# ANDOVER NEWS

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"If There Is Not A Way, Cut A Way"

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## Washington Served

AMERICANS generally think of George Washington, whose birthday we observe Monday, primarily as a statesman and a warrior. Yet basically he was a statesman only because he was willing to serve, to sacrifice his personal comfort in order to help establish a national government he believed would endure, which has endured and shall endure forever.

A man who naturally husbanded all life and natural resources, his attitude toward military service was similar to that he held in regard to the new young republic. While he abhorred the slaughter that war entails, he believed that only by such means could a finer way of life be offered Americans than that which his adversaries gave them. Thus he was willing to act as General of the Continental Army and, in that capacity, use all the cunning he could muster from his long experience as frontier surveyor and landholder.

Few people know, however, that Washington would not accept any pay for his services as commander of the Continental Army. Instead, according to the account he handed to the proper officer upon his resignation, he spent $64,315 out of his own pocket during the eight years he served in the army.

Beyond all this, moreover, Washington evidenced to his fellowmen his faith in God by regular church attendance. Many churches of his faith in Southern Maryland and Northern Virginia today point with pride to the fact that "George Washington often worshipped in this church." Beyond this, too, Washington had a real religion that lived in his daily contact with his fellows, whether equal, poor or servant.

So, by living godliness in his daily routine, by giving of himself and of his material possessions at the sacrifice of his personal wishes, all for the sake of what he believed to be right, Washington furnishes us a perfect pattern we all might well follow in the present national emergency. If we are to preserve the priceless heritage he helped give us, we must all strive for nobility in work and service. We must have the character and courage to meet all dangers, come what may.

## "Bundles For Congress"

THE Athletic Roundtable of Spokane, Washington has called off a "Bundles for Congress" campaign to "keep 'em laughing" at the Congressmen who voted pensions for themselves.

Four Senators have introduced legislation to repeal the revision to give Congressmen pensions and Senator Norris, of Nebraska, reiterates his belief that "it is a bad law."

Meanwhile, Senator Mead of New York, who handled the legislation commenting on dispatches telling of "bundles" containing contributions of false teeth, wooden legs and moth balls to various Congressmen, says the situation is "unfortunate" and that "Congress the popular branch of the Government, will be held up to prolonged ridicule."

Nothing is as hopeless as an average American trying to pronounce foreign names and places.

It may help some of us to understand what happens in the Far East, if we know that a fighter plane, made in the U. S. A. in February, will not reach Java until the latter part of April.

## It's Time To Say "Stop!"

THE greatest traffic accident toll in the history of the United States—a nation locked in a life and death struggle, has just been announced by the National Safety Council.

Forty thousand needed citizens, the majority of them in the productive years of life, were in 1941 forever removed from participation in their country's fight because they met death on the streets and highways. Fifty-five thousand more were permanently disabled. Another 1,345,000 persons received injuries that were not so serious in nature, but which must have effected dangerously the titanic effort we are making to preserve everything that is worthwhile.

The time has come for an entirely different attitude on the part of the public, and upon the part of the officials whose duty it is to eliminate most of the causes for these figures.

No longer is it a citizen's right to waste his life or his wellbeing by carelessness on the road, whether walking or driving. No longer can we disregard the proven safeguards that are known to protect life and limb on the road.

It seems that great public reforms come only when a nation has been rocked on its heels by an intolerable condition. The statistics of the National Safety Council have just revealed a condition of this kind, aggravated manyfold by our present necessity to fight for our lives. Many of those citizens we are depending upon to help us win that struggle are being needlessly lost to the common misfortunes of us all.

It's time for every American to walk and drive with the same caution he would use if he were fighting with General MacArthur—and for the same reason. It is time for responsible traffic and safety officials to employ their fullest ingenuity and training in putting an end to this tragic waste of lives and production.

It's time for all of us to say "Stop!" to a most serious drain on our war energies.

## Your Part In the War

THE serious situation confronting the United States, as a result of the surprise attack upon us by Japan, Germany and Italy, creates new responsibilities for the citizens of Allegany county.

The first obligation of a good citizen is to be intelligent in regards to the war in general and the second is to loyally co-operate in all measures that may be necessary on the home-front.

Those who cannot serve in the trenches, in the air or on ships can render valuable service, without which the war cannot be won. We can maintain morale, increase production and make available adequate supplies to the fighting forces.

