

Expenses of Automobile Can Drop 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.)

Although the millions of Californians who drive their cars for personal reasons are not permitted to deduct their automobile expenses, as such, on their tax returns, there are some expenses connected with the operation of an automobile which may be deducted. For example—sales and use taxes paid upon the purchase of an automobile are fully deductible, as are the annual license fees paid to the state. Although federal taxes on gasoline are not deductible, any gasoline tax assessed by a state is deductible; in California the state tax is 6 cents per gallon.

Interest paid on automobile loans is also fully deductible, whether the loan represents the balance of the purchase price or money borrowed with the car being pledged as security.

If the charge is not called "interest" but is designated as a "carrying charge," "time price differential," or some other such term, then your deduction is limited to an amount equal to 6 per cent per annum based on the average unpaid balance of the loan.

Damage to your car, due to an accident, is deductible to the extent that you are not reimbursed by insurance or other means.

The measure of loss is the difference in fair market value of the car immediately before and immediately after the accident; however, the cost of repairing any damage is commonly accepted as the amount of the loss.

If, as the result of an accident, you have damaged someone else's property, and must pay for repairing it, the cost of repairing the other person's property is a personal expense and not deductible.

The same rules, as to the deductibility of a loss, apply to losses arising from theft, fire or other casualty. The fact that you yourself were responsible for the accident will not cause you to lose the deduction unless the damage was caused willfully.

In all cases, the loss is deductible in the year of the casualty regardless of when, or if, the damage is repaired.

Cost of traveling to a doctor's office, hospital or elsewhere for medical treatment is deductible; if you use your own car for this purpose, the cost of gasoline, parking and

other operating expenses may be deducted on your return as medical expenses.

The same rule applies to the use of your car in connection with services performed for a charitable organization, in which case the cost of operating a car may be claimed as a contribution deduction.

Any taxpayer who uses a car in his business or in carrying out the duties of his employment can deduct on his tax return expenses of operating the car, to the extent that he was not entitled to be reimbursed for them.

Such expenses include depreciation, insurance, gasoline, oil, lubrication, washing, parking, tires, repairs, license fees, etc.

If the car is used partly for business and partly for personal affairs, an allocation must be made to arrive at the deductible portion. Any parts of the costs allocated to personal use which fall into the categories of taxes, interest, etc., as explained in the preceding paragraphs, can be taken as deductions on the return.

The allocation of cost between business and personal use is usually required to be made on a mileage basis. Therefore, it is highly desirable for a taxpayer—who may later be required to prove his right to a deduction—to maintain a log or other record which will enable him to substantiate the business portion of the driving.

Easter Bunny Plans Visits To Torrance

That furry harbinger of Spring, the Easter bunny, is due to come hippety-hopping to the Torrance Arts and Crafts Center during a special crafts session planned this month.

The Easter Bunny Club will convene at 9:30 a.m. each Saturday from March 11 through April 1. Registration closes March 10.

Under the direction of Erika Muhl, the group will create seasonal crafts as well as participate in games and song-fests. The Easter Bunny is due to make an appearance with his basket of goodies at the final session.

Youngsters may register at the Torrance Recreation Dept. offices, 1511 Cravens Ave.

Little Chats

On Public Notice

(Copyright 1960)

By JAMES E. POLLARD

The Delinquent Taxpayer (No. 14 in a Series)

In times of prosperity the delinquent taxpayer is not much of a problem. But in bad times, such as the '30's, his number was legion. Unpaid taxes on real estate in many major counties, for example, ran into millions of dollars.

In relatively flourishing times there are comparatively few such delinquents. But even then there are always some for one reason or another. And the law has a way to deal with such folks, whether few or many.

This is to publicize the delinquency through a form of public notice carried in a local newspaper of paid general circulation. In recent years these lists have been comparatively short. But in bad years they have run to page after page in the case of the largest cities.

These lists carry the name of the taxpayer, a brief description of the property on which taxes are delinquent, and the amount of the tax

due. The notice gives information also as to when and under what conditions the tax must be paid. In many instances sympathetic legislators gave badly needed relief to hard pressed taxpayers in the worst years. The local newspaper is about the only effective means of publicizing such situations. This is a necessary but effective form of public service for which the bona fide newspaper is peculiarly fitted. Such publication also puts the taxpayer on what amounts to final notice so that he can still protect his rights.

Dependable Insurance

FIRE AUTO



Lund CO AGENTS

1425-A MARCELINA PH. FA 8-3567

VURPS CAFE
COCKTAILS
DANCING
The Bel Ayres
Fri., Sat., 9-2
1434 MARCELINA AVE.
DOWNTOWN, TORRANCE

Bank of America Launches New Advertising Programs

Bank of America, largest buyer of California municipal bonds, has launched a unique advertising campaign to remind citizens where the money comes from.

The campaign is directed at towns outside the metropolitan areas and is conducted on a community-by-community basis. Each time the Bank of America buys a municipal bond its advertising agency, Albert Frank-Guenther, Law, Inc., places an ad in the community's newspaper.

