

Most will feel tax changes, experts predict

By Darrell Clem
staff writer

(spending) cutbacks now." Word-house said.

AS PART OF the new tax rates, the deficit-reduction bill will eliminate the so-called "tax bubble" that taxes joint-filer incomes of \$78,400 to \$185,780 at 33 percent. While that will help some taxpayers, their gains may be offset by losses in itemized deductions and exemptions, said Jack Reinhart, a Troy tax expert and partner in the Detroit firm of Deloitte & Touche.

Although the bill sets a top tax rate of 31 percent, Reinhart said,

CUTTING THE DEFICIT

"you might still be in a higher tax rate, in effect, because of the elimination of exemptions."

Reinhart provided some examples of how an average married couple

with two children will be affected under the tax plan. A couple with a \$30,000 income would pay about the same amount as before in income taxes, he said, while a couple earning \$75,000 would pay an additional \$300.

A couple whose income is \$150,000 would pay about \$819 more in taxes, while a couple earning \$1 million would see a tax increase of \$29,066, Reinhart said. He said he doubted that the tax increases could be offset much by changes in how taxpayers invest their money.

However, Aggie Monfette, invest-

ment counselor with the Bloomfield Hills-based firm of A.G. Edwards & Sons Inc., disagreed, though she said that the majority of her upper-income clients "have always had a tax problem."

Although taxpayers will have fewer write-offs, those who have money to invest will be able to virtually offset their tax increases by investing in tax-deferred annuities, municipal bonds and retirement plans, Monfette said.

In addition to advising her clients to make those kinds of investments, Monfette said, she also said she will

tell them to look to the stock market. "The stock market's on sale right now," she said.

Although upper-income taxpayers may find themselves in a higher tax bracket, they also will get a break from the capital gains rate that has been set at 28 percent, she said. "That's going to help quite a bit."

Still, Monfette conceded that her clients, like poorer taxpayers, are angry about the consumer-based tax increases on such items as gasoline.

"They're unhappy about the budget, of course," she said. "Everybody is."

"IT'S DEFINITELY A tax increase that will hit heavy in the middle- and upper-income brackets. I think it's going to surprise people how really heavy it will hit," said Gregory Hendl, a Bloomfield Township tax expert who works for the Detroit firm of KPMG Peat Marwick.

"I don't think it's really sunk in for most people how big of a change we may be facing," Hendl added.

Many taxpayers will be placed in a higher tax bracket under the plan that will increase the top tax rate to 31 percent from 28 percent. Some also will be hurt by plans to reduce itemized deductions and phase out exemptions for upper-income taxpayers.

Some experts, however, doubt that income tax-rate changes will have much of an effect on middle-income households. "I deal with a lot of middle America, and from what I'm hearing the (tax-bracket changes) aren't going to hit Mom and Dad Lunchbucket that hard," said Phyllis Wordhouse, president of the Plymouth-based Wordhouse & Associates, a financial planning firm that also teaches adult money-management courses in such communities as Livonia, Farmington Hills and Westland.

Middle-income Americans will be hit harder by the consumer-based taxes, including gasoline, as opposed to the income tax-rate changes, she indicated.

"If they're saving money for a trip to Grandma's house at Christmas, they might want to make some

GOURMET
To Go
3555 Grand River & Drake
• Soups • Hot Pasta • Entrees
• Salads • Sandwiches • Croissants

FREE DELIVERY
Fax order to 471-6621
or Call
471-6618, 471-6619

From 10:00 A.M. to 9:00 P.M.
Monday-Saturday
Sunday 11 P.M. to 9 P.M.
• Freshly Baked Every Day
• Catering

• TRADE SHOW GRAPHICS
• ARCHITECTURAL SIGNAGE
• REFLECTIVE SIGNS
• IDENTIFICATION PLATES
• INTERIOR/EXTERIOR SIGNS
• WINDOW LETTERS • RETAIL
• DISPLAYS • MAGNETIC SIGNS
• BOAT & VEHICLE LETTERING
• PAPER/VINYL BANNERS • SHOW
• CARDS • VINYL LETTERS
• CUSTOM MADE BANNERS FOR
ALL OCCASIONS: GARAGE SALES,
HOLIDAYS, ANNIVERSARIES,
HOLIDAYS, GRADUATION, ETC

3552 Grand River Ave.
Farmington Hills, MI 48334
(313) 475-9900
Fax: (313) 475-0077

design N sign

THE INCOMPARABLE MASTERPIECE
Masterfully Crafted
of Precious
Durable metal
Dial set 23.5
Large Gold plated
movement also
a tradition of great and
durable time

Layaway Now
For Christmas!

