

TRADESMEN AND SHOP-KEEPERS MUST PAY TAX

A farmer, shopkeeper, or tradesman must figure up his net income for 1919; and if the farm or business income plus his other income was sufficient to require an income tax return a complete return must be filed with the collector of internal revenue by March 15. A farmer should ascertain the gross income of his farm by computing all gains derived from the sale or exchange of his products, whether produced on the farm or purchased and resold.

Farm Expenses.

From his gross income a farmer is allowed to charge off all of his necessary expenses in the conduct of the farm during the year. These include costs of planting, cultivating, harvesting and marketing. In addition to these costs he may deduct money spent for ordinary farm tools of short life bought during the year, such as shovels, rakes, etc. Also, the cost of feed purchased for his live stock may be treated as an expense in so far as this cost represents actual outlay, but the value of his own products fed to animals is not a deductible item.

Other farm expenses allowable are the cost of minor repairs on buildings (but not the dwelling house), on fences, wagons and farm machinery; also bills paid for horseshoeing, stock powders, rock salt, services of veterinary, insurance (except on dwelling house), gasoline for operating power and sundry other expenses which were paid for in cash.

As to hired help, all the productive labor is a deductible expense; but the wages of household servants, or help hired to improve the farm, as in tree planting, ditching, etc., cannot be claimed against earnings. A farmer is not allowed to claim a salary for himself or members of his family who work on the farm.

Wear and Tear.

Purchase of farm machinery, wagons, work animals, etc., also the cost of construction or extension of buildings, silos, fencing, etc., should be considered additional investments in the farm and are not proper deductions against income.

A reasonable allowance may be claimed for wear and tear on farm buildings (except the farmhouse), fences, machinery, work animals, wagons, tanks, windmills and other farm equipment which is used in the conduct of the farm.

As to autos and tractors, the cost of these is not an expense, although the cost of their upkeep is an allowable deduction, if the machines are used exclusively for farm purposes and not for pleasure. Also, in such cases, a deduction for wear and tear is allowed.

Farm Losses.

The loss of a growing crop is not a proper deduction from income, inasmuch as the value of the crop had not been taken into gross income. The loss of a building or of machinery through storm, lightning, flood, etc., is an allowable deduction, but care should be used to ascertain the correct loss

sustained, as restricted by income tax regulations.

No deduction is allowed in the case of loss of animals raised on the farm, but a loss is deductible from gross income if the animals had been purchased for draft or breeding purposes.

Shrinkage in weight or value of farm products held for favorable market prices cannot be deducted as a loss, for the reason that when such products are sold the shrinkage will be reflected in the selling price.

Sale of Farms and Land.

The value of agricultural lands has been jumping during the past few years, and during 1919 many owners sold out part or all of their lands at big profits. All such gains constitute income and must be taken into the net income for the year.

Any person who sold part of a farm or ranch, or part of a parcel of land, must also show any gains realized by the sale.

The method of figuring gains and losses on such transactions is prescribed in the Income Tax regulations, copies of which may be secured from Internal Revenue Collectors.

Forms for Returns.

The Internal Revenue Bureau has issued an improved Form 1040F for the use of farmers. This form, together with Form 1040A or 1040, will give the farmer explicit information as to how to properly figure his net income for 1919.

There are two methods of figuring a farmer's income tax return this year. He may make his return on the basis of the difference between the money and goods received for his products and the cash paid out for actual allowable farm expenses within the year. Or he may make his return on the accrual basis, which means computing the receipts and expenses that pertain to the taxable year, excluding income earned and expenses incurred in previous or succeeding years.

\$2.50 a year—and worth more.

BASKETBALL TEAM OUT FOR A WHIRLWIND FINISH

The Alliance quintet left for Bayard to play the Bayardites a return game tonight. The locals returned from Lincoln with more pep and determination to finish the season in a whirlwind fashion. Thursday night they play the fast Chadron normal aggregation, and then close the season with a double-header with Morrill, both boys and girls.

Deshler, which defeated the Alliance team in their first and only game at the stat tournament, outclassed the locals in their ability to make long throws, making three the last half and overcoming the lead of Alliance in the first half and winning the initial game of class "C." Deshler went down of defeat before Dunbar in the second round. Dunbar defeated Alliance in the second round last year.

One western tea mbrought home a trophy. Kimball was in a class lower than Alliance, but they had a hard game with Ansley. After that they were the favorites in class "D."

This year there will be more activity in spring athletics. All western schools are in favor of a track and field meet. Alliance will do her share in being represented and in copying her share of the medals.

