

Credit for Tax Payments May Reduce Income Tax Liability

(This is the sixth of a series of articles on federal and California income tax filing. This information has been provided by the Committee on Taxation of The California Society of Certified Public Accountants—now observing its 50th Anniversary—in cooperation with the American Institute of Certified Public Accountants.)

Just like contributions and interest paid out (discussed in the previous article), certain taxes you have paid during 1959 can look very good to you when it comes time to make your federal and state income tax returns!

This is provided, of course, you itemize your deductions. There are some taxes which only businessmen can deduct by calling them "business expenses." But the taxes we shall discuss here are those which everybody can claim.

The Federal and California laws have many differences, so while preparing your return you should check the lists appearing in the instruction sheets for both, to make sure you don't overlook any items.

Items such as state gasoline taxes may be estimated on the basis of your total auto mileage during the year. State and local sales taxes may be estimated on the basis of how much you spend for clothing, meals eaten out, household furnishings and supplies other than food.

Or, it may be easier to add up your total income, subtract the non-taxable items such as rent and/or house payments, utility bills, doctor bills, food, charitable donations, insurance, Federal and state income taxes, etc., and then deduct 4% of the balance.

Some monthly home mortgage payments, such as G.I. insured loans, include a certain amount for payment of the annual property taxes. However, these monthly payments are actually just accumulated in an account by the lender until he receives the tax bill in the latter part of the year. The lender pays the tax bill out of this special account. Therefore, you should check with the lender to find out the actual amount

of taxes which were paid during the year.

If you bought or sold property during the year, there will usually be an adjustment for property taxes on the escrow statement. For Federal purposes, whether you receive a refund of property taxes or an additional charge depends on whether the taxes have been paid yet and whether you are the buyer or the seller. However, for California purposes, the one who gets the deduction for property taxes is the person who owns the property on the lien date which is the first Monday in March.

The following items can generally be deducted on both the Federal and California returns:

Auto licenses, state gasoline tax (6 cents per gallon in California), property taxes, retail sales taxes, and state unemployment disability insurance (if paid to state).

These items can be deducted on the California return only:

Federal admissions and amusement taxes, federal telephone and transportation taxes, federal tax on safety deposit boxes, and Social Security tax paid for household help.

The following items can never be deducted on either federal or California returns: Federal gasoline tax, federal income, gift and estate taxes; Social Security tax withheld from wages; "luxury" taxes on furs, jewelry, leather goods, etc., and federal stock transfer taxes.

Although the federal stock transfer taxes can't be listed as one of your tax deductions, they can be deducted from the sales price of the securities sold. There is also one tax which you can deduct on your federal return, but not the California return.

That is the California and/or other state income taxes you have paid during the year.

Income taxes paid to a foreign country may be taken as

one of your itemized deductions or may be used as a credit to reduce your federal tax. You have this option only if you choose to itemize all your deductions for the year.

California formerly allowed a similar type of credit for taxes paid to foreign countries and other states. However, in 1957 the law was changed so that now no credit can be taken for foreign taxes paid. But, taxes withheld on the total amount of dividends, rents and royalties from a foreign source may still be listed as a deduction where the tax is based on gross receipts.

Entrance Tests For Marymount High School Set

Marymount Palos Verdes will conduct its annual scholarship entrance examinations for eighth grade students of public and parochial schools desiring to enter Marymount High School. The examinations will be held on campus Saturday, Feb. 27, at 12:30 p.m.

The Marymount scholarship awards vary in value from \$400 to \$1200 depending upon the examination ranking of winning students. They entitle the winners to college preparatory training and extend over the full four years of high school provided students maintain satisfactory scholastic standing.

their daughter's present principal as soon as possible. If they wish, they may instead apply directly to Committee on Scholarships, Marymount Palos Verdes, 30800 Palos Verdes Drive East, Palos Verdes Estates or telephone FRontier 7-1717.

REGISTRATION for the 1960 Fall classes are also now being accepted. Because of near capacity enrollment, early Spring registration has been necessary for several years.

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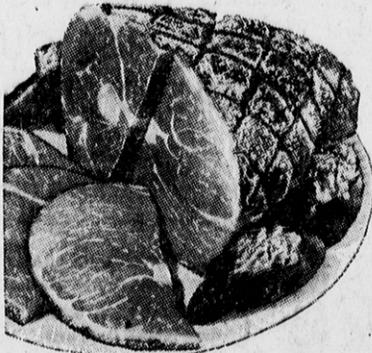
BIG SAVINGS WHOLE OF A SALE!

- Canned Milk** Cherub Evaporated tall can **10¢**
- Coffee** Nob Hill 2-lb. bag **97¢** 1-lb. bag **49¢**
- Margarine** Coldbrook Golden 2 1-lb. ctns. **25¢**

Swift's Premium or Farmer John Gold Label Fully Cooked **HAMS**

Ideas:
• Ham & Cabbage
• Ham & Lima Beans
• Chopped Ham on Toast

Shank Portion **37¢** lb.



Mix 'Em As You Wish!

- Lalani Drink Pineapple-Grapefruit 46-oz. can
- Star-Kist Tuna Chunk Style 6 1/2-oz. can
- Facial Tissues Chiffon Assorted box of 400
- Post Cereals Choice of Post's Corn Toasties, Alpha Bits, Sugar Crisp or Grape-nut Flakes family size

4 for \$1

Mix 'Em As You Wish!

