THURSDAY, APRIL 4, 1957

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STATE INCOME TAX FACTS North Carolina Individual Tax Returns (This is one of a series of articles your return before APRIL 15 prepared by the Committee on State Taxation, North Carolina Association of Certified Public Accountants, in co-operation with the E. North Carolina Department of Revenue.)

Military Income Taxable When President Eisenhower declared the end of the Korean War as of January 31, 1955, the military income of North Carolina legal residents serving in the armed forces again became subject to the North Carolina income tax

The North Carolina Revenue Act provided that military income received during World War II for active service in the armed forces of the United States was exempt from the North Carolina income tax. By administrative interpretation, the Commissioner of Revenue extended this exemption during the Korean conflict. unless he has, through proper

The original exemption of military income expired with the termination of World War II by Act cy in some other state or territory. of Congress and the President on October 19, 1951. The administrative extension of this[®] exemption required to report his military inexpired with the termination of come to North Carolina, if he is quirement to file income tax rethe Korean War by presidential present in this State by virtue of turns in North Carolina. proclamation effective January military orders assigning him to 31, 1955.

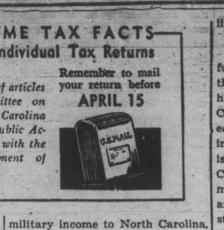
For periods after January 31, 1955, including the entire taxable of North Carolina.

upon interpretations of the statu- income tax on his military income. hazardous duty. tes as furnished to the North By the same token, a North Caro-Carolina Association of CPAs by of Revenue.)

Definition of "Legal Resident"



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State upon his discharge.

Federal territories.

To be a citizen of the United

States, an individual must have

residency in one of the 48 states,

the District of Columbia, or the

An individual is presumed to be

time he entered military service

legal means, established residen-

A serviceman who is a legal re-

a post or station within this State.

HEARTY

sident of some other state is not

THE YANCEY RECORD

and be to a state of the t

lina, Sinto to conterna Servicemen's Wives The legal residence of a wife follows that of her husband, and the wife of a serviceman who is himself a legal resident of North Carolina on active duty is required by the Department to report income wherever earned, as she is by law a legal resident of North Carolina even "though her home may have been in another state and she was married in another state and has never lived within

the term "legal resident" means the geographical boundaries of an individual who was domiciled North Carolina. She might, howin this State prior to entering the ever, be entitled to a tax credit armed forces, who regards this in the event that her income is al-State as his state of legal resi-; so taxed by the state in which dence while in the armed forces, earned. This tax credit will be and who intends to return to this discussed in the next article in this series.

Career Army Personnel The fact that an individual may be a "twenty-year man" or

(AHTNS) - Army Pvt. Doff a "thirty-year man" does not re- Silvers, whose wife, Lillian, and lieve him of the responsibility of mother, Mrs. Silas Silvers, live filing North Carolina income tax on Route 1, Burnsville, N. C., re-

returns if he is a legal resident of cently qualified as a paratrooper a resident of North Carolina if he this State. His absence, for the at Fort Bragg, N. C., after comto cover military income received was a resident of this State at the full period of his service would pleting the 82nd Airborne Divisnot in itself make him a non-re- ion's Jump School. Silver's receivsident of North Carolina. Only by ed his parachutist's wings after ************************

establishing legal residency (in completing the three-week course some other state through legal which included five training means and by clearly abandoning jumps. He entered the Army' in legal residency in North Carolina August 1956 and completed basic would he be relieved of the retraining at Fort Bragg.

DRIVERIN

and LIVE

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of uniforms, fatigues, laundry

and cleaning, or tailoring of uni-

forms, or cost of moving from

post to post even though such

Extensions of Time for Filing

There is no special provision in

for extensions of time for ser-

has indicated that it will, when

the line!

don't be a

HURRY BUG

Types of Taxable and Non-**Taxable Service Income**

In the case of a non-resident Military income which must be serviceman who has purchased a reported to North Carolina by year 1956, therefore, military in- home near one of the military legal residents includes base pay, come is taxable to legal residents bases in North Carolina, the De- longevity, flight pay, foreign serpartment of Revenue has ruled vice pay, submarine pay, jump The following statements deal- that the act of buying a home pay, re-enlistment bonus, special ing with the legal residents, taxa- does not in itself make him a incentive pay for medical, denble income and deductions of a North Carolina resident and there- tal, and veterinary officers and serviceman or his wife are based by liable for the North Carolina other special pay for incentive or

