

### Morty Meekle



### Eligibility For Tax Credit For Retirement Described

**Editor's Note:** Of great concern to many of the readers are aspects of retirement income in relation to federal income tax. The Oregon Association of Public Accountants tax information committee has prepared the following discussion, presented by Herald and News as a reader service.

The 1954 internal revenue act provides a tax credit for retirement income which is a new feature for taxpayers who at some time in their lives have had earned income of at least \$600 a year for 10 years.

Eligibility for this credit is different for taxpayers under 65 and those over 65.

For taxpayers under 65, pensions and annuities received from public retirement systems, such as civil service retirement, teacher retirement, and various state and municipal retirement systems, are the only items that qualify and are used in computing the credit. Retirement pay from private pension plans do not qualify.

For taxpayers over 65 the base on which the credit is computed

is materially broadened to include all pensions and annuities that are taxable, whether from public or private retirement systems, retirement pay from the armed forces, interest, rents, and taxable dividends.

In both classes of retirement income the law establishes a maximum of \$1,200 on which the credit is to be computed and reduces this by any amounts received under the social security act, the railroad retirement act, or other retirement income which is not taxable; and, in cases of taxpayers under 75 years of age, all income received from personal services above \$900.

For the computation of retirement income the gross rentals received before deduction for expenses is used and 30 per cent of the income from a trading partnership is presumed to be from

personal services in computing any reduction due to personal income in excess of \$900.

The amount of the retirement credit is further limited to the amount of the tax computed on the

face of the return, less any dividends received credit.

Be sure you have all your information on retirement income ready before you start to file your return or to seek professional assistance.

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### Plaques Given Ski Students

**DUNSMUIR**—Of the 116 students taking skill tests at the Mt. Shasta Ski School finale at Snowman's Hill on Saturday morning only two were awarded Class A plaques. Qualifying as experts were Leo Galley of McCloud and Gordon Buck Jr., of Redding.

Leo Galley also won the Lions Club trophy in the junior giant slalom in the afternoon events. Gordon Buck was second and Dan Hagstrom was third. In the girls' junior giant slalom, Marion Thibault of Mount Shasta won the Rotary trophy with Shirley Graves, second, and Yvonne Brown, third. The men's open giant slalom and the Dieker's trophy was won by Chap Wentworth; Bernie Young, second; and Russ Liddon, third. In the women's open giant slalom, Jo Herbert won the Bill's Ski Shop trophy; Colleen Courtwright, second; and Julie Jenni, third.

In the Class B uphill, downhill race, David Carlberg, first; Pat Gutman, second; Helen Gutman, third. In the Class C downhill, Robert Marchi, first; Ted Michael, second; and Randy Messenger, third. In the Class B down-

hill, John Carlberg, first; Mike Aubert, second; Steve Runyon, third.

The ski school was conducted by the Mt. Shasta recreation district, and the Mount Shasta Herald Jack Murtha, recreation director, reported that 296 pupils registered and the average daily attendance for the school was 184 pupils. He estimated over 150 spectators were present on Saturday to watch the tests in the morning and ski carnival in the afternoon.

Murtha expressed particular pleasure in the 12 volunteer instructors who conducted the school and to Beat Jenni, school director. He largely credited Jenni with the school's success, noting that Jenni had been a ski instructor in the Swiss Army and on the Swiss Olympic team.

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