



PAGE LAMOREAUX, a California auto dealer and Klamath County ranch owner who travels the world as a personal Communist fighter, will speak at the annual meeting of the Klamath County Chamber of Commerce Wednesday at 6:30 in the Willard Hotel.

Income Tax Facts

Editor's Note: This is one in a series of articles on federal income tax filing. These articles are based on information provided by the American Institute of Certified Public Accountants and the Southern Oregon Society of Certified Public Accountants in cooperation with the Internal Revenue.

CASUALTY, THEFT BAD DEBT LOSSES

You can get some tax relief from casualty, theft, or bad debt losses, but there are a number of considerations you should be aware of before you go ahead and deduct such losses.

There are a great number of natural and unnatural elements that can damage or destroy the property you own. Such things as fire, storm, flood, and explosion are but a few of the more common elements. In any event, the damage must occur with some suddenness. It is usually not difficult to show that a casualty loss occurred, but there may be a problem in showing the amount of the loss.

To determine your loss, you subtract the fair market value of the property after it was damaged, from the fair market value of the property before it was damaged. In other words, the difference between what you could have sold it for and what you can now sell it for. Once you have determined the net loss in value, you must subtract any insurance or other compensation payments you receive to arrive at the amount you can deduct on your income tax return.

You can't make a profit on a loss deduction. Say, for example, that you bought an antique chair many years ago for \$20. As it has grown in age it has grown in value, reaching a top catalogued value of almost \$250 just before it was destroyed in your living room fire. The total amount you would be allowed to deduct for the chair would be \$20, since a casualty loss deduction cannot exceed the amount the chair actually cost you.

It is important that you get an appraisal of the value of your property as soon as possible after the damage occurs. The appraisal should be by a qualified expert, and should be in writing. The value of property before being damaged is sometimes difficult to assess. Records of offers to buy the property may help. If the property was recently acquired you can show the bills or receipts. In some cases, repair bills will be sufficient evidence of the change in value. But be sure to gather any information you can that will show the value of the property before the damage.

Your problem in claiming a theft deduction may be in proving that the theft actually took place. When you discover that a theft has taken place, you should notify the police. All the evidence you can gather — police records, eye-witness reports, newspaper accounts, and so on — will help to support your claim that there was a theft. Obviously, you cannot always tell when the theft actually took place. For this reason, the date of the theft is not necessary for tax purposes. But you must claim the deduction in the year that you discover your property missing.

For tax purposes, business and non-business bad debts are treated differently. Since, as an individual, you are more likely to be concerned with non-business bad debts, this discussion will cover only those debts which are not created or acquired in your trade or business.

For a non-business debt to go bad, it must first have been an actual debt with legal liability that could be enforced in the courts. This distinguishes the debt from the type of "loan" you may give your son, without any serious expectation of repayment.

The non-business debt must also be completely worthless. In other words, it is not sufficient that the debt is uncollectable today. It must also be probable that the debt will remain uncollectable in the future.

Say, for example, that you lend money to your friend Joe Doakes. This is a bona fide loan payable with interest at the end of six

months. Your friend runs into a series of hefty financial difficulties and it becomes clear that there is no chance of your loan ever being repaid. You can now consider the amount you loaned Joe a non-business bad debt. If, in a later year, Joe pays you back, the repayment will be income if the earlier deduction of the debt helped reduce your taxes. Deductions for casualty and theft losses can be itemized as "other deductions" on your tax return. Non-business bad debt losses must be treated as short-term capital losses and, as such, are subject to certain limitations. If you have any non-business bad debts, you should seek more information before attempting to claim any kind of tax relief.

You can get additional information on your casualty, theft, and bad debt losses from the instruction booklet furnished by the Internal Revenue Service each year.



LT. COL. W. E. PARKHOUSE

Advice Board Of SA Meets Monday

Lt. Col. William E. Parkhouse of San Francisco will present the Salvation Army's approach to youth problems of today at the annual Salvation Army Advisory Board meeting Monday, January 18, at 6:30 p.m. in the Winema Hotel.

Colonel Parkhouse is well qualified to speak on the subject of youth. In his present appointment as the Territorial Young People's secretary and candidates' secretary for the Western Territory of the Salvation Army, he is responsible for securing candidates for supervision of all youth programs in this area. More than 16,000 young people attend Sunday School in this territory and he is responsible for establishing many other youth programs.

The colonel is an internationalist. He was born in the United States, but in 1900 his parents returned to Great Britain where he was raised and educated. He is a third generation Salvationist, raised in the hub of the Salvation Army, the city of London. He entered full time service in the Army while still a young man. During his early years he held many appointments in the London area and at International Headquarters.

In 1937 he and his family moved to the United States Western Territory. Since that time he has held appointments in both corps and divisional levels before his appointment in 1955 to his present position.

The public is invited to attend Saturday night's meeting, where recognition will be given persons who performed outstanding service for the army during 1959. New board members and officers for 1960 will also be installed. Tickets may be secured from any advisory board member or at the door.

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CHAMBER COMMENTS

by GEORGE T. CALLISON

Assistant Mgr.
KLAMATH COUNTY CHAMBER OF COMMERCE

Members of the Klamath County Chamber of Commerce and their guests can consider themselves fortunate that they will have the opportunity to hear an outstanding speaker at the annual meeting Wednesday evening. He is Page Lamoreaux, who, besides being a California automobile dealer and a Napa Valley and Klamath County cattle rancher, is one of three American businessmen engaged in one of the boldest enterprises yet conceived to combat Communism in Asia, Africa and Eurasia. Known as Private Enterprises, Inc., the organization, backed by American investment money, seeks out worthy young businessmen in foreign lands, and makes capital available to them to launch or expand their businesses. The deal is made on a partnership basis until the loan has been paid off from the profits of the venture.

