

## Tips For Taxpayers

## No. Twelve

Salaries paid employees constitute one of the largest items of business expense. To be allowed as a deduction such claims must conform closely to the wording of the statute, which provides for the deduction of "a reasonable allowance for personal services actually rendered." The test of deductibility is whether the amounts paid are reasonable and whether they are, in fact, purely for personal services. Money paid an officer of a corporation for no services, or services inadequate to the compensation, are rendered is not deductible as "salary." Reasonable compensation is held to be an amount that ordinarily is paid by like enterprises in like circumstances for like services.

Bonuses to employees may be deducted by employers when such payments are made in good faith as additional compensation for services actually rendered, provided that, when added to the stipulated salaries, the total does not exceed "a reasonable compensation for services rendered." When the amount of a salary of an officer or employee is paid for a limited time to a widow or heirs in recognition of services rendered by the deceased, such payments may be deducted.

### Methodists To Build New Orphanage At Goshen

Goshen, Ind., Feb. 25—(INS)—The construction of a new orphanage was voted by the trustees of the Bashor Orphanage Association and members of the finance committee of the Womans Home Missionary Society of the North Indiana conference of the Methodist Episcopal church.

Construction of the building was ordered for early in the spring. It is to be built on a farm donated for the purpose by Mr. and Mrs. William Bashor.

A building committee was appointed which was composed of the following: Rev. John C. White, Tipton; Rev. C. H. Smith, Goshen; Rev. F. E. Friiby, Elkhart; Mrs. A. G. Hooven, Elkhart; Mrs. F. F. Thornburg, Richmon; Mrs. Paul McGuffey, Markle.

## PUBLIC SALE

We will offer at public sale, at the R. W. Hawk residence in East Rockford, Wayne Ave., Concrete Route 54, beginning at 10 a. m., on

WEDNESDAY, FEBRUARY 29, 1928

the following property, to-wit:

### CATTLE — 23 — HEAD HORSES — 18 — MULES

**HORSES—18 HEAD** — Pair of mated horses, 5 and 6 years old, always been together, weight 3400; pair of Roan mares, 8 and 9 years old, bred, always been together, weight 3300; Roan horse, 5 years old, weight 1600; Black mare, 6 years old, weight 1750; Sorrel mare, 7 years old, weight 1700, white mane and tail; Bay mare, 7 years old, weight 1600 lbs.; Sorrel mare, 4 years old, weight 1500; Sorrel mare and Sorrel gelding, 6 and 7 years old, weight 3400, always been together; Black Mare, 6 years old, weight 1500, in foal; Black Horse, 8 years old, weight 1600 lbs.; Black horse, 10 years old, weight 1400 lbs.; Span of Mare Mules, 7 and 8 years old, weight 2900 lbs. These are all native horses and mules and well broke.

Pair Bay Mares, 6 years old, weight 3200 lbs.

**HOGS—43—HEAD—2** good white brood sows, will farrow by April 15; good spotted brood sow, will farrow by May 1; 40 head of feeding shoats, will weigh from 60 to 100 lbs. each.

**SHEEP—33 Head** of Ewes from coming yearlings to 5-year-old and one Oxford buck.

### Farming Implements—Fordson Tractor and Plows

Lunch served by Ladies of M. E. Church

### R. W. HAWK, CHAS. SHINDELDECKER

Johnson, Bevington and Caywood, Auctioneers Marion Pond, Clerk

Terms made known on day of sale.

## Moser's Sale

Clean sweep sale of High Grade Fine Stock, Implements, Hay and Grain, etc., at my residence, 1/4 miles northwest of Linn Grove, Adams county, or 9 miles southeast of Bluffton, 5 miles west, 1/4 miles north of Berne. (EVERYTHING MUST SELL REGARDLESS OF PRICE)

TUESDAY, FEBRUARY 28, 1928

Sale beginning at 10 A. M. sharp

### 158 HEAD OF LIVE STOCK

**CATTLE—80 HEAD** — 10 Holstein cows, all young, will weigh from 1200 to 1600 pounds, all due to freshen during March and April. These are cows that produce from 6 to 8 gallons of milk daily, and are in extra good flesh. 12 good young cows with calves by side, herd includes Holsteins, Jersey and Guernseys; 60 head of heifers, Holsteins, Jerseys, Guernseys and Durhams, some are heavy springers.

Durham bull and Guernsey bull.

If you are looking for good cows and heifers, here is a herd that will pay you to look over.

### POULTRY—100 HEAD

**HOGS—70 HEAD** — Five tried sows and 10 bred gilts, due to farrow in March and April. Durocs and Chester Whites; 48 head of feeding shoats, weigh from 30 lbs. to 80 lbs.; 8 hogs, weigh from 175 lbs. to 200 lbs.; full-blooded Duroc male hog; young white male hog.

**GRAIN AND HAY** — Fifteen tons of No. 1 timothy hay, and several tons of mixed hay; 60 bushels of good corn in crib.

**HORSES—8 HEAD** — Gray team, extra good, coming 8 years old, wt. 3500 pounds; black team, coming 9 years old, wt. 3200 lbs.; bay horse, 7 years old, weight 1300 lbs.; gray horse, weight 1300 pounds; two other horses not described.

