

Joint Return Usual Saving To Taxpayer

(EDITOR'S NOTE: This is the second of five dispatches on how to pay—and not overpay—your federal income tax. Today's dispatch explains joint husband-wife returns.)

WASHINGTON (UPI) — A husband and wife usually can save a tidy sum on their federal in-

come taxes by filing a so-called "joint return." They can do this even though only one of them actually received taxable income during 1962. The reason a joint return usually means a saving is that the United States has what is called a "progressive" income tax rate structure. The higher your income, the bigger percentage of it you must pay in taxes. The basic tax rate for single taxpayers is 20 per cent of the

first \$2,000 of taxable income. The next \$2,000 is taxed at 22 per cent, the next \$2,000 at 26 per cent, and so on until, for taxable incomes above \$200,000 the government's bite is 91 cents out of each dollar. Under a joint return, the total income reported by a married couple is in effect split in two, and each half is taxed separately. Thus the tax rate on each half is lower than the rate on the total would be.

A Savings of \$84

For example, a married man whose income was \$7,000 might find that he owed the government \$1,126 if he filed a separate return just claiming his wife as an exemption. But by having her sign a joint return with him, his tax bill is reduced to \$1,042—a savings of \$84.

Even when both husband and wife are wage-earners, it is usually cheaper to file joint returns. But there are some cases in which they'd come out better by filing separate returns. The only way to decide what to do is to figure your taxes both ways on scratch paper and take the cheaper way.

Even if you filed separate returns last year, you may file a joint return this year, or vice versa. If you file separate returns and later discovered you should have filed a joint return you may do so up to three years after the April 15 filing deadline. But, if you file a joint return, you may not file separate ones after April 15.

Joint filing is prohibited in some circumstances. They are: If you were divorced or legally separated on or before Dec. 31; if you are married to a non-citizen who does not live in this country; or if you and your wife report your income on the basis of different tax years. For example, for business reasons, you may report your income for a 12-month period ending June 30 while your wife uses the regular calendar year.

Other Conditions

Even if you got married on

New Year's Eve just before midnight, you are considered married for the entire year for tax purposes and may file a joint return. If your spouse died in 1962 and you did not remarry, you still may file a joint return. Sometimes a surviving spouse may claim the income-splitting benefits of a joint return for the two years following death. For details about this provision, ask your attorney, accountant or local office of the Internal Revenue Service.

Suppose your wife worked only part time last year and earned less than \$600. A joint return probably would be to your advantage. She might get a refund for taxes withheld if she filed separately, but you would lose her as an exemption.

Both husband and wife must sign a joint return and each becomes individually liable for any tax owed the government. For example, a woman could be legally responsible for a tax debt even if she did no work and received no income during the year.

De Tax Same
Like an individual, a couple filing jointly may take the standard 10 per cent deduction or itemized deductions. But if the man and wife file separate returns and one itemizes his deductions, the other must, too.

You must attach to your joint return both the husband's and the wife's forms W-2, the statement of earnings provided by employers. One other matter that concerns quite a few couples each year is buying and selling of houses. In some circumstances you can get a break on taxation of the profit you make on selling your house. Ask the Internal Revenue Office about this if you sold your house in 1962.

(Next: Exemptions)

Tax Distribution To Cities, Towns

INDIANAPOLIS (UPI) — The Indiana state auditor's office announced Monday the distribution of \$914,335 to cities and towns representing half of the revenue collected during the last quarter of 1962 for alcoholic beverage gallonage taxes.

The total was about \$29,000 greater than for the corresponding period a year ago but about \$38,000 less than the collections for the third quarter of 1962.

Amounts distributed included: Decatur \$2,542, Berne \$807, Albion \$494, Angola \$1,449, Auburn \$1,938, Bluffton \$1,994, Columbia City \$1,466, Fort Wayne \$49,398, Garrett \$1,332, Hartford City \$2,459, Huntington \$4,942, Kendallville \$2,065, LaGrange \$607, Lionier \$792, Montpelier \$596, Portland \$2,137, Warsaw \$2,208, Winchester \$1,753.

Clemson Prepares For Negro Student

CLEMSON, S.C. (UPI) — Officials prepared today to admit a 20-year-old Negro architecture student to Clemson College next Monday.

Harvey Gantt would be the first Negro to attend a white public school in South Carolina, the only state that never has broken its rigid school segregation pattern. South Carolina officials Monday lost two last-ditch attempts to stave off Gantt's admission.

Chief Justice Earl Warren refused to issue a stay delaying enforcement of a ruling last week by the U.S. 4th Circuit Court of Appeals directing Clemson to admit Gantt in the new semester beginning Jan. 28.

