

# Make sure you take advantage of new tax laws

Several new tax law provisions will not affect your 1981 federal income tax return unless you are a small-business owner.

With this in mind, the provisions for faster depreciation and some larger investment tax credits on business equipment are retroactive to Jan. 1, 1981. To ensure you're taking advantage of the available tax breaks, ask yourself these questions:

How much can I deduct for depreciation under the new tax law?

Most business equipment costs can now be recovered in three or five years. The three-year recovery includes most business cars and light trucks as well as certain tools. Most other office and factory equipment can be depreciated over five-year terms.

The IRS has prepared new tables for reporting depreciation on your federal

income tax return. Here's an example of how it works for three-year depreciation. If you put a \$15,000 light-duty truck in use, then on your 1981 tax return you can deduct 25 percent of the cost — or \$3,750. On next year's tax return, you deduct 38 percent — or \$5,700, and 37 percent — or \$5,550 can be deducted in 1983.

Here's how the five-year depreciation scale works. A 15-percent cost deduction in the first year, 22 percent in the second, and 21 percent in each of the following years.

These rules apply to business equipment bought and in service after Jan. 1, 1981. There is no longer a salvage value limitation, so your entire costs are recoverable.

In addition to allowing quick cost recovery, this system should eliminate the many IRS examinations that were common when the reporting system

was more complicated.

What rules apply to used business equipment purchased in 1981?

The same rules apply to used equipment. The new tax law erases any difference in provisions for depreciating new or used business equipment.

How much will my investment tax credits increase?

You can now claim a tax credit of 6 percent rather than 3 1/2 percent on property with a useful life of three years. A full 10-percent credit applies to property in the 5-, 10- and 15-year categories. You can apply the tax credit to as much as \$125,000 of used-business-equipment expenditures, up from \$100,000. That amount will increase to \$150,000 in 1985.

But you cannot claim this tax credit if you use the "expensing" method of depreciation which means you are deducting the entire cost of your equipment as a business expense.

How much can I deduct for service awards to my employees?

You can deduct as much as \$400 for each award to an employee for length of service, productivity, or safety achievement. This is an increase of \$300 per award and must be tangible property, not cash. You qualify if the awards were made after August 13, the

date the new tax law was enacted.

While you are preparing your 1981 tax return, you may want to plan ahead to accommodate some of the changes that will affect your 1982 tax return. Here's a review of some major changes:

- Tax credits for rehabilitating old buildings will increase from 10 to 15 percent on buildings which are 30 to 39 years old. Higher credits will apply to older, rehabilitated buildings or certified historic structures.

- You can "expense" up to \$5,000 of your capital expenditures if you do not depreciate them, and that amount will

gradually increase.

- It may be easier for you to claim investment tax credits and depreciation on leased equipment.

- Changing your inventory accounting system from FIFO to LIFO may provide a tax savings.

- The targeted jobs credit will continue to cover wages paid to eligible employees hired before the end of 1982.

- Deductible charitable contributions by corporations will increase to 10 percent of taxable income, which is double the present rate.

## Cops confiscate porno films

Police officers from Keego Harbor, Orchard Lake and Sylvan Lake raided the Keego Cinema and Love Boutique Friday, confiscating two X-rated films on the grounds they are obscene motion pictures.

The films, "Hot Dallas Nights" and "Senator's Daughter," were taken under a search warrant issued by the Oakland County Prosecutor's Office, said Keego Harbor Police Chief William Holloway.

The warrant was signed by 48th District Court Judge Carl Ingraham.

Police officers reportedly screened the films, then went for the warrant. The double bill had been featured at the theater for two days.

"The films will be turned over to the

prosecutor's office. Any action will have to come from them," Holloway reported Monday.

"We haven't seen the paperwork yet," said theater attorney Carl Rubin. "What we'll do when we see it is act in the best interest of our client."

Theater newspaper advertisements continued to advertise the two films Tuesday.

The theater shut down for approximately two hours Friday, then reportedly resumed business with three films, "Lure of the Triangle," "Four Skins" and "The Devil and Miss Jones."

THE CONFISCATED "Hot Dallas Nights" is listed at five other Detroit-area adult theaters. "Senator's Daugh-

ter" is only listed at the Keego Cinema. Holloway didn't say what prompted the film viewing and subsequent raid.

A group, Citizens Opposing Pornography (COP), continue picketing the theater as it has done since last August when the theater first began showing X-rated films.

The theater began showing adult films after a federal appeals court overturned a district court ruling outlawing an X-rated theater in the small city of Keego Harbor.

The theater showed general films until its purchase in December, 1980 by attorney Lawrence Schlusser. Schlusser leased the theater to the Keego Theater Co., headed by theater manager Michael Kapusniak.

