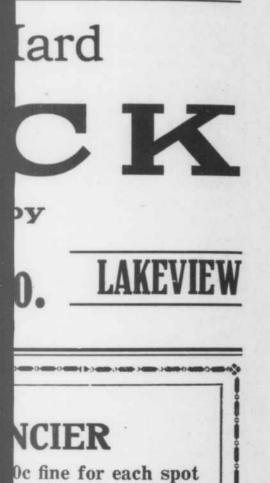


SAVE at You've Got! PROPERTY YOUR INCOME **INSURE IT** DO IT NOW McLAUCHLIN, Agent VASS, N. C. Life Insurance rance



Johnnie was caught ers. Asked what he these two spots into our money go twice ar store. But we do **ERSELL US** te a stock of ries TICULAR

#### DEDUCTIONS FROM INVESTED CAPITAL

The Revenue Act of 1921 requires that all corporations having inadmisadmissible assets. The average inmust be reduced by 75 per cent (the of January, A. D. 1922.

per centage of the inadmissible assets, \$150,000, to the total assets, 10m. \$200,000). The reduced invested capital, therefore, will be \$80,000 (the invested capital) less \$60,000 (75 per cent of the invested capital) or \$20, 000. is reported on a cash receipts and disbursements basis, accrued items make many interesting friends. Get cannot be taken into consideration in acquainted throughout the world computing its invested capital.

has no effect upon the amount of in- and congenial, willing to wed. Photos vested capital. The capitilization of Free. Send 50 cent for four months' current earnings does not increase the subscripption. \$1.00 for one year. invested capital. Appreciation in termined by an appraisal against which a stock dividend was issued cannot be allowed as invested capital. The value of tangible property paid in for stock or shares in an amount as limited by Section 326 of the Revenue Act of 1921 may be included in invested capital.

The Revenue Act of 1921 provides that every corporation, joint stock company, association and insurance company not specifically exempt shall file a return. There shall be included in the return a statement which will enable the Commissioner of Internal Revenue to determine the portion of the earnings or profits (taxable or non-taxable) accumulated during the taxable year for which the return is made, which have been distributed or ordered to be distributed to its stockholders during such year. A new and important provision of the Revenue Act of 1921 is that where a corporation is formed or availed of to prevent the imposition of a surtax upon its stockholders by permitting its profits to accumulate instead of being distributed as dividends, it may be subject to a tax of 25 per cent in addition to the normal tax of 10 per cent imposed on corporations. The stockholders, however, may agree with the Commissioner of Internal Revenue that the profits of the corporation shall be charged to them in the same manner as the distributive share of the partners, and pay the tax as partners. When the corporation is a mere holding company or its profits accumulate beyond the normal needs of its business, this shall be prima facie evidence of a purpose to escape the surtax. A reasonable accumulation of surplus, however, is permitted. Returns must be filed with the Collector of Internal. Revenue for the district in which the corporation's principal place of business is located. Corporations must file their returns on the basis of their existing accounting period which is established as the twelve month period ending on December 31st or upon the last day of some month other than December. A corporation cannot change its accounting period without the permission of the Commissioner.

#### STATE OF NORTH CAROLINA Department of State

I, J. BRYAN GRIMES, Secretary sible assets must deduct from invest- of State of the State of North Caroed capital "a per centage thereof lina, do hereby certify that Angus E. equal to the per centage which the Mason, Treasurer of the Carolina amount of inadmissible assets is of Fruit Company, did, on the 23rd day the total amount of admissible and of January, A. D. 1922, file in my unadmissible assets held during the office affidavit of the publication of taxable year." For example, the to- the preliminary certificate of dissolutal assets of a corporation for 1921 tion of said corporation as required was \$200,000, of which \$150,000 was by Chapter 22 of the Consolidated in inadmissible assets and \$50,000 in Statutes, entitled "Corporations." IN TESTIMONY WHEREOF, I vested capital was \$80,000. Applying have hereunto set my hand and affixthe above rule, the invested capital ed my official seal, this the 23rd day

> J. BRYAN GRIMES, Secretary of State.

Men, Women, Girls, Where a corporation's income Bachelors, Widows, etc. Join our Correspondence Club and through our medium. Marry Wealth, The payment of a stock dividend Happiness. Hundreds rich, attractive

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The project of Knollwood village presents to Moore county a factor that gives all promise of a big development in the entire area of the 5,000 acres belonging to the Knollwood corporation, and to the territory immediately adjacent. Today the state offers

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## Nothing in the way of opportunity that is more desirable as an investment

or a chance to build up industry than is found right here in this Knollwood center. From



center out to the margin of the property the development will go on, slower on the margin than at the center, but certain in all sections.

# The Big Movement!

The big movement is now on at the village center, that section along the Midlands road from the Mid-Pines club to the Southern Pines boundary. Those interested are invited to confer with

### A. S. NEWCOMB & CO.

Selling Agents for Knollwood Village, at their office in Pinehurst.