**IMPLEMENTS** — 1927 Fordson tractor, just as good as new, with new Moline corn plow attached to tractor, capable to cultivate from 15 to 20 acres of corn a day; 1922 Fordson tractor, with new engine and new worm gear and main bearing, good as new; 6-roller corn husker, in extra good shape, has never been out in the weather; 8-foot Deering binder, equipped with set of new canvas, in extra good shape; Deering mower; two-row International corn cultivator; 2 single breaking plows; buzz-saw; Blizzard silo-filler, full equipped; feed grinder; corn sheller; 2-hole corn sheller; 6 wagons; 3 hay racks, with hog rigging and corn beds combined; gasoline engine, 1/4 h.p.; 2 tractor plows, one an Oliver and one a P. & O.; Syracuse riding plow; tractor disc; Fordson tractor pulley; 3-section spring-tooth harrow; 3-section spike-tooth harrow; cultipacker, a good one; corn planter, with fertilizer attachment, good as new; Hoosier grain drill, 12-hoc disc, an extra good one; International hay loader, side delivery, a good one; hay tedder; good hay rake; beet plow; beet lifter; No. 5 Primrose cream separator, equipped with electric motor, capacity 1200 lbs. per hour, still new; a DeLaval and a Cleveland separator; hay car and ropes; furnace stove; 2 sets of work harness, one of which is as good as new. Many other articles not mentioned.

**TERMS** — \$5.00 and under, cash. For sums over that amount a credit of 6 months will be given, first 3 months without interest, last 3 months bearing bankable interest. Two per cent. off for cash. No property to be removed until settled for.

### ALBERT F. MOSER

AUCTIONEERS—J. A. Michaud, Jess Ellenberger, Roy Johnson.

CLERKS—The Peoples State Bank, Berne; Rudolph Schug, J. C. Augsburger.

# Annual Report of the Water Department of the City Light and Power Plant

JANUARY 1, 1927 — DECEMBER 31, 1927

The Water Department of the City Light and Power Plant did a total business of \$27,545.31, with a total operating expense, including a depreciation charge of \$5,991.04, of \$22,473.37, leaving a net credit balance of \$5,071.94. To this is added a credit of \$863.67 from non-operating income, making a total credit balance of \$5,935.61.

The attention of taxpayers of the city is called to the following report:

### COST OF PLANT AND EQUIPMENT

Cost of plant and equipment at beginning of year	\$174,427.79
Additions during the year	\$ 7,530.16
Total cost of plant and equipment	\$181,967.95
Less depreciation	\$ 5,991.04
Value of plant and equipment at end of year	\$175,976.91

### ANNUAL DEPRECIATION

Total cost of plant and equipment	\$181,967.95
Less land value	\$ 12,250.00
\$169,717.95	
3.53% of \$169,717.95	\$ 5,991.04
Total depreciation	\$ 5,991.04

### MATERIAL AND SUPPLIES

STOCK ACCOUNT	
On hand	Used
Jan. 1	during
1927	year
Added	during
On hand	Dec. 31
	1927
Pumping station supplies	\$ 491.38
Main piping and fittings	\$ 1366.89
Service piping and fittings	\$ 1334.90
Meter repair parts	\$ 616.21
Meters and connections	\$ 572.93
Hydrants and repairs	\$ 360.97
Miscellaneous material and repairs	\$ 340.22
Shop tools and equipment	\$ 141.16
	\$ 252.04
Total	\$ 201.40
	\$ 407.45
	\$ 64.75
	\$ 331.18
	\$ 312.24
	\$ 55.88
	\$ 2336.55
	\$ 689.38
	\$ 2776.88
	\$ 4625.30
	\$ 4011.76
	\$ 4279.76
	\$ 4893.30

### SUNDRY SALES

Water department sundry sales filed with the City Treasurer for collection are as follows:	
Rebates charged to property owners for frozen meters, etc.	\$ 43.22
Miscellaneous sales	\$ 568.45
Total	\$ 701.67

### PUMPING OPERATING COST

Electric current purchased	43930 K.W.H. @ .025	\$10,983.25
Pumping station supplies and expenses		\$ 491.38
Maintenance of pumping station equipment		\$ 126.61
Maintenance of source of supply		\$ 139.28
Maintenance of pumping station buildings, fixtures and grounds		\$ 159.90
		\$11,900.42

### DISTRIBUTION OPERATING EXPENSE

Distribution system supplies and expense	\$ 283.64
Maintenance of transmission mains	\$
Maintenance of distribution mains	\$ 186.31
Maintenance of services	\$ 739.75
Maintenance of hydrants	\$ 151.72
Maintenance of meters	\$ 1273.56
Maintenance of basins, fountains and troughs	\$
Maintenance of buildings, fixtures and grounds	\$
	\$2634.98

### GENERAL OPERATING EXPENSE

General office salaries	\$1000.00
Collection expense (Reading meters, etc.)	\$ 330.16
Promotion of business expense (Advertising, etc.)	\$ 43.20
General office supplies and expenses	\$ 83.05
Injuries and damages	\$
Insurance	\$ 265.48
Stationery and printing	\$ 25.00
Operation of utility equipment	\$ 97.57
Maintenance of utility equipment	\$ 42.10
Maintenance of utility equipment building and grounds	\$
	\$ 60.37
Total general operating expense	\$1946.93

### SUMMARY OF OPERATING EXPENSES

Total pumping operating expenses	\$11900.42
Total distribution operating expenses	\$ 2634.98
Total general operating expenses	\$ 1946.93
	\$16,482.33