In addition, we can buy Defense Bonds and Stamps to the limit of our ability. This simple act of faith in the American Government is an act in support of every armed service man. It insures that our fighters will have the guns, tanks, planes and ships that will give them an even break when they meet the enemy in combat.

Every loyal American should resolutely accept the privations that may be ahead. To do without automobile tires and cut down on sugar consumption is little compared with exposing one's self to hostile bullets under the disadvantages that every soldier of the democracies must temporarily accept.

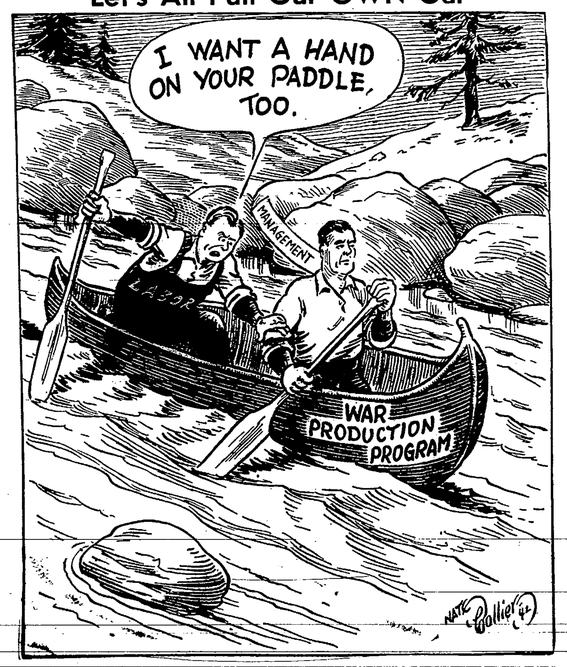
Let's get behind this country in the only way that we can. There's no use to talk about patriotism unless it is translated into actual deeds. What the nation needs today is doers, not talkers.

Anyone can step on the starter but who knows how to hitch up a horse?

Intelligent conversation distinguishes the educated man or woman—it is not to be confused with chatter and gossip.

Now that we know the nation is engaged in a war which it can lose, let's conduct ourselves so that the war cannot be lost.

## Let's All Pull Our OWN Oar




## Battle Hymn of Republic Not Original Song Name

The writing of the "Battle Hymn of the Republic" was a Civil war episode which nobody invested with particular significance.

It happened in December, 1861. Mrs. Julia Ward Howe visited Washington in a group which included the Rev. Dr. James Freeman Clarke.

The party drove out from the city to witness a review of the troops—which was interrupted by a surprise attack of the enemy.

When the firing died, all joined in the singing of army songs, led by Mrs. Howe, who had a beautiful soprano voice. The favorite of the soldiers was "John Brown's Body," called for again and again; and this it was that caused Dr. Clarke to say to Mrs. Howe, on their return to the city:

"Why do you not write some good words for that stirring tune, words worthy of it and worthy of this occasion?"

The following night she awoke to see before her mind's eye the words which could be sung to the strains of "John Brown's Body." She quit her bed and wrote down the verses which will go down to posterity as the "Battle Hymn of the Republic."

This, incidentally, was not the original name of the song. It was so entitled by James T. Fields, who published it in the Atlantic Monthly in 1862. The tune, which is dated around 1856—locale, Charleston, S. C.—is the brainchild of William Steffe, composer of hymns; the chorus of this particular one contained the line, "Glory, glory, hallelujah," repeated three times.

## X-Ray Examination of Gastric Ulcer Advised

Members of the St. Louis Medical society were advised to look upon every gastric ulcer as a malignant condition, until proven otherwise by thorough X-ray examination, by Dr. Byrl R. Kirklin, director of the radiology department of Mayo clinic, Rochester, Minn., in the initial Russell D. Carman lecture established recently by the St. Louis Society of Radiologists.

Dr. Carman, formerly a professor at Washington university medical school, served for a number of years as head of the radiology department at the Mayo clinic and selected Dr. Kirklin as his successor before his death.

To demonstrate a point that often a cancer may be mistaken for an ulcer, Dr. Kirklin displayed X-ray slides that disclosed gastro-intestinal cancers which originally had been diagnosed and treated as ulcers. He advised the physicians to order X-ray examination in all cases of stomach or intestinal disturbances in which there may be the slightest doubt as to the cause.

