

Local News

Tips on tax preparation and benefits for senior citizens

When taxpayers reach the age of 65, they become eligible for several special tax benefits. Knowing about these credits and other tax tips can help seniors avoid paying more taxes than necessary, according to the North Carolina Association of CPAs.

One very important source of income to most senior citizens is their Social Security benefits. To qualify for these benefits, eligible taxpayers must register three months prior to their 65th birthday. However, taxpayers who elect to retire early at the age of 62 may also collect Social Security benefits at a reduced rate.

But just because you decide to retire and collect Social Security benefits does not mean that you have to stop working altogether. Senior citizens can still continue to work and collect these benefits as long as they do not exceed income requirements. Persons between the age of 65 and 70 are allowed up to \$7,000 of income in 1986 while still collecting full bene-

fits. Those age 70 or above can work and earn as much as they want and still receive full benefits.

When seniors receive money from sources other than wages they might find that it will affect the taxability of their Social Security benefits. When income from interest, dividends or pensions exceeds a base figure, benefits become taxable. The size of your monthly benefit check determines how much you can earn before you begin paying taxes on it. To find out whether or not you owe taxes on your Social Security benefits, complete the worksheet on page 11 of the instruction booklet accompanying IRS form 1040.

Single taxpayers 65 or older do not have to file a tax return unless their gross income is \$4,640 or more in 1986. Married couples where one spouse is 65 or older do not have to file unless their joint gross income is \$6,910 or more. If both spouses in a married couple are 65 or older, to-

gether they can earn up to \$7,990 before they have to file a return. In any of these situations, taxpayers must file a return to receive any refunds.

Gross income includes items such as salary or wages, interest or dividends, partnership income, annuity income, capital gains, certain distributions from pension plans or gains from the sale of your home. In certain circumstances, taxes on these forms of income can be reduced by claiming certain tax credits and exclusions.

For example, if you are 55 years or older and sold your home in 1986, you may avoid taxes on profits of up to \$125,000. To qualify for this tax exclusion, not only must you or your spouse be 55 years or older at the time of sale, but you must elect to take this exclusion, which is only offered once in a lifetime, and have lived in the home as a principal residence for three out of the past five years.

If you decided at the time of the sale to invest the money in another home of equal or greater cost to completely defer the tax and then changed your mind, you can elect to take the \$125,000 exclusion up to three years after the sale. You may also change your mind in the other direction.

If you sold your home and realized a smaller gain than the \$125,000 allowed, you need to carefully decide whether or not you want to take the exclusion for the smaller amount. Remember, you are only allowed to take this exclusion once in your lifetime. If you take the exclusion and then invest in a home that increases in value, you will have to pay taxes on the entire gain if you sell in the future.

There are other tax benefits available only to older Americans. If you are 65 or older, or if you are under 65 and totally disabled, you may qualify for a special tax credit.

Known as the credit for the elderly or disabled, qualified individuals can reduce their tax bills depending on the amount of tax-free Social Security benefits they receive, their adjusted gross income and their filing status. Working with a standard base figure set by the IRS, the credit is figured as 15 percent of this base after reductions.

The base amount, \$5,000 for single filers, \$5,000 for joint filers where only one spouse is eligible, \$7,500 for joint filers where both are eligible and \$3,750 for separate filers, is reduced by the amount of income received through tax-free Social Security benefits, tax-free pension, annuity or disability income paid through the Veterans' Administration, certain other tax-free pensions or annuity income and one-half of adjusted gross income in excess of \$7,500 for single filers, \$10,000 for joint filers, and \$5,000 for separate filers.

To apply for this credit, eligible taxpayers must file a Schedule R with Form 1040. The calculations are relatively simple and the form is self-explanatory.

Along with these credits, senior citizens are eligible for an exemption simply based on their age. All taxpayers, no matter what their age, are entitled to take a personal exemption worth \$1,000. However, taxpayers 65 and older on or before January 1, 1987, qualify for an additional exemption. Joint filers can take two additional exemptions if both are 65 or older.

It has been said that old age is a reward in itself. But in taxes, there are many other rewards as well. If you or someone you know can qualify for any of these deductions but you need more information, contract a certified public accountant or the IRS to get full details. The time and effort will be worth it.

Senior center news

February 12, Bible Study, 1:30-3:30; Feb. 13, Blood Pressure Clinic, 9-12 and 2-5; Feb. 16, Memory Lane Club Luncheon at Western Steer in Elizabeth City, 11:30; Feb. 17, Bible Study, 1:30-3:30; Feb. 18, Bingo, 2-4 p.m.

Last week's bingo winners were Kathleen Brennaman and Mona Sadler.

CLUB

Memory Senior Citizens Club of Perquimans County met on Monday, January 19, 1987, at the Senior Center with the president, Mrs. Lib Thach, presiding. There were 23 members present.

Devotions were presented by Evelyn Benton who first read to us the First Psalm. After a meditation on this, she closed with a prayer.

Reading of the minutes of November 17, 1986, was waived.

Treasurer Mae McKaye reported an opening balance of January 19, 1987, of \$31.00. A contribution of \$12.00 from Annibel Whitley had been received.