So far, he has helped finance a business that will export timber, develop oil wells, mine ore, and develop diamond resources in various parts of the world. He has an interest in a retail furniture store in Athens, Greece; a factory to make spring coils for textile machinery in Istanbul, Turkey; the manufacture of women's sport coats from goat hair in Beirut, Lebanon; a furniture company to make steel chairs and tables in New Delhi, India, and a business selling chocolate ice cream bars in Bangkok, Thailand, among others!

The venture was born when Bill Graham, young Kansas oil magnate, stopped off in Thailand while on a round the world trip in 1957. There, he was appalled to find what he described as "young and intelligent faces, and idle hands." Graham considered the combination a dangerous one, particularly in view of the inroads Communism was and is making in nations where opportunity for the individual is so circumscribed. Since then, Lamoreaux and J.H. Jrying, a Hibbing, Minnesota, architect have joined with Graham in the project and it has mushroomed.

What made Lamoreaux devote himself so vigorously to the venture? He says it was what he saw of the United States' and Capitalism's falling prestige wherever he went in the Near and Far East, and how great an ineffectiveness he discovered our government aid agencies to have with the masses of people we have tried to help and befriended.

He says it was the sight of how much more clever the rival Communist "missionaries" have been in investing themselves and their Soviet nation's money and supplies, instead of giving them away. He says it was the circumstance that the 23 new nations born since World War II all turned to democracy instead of to communism, only to slip into the misfortunes of any democracy born in poverty and half-understanding.

These people must be finally and

solidly won over to democracy. Lamoreaux feels, and, from personal experience he believes the only way to do it is to give something of ourselves as American people along with our dollars — our partnership in a business, as he has done with more than 40 assorted young men of 12 foreign lands, our know-how, our human interest and our good will.

It was the prospect of hearing this vital message from an American businessman so dedicated to the cause of freedom and private enterprise that prompted me to say, at the outset — and it's worth repeating — members of the chamber and their guests can consider themselves fortunate that they will have the opportunity to hear Page Lamoreaux at the chamber's annual meeting, 6:30 Wednesday evening, January 20, at the Willard Hotel.

Many People Want Pooch

BOSTON (AP)—So many people want Scamp that a sweepstakes drawing will be held next week to determine his new home.

Scamp is a 4-month-old brown black and white puppy who tugged at hundreds of heartstrings when his picture appeared in newspapers across the country last week. The Associated Press Wirephoto showed Scamp with big casts on his rear legs after some cruel person brutally kicked the dog.

Angell Memorial Hospital received 500 phone calls and 300 letters and telegrams from persons seeking to adopt the homeless puppy.

Pact Awards To Be Made

The county court expects Wednesday to award a contract for a county-wide radio network to be used by the sheriff's and road departments.

Bids for a transistorized system were opened by the court a week before, and were reviewed by Civil Defense Director Joe Searles. The federal government will match costs 50 per cent because the network will be adapted for Civil Defense work.

Bids were received from Motorola, for \$26,894, and General Electric, for \$23,820.

The network is to include four control stations, five remote control units, 19 mobile units, three portable units, and installation costs.

GARY HAS SORE THROAT

HOLLYWOOD (UPI) — Bing Crosby held a news conference Tuesday to explain why Gary Crosby wouldn't appear with his three brothers on Bing's television show Monday night.

"He's got a bad throat and won't be able to sing for more than two months," the elder Crosby said.

The four brothers attended the conference.

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7.60-15	35.85	25.36	43.90	28.46	32.00	22.66	39.70	25.66
8.00/8.20-15	39.95	29.66	48.95	32.95	36.95	26.36	45.25	29.36
7.50-14	29.85	20.66	26.55	23.76				
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Gas Chamber To Be Shown

The controversial women's prison at Salem and the state prison gas chamber will be featured Sunday at 2:30 p.m. on KOTI Television as the second of a new documentary series, "In Our Care," produced for the State Board of Control.

The board, with Gov. Mark Hatfield as chairman, has made plans for a separate women's prison. The film depicts present facilities and the site selected for the new institution.

The gas chamber has not been used since 1953. A vote in November, 1958, retaining capital punishment in Oregon could mean its reactivation. The film shows in detail how the chamber works. Other departments of the prison include the prison farm, forestry camp, custodial, industrial, educational and pre-release programs, and staff training.

The film was produced for the board by the department of Educational TV, General Extension Division, State System of Higher Education.

Water Well Drilling Set

Drilling of a second test hot water well on the O'Connor site for the new Oregon Technical Institute campus will begin immediately, Director W.D. Purvine announced.

The well was authorized by the State System of Higher Education. E. E. Storey of Klamath Falls won the drilling contract.

At a depth of 704 feet, the first well has hit water measuring a consistent 104-degree temperature. Drilling on both will continue to at least 1,200 feet unless adequate hot water for heating new facilities is hit before drillers reach that depth.

Test wells are essential in locating adequate hot water. Purvine says. Drilling operations are tricky and speculative.

A hot but dry well in a volcanic core may be located only a few feet away from a potential hot artesian well, he said.

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