

New muscle cars cost a lot more than the old

Shortly after plunking down about \$90 apiece for a set of new shock absorbers, I received an invitation to attend a presentation on the new BMW 750iL, which sells for \$67,000 out the door, no options.

The idea of a car worth 744 times its weight in shock absorbers fascinated me along with the notion that this new BMW has a special computer that shuts off the throttle when you hit 155 mph.

IT OCCURRED to me that I've

been seeing an awful lot of new cars lately that sell for \$50,000 or more, go 150 mph or faster, or both at the same time.

The Porsche 959 is about 200 grand, does 200 mph, likewise the Ferrari F40. The Cadillac Allante is \$50,000; the Mercedes 560SL, about \$55,000.

Then there's the turbo Bentley, the Lamborghini Countach at about \$120,000, good for about 180 mph. Even Corvette is stabbing at the 200 mph range with a new model on the market in a year or so.

There are roughly 100,000 cars sold in the \$50,000-plus range in the United States annually — about one of every 100 cars sold.

That there are so many people willing to pay the equivalent of a



auto talk
Dan McCosh

down payment on a \$250,000 house to drive to work is amazing in itself. That there are so many people who want to drive to work at 150 mph is astounding.

Or maybe not.

AT 150 MPH, the drive from Birmingham to downtown Detroit is just a little over six minutes. You

Such machines ruled the roads in the 1930s as well. You can see them in "The Grapes of Wrath," where they were mainly used by landlords evicting tenant farmers.

THE REVIVAL of the supercar today has a variety of interpretations. One is that the upward mobility of the yuppie has no limits. Today a BMW, tomorrow a Ferrari. The raw speed is tougher to explain.

Since most of these cars come from Europe where the speed limits are either extremely high or non-existent, they seem to make some sense until you drive the German autobahn and realize only Americans are crazy enough to drive much faster than they do en route to Chicago on I-94.

But the European speed limit theory doesn't explain the new Corvette, called the "King of the Hill" by Chevrolet engineers, and reportedly having about 300 hp and a top speed of about 200 mph.

IT'S BEEN about 25 years now since there was such a proliferation of raw power on American highways, although the 1960s muscle car era was mainly done at about a quarter of these prices.

It may be that the street racers have grown up and now want cars that not only go fast, but look good with flags on their fenders.

Dan McCosh is the automotive editor of Popular Science magazine.

Here are a handful of ways to ease tax man's bite

As a service to my readers, I have placed together from various published and unpublished sources this column on tax tips. No originality is claimed.

Here are some of the steps you may take to reduce your tax burden in 1987.

- Postpone receiving 1987 income until Jan. 1, 1988.
- Shift itemized deductions from 1988 to 1987.
- Pay off loans this year when 65 percent of consumer interest is deductible. In 1988, just 40 percent would be deductible.
- Level with the IRS. Effective Oct. 1, 1987, you must pay 10 percent

(up from 9 percent) to the IRS on payments compounded daily.

• If you medical expenses are expected to approach 7.5 percent of your adjusted gross income, accelerate other medical payments (such as eyeglasses) this year. Expenses greater than 7.5 percent of adjusted gross income are deductible.

• Take capital losses to offset (especially short-term) gains. If your losses exceed \$3,000, carry the balance into 1988.

• If your miscellaneous expenses approach 2 percent of your adjusted gross income this year, take care of other expenses such as tax and investment advice, union dues and



finances and you
Sid Mittra

safety deposit boxes. Expenses greater than 2 percent of adjusted gross income are deductible.

• If you are planning to borrow investment capital, set up a margin account. Interest on loan is deductible up to your investment income plus \$6,500. That amount drops to \$4,000 in 1988.

• Make your IRA contribution in 1987 even if you don't know if it is deductible. The IRS will allow you to

withdraw the money without penalty before April 15, if you don't qualify.

• Don't put any money in your 401(k) plan that you expect to use before retirement. The IRS will slap a tax of 10 percent on top of ordinary income taxes on early withdrawals.

• If you are a high-income taxpayer, take your long-term capital gains this year so your gains will be taxed at 28 percent. Next year the maximum rate on these gains will be 33 percent.

• Consider a safe, single-premium whole life product as a tax shelter investment.

• Open a tax-deductible IRA for any child who earned 1987 income.

• Prepay state or local income taxes and property taxes in 1987.

• Have your CPA or accountant calculate if you will be subject to alternative minimum tax. If the answer is yes, several of the above

suggestions wouldn't be applied to you.

Tax planning can be complex. Consult a professional.

Seminar: "The Market Crash — Five Ways to Protect Your Money," and "How to Invest Home Equity — Safely." The seminar, sponsored by the Observer & Eccentric Newspapers and Coordinated Financial Planning, will be 7-9:30 p.m. Tuesday, Jan. 12, at the Baldwin Library, 300 W. Merrill, Birmingham. For reservations, call 643-8888.

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

marketplace

Analytical Technologies of Birmingham was named Inc. Magazine's list of America's fastest-growing private companies for 1987. Anatex is a computer software service and technology company.

