

WITH EUGENE PETTIS



Eugene

## Chamber Endorses City-County Center Bonds

The Chamber's Executive Committee, acting on behalf of the Board of Directors, gave its endorsement to bonds that would be used to build the proposed City-County Government Center.

The \$32.7 million bond package goes before voters on May 8.

The bonds would provide

funds to build a 15-story office building that would bring most local offices together under one roof.

"We're impressed with the cost efficiency," Chamber Chairman Harold Hoak said. The city currently leases almost \$1 million in commercial office space to house many of its offices because the 1924 City Hall

building and the City Hall Annex lack adequate space.

Proponents say that the total cost of renting office space for the city could reach \$56.6 million by 2016. Subtracting the cost to build the government center, \$32.7 million, from the \$56.6 million for leasing leaves a savings of \$24

million over the next 30 years.

The center would be built in the governmental plaza area between Trade and Third Streets and McDowell and Davidson Streets. The center would include a parking deck with 780 spaces.

## Unexpected Deductions

The tax law allows a person with a sideline business at home to deduct expenses (such as utilities and maintenance) related to that business. As a result, part of John's cost of running his home, which would otherwise be nondeductible personal expenses, turns into deductible business expenses. John can deduct general household expenses, including depreciation, on his home studio up to the amount of his photo income. So John's \$800 profit from his photography may be completely protected from tax.

Three key requirements: to deduct your household expenses you must: 1) Use an area or room in your home exclusively for your activity. A room that's used part of the time for a family den, part of the time as an "artist's studio," won't do. 2) Use that space on a regular basis. Incidental or occasional use isn't good enough. 3) Use it as your "Principal place of business."

If John shows a loss when he adds his other expenses to his home studio and darkroom deductions, he can deduct the loss - as long as his photography is strictly a business affair.

To deduct your home expenses, you must prove that a money making pastime is more than your hobby - you must show that you are trying to make a profit. Your activity is presumed to be a hobby if you lose money in more than three out of five consecutive tax years.

Run your sideline business like any other. Keep separate books and bank accounts for your sideline activity. In addition, keep records of your home expenses that can be allocated to your business.

Entertaining business associates in your home is a deductible expense. The fact that you wine and dine them at your place instead of in a restaurant won't deny you the tax break.

To qualify for the deduction, the party must directly precede or follow "a substantial business discussion." Say you have 12 people out to your home after completing a long negotiating session. Four of the guests are non-business associates. The party costs \$240, including maid service. Because a third of the guests were outsiders, you can deduct \$160 (two-thirds of \$240).

You need not throw a party at your place to get an entertainment deduction. You can also deduct a good-will gesture like a quiet business meal - even if it neither precedes nor follows a "substantial business discussion."

## Bob Jordan for Lieutenant Governor

*"A Man Who Believes In A Government For All The People"*



Bob Jordan with Campaign Vice Chairman, Sen. Bill Martin (D-Guilford)

- Bob Jordan has worked to make sure that minority citizens and lower income persons are a working part of the governmental system.
- Bob Jordan has worked extremely hard to create new jobs and opportunities for all of North Carolina's citizens.
- Bob Jordan supported the Martin Luther King bill that resolved his birthday being observed as a bonafide holiday.
- Bob Jordan has worked all his life to make better the Carolinas educational system, while serving on the Board of Governors he supported strongly our Black institutions of higher education.
- Bob Jordan has been endorsed by several groups including the political action committee of the N.C. Social Services Association, the AME Methodist and the AME Zion Churches.

*"When you help elect Bob Jordan as your next Lieutenant Governor, you will be investing your vote in a better future for yourself and all of the citizens of our great State."*

**Vote for**

**"Bob Jordan the No. 1 Man for the No. 2 Job"**

**DEMOCRAT**

**On May 8th**