

Everyone Who Files Returns Receives Deduction; Claims May Be Itemized

By EDWARD COWAN
 United Press International
 Washington—UPI—Deductions for certain types of expenses may be subtracted from your income in figuring up the "taxable income" on which you owe Federal taxes.

Everyone who files a return automatically gets a deduction of 10 per cent—unless he claims a larger deduction and itemizes the claim on his return.

For example, if you report wages of \$4,700 and rental income of \$520 and you had no other earnings, your income was \$5,220 and you may take a standard deduction of \$522, regardless of whether your deductible expenses actually totaled that much.

But suppose you spent more than \$522—say \$600—for things which Uncle Sam lets you deduct from your income tax. Then, instead of taking the standard deduction of 10 per cent, you would want to itemize your deductions, which means listing your allowable expenses in detail.

There is a limitation on taking the standard deduction: You can't claim more than \$1,000 that way. If your allowable expenses exceed \$1,000, you may claim them in full by listing them in itemized form.

Expenses for social clubs; hunting or fishing licenses; auto inspection fees; trips ordered or suggestion for changes of environment by your doctor; water taxes; accidental loss of cash or personal property (except in cases of natural calamity or theft); damage by rust or gradual erosion; loss on auto trade-in; travel to and from work; legal penalties or fines; rent paid for your house or apartment.

To take itemized deductions you must use Form 1040W or Form 1040. If you file on Form 1040A, the card form, you may take only the standard deduction.

In deciding whether to take a standard deduction or itemized deductions, the best procedure is to list the latter on a piece of paper and compare the total with 10 per cent of your income.

What is deductible? The following major rundown should answer most of your questions about your own expenses. If it does not, you can telephone or visit your local Internal Revenue Service office.

Contributions—Deductible if they go to religious, charitable, educational, scientific or literary organizations. However, the organizations must not be operated for personal profit nor carry on propaganda nor engage in lobbying in Congress or other law-making bodies. Political contributions, whether to parties or individual candidates, may not be deducted.

In general, the deduction for contributions may not exceed 20 per cent of income. But the limit may be as high as 30 per cent if the extra 10 per cent covers donations to churches and certain tax-exempt organizations.

Medical Expenses—Medical and dental payments generally are partly deductible. If you were under 65 at the end of the tax year you may deduct any medical and dental expenses which exceed 3 per cent of your income. If either you or your wife were 65 or over before the end of the year, you may claim ALL medical expenses incurred by both of you.

The list of deductible items includes payments to physicians, surgeons, dentists, optometrists, qualified psychologists and Christian Science practitioners.

Also deductible are expenses for diagnosis, treatment or prevention of disease; hospital bills, nursing, laboratory services; eye-glasses, hearing aids, artificial limbs, ambulance charges; payments for drugs which exceed 1 per cent of your income.

You may also deduct payments for hospital and medical care plans. But your deductions must be reduced by reimbursements you got from death insurance or similar sources during the year.

Taxes—Most state and local taxes directly levied on you may be deducted. These include state income, real estate, personal property and sales taxes. You may not deduct Federal excise, social security or income taxes; hunting or dog license fees; water assessments or automobile inspection fees.

Child Care—Deductible only if paid for care while the mother is working or actively looking for a job, or by men who are divorced, legally separated or widowers. The child need not be the taxpayer's own but must be a dependent under 12 years of age. Also eligible is care for any other dependent physically or mentally unable to care for himself.

Child care deductions are limited to \$600, regardless of how many dependents you have. You may not deduct payments for baby-sitters when you go out socially or money paid to your children or other dependents for baby-sitting.

If you have a maid who does general housework as well as care for your children, you may deduct only the part of her pay that represents the time spent looking after the youngsters. If you claim a child care deduction, you must submit details either on Form 2441 or in a separate statement.

Married women whose husbands are capable of self-support must file joint returns with their husbands to claim child care deductions. Such expenses must be reduced by the amount, if any, by which their combined adjusted gross income exceeds \$4,500. This does not apply if a husband is incapable of physical or mental disability.