ARTISAN JEWELERS
MUIRWOOD SQUARE
3540 GRAND RIVER, FARMINGTON HILLS
Phone 471-7900

Tanfaster
SUN TANNING CENTERS
TAN WITH THE BEST

GOOD FOR ONE
FREE VISIT
(1 Unit Only)

TROY, LANSING & LANSING 829-7876
SOUTHFIELD, LANSING AND 12 MI 643-0740
ORCHARD LAKE RD., JUST SOUTH OF 13 MI 855-3340
FARMINGTON, Grand River and Drake 474-3128
WESTLAND, MI 48091 475-8400
PLYMOUTH, Plymouth Square & 43rd St. 488-5510
MOOREHEAD, Grand River & 43rd St. 474-9910
GOOD FOR 1 VISIT ONLY • 1 UNIT ONLY PER CUSTOMER

PAPA ROMANOS
Since 1979

Muirwood Square
Farmington Hills
(Grand River at Drake)
471-3733

BIG SICILIAN
Great for Parties
A large 12"x18" Fresh & Hot Premium
Sicilian Deepdish Pizza with mounds of
cheese, peppers, ham, mushrooms,
green peppers and onions.

\$10.99
Delivers Available Plus Tax

Muirwood Square

GRAND RIVER & DRAKE



Pepsi • Mountain Dew
Pepsi Fro • Diet Pepsi
Fro • Venti • A&W
Silco • Diet Silco

8 1/2 Ltr. Btl. **\$2.19** dep.
2 Ltr. Btl. **\$1.19** dep.
12 oz. Cans **\$1.99** dep.

No. 1st thru Nov. 30th

DISCOUNT POP

32434 2434
Grand River Telegraph
W. of Powers S. of Michigan
477-6479 277-3080

15348
Middlebush
N. of S. Mile
421-5670

DANEXX
20% OFF

WOMEN'S & CHILDREN'S BOOT SALE

Greg SHOES

ORCHARD MALL 851-5566
EVERGREEN PLAZA 559-3580
WEST BLOOMFIELD SOUTHFIELD

Serving the Community for 34 Years

\$1.00 OFF
With a
purchase of
\$3.00 or more
in coupon to use

"TCBY"
The Country's Best Yogurt

"TCBY"
The Country's Best Yogurt

MUIRWOOD SQUARE
471-7949

Holiday
Appointment
Reminder!

The season of parties, happiness, good
times, friends and relatives is just ap-
proaching. You want to be sure that you
look your best for all of those important
occasions.

Call today and book your holiday ap-
pointment so that we can take care of
you at your convenience.

By the way, are there any other friends
or family who should be setting up their
appointments also?

Phyllis Wordhouse
HAIR & NAIL SALON
3552 GRAND RIVER AVE.
FARMINGTON HILLS, MI 48334
477-9200

PLEASE GO AWAY!
• Thanksgiving • Christmas
• Spring Break • Summer

**Depend On Us For
All Your Travel Needs
BUSINESS & PLEASURE**

476-3433

AROUND THE WORLD TRAVEL

35330 Grand River at Drake
In Muirwood Square
Farmington Hills, MI 48335

EFROS DRUGS COUPON

\$200 OFF
Any
New or
Transferred
Prescription

e **efros drugs**

MUIRWOOD SQUARE
FARMINGTON HILLS
474-1717

Expires Nov. 30th

YOUNG'S CLEANERS Since 1974
DELUXE DRY CLEANERS
MUIRWOOD SQUARE • 474-3704
A-1000 (Grand River & Drake) N. of S. Mile
851-0668

YOUNG'S CLEANERS COUPON

20% OFF
20% OFF
25% OFF

YOUNG'S CLEANERS COUPON

25% OFF

DRYERS & CLEANERS

1100 N. MICHIGAN AVE. SUITE 100
ANN ARBOR, MI 48106
TEL: 764-1111 • FAX: 764-1112

COACH'S
DEL • BBQ • GRILL • SPECIALS

Inside dining • Carry out

Try our meaty,
tender sparerib
dinner

Served with soup,
cole slaw, and choice
of potatoe

NOW ONLY \$10.95

With this coupon
Call 477-3201 for delivery
Not valid with any other offer
Expires 11/30/90

MAIL BOXES ETC.

WHERE THE EXPERTS FOR...

• Packing Shipping & Business
• UPS MAIL BOXES
• Office Supplies
• Business Cards & Stationery
• Stamped Envelopes & Mail
• Calendars • Fax
• Printing

ROTARY SERVICES

MAIL BOXES ETC. COUPON
\$2.00 OFF
Any
Overnight
Service

MAIL BOXES ETC. COUPON
\$1.00 OFF
Any
Self Service

MUIRWOOD SQUARE
3552 Grand River
Farmington Hills, MI 48335
TEL: (313) 477-6173
FAX: (313) 477-6172

Sheehan's
TAVERN & EATERY
Home of the Famous...
Gourmet Sheehan Burger
PIZZA • NACHOS
Cocktails • Beer & Wine
HAPPY HOUR • SPORTS TV

FREE
Gourmet Hamburger
This day, Sheehan burger at regular price and
get a small burger at equal or lower value
FREE!

DINE IN ONLY
1 COUPON PER 2 CUSTOMERS

CALL 474-8484
Grand River & Drake Rd. Farmington Hills
MUIRWOOD SQUARE

COUPON