**Character Reading by Furniture**

Give him a peek at the furnishings of your home and William K. Drews will read you like a book. For 20 years that has been part of his business as one of this country's leading authorities on finearts insurance. "Homes are quickly revealing," he said, "all taste being 75 per cent inherited, 15 per cent subconscious and only 10 per cent conscious, so it is easy to make out the race, habits and characteristics of almost any homemaker. A neat, extensive array of hats and shoes in a wardrobe closet, means, as a rule, that husband and wife sleep in twin beds and that she is the family boss. The Irish usually prefer energetic expression in art, while Jewish taste is essentially intellectual and Scottish restful. Latin races incline toward simplified things and Germanics toward ornamentation." And here is a practical tip he gives women about mirrors. He says that mirrors are not all alike and that the quality of the mercury backing lends them great variety. "Be certain you've got one that suits you," he says.

**Scientific Sacrifice**

Out of Halifax, Nova Scotia, comes a story of scientific sacrifice reminiscent of the Kochs and Walter Reeds of the past. Eleven members of the Harvard Medical school research staff are the heroes and heroines.

When the vital port of Halifax was gripped by a virulent attack of meningitis, diphtheria and scarlet fever, these researchers joined with local authorities in measures of relief. The expedition, extending four weeks from January 27, was headed by Prof. J. Howard Mueller, Harvard bacteriologist.

At risk of their lives, the group brought back a new technique for diagnosing the dread meningitis.

**Handling Woman Witness**

Some lawyers prefer a woman witness. A Detroit member of the bar once said: "I always smooth a woman on the stand. Don't irritate her, treat her with courtesy, and if you have to prove that she is guilty of perjury, do it politely and don't hurt her feelings. The hottest calldown I ever had in the court room was when I was cross-examining a woman physician. She was a very clever doctor, was right there with the information when I said: 'Well, what do you say I am made of?' She leaned forward with a glint in her eyes. 'I should say,' she answered decisively, 'you are about 10 per cent flesh, 15 per cent bone, 25 per cent gall and 50 per cent wind.'"

## Loan Funds Now Available For 1942 Crops

Loan funds for the purchase or production of feed for livestock and for general crop production purposes in 1942 are now available to dairymen and farmers, according to Carl G. Graybeal, field supervisor of emergency crop and feed loans for the United States Department of Agriculture.

Applications may be made for loans ranging from $10 to $400 to one borrower at an annual interest rate of four per cent on the amount of the advance from the date the advance is made.

It requires about one to two weeks to deliver the loan check to the borrower after the application is filed and approved.

For the purpose of filling out applications and explaining all details to those who desire to apply now, Mr. Graybeal will be at the Farm Bureau office, Belmont on Tuesday, February 24th between the hours of 10:30 a. m. and 2 p. m.

## Beverage Tax Distributed

Allegany county's share of the State beverage tax for the last three months of 1941 was $10,670, which has been distributed by County Treasurer Frank L. Gere.

Andover's share was $550.17, of which $118.52 goes to the village and the remainder into the town coffers.

## Nation Wants More Dry Edible Beans

The National goal for dry beans in 1942 is 20,400,000 one-hundred pound bags, which exceeds by 44 per cent the average 1935-39 production.

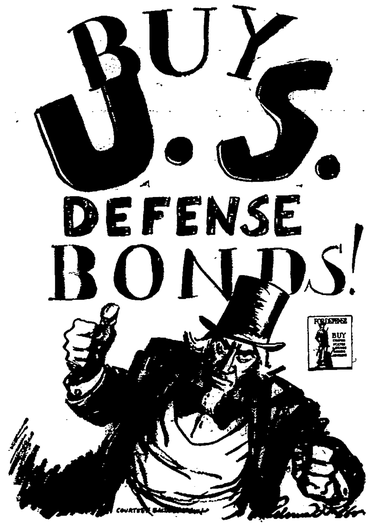
Five types of beans are desired, two of which are important products in New York State, namely pea beans and medium white.

Where soil, etc., is right, agricultural men are calling New York farmers' attention to this war crop, for which the market is being supported by the Federal government at $4.75 a hundred pounds for U. S. No. 1 and $4.60 per hundred for U. S. No. 2.

