

MONEY MANAGEMENT

Your Filing Status Can Affect Your Tax Liability

When it comes time to file your tax return, one of your first decisions will be choosing a filing status.

Uncle Sam has created five filing statuses—married filing joint return, married filing separate return, single, head of household and qualifying widow(er) with dependent child. Essentially, you choose a filing status based on your marital and family status as of Dec. 31, 1994. Select your filing status carefully, since it can make a significant difference in the amount of tax you pay.

Here's what you should keep in mind:

Married Filing Jointly

If you are married, you and your spouse may file either a joint return or each spouse may file separately. When you file jointly, all income, exemptions, deductions and credits for both you and your spouse are combined on the joint return.

Filing jointly generally produces a lower tax liability than if you file separately because tax rates for joint returns are lower and more credits and deductions are available. But there are cases where married couples may find that filing separately makes more sense. CPAs recommend that a married couple compute their tax liability

both ways to determine which option results in lower taxes.

Married Filing Separately

Filing separate returns may allow some married people to claim more deductions that have adjusted gross income (AGI) limitations than they would be able to claim if they filed jointly. For example, only those medical expenses that exceed 7.5 percent of AGI are deductible. Similarly, miscellaneous itemized expenses are generally deductible to the extent that they exceed 2 percent of AGI. If the spouse with the lower earnings has expenses that fall into these categories, he or she may qualify for a larger deduction by filing alone—thus minimizing the couple's overall tax liability.

Keep in mind, however, that certain benefits, including the earned income credit, child and dependent care credit, and credit for the elderly are only available to married people who file jointly.

Single Person

You fall into the category of "single" filer if you are unmarried or separated from your spouse either by divorce or a separate maintenance decree, and you do not qualify as head of household or surviving

spouse. Single filers are subject to higher tax rates than most other taxpayers, with the exception of married individuals filing separately.

Head Of Household

Some filers who check the filing status "single" are actually eligible for the more favorable "head of household" status. To qualify as a head of household, you must be unmarried on the last day of 1994 and you must pay more than half the cost of the household you maintain for your child or for a relative whom you can claim as a dependent.

In most cases, you and the child or other relative must share the same house for more than six months of the year. If you are paying more than half the cost of maintaining a home for your dependent mother or father for the entire year, he or she need not live with you for you to qualify for head of household status. For example, if you have paid more than half the cost of maintaining a dependent parent in a nursing home, you

have satisfied IRS requirements.

Qualifying Widow(er)

If your spouse died during the year and you have not remarried at year-end, the IRS considers you married for the whole year. You are allowed to file a joint return that includes your total income and deductions and your deceased spouse's income and deductions up to the date of your spouse's death. In addition, a surviving spouse may file using joint tax rates for two years following the year of death of the spouse. This rule applies if you remain unmarried and the home that you maintain is a household for your child.

For more information on the tax implications of filing as a surviving spouse or any other filing status, consult your CPA.

Money Management is a weekly column on personal finance prepared and distributed by the North Carolina Association of Certified Public Accountants.



Crary School Benefit

Shalotte Burger King Manager Shila Evans (left) presents Crary School representative Mary Ann Prugel a check for \$216.74, the proceeds of a recent fundraiser for the school.

Farmers Home Changes Under Reorganization

Ted Rivenbark, who has been serving as Brunswick County supervisor for the Farmers Home Administration, is now Brunswick County supervisor for the Rural Economic and Community Development (RECD) Services.

Congress passed a bill authorizing the reorganization of USDA in September, and Secretary Mike Espy issued orders making the changes on Oct. 20.

Rivenbark said FmHA is being abolished and most of its loan and grant programs are being taken over

by Rural Economic and Community Development Services.

County and district offices of FmHA have become RECD offices and will continue to provide farm, housing and rural development program benefits.

Office signs and telephone directories, for the time being, still read Farmers Home Administration, Rivenbark said. People needing the organization's services should contact him or a staff member at the Promenade Office Park (P.O. Box 2120) Shallotte NC 28459, 754-4880.

BUSINESS BRIEFS

Hope Earns Designation

Jill Hope of ERA Callihan, Teal, Skelley & Associates has earned her North Carolina real estate broker designation.



HOPE

She also completed the Floyd Wickman Master Sales Academy in Las Vegas, earning the designation of "master salesperson."

Jan Eberwein and Becky Garrell have joined the rental department staff of the firm's subsidiary, Beach Vacations Inc. Eberwein coordinates vacation and golf package reservations. Garrell oversees annual rentals.

Attends Conference

Evelyn Bullock, president of Rampage Development Corporation, recently attended the Deltec Homes Master Builder/Homeowner Conference in Asheville.

Attending were master builders, associate distributors and Deltec

homeowners from throughout the country, she said.

Rampage Development Corporation is the local distributor of Deltec homes and structures.

Working At IBM

John David Matthews of Yaupon Beach is among more than 400 N.C. State University students gaining hands-on experience with public agencies and local, state and national companies during the 1994 fall semester.

Matthews is working at IBM in Research Triangle Park as part of the NCSU Cooperative Education Program, designed to integrate academic study with related job experiences.

The program provides opportunities for students to learn through placement in a professional environment; explore career possibilities; earn a portion of the cost of their education; and increase the likelihood of a job offer after graduation.

The program is open to undergraduate and graduate students who meet academic requirements.



