

Sub-S could help you

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dren represented as shareholder. The dividends, interest, or rental income from real estate investments would become corporate earnings. The children's share of those earnings would be taxed at their rate, possibly as low as 13 percent.

Before the revised law, trust was one answer to reduce overall taxes, but that is often an expensive alternative.

IT ALSO IS possible to use offer a gift of Sub-S stock as a transfer of assets. In making outright gifts of property, wealthy parents may be subject to a gift tax if the gift exceeds the \$20,000 limit for married couples. A gift of Sub-S stock makes it a lot easier to transfer, for example, a 10-percent interest in a shopping center. Also, parents can keep permanent control of a corporation by giving children non-voting common shares. Prior to the revised act, Sub-S only could issue one class of common stock.

A corporation's profits also could be left to accumulate in the company until the child is ready for college. As

the child pays annual income taxes on those profits earned, there would not be any additional taxes when the shares eventually are converted into cash, because it constitutes a withdrawal of capital. This cash could help pay for college expenses.

SOME DRAWBACKS exist with this law, however. The group-medical and life insurance payment will continue to be tax-deductible to the corporation. They will be treated, however, as taxable income to shareholders who own more than 2 percent of the stock beginning in 1987.

EDUCATIONAL SEMINAR: The Observer and Eccentric Newspapers and I will conduct another in a series of financial planning seminars from 8-10 p.m. Wednesday, June 1, at the Michigan State University Management Center, Troy. Subjects may include: Budget analysis; children's education; tax shelters; property/casualty insurance; budget deficits; stocks and bond investments; wills; financial independence; inflation problems; interest rates; mutual funds; or estate planning. The seminar is free, but registration is required. For more details call 643-8888.

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● COMPUTERS IN HEALTH CARE

Tuesday-Thursday, May 10-12 — A series of three conferences on "Computers in Health Care Management and Delivery" takes place at the Sheraton-Southfield Hotel, 17017 9 Mile, sponsored by the Oakland Health Education Program. For more information, call Tim Reade at 377-4360.

● LICENSE REGULATOR SPEAKS

Thursday, May 12 — Elizabeth P. Howe, director of the state Department of Licensing and Regulation, will speak to the Metropolitan Detroit Chapter of the Michigan Association of Certified Public Accountants at an 8 a.m. breakfast at the Southfield-

Sheraton Hotel, 17017 9 Mile. For more information, call 353-0404.

● FINANCIAL PLANNING

Monday, May 16 — A workshop to help people structure their finances for a secure future takes place from 6:30-9:30 p.m. at Wayne State University's Northeast Center, 23880 Schroeder, East Detroit. Price is \$15. Albert Spalding, attorney, CPA, of Detroit Associates will direct the workshop. For more information, call 377-4710.

● MONEY PLANNING SEMINAR

Tuesday, May 17 — How to make money, and keep it, for business and personal use will be discussed at the monthly seminar for the Oakland

County Chamber of Commerce. The program takes place from 8-10 a.m. at Roma's of Bloomfield, on Telegraph south of Square Lake Road, Bloomfield Hills. Price is \$5 for chamber members and \$10 for non-members. For more information, call 335-6148 or 644-3683.

● BUSINESS TRADE SHOW

Tuesday-Thursday, May 17-19 — The biggest business-to-business trade show in the country takes place at Detroit's Cobo Hall. Business-Expo will bring together more than 300 exhibits and 50,000 decision makers in a huge shopping mart that offers a look at what's new in office technology and business services, from data processing developments to office furniture. For more information, call 540-7657.

business people

EDWARD BERNE of West Bloomfield was elected president and chief executive officer of Michigan Chandelier Co., Southfield. Former president Milton J. Doner of Farmington Hills will serve as chairman of the board and treasurer.

Richard N. Doner of Birmingham will continue his position of vice president. After S. Barnes was elected executive vice president and will continue her duties as corporate secretary. Michigan Chandelier has served the Detroit area since 1912. Stores are in

Bloomfield Township, Southfield, Rochester and Ann Arbor.

DEBORAH PEIRSON of Beverly Hills is the new project director at W.B. Doner and Co., Detroit office. She formerly was employed at the Research House in Kansas City and before

that at the D'Arcy-MacManus and Masius office in Chicago.

RICHARD ROCKE was promoted to vice president and general manager of Whitlock Inc., one of the AEC Inc. companies.

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