The fact that bean growing takes relatively little labor is an important factor this year.

## The Answers

1—Commander British forces at Singapore.
2—10,700 miles.
3—Rangoon, Burma.
4—Jan. 30, 1933.
5—May, 1940.
6—France, Italy and Russia.
7—Yes; raw sugar is used in the manufacture of ethyl alcohol, an important substance in the production of smokeless powder.
8—Napoleon.
9—Five.
10—1923.




## Gen. Washington's Medal of Honor

"The road to glory in a patriot army and a free country is open to all", declared General Washington in his order of the day August 7, 1782, instituting the first American badge for military merit.

His act was in recognition of "bravery, fidelity and good conduct" among the non-commissioned officers and private soldiers in the Continental Army. Thus was established the Order of the Purple Heart.

Individual valor has always been a distinguishing trait of the American soldier. In the lapse of more than a century and a half between Bunker Hill, Valley Forge and Stony Point to Pearl Harbor, Batan and the Macassar Straits the roster of those men who have traveled the road to glory furnishes a brilliant record of patriotism and sacrifice.

In the first dark hours of the present war their heroic deeds have thrilled their countrymen and illumined the way to ultimate victory—inspiring hope of a triumph not only for the United Nations but for downtrodden peoples throughout the world.

No gold, silver or bronze blazoned from the breasts of the heroes Washington intended to honor. Read his general order:

"The General ever desirous to cherish virtuous ambition in his soldiers, as well as to foster and encourage every species of military merit, directs that when any singularly meritorious action is performed, the author of it shall be permitted to wear on his facings over the left breast the figure of a heart in purple cloth, or silk, edged with narrow lace or binding. Not only instances of unusual gallantry, but also of extraordinary fidelity and essential service in any way shall meet with due reward. . . . The road to glory in a patriot army and a free country shall be open to all."

*Purple Heart Medal*

Subsequent to the Revolution the Order of the Purple Heart seems to have fallen into disuse and no further awards were made. Its revival was suggested at the time of the observance of the 200th anniversary of Washington's birth, and its reinstitution was announced by the War Department February 22, 1932. Under changes in Army regulations the Purple Heart is authorized to persons who "while serving in the Army of the United States perform any singularly meritorious act of extraordinary fidelity or essential service." Wounds received in action are included in this category.



# Church Services

**METHODIST**

Rev. Helena L. Champlin, Pastor

Friday, Feb. 20, World Day of Prayer.

Union service in the Methodist church at 7:30 p. m.

Sunday, Feb. 22, Laymen's Day.

10:30 a. m., morning worship Service in charge of the Brotherhood. The following men are to speak briefly: Charles Caple, presiding; Charles A. Robinson, H. Emmett Robinson, Prin. Glenn Bretsch, Hervey S. Thorne, Harry Smith, Wisner H. Cook.

11:45 a. m., Sunday School.

7:30 p. m., Evening worship.

**BAPTIST**

Rev. Lloyd L. Tebo, Pastor

Friday evening, 7:30. The World Day of Prayer observed in the Methodist church.

Saturday evening, 7:30, Young People's Singspiration.

Sunday morning worship, 10:30.

Sunday School at 11:45.

Christian Endeavor at 6:45. Barbara Lehman, leader.

Evening service at 7:30.

**PRESBYTERIAN**

Sunday morning services at 10:30 Rev. Edgar VanHorn will deliver the sermon.

Sunday School at 11:45. Classes for all the children.

Choir rehearsal at the Folsing home on Friday evening at 7:30.

**SEVENTH DAY BAPTIST**

Rev. Walter L. Greene, Pastor

Sabbath services at 2:30 p. m. Sermon by the pastor. Subject "Life in the Spirit."

Sabbath school at 3:30 p. m. Clifford Burdick, supt.

**Independence**

Morning worship at 11:00 (War Time) in the church building this week, weather and roads making it possible.

Bible School at the close of the church service. Mrs. Grace Spicer, supt.

The Ladies' Aid will serve dinner at the parish house next Sunday, Feb. 22 at 1 o'clock.

"Finger prints in the Bible are a good investment."

"Dissipation always brings a headache, as well as a purse-ache."

"When God rules the heart, there is no fear.