FOR EXAMPLE, when the Bank bought the \$875,000 bond issue of the Grant High School District in North Sacramento, an ad appeared in the North Sacramento Journal showing teen-age students outside a modern high school. It bore the headline "Here's \$875,000 for the Grant High School Dis-

trict." The text in down-to-earth prose carried a number of messages. The bonds were bought at competitive bidding, which assures low interest rates.

The Bank of America bids on all California municipal bond issues it is legally entitled to. The Bank is proud to help develop the community's schools. The interest rates on the bonds reflect the credit rating of the school district. The quality of community services is reflected in property values over the years.

THE ART, headline, and text of these ads are adapted to conform to the type of bonds the municipal bond department has purchased. An ad for Tri-Cities Water District, Orange County, shows a boy drinking water from a garden hose. An ad for the Kingsburg Hospital District shows a mother with a new-

born baby being photographed by the proud father.

The campaign got underway only a few weeks ago, but the ads already have run in more than 40 communities. There will be lots more to come, for the Bank of America is the largest buyer of municipal bonds in the state (\$697 million in the past 12 months).

THE NEW campaign is another pioneering venture for

the Bank's municipal bond department. It was the first to introduce art vignettes into the onetime lifeless "tombstone" ads for new bond issues.

The ads for the latest campaign reduce information to a minimum, carry no long list of underwriters, and are localized and personalized to a degree where any reader can grasp the Bank of America's role in municipal financing.

Wins Catholic Poster Contest

Karen Diederich, a senior at Bishop Montgomery High School, Torrance, was winner of the 1961 Mary's Hour poster contest conducted in Catholic high schools of the Archdiocese.

Juliana Mosbach and Lorna Hershey, both of St. Mary Academy, placed second and

third. Seven students won honorable mention.

Six of the top ten were students of Sister Rose Margaret C.S.J. of Bishop Montgomery.

The winner will be the official Mary's Hour poster to be distributed among schools and churches throughout the Archdiocese. Second place will be used as the program cover.

Plush Horse Exec. Makes Study Tour

Dennis Allen, beverage manager of the Plush Horse Inn, has been elected the Representative of the United Kingdom Bartenders' Guild (UKBG) West Coast Branch, for 1961.

As representative, Allen leaves this week for Europe with his wife and two children, to attend the UKBG annual banquet at the Park Lane Hotel in London.

Afterwards, he will visit Amsterdam, Paris, Copenhagen, and the French Riviera, to gather new recipes for use upon his return to the Plush Horse Inn at the end of March.

FOOD GIANT

SAVE MUCH MORE AT FOOD GIANT!

WHERE IT'S FUN TO SHOP AND SO EASY TO SAVE

3 GIANT SALE DAYS - MON. THROUGH WED., MARCH 6, 7, 8
DON'T FORGET THOSE MARVELOUS BLUE CHIP STAMPS!

PROGRESSO

Tomato SAUCE

8-oz. Can

5¢

FOOD GIANT

OLEO MARGARINE

1-lb. CTNS

2 25¢

DAILY DIET

DOG FOOD

1-lb. Can

16¢

SONNY BOY - 10-oz. Package

FROZEN PEAS & CARROTS 10¢

RUS-ETTE HASH-BROWN - 12-oz. Pkg.

FROZEN POTATOES 2 FOR 25¢

OSCAR WINNER EASTERN BERTY SMALL SIZE PORK

SPARE RIBS 39¢

2 TO 3 POUND AVERAGE

JACK AND THE BEANSTALK sweet garden taste, 303 can whole kernel or

Creamed Corn 17¢

FOOD GIANT, Mix with ketchup and milk for tasty dressing. Quart

Mayonnaise 49¢

BUDDY-BOY, better because you pop it yourself. 2-pound package

Popping Corn 29¢

FOOD GIANT, makes every salad taste better, handy to use. Quart bottle

Salad Oil 49¢

MA PERKINS - No. 2 1/2 Can

PEARS 29¢

GENUINE STEER • SLICED OR PIECE • TENDER

BEEF LIVER 39¢

NORTHERN • FROM THE GOLD PACIFIC • COOKED

JUMBO CRABS 39¢

FEILERS PAN READY BEEF

SANDWICH STEAKS 3 2-oz. Pkg. 25¢

FOUR FISHERMEN • HEAT AND EAT GOLDEN

FRIED FISH STICKS 1-lb. Pkg. 59¢

FISHER'S WHEAT GERM 20-oz. Box 39¢

DOLE • FROZEN PINEAPPLE JUICE 6-oz. Can 21¢

DELAWARE • FROZ. PUNCH 6-oz. Can 19¢

Hip-O-Lite Marshmallow TOPPING 1 Pint Can 29¢

RED SEAL LYE Regular Size 25¢

FOOD GIANT

FRESH LIVER SAUSAGE 39¢

1 lb

FRESH WINTER NELIS

PEARS 2 lbs. 25¢

LARGE ROMAINE

LETTUCE 5¢

ca

IN SAN PEDRO 28849 Western Ave. In GARDENA 24990 Crenshaw Blvd. at Compton In HAWTHORNE 423 S. Hawthorne Blvd. at 132nd In MANHATTAN BEACH 2400 Sepulveda Blvd. at Marine In NO TORRANCE 4848 W. 190th St. at Anza In TORRANCE 3731 Pacific Coast Hwy. at Hawthorne