Amounts received as officers' lina resident who has purchased and enlisted men's. subsistence the North Carolina Department a home near a military base in and quarters allowances, family some other state would not by allowances under Servicemen's that act alone be considered no Dependents Allowance Act, mov-For the purpose of reporting longer a resident of North Caro- ing allowances, and musteringout pay are not subject to the

Special Military Deductions For both regular and reserve military, a deduction from income is allowed for the cost of insignia. swords, gold braid on the caps of qualified officers, and the cost of altering uniforms necessitated

necessary, grant reasonable ex-For National Guard and reserve



ab it whi wall the

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cost is in excess of their allowan-EXPERIENCE HAS PROVED THE WISDOM OF FEEDING PLANT BEDS WITH VIGORO. IF YOU WANT THE BEST the North Carolina Revenue Act PLANTS LET VIGORO HELP YOU JUST AS IT IS HELPING vicemen to file income tax re-THOUSANDS OF OTHER turns. However, the Department GROWERS.

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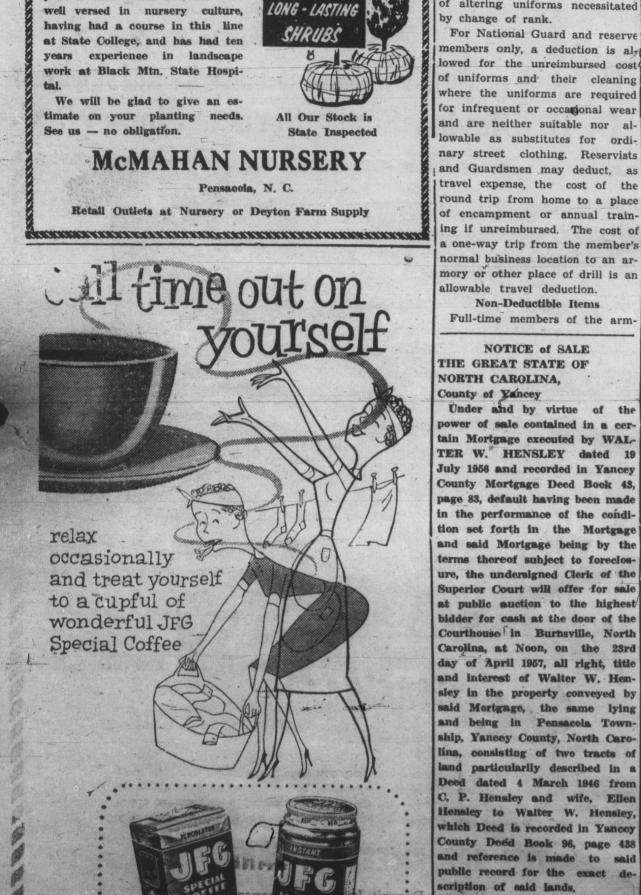
PHONE 3276





Western Carolina Telephone Company

. USE THE YELLOW PAGES WHEN YOU



County Deed Book 96, page 438 and reference is made to said ublic record for the exact de This sale will be made subje to all outstanding and unpai nty ad valorem taxes.

This the 22nd day of March 1957 LOWE THOMAS, or Court, Yancey March 28, April 4, 11 and 18

nan-taxpayer is unable to file or the due date because of his military duties or location of his post of duty.

FEED COMPANY GREEN MOUNTAIN, /N. C.

Who rates what for performance ness of ride and other driving and smoother riding in the lowqualities you want in a car. priced three? Chevrolet has laid Then, Chevy won the Pure the answer and the proof on Oil Performance Trophy at

First, Chevrolet won the Auto performing U.S. automobile." Decathlon over every car in its It's quite a feeling to know field, and over the higher priced that you are driving a car that cars that were tested, too. This performs so well, responds so rugged ten-way test (right, below) beautifully and is so finely built. showed Chevrolet was the champ You feel proud, of course. But in handling ease, braking, acceleryou also enjoy a surer, smoother, ation, passing ability, smoothsteadier way of going, a keen

cat-quick response of power, and the easiest handling you've ever experienced behind a wheel. Just try this Chevrolet (V8 or Six) Daytona (left, below) as "best and see!



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