**CHRISTIAN AND MISSIONARY ALLIANCE**

Mr. Clarence Seguino, Pastor

Thursday, 7:30 p. m., Prayer meeting at the home of Mrs. Walton.

Friday, 7:30 p. m., Young People's service. Speaker, Miss Janice Walton. Subject, "William Booth, the Salvationist."

Sunday services:

2 p. m., Sunday School. All welcome.

3 p. m., Worship service. Subject "Six Things God Hates."

7:30 p. m., Evangelistic service. Sermon by the pastor.

Next Wednesday, Feb. 25, weekly day for prayer: 10 a. m. to 12 noon; 2 p. m. to 4 p. m.

## SUNDAY SCHOOL LESSON

JESUS APPOINTS AND TEACHES THE TWELVE

International Sunday School Lesson For February 22, 1942

Golden Text: "Even so let your light so shine before men; that they may see your good works, and glorify your Father who is in heaven."—Matt. 5:16.

Lesson Text: Mark 2:13-19; Matt. 5:7; Luke 6:12-49.

In the second summer of his active ministry, Jesus realized his need for training leadership among his disciples. To escape from the multitude, he withdrew into the nearby mountains and took with him those of his followers he especially desired to train. After a night spent in prayer, Jesus selected 12, as Mark says, "that they might be with him, and that he might send them forth to preach, and to have authority to cast out demons."

Among the twelve of course, were the four whom he had earlier called from the task of fishing for fish, to become "fishers of men"—Peter and his brother Andrew, and James and his brother John. Some readers may be interested in remembering the names of the 12 disciples and the following anonymous, but useful, verse will help:

This is the way the Disciples run:
Peter and Andrew, James and John,
Phillip and Bartholomew,
Thomas next, and Matthew, too,
James, "the less," and Judas (the greater),
Simon, the Zealot, and Judas, the traitor.

Of the disciples, Dr. J. D. Jones asks: "Do you want difference of temperament? Then you have it. Say in Peter and John—Peter the man of action, John the man of prayer—Do you want difference in spiritual gift? You have it in Nathaniel (or Bartholomew) and in Thomas. Nathanael of a believing soul, and Thomas of a sceptical spirit. Nathanael ready easily to say 'Thou art the Son of God, thou art the King of Israel.' Thomas slow to credit the assertions of all his fellow disciples, and saying sadly, 'Except I shall see in his hands the print of the nails, and put my hand into his side, I will not believe.'

"Do you want difference of political opinion? Well, you have it in its most extreme and violent form in the contrast between Matthew and Simon the Canaanean. Matthew the publican, and Simon the zealot; Matthew the servant of the Roman Government, and Simon the rebel against it; Matthew the tax gatherer and Simon the tax-hater; Matthew who wore the livery of Rome, and Simon who had drawn sword against it. . . ."

Then, there is matter-of-fact Phillip; Andrew, whose only claim to fame is that he it was who brought his brother Peter, to Christ; and there is Judas Iscariot, who for 30 pieces of silver, betrayed his Lord. Of two others, we know but little except their names—James the son of Alphaeus and Thaddaeus.

Of the small circle of 12 carefully chosen followers, Jesus had an Inner Circle of three men—Peter, James and John—who were admitted to some experiences not shared by the others.

After choosing the Twelve, Jesus promptly proceeded to teach them, expounding to them thoughts we have come to know as the Beautitudes, or blesseds, which are statements of those spiritual principles which are understood with difficulty by a material and practical world. Even yet, the spiritual development of man has not reached the state where the spiritual truths of the beautitudes are generally accepted by the majority of the people.

In all ages, man has sought happiness. Some have mistaken transient happiness for permanent contentment and blessedness. Naturally, each man's idea of happiness depends upon his desires and ambitions. Jesus sets forth in these verses a formula for eternal contentment and happiness. He teaches that happiness is not dependent upon circumstances but upon the individual's relationship to God; it is an inward call unaffected by exterior surroundings.

Of the Beautitudes, William Lyon Phelps aptly says that the Beautitudes are in reality—Beattitudes; they are attitudes that come not from doing, but from being.

## WHO KNOWS?

1—Who is Arthur Ernest Percival?

2—What is the distance, by sea, from San Francisco, to Batavia, Java?

3—Into what port do ships carry supplies for transportation to China along the Burma Road?