Less than three hours earlier, the appeals court refused a similar plea. Clemson still has a right to appeal from the circuit court's decision, but Gantt's admission could not be delayed while attorneys drew up the appeal.

"I feel free to start making plans to enter Clemson next Monday," Gantt said shortly after Warren's ruling.

State officials have said privately they feel there will be no disturbance of the type that marred the enrollment of Negro James Meredith at the University of Mississippi.

In Washington, Atty. Gen. Robert Kennedy told a church group "the responsible leaders of South Carolina have made it clear that they're not going to put up with any violence or disorder."

Local Couple Honored In Magazine Photo

Mr. and Mrs. Elmo Smith, of 334 N. 1st street, were honored in this week's edition of the Rexall Club Reporter, a national magazine for Rexall pharmacists and salespeople, by having their pictures taken in a 1963 Rexall survey.

Smith's father put the Rexall sign out over his store in Decatur in 1904, 59 years ago, and Smith is continuing to operate as a part of the Rexall organization. He was honored as the oldest Rexallite to attend the convention held last week in Chicago.

Rexall is celebrating its diamond jubilee this year, 60 years of business. The 1903 surrey antique auto was given away as a door prize.

20 Years Ago Today

Jan. 22, 1943 — C. E. Johnson, food specialist division chief of the OPA offices at Indianapolis, will speak on fixed price markup at a meeting at the Lincoln school auditorium here Jan. 28.

Mrs. Giles Porter was hostess to the Historical club at her home, with Mrs. Homer Lower as the leader.

The Indiana legislature is studying a measure to provide four-year terms for all county officials. The fall of Tripoli, Libyan capital, is reported imminent as British troops have driven into the city's suburbs.

The Monroe Bearkatz defeated the Hartford Gorillas, 36-31.

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New Squabble On Stevenson

NEW YORK (UPI) — The possibility of a new squabble arose today over the role of Adlai Stevenson in the Cuban crisis.

The latest development was triggered by an article in the current Saturday Evening Post written by the magazine's Washington editor, Stewart Alsop.

The article said that Stevenson had advised the National Security Council to consider the abandonment of the Guantanamo naval base if necessary in exchange for Russian removal of its missiles from Cuba.

Clayton Fritchey, Stevenson's special assistant at the United Nations, said Monday night, however, that the report was inaccurate and contradictory.

Fritchey, one of Alsop's "sources," said the report contradicted a previous article published last December which created a public furor.

Alsop, who co-authored the earlier article with Charles Bartlett, said the information had been elicited from Fritchey in the course of three lengthy conversations.

Quoting from notes made by Bartlett in an interview with Fritchey, Alsop said:

"Stevenson's general approach was to avoid military action until the peace-keeping machinery of the U.N. had a chance to function. He therefore opposed the air attack and favored the blockade. He wanted all nuclear capability

defused and the bases dismantled. He said that if it were necessary to sweeten our negotiating position at this point, we might even consider yielding the Guantanamo base."

Fritchey's denial said: "As to Guantanamo, I said that my understanding of Governor Stevenson's position was that if there was to be any discussion of bases, it should be only after the Cuban military threat had been neutralized. Further, the original Saturday Evening Post article said:

"Stevenson was only willing to discuss Guantanamo and the European bases with the Communists after a neutralization of the Cuban missiles."

"Now however, Stewart Alsop's new footnote, plus a column on the subject by his brother, Joseph Alsop, insinuate that Mr. Stevenson was willing to 'yield' or 'abandon' Guantanamo in exchange for neutralization of the missiles. Again, this is not only inaccurate, but even contradicts the original account in the Saturday Evening Post."

"Governor Stevenson has already given his views on the Saturday Evening Post article. He has nothing to add and, so far as he is concerned, the matter is closed."