**\$150,000 LIQUIDATION!**

**WE'RE MOVING**

**UP TO 75% OFF!**

Easier to sell—than move to our new Farmington Hills location. So, we've drastically Reduced Prices on Our Entire Inventory.

including, Levi's, Dee-Cee, Lee, Kennington, Wrangler, Calvin Klein, Bobbie Brooks, Viceroy, Bon Jour, Oscar de la Renta

**GUYS...**

LEVI'S BASIC JEANS & CORDUROY'S Reg. \$22 **NOW \$12<sup>88</sup>**

LEVI'S FOR MEN, LEVI'S ACTION SLACKS, & PAINTER PANTS Reg. Up To \$28.00 **NOW \$8<sup>88</sup>-\$16<sup>88</sup>**

SHIRTS Flannels, Plaids, Solids Reg. \$14 - \$21 **NOW \$6<sup>88</sup>-\$10<sup>88</sup>**

SWEATERS Stripes, Solids, Long/Short Sleeve, "V" Necks, Crew Necks Reg. \$20 - \$30 **NOW \$9<sup>88</sup>-\$17<sup>88</sup>**

OUTER WEAR Levi's Corduroy Sport Coats, Shipra-lined Jackets & Vests Reg. \$26 - \$85 **NOW \$14-\$50**

SIZES Mens 28-44 Students 25-30 Boys 7-14 Tops from Small, Medium, Large, X-Large

**JEANS** Basic denims & corduroys Reg. \$18 - \$36 **NOW \$9<sup>88</sup>-\$19<sup>88</sup>**

**BLAZERS** Corduroys, Velvets, Wools Reg. \$50 - \$80 **NOW \$25-\$40**

**SHIRTS** Plaids, Checks, Solids Reg. \$18 - \$30 **NOW \$10<sup>88</sup>-\$17<sup>88</sup>**

**SWEATERS** "V" Necks, Crew Necks, Solids, Novelties Reg. \$16 - \$35 **NOW \$7<sup>88</sup>-\$16<sup>88</sup>**

**SKIRTS** Denims, Corduroys, Flannels, Wool-Blends, Solids & Patterns Reg. \$25 - \$39 **NOW \$12<sup>50</sup>-\$19<sup>50</sup>**

**LEVI'S BEND-OVERS** Reg. \$26 **NOW \$14<sup>88</sup>**

**ALL DESIGNER JEANS!** Calvin Klein, Oscar de la Renta, Bon Jour, Sasson **NOW 30% OFF**

**BIB OVERALLS** Now Sale Priced at \$22<sup>88</sup> **REDUCED FURTHER \$12<sup>88</sup> TO**

**ALL HATS, BELTS, GLOVES, SOCKS, WALLET, JEWELRY** **NOW 1/2 PRICE!**

**PLUS 100 PIECES OF MERCHANDISE REG. 12<sup>88</sup> - 36<sup>88</sup> TAKE YOUR PICK \$5.00**

**JeansVelle Fashion Centers**

**FARMINGTON HILLS LOCATION ONLY!** Chatham Square Shopping Center 11 Mile & Middlebelt PH #476 9066

**Get Your Perfect Gift for "Sweet 16" or Confirmation The Stadium**

Featuring a full line of hand painted and applique Sweats-Active Wear! We carry a complete selection of Michigan and Michigan State Apparel & Novelties. New Spring Merchandise arriving daily!

**The Stadium** at Loehmanns Hunters Square 31025 Orchard Lk. Rd. at 14 Mile Farmington Hills • 855-4460

VISA M/C

**NUTRITIONAL COUNSELING CENTER, P.C.**

4400 Town Center Suite 250 Southfield, MI. 48075 (313) 354-1530

**A MEDICAL PROGRAM FOR OBESITY**

- For patients with or without Diabetes, Hypertension, and/or Heart Problems.
- Medical evaluation and treatment by an Internist
- Medical and Nutritional education and behavior modification by a Psychologist
- Alternative program is available at low cost.

**FASHIONCENTS**

**DRAMATIC AFTER-INVENTORY CLEARANCE SALE!**

our entire stock of fall and winter

**SPORTSWEAR and DRESSES**

**50% to 70% off**

You'll find LIZ CLAIBORNE • TAHARI • EVAN PICONE GLORIA VANDERBILT • CALVIN KLEIN • PANT-HER DON KLEIN • CAROLE LITTLE • IRKA J.H. COLLECTIBLES • PROPHECY and many more, but selection may vary by store.

**fashionCents**

159 West Maple, Birmingham • Muirwood Square-Grand River at Drake, Farmington • 4910 Schaefer, Dearborn

STORE HOURS: Birmingham open Mon., Tues., Wed. 10-6; Thurs., Fri. 10-9; Sat. 9:30-6; Closed Sundays • Farmington open Mon., Thurs., Fri. 10-9; Tues., Wed., Sat. 10-6; Sunday 12-5 • Dearborn open Mon., through Fri. 10-9; Sat. 10-5; Sunday 12-5