4—When did Hitler become chancellor of Germany?

5—When did Winston Churchill become Prime Minister of Great Britain?

6—Name the three countries where the A.E.F. fought in the World War?

7—Is sugar used in the production of smokeless powder?

8—Who said: "England is a nation of shopkeepers"?

9—How many capital ships have been lost by the British in the present war?

10—When did Mussolini acquire dictatorial powers in Italy?

(See "The Answers" on another page)

**Accidents Will Happen**

Judge: "You are charged of breaking a chair over your wife's head."

Accused: "Your honor, it was an accident."

Judge: "What? The striking of your wife?"

Accused: "No; the breaking of the chair."

# Your Federal Income Tax

**Time for Filing Returns of Individuals**

Income tax returns of citizens are required by law to be made on or before the 15th day of the third month following the close of the taxable year, which for most individuals is the calendar year. Since March 15, 1942, will fall on a Sunday, such returns for the calendar year 1941 must be filed on or before midnight of Monday, March 16, 1942.

If placed in the mail, the returns should be posted in ample time to reach the collector's office, under ordinary handling of the mails, on or before the due date. The envelope should bear proper postage and be addressed to the "Collector of Internal Revenue, Buffalo, N. Y."

**Returns of Income of Minors**

An individual, altho a minor, who is single, or is married and not living with husband or wife for any part of the taxable year, is required to render a return of income if he has a gross income of his own of $750 or over for the taxable year.

Where a minor is married and living with his spouse for the entire taxable year, and each has income and their combined gross income is $1,500 or over, they must each make a return or file a joint return. If only one has income and his gross income is $1,500 or over, only that one is required to make a return.

**Personal Exemptions and Credit For Dependents**

The head of a family, as defined by the income-tax regulations, is an individual who actually supports and maintains in one household one or more individuals who are closely connected to him by blood relationship, relationship by marriage or by adoption, and whose right to exercise family control and provide for these dependent individuals is based upon some moral or legal obligation. As such, he or she is entitled to a personal exemption of $1,500.

A credit of $400 is allowed for each dependent. A dependent is one under 18 years of age, or one who is physically or mentally defective and incapable of self-support. He need not live with nor be related to the taxpayer.

If husband and wife contribute to the support of a dependent, the $400 credit may be taken by the one contributing the chief support, and it may not be divided between them. Likewise, if two members of a family contribute to the support of a dependent, the one who contributes more than one-half of the support may claim the credit.

Both the personal exemption and the credit for dependents must be prorated when the status of the taxpayer changed during the year, except where the taxpayer is eligible and elects to determine his tax at the optional rates with the use of the simplified Form 1040A.

If a taxpayer occupies the status of the head of a family solely by reason of the existence of one or more dependents for whom he would otherwise be entitled to the credit of $400, the credit of $400 in respect of one of such dependents is not allowable. For example, a widower who occupies the status of a head of the family solely by reason of the fact that he is maintaining a home for two dependent children under 18 years of age is entitled to the credit of $400 allowed for one such dependent, and the credit for the other dependent is not allowable.

**Exemptions Allowed Couples Married During Taxable Year**

If a single man and a single woman were married on July 20, 1941 and lived together during the remainder of the year, they would be entitled to a personal exemption of $1,500 in a joint return on Porm 1940 for the calendar year 1941, which amount is seven-twelfths of $750 for the husband while single, plus seven-twelfths of $750 for the wife, while single, plus five-twelfths of $1,500 for the period during which they were married. If during the year 1941 the husband or the wife had the status of the head of a family prior to their marriage, he or she would be entitled to his or her pro rata share of the personal exemption of $1,500 allowed the head of a family for the period prior to their marriage instead of that allowed a single person. For the period of their marriage any exemption to which either might be entitled as the head of a family for the period prior to their marriage instead of that allowed a single person. For the period of their marriage any exemption to which either might be entitled as the head of a family would be merged in the joint personal exemption. The joint personal exemption allowable in the case of a couple who were married and living together during the entire year may not exceed $1,500.

If a child under 18 years of age reaches the age of 18 years during the taxable year, the credit of $400 is required to be prorated in the same manner as the personal exemption. For example, should the child's birthday fall on June 30, the parent would be entitled to claim $200 credit for the dependent child—that is, one-half of $400. The same rule applies to other dependents where a change of status occurs during the taxable year.