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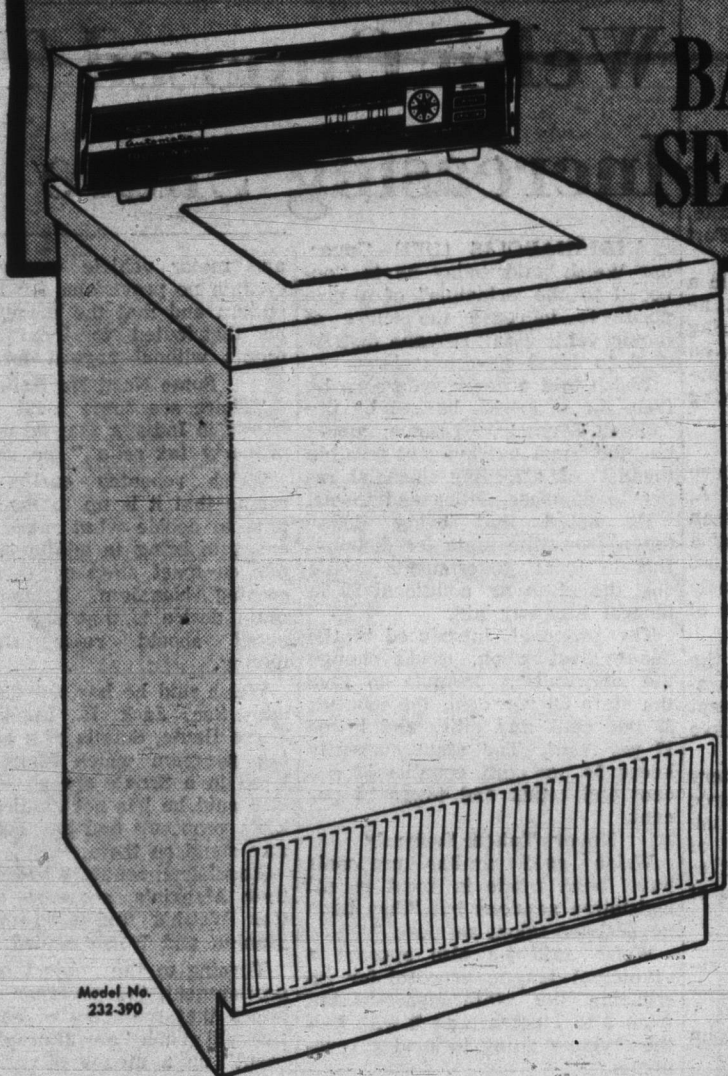
Income	Single Person		Dollar Reduction	Percentage Reduction
	Present Tax	Proposed Tax		
\$ 3,000	\$ 422	\$ 318	\$ 104	24.6
5,000	818	642	176	21.5
7,500	1,405	1,116	289	20.6
10,000	2,096	1,668	428	20.4
20,000	6,412	5,088	1,324	20.6
Joint Return With No Dependents				
\$ 3,000	\$ 300	\$ 210	\$ 90	30.0
5,000	660	488	172	26.1
7,500	1,141	879	262	23.0
10,000	1,636	1,284	352	21.5
20,000	4,532	3,606	926	20.4
Joint Return With Two Dependents				
\$ 3,000	\$ 60	\$ 42	\$ 18	30.0
5,000	420	296	124	29.5
7,500	877	663	214	24.4
10,000	1,372	1,068	304	22.2
20,000	4,124	3,282	842	20.4

Treasury Department table, above, gives income in all cases as annual income before exemptions and deductions. All cases presume a standard deduction.

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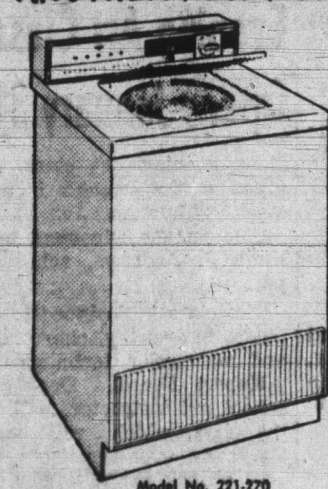
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Snow, Bitter Cold Envelop Midwest Again

By United Press International

Heavy snow and bitter cold crippled the Midwest again today. The cold threatened Southern California's crops for the ninth consecutive day, but Texas' Rio Grande Valley was out of danger.

The storm, which already has claimed at least 87 lives, slammed the mercury to 20 below in Minnesota and 15 below in North Dakota, and dumped up to three inches of snow from Montana to the Ohio Valley.

The Weather Bureau issued a cold wave warning for the high plains area from Montana to New Mexico. Blizzard warnings were out for South Dakota.

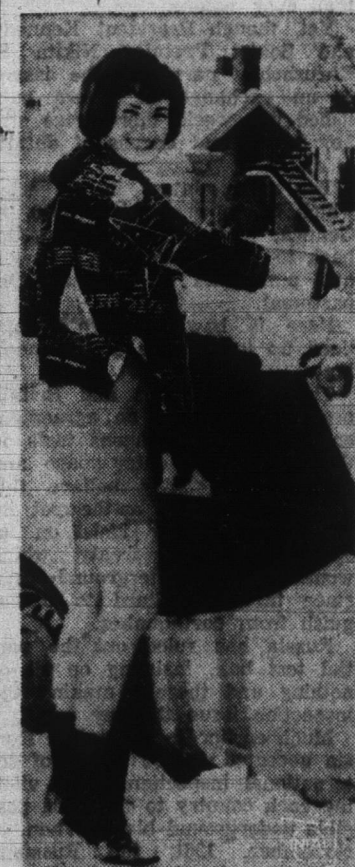
The temperature was expected to drop to 28 in Southern California's citrus area. No relief was in sight from either the cold snap or the drought.