Card Chairman Mattie Mathews reported cards she had sent out and listed cards to be sent.

Birthdays: December birthday honorees were: Evelyn Benton and Pearle Swayne. The January honorees were: Mae McKaye and Lillie Mae Pritchard. They were serenaded with the birthday song.

Lib read a letter from Lee Riddick, Area Aging Commissioner, relative to job for senior citizens. Anyone desiring to work should contact him for details and information.

Cocaine traffic increases

RALEIGH—A substantial increase in the cocaine trade in North Carolina is reflected in an approximate 44 percent increase in the number of cases submitted to the State Bureau of Investigation's laboratory facilities, SBI Director Robert Morgan announced today.

Statistics, based on the number of cocaine samples submitted to our laboratory for analysis, shows the number of cases worked by SBI and other drug agencies continues to climb despite the intensive efforts to curb the illegal traffic on both dealer and user levels, Director Morgan said.

The statistics, just compiled, show that the main SBI drug laboratory in Raleigh and its Western branch in Asheville analyzed 3,303 cocaine samples from January through December, 1986, as compared to 2,294 for the same period in 1985.

This was an increase of just under 44 percent. In addition, since "crack" was broken out in to a separate analysis category last July there were 74 samples of the newest cocaine based derivative submitted for analysis.

At least one or more cocaine samples were submitted for laboratory testing from 95 of the State's 100 counties.

On an individual county basis, the most cocaine cases came from:

Wake-387; Guilford-293; Cumberland-278; Durham-253; Robeson-119; Pitt-111; Alamance-93; New Hanover-93; Catawba-84; and Onslow-77.

Drug laboratory technicians pointed out that many of the samples being submitted are showing a higher quality cocaine than in the past.

The 74 samples of "crack", identified separately over the last six months of the year, were confined to 16 counties with Harnett-21; Lenoir-13; and Pitt-9, showing the highest number of cases.

"These figures represent combined and well coordinated efforts on the part of local law enforcement agencies, the SBI, Special Drug Task forces, and other State and Federal agencies," Morgan said.

"Even though our emphasis to curtail the narcotic traffic increases daily, these statistics indicate we are still losing ground," the Director added, "and this means that we must increase our efforts even more."

"Our major requests to the upcoming General Assembly session next month will emphasize additional funding to combat this major problem, he said, and we are committing all the time and manpower possible to combat the drug traffic by keeping constant pressure on dealers, pushers and users."

SOCCER

Jesse Williams, Selma Miller, Ricky Kelly, Edward Wyenandt, Wednesday Wyenandt, Maurice Shannonhouse, Kevin Roberts, Donnie Markham, Jessica Warrenner, Curtis Whitehurst, Martin Whitehurst, Shelma Miller, Amber Curles, Andre Riddick, Jamie Haskett, Tineya White; Coach, Willie Shannonhouse.

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Seated at the head table with District Ruritan officers, Albemarle District Ruritan Governor Sam Walker, from

Coinjock Ruritan Club presides over the District Meeting held recently in Hertford.

Arthritis Foundation publishes magazine

Americans with arthritis now have a new source for the most up-to-date information about their disease. It's a magazine called "Arthritis Today," which is now published six times a year by the Arthritis Foundation. The first issue was distributed to about 600,000 homes across the country during the first two weeks of January, 1987.

"There are almost 40 million Americans who have a form of arthritis," said Betsy Brewster Case, who serves as national chairman of the Arthritis Foundation and who herself has rheumatoid arthritis. "They and their families want to know the latest about arthritis research and treatment, and they want to know how to best overcome their disease in everyday living. The Arthritis Foundation's official new membership magazine gives that and much more."

"Arthritis Today" is the best source for the most current information about new research, products, medications and treatments. There are also practical tips for making the person with arthritis more comfortable, independent and productive. "Arthritis Today" replaces the newsletter-style publication titled "National Arthritis News," which has been the Arthritis Foundation's official membership publication since 1980.

"The tone of our magazine is very upbeat and positive," said Ms. Case. "We want to show people that they don't have to be depressed or give up on life just because they have arthritis. 'Arthritis Today' allows people with arthritis to regain control over their body and to improve their frame of mind."

The magazine deals with the financial and emotional concerns of people who have arthritis, as well as with the physical aspects of having arthritis. For example, upcoming issues will feature articles about obtaining health insurance, communicating with family members and accessibility to public places. Each issue will also provide practical information, such as tips on travel, exercise and medications.

"Most people who have arthritis must live with it for the rest of their life," said Ms. Case. "We at the Arthritis Foundation show them how to live in the most pain-free and most productive ways possible."

"Arthritis" is the term for a group of about 100 related diseases that include rheumatoid arthritis, osteoarthritis, gout, lupus, bursitis and spinal arthritis. For information about "Arthritis Today," write to the Arthritis Foundation, NC Division at 3115 Guess Road, Durham, N.C. 27705.

Local Ruritans hold district meeting

The Albemarle District Ruritan Clubs held their Annual Organizational Meeting on January 29, 1987 at the ARPDC Building in Hertford. Albemarle District Governor Sam Walker officiated over the eighteen clubs represented at the meeting.