**Who Is the Head of a Family?**

For income tax purposes there can only be one head of a family. In addition to being the chief financial support, the head of a family must be related by blood, marriage, or adoption to his dependents, and he must have a legal or moral obligation to exercise family control over them and provide for their care. As such, he is entitled to the same exemption allowed a married person—that is, $1,500.

There are some unusual cases under this classification. A single person, who supports and maintains in one household one or more individuals who are closely connected with him by blood, by marriage, or by adoption, and whose right to exercise family control and provide for them is based upon a legal or moral obligation, is the head of a family, and as such is entitled to the exemption allowed a married person—that is, $1,500. In addition, he may claim a credit of $400 for each of such individuals who is under 18 years of age or incapable of self-support because mentally or physically defective, except if the taxpayer occupies the status of the head of a family solely by reason of the existence of one or more of such individuals, the credit for one of such individuals is not allowable.

Another example not so much out of the usual is this: A widower who supports in his household his aged mother and his child 17 years of age is the head of a family, and as such is entitled to an exemption of $1,500 and a credit of $400 for one dependent.

**What Is a "Family"?**

"In one household," is a phrase which confronts many taxpayers when they make out their income tax returns. What do the regulations mean when they classify as the head of a family one who actually supports and maintains "in one household" a certain number of dependents for which he is allowed a personal exemption of $1,500 as the head of a family?

Income tax regulations are not narrow in interpreting this phrase. It may mean the taxpayer's personal residence, an apartment, rooms in a boarding house, living quarters in a hotel, or such other place as she or he may occupy as a temporary or permanent residence.

It is not always necessary that a taxpayer and his dependents live under the roof the entire year in order that he be allowed the exemption given the head of a family. If the common home is maintained, and the parent is away much of the time on business, or a child is away at school or on a visit, that is still "one household," and the exemption is allowed. If it is unavoidable for a parent to keep his dependent children with relatives, or in a boarding house, while he lives elsewhere—that constitutes "one household." But a person who gives the dependent of another a home is not, under the income tax regulations, the head of a family.

**Gross Income, Net Income, and Surtax Net Income**

In computing a Federal income tax, the taxpayer is confronted with the problem of ascertaining (1) his gross income, and, unless the tax is computed under the optional simplified method, (2) his net income, and (3) his surtax net income. The instructions which accompany the forms clearly and explicitly set out how this is done. If, after reading them carefully, the taxpayer does not understand them, he should consult the nearest collector, or deputy collector, of internal revenue.

Gross income, generally, is all income derived in any taxable year from any source whatever, unless specifically exempt by law. In any usual business, the gross income of the person operating it consists of the gross profits on sales, plus any income from investments and incidental or outside operations or sources. The income-tax return must show gross sales, purchases and the cost of the goods sold, and the inventories at the beginning and end of each taxable year.

In the case of professional men—a lawyer, a physician, an architect, a surgeon, a dentist, a clergyman, a writer, or any other—there must be included in the gross income all fees, salaries and compensation of any kind received for professional services.

Net income is the gross income less the deductions allowed by law. The long-continued and varying experience of the Bureau of Internal Revenue shows that numerous errors are made by taxpayers in their income-tax returns due to their failure to understand clearly what deductions from gross income and what credits against net income are allowable. The taxpayer, in his own interest, is urged to read over the instructions on the forms until he understands them, before he makes out his return. Legal deductions include business and professional expenses, such as salaries, pensions and bonuses to employees, taxes, losses, interest, bad debts, depreciation, depletion, contributions and similar items definitely set out in the instructions.

An earned-income credit of ten per cent of the earned net income, not in excess of the 10 per cent of the net income, is allowed, in addition to the personal exemption and credit for dependents, if any, for the purpose of computing the normal tax.

Surtax net income is the balance left after deducting exemptions and credits from the net income. From this balance is to be deducted the earned income credit and other items specified in the law and indicated in the return, in determining the amount on which the normal tax of 4 per cent is to be computed.

**Income of Farmers**

Farmers, which include livestock raisers, fruit and truck growers, poultry raisers, and operators of plantations and ranches, are liable for Federal income-tax returns provided their income is sufficient to require the filing of returns. Primarily, due to the reduction in the credit for personal exemption, many farmers will be liable for returns and to the tax for the first time for the year 1941.