HAVE IT WELDED

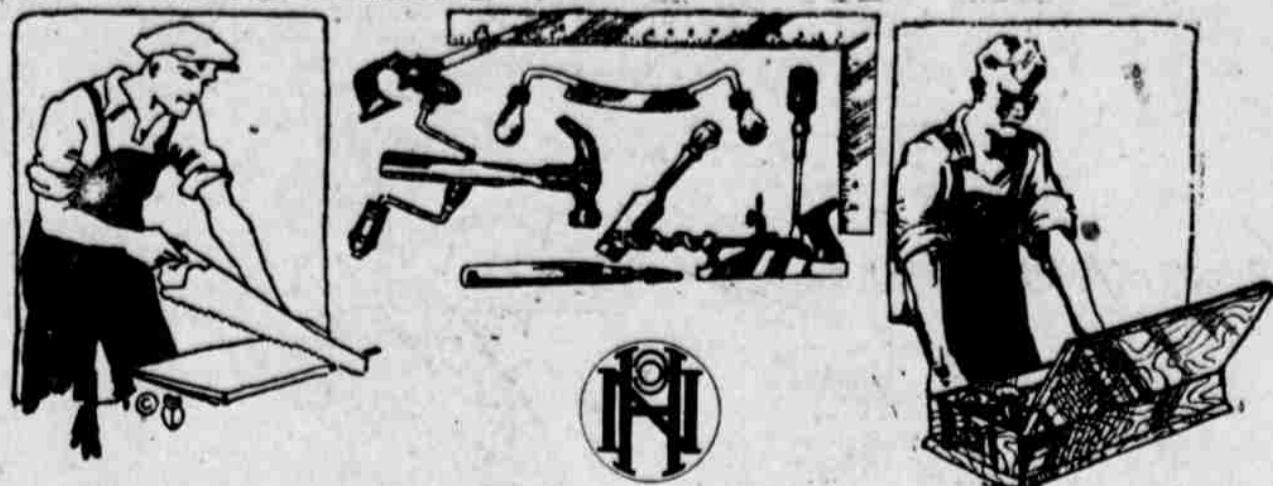
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Cylinder Blocks, Frames and Transmission Cases a Specialty

George H. Breckner

The Old Weaver Garage



Good workmen can do better work and do it more quickly if they have Good Tools.

A poor cutting edge not only makes it impossible to turn out a perfect job, but it means harder work and more time used than necessary.

Our Tools are made of the best steel, properly tempered and finished, so you can feel assured of absolute satisfaction with every piece.

- Stanley Bit Braces - - - - \$1.00 to \$6.00
- Everlasting Chisel Set, 6 in roll - - - - \$7.75
- "Yankee" Breast Drill - - - - \$8.25
- Screw Drivers - - - - 25¢ to \$3.50
- Nail Hammers - - - - \$1.60 to \$2.00
- Bailey Plane No. 45 - - - - \$14.50
- Atkins Hand Saws - - - - \$1.75 to \$6.00

CEMENT AND PLASTERERS' TOOLS

Newberry's Hardware Co.



"Here we are, in tip-top shape"

—Chesterfield

YES, and that's the way Chesterfields always arrive—crisp, fresh and in prime shape for smoking. It's the extra wrapper of moisture-proof paper that does it. Your Chesterfields never become too moist or too dry.



Thrift in Youth--Comfort in Old Age

If, while you are young and earning plenty of money, you will put a part of it in this Bank each week, when old age comes you will have a true friend to take care of you—bringing you comforts denied the less thrifty.

We have several plans, each one with some special point of interest, but all ending with a good balance in the Bank for you—providing you follow through to the end of the plan you select.

Stop in any time and talk it over with one of our officers.

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For Individual Use

For the convenience of our Savings depositors we have secured these Small Steel Banks for home accumulations. These will be given away to each of our patrons in the Savings Department and also to those who open a Savings Account. They make a simple and effective means of keeping odd change until it assumes enough size to deposit. They will be distributed beginning

SATURDAY MORNING, MARCH 6TH

FIRST STATE BANK



Dependable Quality Lumber

The one most important consideration in buying Lumber is the Quality.

The labor involved in Building is often greater when poor Lumber is used, and the life of the building is shortened materially.

Compare the prices on our dependable Quality Lumber with what you will have to pay elsewhere for an inferior grade—and then build for permanency.

Forest Lumber Co.

W. M. Bevington, Mgr.