business people

JAMES W. DETZEL of Southfield was promoted to the newly created post of eastern regional sales manager, heavy duty sales at the Federal-Mogul Corp.

DONALD A. VAN SUILICHEM of Troy has become a partner in the law firm of Clark, Klein & Beaumont in Detroit. He has been with the firm since 1975 and specializes in labor law and civil rights defense litigation.

SUSAN JOHNSON of West Bloomfield joined Hutzel Hospital as assistant director of dietary services. She was director of food services for the Northville Regional Psychiatric Hospital.

NORMAN AKARAKCIAN of West Bloomfield was appointed to the newly created position of manager of sales, handling national accounts. He was with Ford Motor Co. for 27 years in the Body and Assembly Division.

TERRY LIVERMORE of Farmington hills joined Ross Roy as account supervisor on the Department of Commerce account. He has worked for several Detroit and New York agencies.

MICHAEL GAREY of Troy was appointed assistant vice president of trust systems development, and HARVEY HOHAUSER of Rochester was named assistant vice president in the personal trust department of the Detroit Bank & Trust. Hohauser was associate director of the Urban Affairs Center at Oakland University. Garey was trust operations officer.

FREDERICK ADAMS JR. of West Bloomfield was named first vice president in the regional banking division of the National Bank of Detroit. He was vice president in the Warren division.

WILLIAM BRUSSOW was appointed account supervisor on the American Motors account at Grey Advertising. He was director of advertising for Ziebart.

DOUGLAS ELKINS was appointed dean of students, and HELEN WILSON was tapped as dean of women and women's resident director at St. Mary's College in Orchard Lake. Elkins was a research associate in the department of pharmacology at Wayne State. Wilson is a recent graduate from the social work master's program at the University of Michigan.

RICHARD SKOWRON is the new sales manager of Nelson Industrial Services Inc., a subsidiary of Nelson Chemicals Co. The appointment was announced by company president Harold Nelson of Southfield.

4 elements highlight tax shelters

BEGINNING INVESTORS usually are intrigued by tax shelters as they venture into the investment frontier.

To eliminate some of the mystery of tax sheltered investments, let's examine their four basic elements.

●DEFERRAL: This involves shifting taxable income from the current taxable year until a later year to take advantage of either a lower tax bracket or the time value of money by postponing the tax.

●CONVERSION: This element occurs when you obtain current tax deductions against ordinary income while turning future revenues into income taxable at more favorable tax features such as depreciation or depletion.

●LEVERAGE: Leverage is a key element in many tax shelters. It is obtained by using borrowed money to finance the acquisition or operation of the tax shelter in whole or in part. Through it, the investor's deduction may be increased beyond his actual cash investment.

●TAX CREDITS: In some shelters, tax credits such as the investment tax credit or the energy tax credit play an important role.

As in any other investment, an investor must first decide upon his objectives. For example, a shelter giving maximum tax deductions will not generally provide cash distributions to the partners because these two objectives conflict.

Likewise, safety of principal conflicts to some degree with growth of capital. If an investor's objective is to receive current income and have it partially sheltered from tax, this dictates the use of a different shelter than the objective of substantial current tax deductions.

finances and you

Sid Mittra

The investor should carefully review the prospectus, wh[illegible] it describes the investment and note any questions he may have. Common sense dictates that the higher the anticipated tax deductions, the riskier the investment may be.

The general partner and management of the program must be evaluated.

WE'LL EXAMINE tax shelters and their possible problems at a seminar Wednesday, Nov. 3 at the MSU Management Center in Troy.

This tax shelter seminar is the third in a series sponsored by The Observer & Eccentric Newspapers and myself designed specifically for professionals.

Time is 8-10 p.m. Registration required by calling 643-8888.

Next week: Tax shelters and tax frauds.

Sid Mittra is president of Coordinated Financial Planning in Troy and a professor of management at Oakland University in Rochester.

datebook

THE OAKLAND County Chamber of Commerce provides a hotline (644-3895) to offer help for those companies with problems or questions about remaining, expanding or relocating in Oakland County. BREECH, Business and Real Estate Expansion and Clearing House of Oakland County Inc., operates Monday through Friday 9 a.m. to 5 p.m. at the chamber's Pontiac office.

FOX & CO., a CPA firm in Southfield, presents a business and tax seminar on investment strategies for 1983. Speakers are Craig Hall, chairman of Hall Real Estate Group, speaking on real estate ventures and shelters, a current look; Peter Mott, assistant vice president with Kidder, Peabody Co., talking on the financial markets; Margaret Southworth, a certified financial planner, speaking on personal financial planning in today's economy. Ralph Zerbonia, supervisor of the Fox & Co. tax department, speaks on the 1982 Tax Equity and Fiscal Responsibility Act. Registration is 3:30 p.m. Tuesday, Oct. 26. Program is 4-6 p.m. at Hamilton Place, 30333 Southfield Road, Southfield.

TWO FREE introductory small-business workshops are offered by the Program Development Division of the School of Business Administration of Wayne State University. The Oct. 16 session is at the Southfield Holiday Inn and the Oct. 18 session is at the Troy Somerset Inn. After Oct. 20, participants may enroll in any of the three, 18-hour classes scheduled to begin the following week at either the Michigan Inn or the main WSU campus. Topic is how to start and run a successful small business. For more details, call 577-4353.

FIRST OF Michigan Corp. of Rochester hosts a free investment planning seminar 7-9 p.m. Tuesday, Oct. 19 at the Royal Oak Library, 222 E. 11 Mile Road. For more details, call 651-8880.

THE SOUTH Oakland County Board of Realtors Women's Council Luncheon is Wednesday, Oct. 20 at Marinelli's of Troy. Guest speaker will be someone from the Royal Oak League of Women Voters. Lunch is at 11:30 a.m. with cocktails. Fee is $7.60 for members and $7.75 for guest. Call 644-3683.

DAVID WEISS, a tax attorney and CPA, will discuss wills at a 7:30 p.m. Thursday, Oct. 21 free program at the Farmington Community Library, 32737 12 Mile Road. For more information, call 553-0300.

CHERYL EVERETT, assistant vice president of retirement planning for Metropolitan Savings, will be the guest speaker for the Oakland County Chamber of Commerce October Council on Small Enterprise Seminar. The financial preparation for retirement seminar is 8-10 a.m. Tuesday, Oct. 19, at Roma's of Bloomfield, Telegraph at Square Lake roads. Cost is $4 for members, $5 for guests. Reservations required by calling 335-6148 or 644-3683.