The drought has cost Southern California farmers millions of dollars in crop damage. Only .16 inches of rain has fallen since July 1.

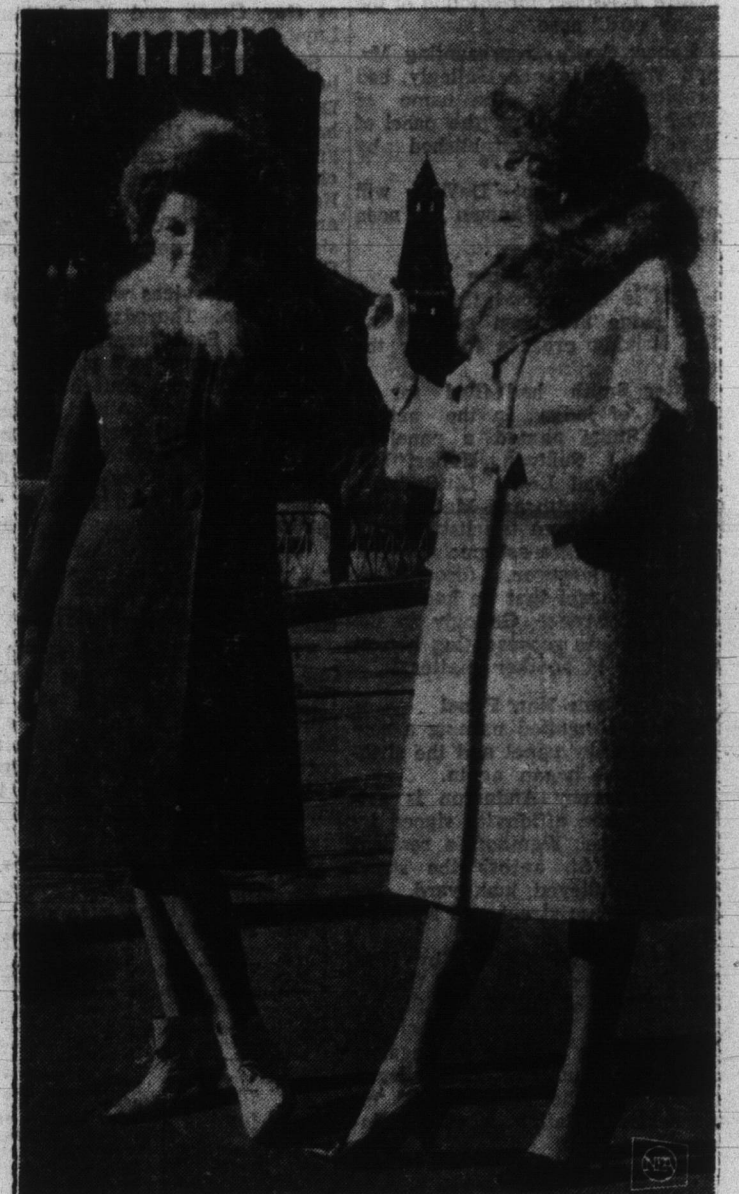
The temperatures were well above freezing in Texas and the Rio Grande Valley's already damaged vegetable and citrus crops apparently were safe for the night.

In Georgia, civil defense authorities estimated the damage from the Sunday night tornadoes and high winds at between \$500,000 and \$1 million. Thirteen counties were hit.

The death toll from the latest storm included Indiana 18, New England 15, Illinois 11, Texas 10, Oklahoma 8, Michigan 7, Colorado 5, Iowa and Wisconsin 3 each, Minnesota, Missouri and Montana 2 each, and New York 1.



THE WEAKER WHAT?—Ear-muff weather in Des Moines, Iowa—seven below and three inches of snow—brought Drake University junior Joan Fausch, 20, out in what the girls wear anywhere, any time—shorts.



MOSCOW PATTERNS—Russian models exhibit current fashions in Moscow's Red Square. Photo is from a Soviet source.

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	Reg. Price	Close-Out Price
Emerson Stereo Console	\$149.95	\$ 99.95
Motorola 19" Walnut Console TV	279.95	219.95
Motorola Early American Maple Stereo	249.95	179.95
Motorola Walnut Stereo	159.95	124.50
Emerson Stereo Console	169.95	129.95
Motorola 19" Mahogany TV	269.95	209.95
Motorola Remote Control 23" TV	309.95	239.95
Admiral Portable Stereo	179.95	129.95
Emerson Stereo with AM-FM Radio	259.95	195.00
Motorola Blonde Oak Stereo	279.95	189.95
Motorola 19" Remote Control	269.95	219.95

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