Farmers may maintain their records and file their returns of income on either the cash receipts and disbursements basis or on the accrual basis of accounting. A consistent method must, however, be employed. If a cash basis is used, Form 1040F, "Schedule of Farm Income and Expenses," is required to be filled out and filed in conjunction with Form 1040. Use of Form 1040F is optional in the case of farmers who report income on the accrual basis. A farmer who reports income on the cash receipts and disbursements basis (in which no inventories to determine profits are used) must include in gross income for the taxable year (1) the amount of cash or the value of merchandise or other property received during the taxable year from the sale of livestock or produce which were raised, regardless of when raised; (2) the profits from the sale of any livestock or other items which were purchased; and (3) gross income from all other sources.

Under the accrual basis in which inventories are used to determine the profits, farmers' gross profits are ascertained by adding to the inventory value of livestock and produce on hand at the end of the year the amount received from the sale of livestock and produce, and miscellaneous receipts of income during the year, and deducting from this sum the inventory value of livestock and produce on hand at the beginning of the year and the cost of livestock and produce purchased during the year. All livestock, whether purchased or raised, must be included in inventory at their proper valuation. Livestock acquired for draft, breeding, or dairy purposes and not for sale, may be included in the inventory instead of being treated as capital assets subject to depreciation, provided such practice is consistently followed.

If farm produce is exchanged for merchandise, groceries, or the like, the market value of the articles received in exchange is to be included in gross income. The value of farm products which are produced by a farmer and consumed by his family does not constitute taxable income. Rents received in crop shares are to be returned as income as of the year in which the crop shares are reduced to money or the equivalent of money. Proceeds of insurance such as hail and fire insurance on growing crops, are required to be included in gross income.

Amounts received as loans from the Commodity Credit Corporation may, at the option of the taxpayer, be considered as income and included in gross income for the taxable year in which received. The election made with respect to the calendar year 1939, or for the first year thereafter for which a return is required to be filed, is binding for all subsequent years unless the Commissioner approves a change to a different method of accounting. Amounts received under the Soil Conservation and Domestic Allotment Act, as amended, the Price Adjustment Act of 1938, section 303 of the Agricultural Adjustment Act, as amended and the Sugar Act of 1937, constitute taxable income to the recipients for Federal income-tax purposes.

**Items Exempt From Tax**

Certain items are specifically exempt from the income tax and need not be included in the taxpayer's return of gross income. Among such items are the proceeds from life insurance policies paid by reason of the death of the insured. Amounts received (other than amounts paid by reason of the death of the insured and interest payments on such amounts and other than amounts received as annuities) under a life insurance or endowment contract, which are less than or exactly equal to the premiums or consideration paid therefor, are exempt from Federal income tax. Any excess received over the consideration paid is taxable. Amounts received as an annuity under an annuity or endowment contract shall be included in gross income; except that each year the excess of the amount received over 3 per cent of the aggregate premiums or consideration paid for the annuity is tax-free until the aggregate of such sums excluded from gross income for the taxable year 1941 and prior years equals the aggregate premiums or consideration paid for the annuity. There are also exempt from tax amounts received by gift, bequest, devise, or inheritance; interest on obligations of a State, Territory, or any political subdivision thereof, or the District of Columbia, or possessions of the United States; obligations of the United States issued prior to March 1, 1941, to the extent provided in the Acts authorizing the issue thereof; or obligations issued prior to March 1, 1941, of a corporation organization under Act of Congress if such corporation is an instrumentality of the United States; amounts received thru accident or health insurance or under workmen's compensation acts for personal injury or sickness; and damages received on account of such injuries or sickness.

Pensions and compensation received by veterans from the United States for services in time of war are exempt; and pensions received from the United States by the family of a veteran for services rendered by the veteran in time of war are exempt.

There is also exempt from the Federal income tax the rental value of a dwelling house and appurtenances thereof furnished to a minister of the gospel as part of his compensation.

Other items excluded from gross income are alimony and an allowance based on a separation agreement.

(Continued Next Week)

**Humiliating**

Maude: "What would you do if you spent five evenings with a man and he never attempted to kiss you?"

Marie: "I'm afraid I'd lie about it to my girl friends."