Interest—Your interest payments on a mortgage, personal loan, installment purchase or back taxes may be deducted. Installment purchase carrying charges may be deducted according to the following formula: determine how much you owe on the purchase at the beginning of each month in the tax year; add these amounts, divide by 12 and compute 6 per cent of that figure. The final answer is what you may deduct, provided it is not more than the total carrying charge for the year.

12 MAIL TRIBUNE, Medford, Or.
 Thursday, Jan. 28, 1960



LEADER—Shown above is Pierre LaGaillarde, 26, one of the two leaders of insurgent settlers entrenched in Algiers. He was reported to be seeking an interview with the commander of the French Army in Algeria. With him was Joseph Ortiz, the other leader of the settlers. (UPI Telephoto)

Nicaragua Has First J-Graduates

Managua, Nicaragua—UPI—Nicaragua has graduated its first class of professional newspapermen from a new journalism school run by the United States Information Agency.

Thirty-five newsmen, representing every paper in Nicaragua, attended the 19 weeks of classes taught by two U.S. professors and leading Nicaraguan educators.

Nicaraguan President Luis Somoza said he hopes U.S. journalistic guidance will be reflected in the newsmen's attitude toward their profession, and that as the number of the school's graduates increases, Nicaraguan newspapers will more and more resemble those of the United States.

Somoza said that newspapers in Nicaragua, as well as those in other "south of the border" lands, should strive for the high standards of journalism which he has seen practiced in the U.S.

Famous Boston Writer Was Small

Boston—UPI—Oliver Wendell Holmes, Boston's famed physician-author of the 19th century, was small in stature.

Once, at a meeting of physicians, he found himself with a group of doctors who towered over him. "You must have felt very small among those tall men," a friend remarked later. "Yes," said Holmes. "I felt like a dime among a bushel of pennies."

TIMELY TUNE

Leicester, England—UPI—The tune being played on the juke box in a Lancaster cafe was "Dynamite" when an explosion, apparently caused by a faulty gas range, rocked the cafe. Firemen had to be called to douse the flames.

AMERICA'S FINEST BOURBON! AMERICA'S FAIREST PRICE!

\$4.60 (4/5 quart) **\$3.00** (pint)

KENTUCKY STRAIGHT BOURBON WHISKEY, 86 PROOF • CANADA DRY DISTILLING CO., NICHOLASVILLE, JESSAMINE COUNTY, KY.

MEDFORD'S FINEST MEATS SINCE 1940

ENJOY OUR FINE "CHOICE" STEAKS AT THESE LOWER PRICES!!

BONELESS TOP Sirloin Steaks \$1.19 LB.
 "CHOICE"—WELL AGED

T-BONE STEAK \$1.09 LB.
 "CHOICE"

WELL TRIMMED — AGED FOR PERFECT EATING

FILLET STEAKS \$1.89 LB.
 (TENDER—LOIN) No Waste FANCY "CHOICE" BEEF

"Choice" **BEEF ROASTS 59¢ LB.**
 ALL CENTER CUT CHUCK ROASTS WELL TRIMMED OF EXCESS WASTE.

ROUND BONE Beef Roast lb. 75¢
 —NO WASTE—

FRESH CRAB MEAT \$1.29 LB.
 STRICTLY FRESH

BONELESS PORK LOIN ROAST 79¢ lb.
 PORK TENDERS 98¢ lb.

FRESH GROUND STEER BEEF 35¢ lb. 10 lbs. 3.39
 Pure Pork Sausage lb. 49¢
 —Our Own Make—

