

New tax laws may affect scholarships

By BRIAN LONG
Assistant Business Editor

The new laws governing 1987 tax returns mean students receiving scholarships may have to dish out extra money to Uncle Sam.

The laws state that any portion of financial aid a student does not use to pay for tuition, fees, books or equipment is taxable income, said David Hoffman, associate professor of accounting at UNC. Any portion of scholarships or grants that students use for housing, entertainment or food is taxable, he said.

"What's going to be important is that students can document the amount spent," Hoffman said.

Eleanor Morris, UNC's director of student aid, agreed. Students should keep award letters from scholarships and receipts from bills as proof of where their money went, she said.

Students should be aware that scholarships and grants from both the spring and fall 1987 semesters must be included on tax returns, Morris said.

"We did issue a bulletin to students a year ago telling them to keep records," she said.

Confusion has resulted from the changes, however. Morris said that when her office sent out the letters, officials thought the University would be responsible for reporting

individual students' aid to the Internal Revenue Service and to aid recipients in a 1099 form.

But the government does not require the University to notify the IRS or students. Many students have been expecting a 1099 form they never will receive, Morris said.

The student aid office is preparing a new bulletin to notify students of the policy changes, she said.

But Hoffman remained optimistic. "They shouldn't panic," he said. "The truth is that for most students, depending on their income, the scholarship may not be taxable."

Along with the change in the status of financial aid came a rise in the income tax exemption level.

The standard 1987 deduction is \$2,540 for a single person and \$3,760 for a married couple. People who do not itemize their returns can take the deductions.

Students also can claim a personal exemption of \$1,900, unless their parents claimed them as a dependent on their returns, Morris said.

Another change that may affect students is that only 65 percent of consumer interest — charge cards, car payments — can be deducted on 1987 returns.

But Hoffman said: "In order to take interest as a deduction you have to itemize. Most students don't itemize."

Chapel Hill awarded for good seatbelt stats

By SUSAN KAUFFMAN
Staff Writer

A well-educated community, a strict state law, local media coverage, and a "payoff" may have contributed to Chapel Hill receiving an award for high seatbelt usage.

The U.S. Conference of Mayors congratulated the town last week because more drivers wear seatbelts in Chapel Hill than in any other city with a mandatory seatbelt law. Chapel Hill has an 80 percent usage rate, while the national average is 70 percent.

Seatbelt use in the Carrboro-Chapel Hill community has steadily increased since 1983, when the UNC Highway Safety Research Center conducted a six-month Seatbelt Payoff Campaign, said Bill Hunter, engineering studies program manager for the center.

During the campaign, researchers stopped drivers at designated locations and awarded prizes to the drivers wearing seatbelts, Hunter said. Seatbelt usage rose from 20 to

41 percent during the campaign.

Hunter said seatbelt usage rose another 25 percent in 1985 when the N.C. state legislature passed a bill requiring people to wear seatbelts.

On Jan. 1, 1987, police in North Carolina began fining people \$25 for failing to wear seatbelts. Hunter said usage rose to 70 and 80 percent at that time.

Chapel Hill police will not stop a driver whose only offense is not wearing a seatbelt, said Chapel Hill police planner Jane Cousins.

Philip Meyer, UNC professor of journalism, said he thought the more educated a community is, the more likely people are to wear seatbelts.

"Smart people use seatbelts," he said.

Newspapers should publish whether the people involved in car accidents were wearing seatbelts, Meyer said. "You can give people statistics, but they won't know it at an intuitive level until they have some actual instances to relate to," he said.

Students seek improvements in ticket distribution

By MANDY SPENCE
Staff Writer

The representative committee of Student Government's Executive Branch met Tuesday to begin discussing ways to amend the basketball ticket distribution process.

Carolina Athletic Association (CAA) leaders and student representatives are seeking improvements that would speed up the process.

Carol Geer, CAA president, said the process is difficult for students. "When you're in line it's cold and it takes a long time to get tickets," she said.

Several amendments were made to the current policy.

"Last year ticket distribution began on Mondays at 6:30 a.m.," Geer said. "That was unfair to people who had 8 o'clock classes."

Now tickets are distributed from 6 p.m. to 9 p.m. on Sundays, and the remaining tickets can be picked up the following Monday from 8 a.m. to 5 p.m.

The student seating area in Smith Center has also been changed.

"Last year students had rows W, X, and Y around the arena," Geer said. "We now sit in a consolidated student section right next to our upper level section."

CAA leaders said they expect the turnout for this Sunday's distribution of tickets for the Feb. 11 N.C. State game to be similar to the large turnout for tickets to the Duke game. Some minor changes in the process will be made to eliminate the problems that arose during Duke ticket distribution and to speed up the process.

"For State (ticket distribution), two lines will not be forming," said Denny Worley, vice president in charge of ticket distribution. "Last Sunday people cruised up at the last minute, got in the short line and got their tickets before people who had been out there for hours did."

People in line for Duke tickets crowded under the eaves of the building to escape the rain and in doing so they blocked the ticket windows so that the distributors had trouble getting inside the building. Because of the crowd pressed up under the eaves the distributors also had problems hearing how many tickets students wanted to pick up.

For the N.C. State game, this area will be blocked off.

"I think it will greatly speed up the amount of time it takes to get a ticket," Worley said.

Having windows designated by the number of tickets requested and alerting students to have their passes and identification cards out of the plastic cover when they reach the window are other ideas Worley cited which would speed up the distribution process.

There are approximately 6,000 student tickets for each game. Worley said there are student tickets left over for the majority of games.

"It's really hard to argue for more and better seats when we don't show up for the seats we've got," Geer said.

Although Geer said she has received several complaints about the random distribution of tickets, a

survey done last spring showed 82 percent of students were in favor of random distribution.

"To encourage people to come pick up tickets for non-conference games, people can pick up lower level tickets

and then the upper level tickets, excluding the last 6 rows, randomly," Worley said.

However, distribution for the Feb. 21 Temple game will be totally random, he said.

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