sandy office expense	610.00
State Accident Com.	38.00
Automobile account	377.05
General expense	455.02
Directors' salaries	168.00
Pacific Tel. & Tel. Co. rent	59.60
switch board	2,286.96
Profit-loss	\$11,793.84
Rent	10,274.80
State Accident Com.	1,506.54
Profit on directories	12.50
	\$11,793.84

Receipts and Disbursements, 1918	
RECEIPTS	
Bal. on hand January 1, 1918	\$2,751.59
Rentals	1,506.54
Tolls	4,290.74
	\$12,823.54
	\$16,575.13

DISBURSEMENTS	
Office Expense	1,350.35
Operating expense	2,863.70
Maintenance	3,518.83
Line	243.25
Instruments	1,015.28
Pacific Tel. & Tel. Co. tolls	2,186.15
War tax	598.05
State Accident Com.	38.00
Sandy Office expense	610.00
Taxes and fees	38.00
Liberty Bonds	37.50
Automobile account	377.05
Dividends, cash	336.60
Directors' salaries	168.00
Printing directors	47.50
Office fixtures	46.85
Rent of switchboard	59.60
General expense	29.50
Construction labor	64.50
	\$14,088.56
Cash on hand	\$ 2,486.57
	\$16,575.13

## PEACH LEAF CURL IS NOW SOLVED PROBLEM

"Practically 100 per cent of peach leaf curl can be prevented by spraying with Bordeaux mixture in January or early February," declares H. P. Barss, plant pathologist at the O. A. C. experiment station.

"Growers who do the job thoroughly enough at this time of year never have the slightest trouble from leaf curl even in the worst years. Lime-sulphur sometimes does the work but not always. Bordeaux was never known to fail when applied as early as recommended.

"No more destructive disease than leaf curl is in America and in Oregon. Hundreds of orchards are needlessly pulled up every year because the owners do not spray soon enough. To wait till the buds begin to open is a mistake.

"A brass sprayer is all the equipment needed. For one or two trees dissolve a fourth of a pound of bluestone in a wooden bucket half full of water. Slake a fourth of a pound of good stone lime in another bucket and fill half full of water. Pour the contents of one bucket slowly into the other, stirring thoroughly, and use at once.

"For 50 gallons of spray use six pounds each of bluestone and lime, mixing in the same manner.

"Reports of perfect results come from all parts of the state, and not one report of failure."

All auto top parts and repairs. Quick work. S. S. Palmquist, Gresham.

## REDUCTION DEVELOPED IN CHANGE

From the statements given out regarding telephone tolls on long distance calls the ratio from Gresham will be considerably reduced. The new order made by the postoffice department went into effect at 12 o'clock last night.

Rates on government mileage basis between Portland and Gresham are now ten cents for the first five minutes and five cents for each additional three minutes or fraction under. On all calls amounting to 15 cents, the five-cent war tax will be added. Very few long distance calls last as long as five minutes, and it is possible to save the war tax in almost every case by being expeditious. The above rates apply between Gresham and Portland only, as there are other rates for longer distances. These rates are for daytime calls. Night rates are still cheaper.

Under the new rates, as announced by Postmaster General Burleson, there will be a basic charge of 6 1/4 miles a mile airline mileage, with half the day rate for night service up to midnight, and one-fourth of the day rate between that hour and 4:30 o'clock in the morning.

The new charges were recommended in the first report of the committee on rate standardization and Mr. Burleson said the effect would be to equalize the toll and long distance charge over the country. In many instances rates in certain localities will be increased and this fact led to efforts of some state regulatory bodies to prevent the new schedule from being put into effect. Generally, however, there will be a reduction in rates, according to the Postmaster General.

There is a conflict over the matter by some states seeking to restrain the government through the federal courts, but it is given out that the rates would be made effective despite all efforts to suspend or modify them. There is no attempt to change the order in Oregon.

## GRESHAM W. C. T. U. MEETING POSTPONED

On account of the influenza there will be no W. C. T. U. meeting this week. At the next regular meeting, a short period will be devoted to scanning the activities of our Oregon legislature, which has been in session the past week.