The members of Chowan Ruritan Club presented the program on membership recruiting and retention. Each club was then called upon to

share what their club was doing to promote the objectives of Ruritan: Fellowship, Godwill and Community Service.

The clubs reported that they would continue to sponsor pig pickin's fish fries, Bar-B-Ques, Yard Sales, Auctions and the like to raise the funds needed to carry out their community projects.

human services budget cont'd.

early funding.

The department's top priority—the expansion of the state's workfare program for welfare recipients—received the full endorsement of the Governor. \$1.6 in state funds, added to federal and local funds, will provide mandatory work experience in 64 counties. The program currently exists in approximately 30 North Carolina counties.

Senior citizens will see a big increase in the funding of adult day care if the General Assembly approves the Governor's \$1.4 million in increased funding. "This is important in helping senior citizens stay out of expensive institutional care," Kirk noted. Other senior citizen initiatives will be financed through block grant programs which will be submitted to the General Assembly later.

"Governor Martin recognizes the need to accelerate our efforts to improve our infant mortality rate to the tune of more than \$6 million over the next two years," the DHR chief noted.

Programs for children continue to occupy a very high priority in our administration," Kirk noted. "As a direct result of the Governor's Commission on Child Victimization, chaired by First Lady Dottie Martin, we are seeking more funding for prevention of child abuse, permanency planning, early intervention, increased training for protective service workers, support for child care institutions, increased services for emotionally disturbed children, improved monitoring of day care for children, and better training for day care providers."

New funding for the state's first Birth Defects Registry and Cancer Registry are also included in the Martin budget. Money to fund and expand Western Regional Medical Examiner's Office in Charlotte and additional staff for Hazardous Waste Management highlight expansion in public health.

Funds to replace part of the lost federal money for the health planning and certificate of need are also included.

Putting the pre-school visually-impaired on the same level with pre-school hearing-impaired is accomplished in the Governor's budget. An

early intervention program prior to school-age would prepare these children for learning readiness by developing their social skills, mobility skills and communications ability as well as allowing their families to better understand the needs and abilities of the visually-impaired child.

In addition 102 teacher aides in the Schools for the Deaf will be eligible to participate in the State's retirement and hospitalization programs, a benefit already available to teacher aides in the public school system.

Independent Living opportunities through the Division of Vocational Rehabilitation Services will be provided at two additional independent Living Centers. Two existing centers are located in Charlotte and Winston-Salem. Sites under consideration include Asheville, Greenville, Gauleville, and Research Triangle Park area. Each center will serve approximately 50 physically handicapped individuals.

"Because of past neglect of our juvenile training schools, the Governor is recommending nearly \$1 million to improve facilities and programs," Kirk noted. "This is welcome news to our overworked staffs who are serving additional numbers of young people with serious and complex problems."

Kirk pointed out that the Department recommended some reductions which enabled the increased support for new and expanded programs. Reductions in funding for abortions, changes in the juvenile code, pre-admission screening for Medicaid hospital admissions, federal certification of additional beds at Western Carolina Center and Caswell Center, cancellation of unnecessary contractual services with various providers, rural health center construction and operational subsidies total approximately \$12 million.

Governor Martin also is recommending nearly \$13 million for weatherization assistance and \$3 million for energy assistance payments for the poor. The Department will recommend additional funding through its block grant program.

Kirk concluded, "The Department of Human Resources serves every citizen of our state. That's why we are often called the people's department."

GOOD NEWS
NORTH CAROLINA
FARM BUREAU INSURANCE

Southern Farm Bureau Life Insurance Co.
is currently paying **7.5%**
on
IRA's

Call Your Farm Bureau Agent in Perquimans Count
Jeff L. Smith Pat A. Ward
Lewis B. Evans
426-5636 426-7401
705 S. Church St, Hertford

if you like good eating... you'll like our...

- Fresh Hamburger
- Hamburger Steaks
- Homemade Beef Soup (served daily)
- Brunswick Stew
- Fresh Fish (served daily)

FRIDAY NIGHT SPECIAL

- Select Oysters
- Medium Shrimp
- Fresh Fish

SATURDAY NIGHT
Pickled Herrings

White's BBQ
U.S. 17 Hertford 426-5064

INSIGHT INTO EYESIGHT

Dr. A.F. Downum
OPTOMETRIST

SUDDEN FLASHES

If you've been disturbed by sudden flashes in your eyes, this may be caused by an irritation of the retina.

The retina is a layer of light-sensitive cells located in the back of the eye. When it is stimulated (or in this case irritated) it is capable of sending only one sensation to the brain: light. Just as the nerves in other organs have specific purposes — the ear for receiving sounds, the nose of smell and so forth — light is the only sensation the retina can transmit. Even if the retina was pricked with a sharp pin, the only sensation it would transmit to the brain would be a flash of light.

Even a tiny pull on the retina or a momentary stress on a tiny blood vessel caused by a slight rise in blood pressure may result in a flash of light to the brain. An occasional flash may be harmless. But it may also be an early warning of detachment of the retina, which can cause serious vision problems. Only an examination by your eye specialist can determine the cause and how it can best be treated.

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