- Heinz Ketchup 14-oz. bottle
- Tomato Juice Town House 46-oz. can
- Grape Jelly Empress Pure 10-oz. jar
- Preserves Empress Grape 10-oz. jar
- Toilet Tissue Chiffon 3x off Pkg. of 2

5 for \$1

- Center Cut Slices or Thick Cut for Roasts **89¢** lb.
- Butt End Portion Fine Flavor **47¢** lb.
- Whole Ham or Full Shank Half **45¢** lb.
- Boneless Roast Round, Sirloin Tip, Rump USDA Choice Aged Beef **89¢** lb.
- Turkey Hindquarters Leg & Thigh Portion **39¢** lb.
- All Meat Franks Safeway-National Kraut Week, Feb. 1-7 **49¢** 1-lb. pkg.
- Whole Hog Sausage R. B. Rice From Missouri **69¢** 1-lb. pkg.
- All Beef Thuringer Sausage (No Garlic) **89¢** lb.
- Fillet of Sole Captain's Choice Frozen—Pan Ready **59¢** 1-lb. pkg.

Grade AA, Fresh EGGS

- Cream o' the Crop. Top quality eggs: rushed to you at the peak of goodness
- Medium Size **2 1-doz. 85¢** ctns.
 - Large Size **2 1-doz. 89¢** ctns.

English CANDIES

Imported, top quality! Daintee assortment of 12 varieties, individually wrapped, with soft filled centers. By jove, they're marvelous, old boy!

Assorted In Bulk **49¢** lb.

Safeway Winter Produce - Tops In Quality!

- Carrots Tender, Freshly Dug Snaptops
 - Turnips Fresh Clip Tops
 - Cabbage New Crop Local
 - Onions Yellow Skin Cooking Variety
- 5¢** lb.

Additional Produce Values!

- Bananas Central American Golden Ripe
 - Anjou Pears Sugary Sweet But low in calories
 - Velvet Yams U.S. No. 1 Fancy
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- Tomatoes Garden Side 28-oz. can
- Grapefruit Highway Pieces 16-oz. can
- Golden Corn Green Giant Cream Style 17-oz. can
- Niblets Corn Whole Golden Vacuum Pack 12-oz. can

6 for \$1

Mix 'Em As You Wish!

- Applesauce High-way 16-oz. can
- Potatoes Newmark Small, whole, new 15-oz. can
- Pork & Beans Desert Brand 15 1/2-oz. can
- Tender Peas Gardenside Sweet 17-oz. can

10 for \$1

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Coconut White Layer Cake

Curtsy 1/2 round 13-oz. size **41¢**

Almond Crunch Coffee Cake

Curtsy baked 8-oz. size **35¢**

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FROZEN FOODS

- Northland Sliced **Strawberries**
- Thick Sliced Sweetened Frozen **3 Full 1-lb. pkgs. \$1**
- Ice Milk Lucerne 4 flavors 1/2-gal. carton **49¢**
- Meat Pies Banquet, Beef, Chicken, Turkey **4 8-oz. pies 99¢**
- Bel-air Vegetables
- Spinach Chopped or Leaf 12-oz. pkg.
 - Peas and Carrots 10-oz. pkg.
 - Potato Patties 12-oz. pkg.
- Premium Quality at low cost **6 pkgs. \$1**

Committee Named to Seek Area Site for Chest Service Center

Desperate need for relocating the Harbor Area Community Chest Service Center drew the attention of Welfare Federation board members at their first 1960 meeting last Thursday at the Torrance Chamber of Commerce.

Youth Council Plans Series Of Gatherings

The Area Youth Council Committee encompassing seven of the neighboring churches, met at the Torrance Seventh-day Adventist church Monday evening to plan a series of combined youth gatherings to be held at two and a half month intervals during the year at each of the churches.

Particular attention will be given to the theme "Spotlight on the Bible" with the aim to show the young people that God is the same in the classroom and on the playground as He is at church in the prayer meeting.

Those attending the council were: Torrance, Elder Glenn Goffar, Louie Miller, Merton Bottroff; Gardena, Elder Merrill Enright, Miss Wheeler; Hawthorne, Elder E. E. Calkins, Dr. Nial Ettinghausen, Mrs. Denny; Redondo, Elder N. W. Baker, Mrs. Dorothy Ryan, Mr. Stark; Inglewood, Elder J. Branson Crispens; Wilmington, Mr. Rudy Bostrum and San Pedro, F. C. Pritchard.

Glenn Koger, board chairman, reported that the present facility in San Pedro was "woefully inadequate and too far from the center of population in this area."

First board action to accelerate the relocation was the appointment of James Visceglia, Palos Verdes, to head a special board committee to explore possibilities of land acquisition for a new Center.

"At present," Koger said, "five Chest-supported services and the Community Chest are in the Center, but many agencies have indicated they would maintain offices in a Center if facilities were adequate."

"The object of a center," he added, "is to give the best possible service to residents of the Harbor Area—Torrance, Gardena, Lomita, Harbor City, Rolling Hills, Palos Verdes, San Pedro and Wilmington and to have as many agencies as possible under one roof in order to operate more economically."

Helping Visceglia on the Center Relocation Committee are: Miss Frances Dasarac, Lomita; Jim Becker, Torrance; and John Sonneborn and Rodney Smith, San Pedro.

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