No party politics. The W. C. T. U. is strictly non-partisan. Candidates and measures are discussed with the sole object of recommending and procuring the best legislation possible. It is also a means of making women intelligent voters. The next meeting will be announced in the Outlook later.

Probably the county would never have realized that the Treasury had a comptroller if it had not been for the decision that the War Department is not at liberty to pay the contractors who had only the word of the department as the basis for their manufacture of war supplies.

Edsel Ford has been elected president of the Ford Motor company, with a salary of \$150,000 a year. Well, that beats soldering at \$30 a month.

War Svings Stamps save lives.

## COLLECTOR MILTON A. MILLER GIVES FIRST LESSON ON COMING INCOME TAX MATTERS

The big income tax drive of 1919 is now under way and every preparation is being made to handle the largest collection in the history of income tax. "I am not waiting for the final passage of the new revenue bill by congress," said Collector Milton A. Miller today, "nor for the new regulations and blank forms to be issued. To get this big tax in and get it accurate and complete, I urge that we all begin now."

"The Income Tax obligations imposed by the old laws as well as the measure now in congress, consist of two distinct operations. One is, to file return or statement of all items of income and items of deductions allowable by law and to do this within the period named in the law. The other is, to pay the tax if any is due.

"Neither of these obligations can be met without a careful big job right now, and that is why I say the Income Tax Drive is already under way. Everywhere the pencil is busy. The old year is done; all its fruits are gleaned; and every person who fared well, or earned a good competence, must analyze his own case in cold figures.

"When the new bill is enacted into law, I will have the proper return forms distributed throughout the district and everybody will be informed of the date when the sworn statement or return must be filed. It is my plan to send my men out to central locations, and to have them travel through the district aiding taxpayers in the preparation of the returns and to deciding doubtful points. We will go right to the people with the Income Tax, and with the co-operation which the public can give the government men, the returns will be filed by everybody who comes under the law's provisions, the right taxes will be paid, and the district will have done its full patriotic duty toward the government's support.

"Meanwhile, let me say again, there is no need delaying the preparation of figures. Anything that congress does now will not affect the amount of a person's earnings for 1918. Let us avoid the belated throwing together of figures that may hit or miss. Guesses cannot be accepted as the basis of taxation. It is clearly the duty of every person to compile correct figures and ascertain whether his income for 1918 was sufficient to make necessary a sworn statement.

"The year 1918 was a banner year for salaries and wages, and the high war prices brought unusual profits to the average small tradesman and to the farmer. The opinion in Washington is that a million citizens and residents will make this year their first income tax returns.

"All signs indicate that the income tax this year will reach nearly every working man and woman, and nearly every merchant, shop keeper and farmer. Not all will have to pay the tax, but nearly all will be obliged to make a sworn statement of the year's income. I am therefore advising every unmarried person who earned \$1000 or over during the year 1918, and every married person, who together with wife or husband, earned \$2000, to sharpen his pencil and figure out how he stands. He must ascertain accurately his gross income from all sources. There's his salary or wages, including overtime pay and any bonus received as additional compensation. A married person

having children under eighteen who are working, should include the earnings of such children.

"If he sold any property at a profit, the gain must be computed and included in gross income. If he rented any property to other persons, the total rents received in the year must be ascertained, and from that figure a deduction may be taken for taxes paid on rented property, the necessary minor repairs, fire insurance, any interest he may have paid on mortgage, and a reasonable allowance for annual wear and tear of the rented property. The balance is included in gross income for the year.

"Interest on bank deposits, whether withdrawn or added to his bank balances, must be included in all calculations of income. Bond interest received during the year must also be included, except interest on municipal, county or state bonds. Interest on United States bonds need not be included by the ordinary bond holder who purchased small amounts. Holders of large amounts of liberty bonds, however, should ask their bankers to write to my office for the rule applying to tax on such interest.