Medium Size **AVOCADOS 4 for 29¢**

U.S. No. 1 Klamath POTATOES 25 LB. BAG \$1.29

Texas—Ruby Red **GRAPEFRUIT 12 for 98¢**

Crisp, Tender **CELERY HEARTS 2 pkgs. 39¢**

WALLA-WALLA **PEAS FANCY SMALL 2 SIEVE 5 NO. 303 TINS 89¢**

WALLA-WALLA **CORN FANCY CREAM STYLE 5 NO. 303 TINS 89¢**

WALLA-WALLA **SPINACH FANCY GRADE 6 NO. 303 TINS 89¢**

WILLAMET STRINGLESS **GREEN BEANS 6 NO. 303 TINS 89¢**

DEW-DROP ALL-GREEN **ASPARAGUS 5 NO. 300 TINS \$1.00**

Bisquick 3 LARGE PKGS. \$1.00

DAWN FRESH WHOLE BUTTON MUSHROOMS 2 1/2-oz. Jar 29¢
 4 JARS \$1.00

MANDARIN ORANGES 4 11-OZ. TINS \$1.00

Gold Medal **Flour 25 LB. BAG \$1.89**

TIDE 10-OFF KING SIZE PKG. \$1.19

So Youthful



by Marian Martin

Narrow lines topped by a marvelous cape collar—sure formula for flattery for short, fuller figures. Sew it for spring—sleeveless, short or 3/4 sleeves.

Printed Pattern 9474: Half Sizes 14 1/2, 16 1/2, 18 1/2, 20 1/2, 22 1/2, 24 1/2. Size 16 1/2 requires 4 yards 35-inch fabric.

Send FIFTY CENTS (coins) for this pattern—add 10 cents for each pattern for first-class mailing. Send to Marian Martin, Medford Mail Tribune Pattern Dept., 232 West 18th St., New York 11, N.Y. Print plainly NAME, ADDRESS with SIZE and STYLE NUMBER.

JUST OUT! Big, new 1960 Spring and Summer Pattern Catalog in vivid, full-color. Over 100 smart styles... all sizes... all occasions. Send now! Only 25c.

BUTTE FALLS Mothers March Tonight

By MARY JO HARRIS
 Butte Falls—The March of Dimes Mothers March will get underway here tonight at 7 p.m. Mothers will stop at every door asking for contributions, which will go into a fund to be used for victims of arthritis, birth defects and polio. Local residents are asked to turn on their porch lights and to please tie up their dogs. Local chairman is Mrs. Randall Perkins.

The Brownie and Girl Scout investiture will be held at 7 p.m., Wednesday Feb. 3 at the high school auditorium. Parents and friends are invited. Girl Scout leader is Mrs. Don Strong. Brownie leader is Mrs. Virgil Conley and assistant is Mrs. Wm. Harris. Also assisting the Brownie leaders is Mrs. Richard Peple.

The executive committee of the PTA will meet Wednesday afternoon, Feb. 3 at the grade school. The February meeting of the PTA will be held Monday evening, Feb. 8 at the high school auditorium. The Founders Day program will be featured and a silver offering will be taken.

Butte Falls PTA will hold a spaghetti dinner and auction Friday evening, March 11 as their major money-making project of the year.

Hopes are high for the beginning of a Mothers Singers group in the Butte Falls area. Everyone is welcome and there are no requirements that those interested be members of the PTA. Anyone interested is asked to contact Mrs. Russell Ragsdale, Mrs. Don Strong or Mrs. William Harris.

The February meeting of the Butte Falls Lion Auxiliary will be held Tuesday evening, Feb. 2 at the home of Mrs. Randall Perkins. Refreshments will be served following the business meeting. At the January meeting, "secret pals" were disclosed and names drawn again.

The Butte Falls Lions met the Prospect Lions at a donkey basketball game. The Butte Falls Lions came out on top, and another game is scheduled at Butte Falls Feb. 10. Players from Butte Falls included Allan Pingle, Bruce Pingle Jr., Duane Smeltzer, Bill Harris, "Corky" McCorkindale, Andy Hamstra, Mike Estes, Darwin Moore and Bill Irwin.

Several basketball casualties have been reported from Butte Falls High school recently. Injured in practice were William Hunter, supt. of schools, and Darrell Hawkins, student body president. Hunter broke two bones in his foot and Darrell broke his ankle. Doug Fisher also suffered a sprained ankle during a recent game.

ED MILNE'S QUALITY MARKET

222 WEST MAIN
 EASY TO PARK ON THE WEST SIDE

• WE ARE CLOSED SUNDAYS •

FREE DELIVERY

Phone SP 3-7444