PHOTO CONTRIBUTED

Booster Night Donation

Keith LaBar (right), assistant manager of Burger King of Shalotte, presents a check for \$340.23 for Union Elementary School to Dawn Long. The funds were from a recent Booster Night and will go toward completion of the school's courtyard restoration project.

**CALL US FOR INSURANCE QUOTES:
1-800-424-0115**

- Home • Auto • Commercial
- Mobile Home • Life



**First Investors
FINANCIAL CORPORATION**



Or Visit Our Banking Offices:

- | | | |
|-------------------------|----------------------------|-----------------------------|
| LELAND
(910)371-1000 | SHALLOTTE
(910)754-5400 | WHITEVILLE
(910)642-8183 |
|-------------------------|----------------------------|-----------------------------|

©1993 THE BRUNSWICK BEACON

Nominations Are Open For Governor's Business Awards

Nominations are open for the 1994 Governor's Business Awards, presented annually to businesses, cultural organizations and chambers of commerce that have made "significant contributions to North Carolina's arts and humanities climate."

Nominations are open to all North Carolina businesses which have conducted or participated in innovative projects to promote the arts and/or humanities in 1994. Cultural organizations that have promoted innovative business support of the arts and humanities are also eligible.

The nomination deadline is Jan. 13, 1995.

The governor will present the awards at ceremonies planned in the spring.

Awards are presented in five categories: small businesses (fewer than 50 employees), medium businesses (50-500 employees), large businesses (more than 500 employees), chambers of commerce and cultural organizations.

For nomination forms, call Nancy Trovillion at the N.C. Arts Council, (919)733-2111, or write Governor's Business Awards, N.C. Arts Council, N.C. Department of Cultural Resources, Raleigh NC 27601-2807.

'Bright Ideas' Earn BEMC Grants

Brunswick Electric Membership Corporation has awarded educational grants to a variety of teachers and schools in Brunswick and Columbus counties.

The grant program was open to public school grades K through 12.

The electric cooperative will distribute more than \$15,000 in January in grants that support "innovative, creative and effective initiatives that are not covered by traditional school financing."

The program was endorsed by the N.C. Department of Public Instruction and the N.C. Association of Educators. It was conducted in cooperation with Carolina Electric Cooperatives, a network of affiliated electric cooperatives in North Carolina.

Brunswick County winners are as follows:

- Bolivia Elementary School,

Jenni Johnson, Betty Jo Cheers, Phoebe Hawes and April C. Evans, "Take Home Science in a Bag," \$1,500.

■ Lincoln Primary, Mitzi Daughtry, "Make It-Take It," \$300.

■ South Brunswick High School, Dean H. Carroll and Joyce F. Williams, "Reading for Meaning," \$1,500.

■ Shallotte Middle School, Lois Morgan, "Show Me, I'll Succeed," \$500.

■ Southport Elementary School, Grace B. Puckett, Ellen W. Muellerweiss, Joyce F. Elliott, Daphne DeLaney, F. Thomas Cochran Jr., "Earth Quilts," \$1,500.

■ Union Elementary, Sylvia Pullen, "Martha Russ Memorial Reading Forest," \$1,500.

■ Waccamaw Elementary School, Gail M. Thomas, "Problem-Solving Power," \$500.

B I N G O

Thursday Nights • Doors Open 6:15 pm
Calabash VFW Post 7288

Carter Rd., Trader's Village, Calabash, 579-3577

OPEN TO THE PUBLIC

Games begin at 7:30 PM

Minimum "Buy In" \$5.00

Minimum Pay Out \$650.00 Maximum \$725

Snacks Available • No Children under 12

NEW SMOKE-FREE AIR SYSTEM

©1993 THE BRUNSWICK BEACON

**Dr. H.J. "Skip" Davis and Staff
are pleased to announce
the opening of their new office**



We invite you to stop by and visit us at 6657 Beach Dr., Ocean Isle (next to True Value on Hwy. 179)

**CHIROPRACTIC CENTER
OF SHALLOTTE/OCEAN ISLE**
Call for an appointment 579-3502

©1994 THE BRUNSWICK BEACON

SEVEN FRANCHISES UNDER ONE ROOF

Lowest Prices
\$599.00 RENTON COUNTRY (INVENTORY) \$599.00

CHEVROLET IN STOCK NOW!

CHEVY S-10
CAMARO CONVERTIBLE

PONTIAC GRAND AM

BONNEVILLE

BUICK LESABRE #1 IN BUICK CUSTOMER SATISFACTION IN THE AREA

ROADMASTER

CHRYSLER NEW YORKER WE WILL NOT BE UNDERSOLD! #7813

\$6000 DISCOUNT

DODGE FULL SIZE PICK UP

DAKOTA

VIPER IN STOCK NOW
Call for a special showing.

RICK EDWARDS
Chevrolet • Geo • Pontiac • Buick • Chrysler • Plymouth • Dodge

Mon-Fri 9am-6pm
Sat 9am-1pm
SPECIAL APPOINTMENTS AVAILABLE

From Shallotte Hwy 130 East only 29 minutes to Whiteville

642-3153 or 1-800-280-RICK

Wholesale Prices

Computer Hardware & Software
PC & Networks
Installation, Service & Leasing



Call Rick
Rossi & Associates
(910)579-1249

©1994 THE BRUNSWICK BEACON