"Dividends on stock shares are income, and must be included in the gross figures, although the law does not impose the normal tax on distributions made by domestic corporations.

"A person buying and selling merchandise must find his profits for the year on the following basis: First, ascertain the gross sales or total cash receipts. Then add together the inventory at the beginning of the year and the purchases for resale. From this latter sum subtract the inventory of goods on hand at the year's end, and the result is the cost of goods sold. This cost, plus necessary expenses incurred solely through conduct of the business, is to be deducted from the gross sales, and the result is the net earnings of the business.

"A professional man arrives at his professional income by ascertaining the total of fees for services and deducting therefrom all expenses connected directly and solely with his practice.

"A farmer must figure up all income derived from the sale or exchange of products during the year, whether such produce was raised on the farm or purchased and resold. He is allowed to deduct from this total his expenses of the year connected with the planting, cultivation, harvesting and marketing of the crop, or the care, feeding and marketing of livestock. He is not allowed to deduct the amount expended in 1918 in purchasing stock for resale; but when such stock is sold its cost is to be deducted from the sale price in ascertaining the gain to be included in his return of income. The cost price of stock bought prior to 1917 cannot be deducted as in the case just cited, if such cost was included in the deduction made in the year of purchase.

"The farmer is not required to include in his income tax computation the value of farm produce consumed by himself and family. But in cases where he exchanged produce for merchandise, groceries, etc., the market value of the articles received in exchange must be included.

"All other items of income arising during the year through personal service, business or trade, through use of property or money, should be added into the gains for 1918.

"Everybody want to know what income is exempt from tax. Very few items that fall to the average man may be legally disregarded in figuring up his 1918 income. Gifts and bequests can be eliminated; also proceeds of life insurance received by the beneficiary of an insured person. A person who cashed in an endowment policy need report as income only that portion which exceeds the total of the premiums he paid in all years on that policy. Annuities are not taxable, unless the person received in the year payments which represent, when added to all prior payments on the annuity, an amount greater than the original cost of the annuity. Dividends on unexpired life insurance policies are not taxable income; but dividends on paid up policies must be considered income. Alimony is not income to the recipient, nor is it an allowable deduction on the part of the person who pays.

"From the total of all items of income, there are certain deductions allowable by law. All interest paid on personal indebtedness and all taxes paid during the year are deductible, except Federal Income and Excess Profit taxes, inheritance taxes and assessments for local improvements, such as sidewalks, sewers, etc. Losses incurred in business or trade are allowable, also losses arising from fires, storms, shipwreck or other casualty, or from theft, in cases where such losses are not compensated for by insurance or otherwise. Losses incurred outside of a person's regular business are allowable to the extent of gains reported from similar transactions within the year. Debts due to the taxpayer actually ascertained to be worthless during the year are deductible.

"Depreciation on property used in a profession, in business or in farming is another item that may be claimed as a deduction. The storekeeper may claim depreciation on his fixtures and on his delivery horses and wagons, but not on his stock held for sale. The professional man may claim similar deduction on his instruments; and, in the case of a physician who maintains a team or auto for making his calls on patients, reasonable depreciation may be claimed. The farmer may claim depreciation on his farm buildings, aside from his personal residence, also on his farm machinery, his work horses and farm work wagons. The theory of depreciation, in connection with the Income Tax, is that wear and tear caused by use in earning of the income. The rate is determined by the number of years that the property ordinarily would be useful and the cost of the property is the basis of the computation. If the property suffering depreciation was bought or acquired prior to March 1, 1913, the market value as of that date is used, instead of the cost, in figuring depreciation.

"Contributions or gifts actually made in 1918 to organizations operating exclusively for religious, charitable, scientific or educational purposes, and to societies for the prevention of cruelty to children or animals, may be deducted to an amount not exceeding 15 per cent of the net income computed without the benefit of this deduction.

"After the total of all income is found, and the deduction allowable by law has been computed as an offset, the amount of income in excess of such deductions is the net income, which forms the basis of the assessment of tax.