MVP Communications of Troy was presented with a gold medal for "Team Chevrolet Today-September 1987" at the annual International Film & TV Festival of New York.

Hermanoff & Associates of Farmington Hills was appointed public relations firm for Damone/Andrew, Troy.

Hall Industrial Publicity Inc. of Troy was appointed public relations firm for Akzo Coatings America Inc., Troy.

General Motors Truck & Bus

Group Engineering was awarded the international grand prize for most innovative use of plastic in 1988 cars and trucks from the Society of Plastics Engineers.

R.J. Baker Advertising of Troy was selected as the agency of record for Havenwyck Hospital, Auburn Hills.

ESTATE ACQUIRED FURNISHINGS NOW OPEN TO THE PUBLIC

RARE OPPORTUNITY

SAVINGS UP TO 75% AND MORE!

On quality Oak, Maple, Walnut and other woods & veneers (as available) in . . .

Bedroom Sets • Living Rooms • Easy Chairs • China Cabinets • Wall Art
Crystal • Silver and Bronze decor items and much more!

Everything we display is "one-of-a-kind!" For the discriminating buyer who appreciates VALUE!

34709 Grand River Avenue
Farmington, Michigan
478-7355

Re-Sell-It
ESTATE SALES

HOURS:
Mon., Tues., Wed.
& Sat. 10-6
Thurs. & Fri. 10-9
Sun. Noon-4

Lay-a-ways
Delivery Available

HOLIDAY HOME DECORATION SALE

25-50% OFF

FLOOR SAMPLES and ONE-OF-A-KIND

Sofa Bed (with inner spring mattress)
Boudoir Chairs • Chaise Lounge • All Discontinued Bedroom Groups • Lamps • Pictures • Accessories • Sieko Clocks 3 Piece Corner Bed Groupings (over 75 individual room displays) Solid Brass Headboards and Beds • Simmons and Stearns & Foster Mattresses

All at 25-50% OFF!

Sale ends Thurs., Dec. 31
Layaway and Terms Available
Telegraph at 12 Mile
356-2222

VISA, DISCOVER AND
MASTERCARD ACCEPTED
MON/THURS/FRI. 11-8:30
TUES/WED/SAT. 11-5:30

bedland

RESERVED

AIRPORT PARKING FOR THE HOLIDAYS

Budget Airport Parking will guarantee you reserved space for the holiday. Simply complete and mail the form below to "Harris Budget" — for peace of mind. We accept checks or credit cards and provide transportation to the airport in large roomy buses.

Customer name _____
Address _____
City/State/Zip _____
Date/Time of departure _____
Car/Truck type _____
Total cost \$1700 per day _____
Make check payable to Budget Airport Parking or conveniently use your credit card _____
Credit card type _____ Number _____
Name _____ Extension _____

Reservations must be received two weeks prior to departure.

Budget
airport parking
8715 Wickham Rd. • Farmington, MI 48175 • 313-326-6880

LOOK GOOD... Feel Better!

At Plastic Surgery Arts, we believe there's more to you than meets the eye. That's why our philosophy is one of total patient care designed around the unique needs of you as an individual.

We offer both in-office and hospital surgical facilities. Some of our procedures include:

- Face and Neck Lift • Liposuction
- Nose & Eye Lid Correction
- Reconstructive Surgery • Hand Surgery
- Breast Enlargement and Reduction

JOSEPHIE MARK, M.D. Certified by the American Board of Plastic Surgery
Call us today at 651-2000
155 S. University, Rochester Hills, MI 48063
Plastic, Reconstructive, Cosmetic and Hand Surgery

PLASTIC SURGERY A.R.T.S.

Remodeling in Oakland County Since 1955

bob storn
BUILDING COMPANY

ADDITIONS • KITCHENS • BATHS
6150 Durocree • West Bloomfield • 855-3550

40% to 80% off list

Highback EXECUTIVE TILTER

- Five star base
- Assorted Colors
- List \$300

Now **\$149**

WOOD DESKS

Low **\$169** List \$400

OFFICE SUPPLIES • COMPUTER FURNITURE • BOOKCASES
TABLES • CHAIRS • AND MUCH MORE
"ALL MERCHANDISE NEW AT USED PRICES"

OFFICE LIQUIDATORS
36 East 14 Mile Rd. (East of John R. • Near Oakland Mall)
Hours: 10-6 Daily, 10-3 Sat. **588-6707**

AUTOCAD

"AutoCAD gives us a two-to-one productivity gain over hand drawing"

—Bruce Hazard, Mechanical CAD Specialist, Sun Microsystems

"AutoCAD—Industry Standard"
—Architecture Magazine, February 1987

FOR Sales Support AND Training contact:
Tony Sodhi
855-3990
Birmingham • Inacom
4114 W. Maple Rd. and Telegraph

AutoCAD: The world's most widely used computer-aided design and drafting software.
AutoCAD is a registered trademark of Autodesk Inc.