"If every person in this district will examine his own 1918 income and his allowable deductions, in line with data that I have given, he will know beyond doubt whether he must file his return when the blanks arrive. And here is how he will determine his liability to file a return. If he is single he must file if his net income was \$1000 or more, and this requirement is enforced whether or not he is the head of a family. If he is married, he must file his return if his net income, including that of his wife and minor children, was 2000 or more.

"I want to emphasize the co-operation feature of the collection of the Income Tax this year. The policy of the Internal Revenue Bureau is to aid tax payers to meet the requirements of the law. We are going right to the people, not to swing clubs or to mulct the wage-earner of his savings, but offering every helpful governmental function that will assist people to do their duty."

If you haven't got it yet try a want ad.

## DOVER SCHOOL MUCH PRAISED BY PRINCIPAL

Eagle Creek, Oregon, R. 1, January 19.—Ed. Outlook:—The Dover school is the best equipped county school of anywhere around that I know of, having the playground apparatus for a standard school, basket ball, swing, a fountain pump and baseball. Inside are indoor games of many kinds, the floor is oiled and the heating system is excellent.

We are eight miles north of Eagle Creek station and seven miles east of Sandy. The elevation is about 1400 feet and there are valuable forests near. There will be a railroad built up Eagle Creek some day to secure the excellent timber in the notable 3-6 country. The soil is rich and deep. This is in one of the "burns" that are common in these forests, large forest fires having passed over hundreds of acres nearly fifty years ago. The air is pure and freer from frost than down at Gresham and believe me when I tell you the east wind does not blow as it does down below. The water is pure, many having it brought into their homes from streams and springs.

The roads are covered with plank but plans are on foot for rock roads and a crusher has been secured. Several new families have moved on to government land making agreeable additions to the community. Almost all the people own automobiles and the telephone and rural mail delivery are enjoyed. The climate is healthful and people seldom have colds. The influenza has not appeared among us, however, it is but a few miles away.

This district always goes over the top in the various drives for Uncle Sam. We have six stars in our service flag, one young man attending Oregon Agricultural college. My directors all visit the school at the end of the school month for a school meeting and hand me my check, something I never had done before. We have a wide-awake county school supervisor who looks after the interests of his 300 schools.

Many have excellent dairies which supply the fine cream for the Mountain Meadow creamery. A deplorable fact is the large amount of fruit that goes to waste every year. The Kitzmiller orchard, now in other hands, showed the ground literally covered with fine apples of many varieties.

I would like to tell you about what a splendid entertainment we had Christmas eve. The parents and friends of the district took part in the dialogues and there was some good acting done. We had Santa Claus and his whole family taking part and the final Santa Claus came from the outdoors, completely deceiving the children as to his identity. Some do not know who it was yet. Aren't the parents good not to tell?

Our school has renewed its membership of the Junior Red Cross.

We have Sunday school regularly and preaching is semi-monthly. We are grateful for a new year with so many national blessings.

Yours very respectfully,  
MRS. C. O. BRANSON.

## SCENIC

Mrs. B. C. Altman returned home Saturday after a two weeks' visit at the home of Mr. Altman's brother, Clarence Altman, of Newberg.

Guests at the home of Mr. and Mrs. J. T. Smith on Sunday were Mrs. Smith's mother, Mrs. W. C. Blanchard, Mr. and Mrs. Herzog and daughter and Reuben Poff of Portland.

Mr. and Mrs. Harry Chase were week-end guests at the home of Mrs. Chase's parents, Mr. and Mrs. A. E. DeHaven.

Word was received by Mrs. J. R. Duncan that her daughter-in-law, Mrs. E. S. Payne, passed away in Chicago, a victim of influenza. Mr. and Mrs. Payne lived in Ontario, California, but Mrs. Payne was called east to the bedside of her mother who was ill with that malady and not expected to recover.

If the peoples of the world are going to write this peace treaty, might be a good idea to give some slight consideration somewhere along the line to the opinions of the people of the United States.

Telegram bargain days will end February 10. Get it and the Outlook one year for \$4.50. Read the Want ads.

