

State's New Intangible Personal Property Tax

... and How It Affects You

Effect of Act, introduced by Senator McCallum as Senate Bill No. 282 and enacted with 25 amendments, is to substitute for the burdensome general personal property tax on intangible personal property a specific tax at a more equitable rate. Personal property, both tangible and intangible, has been subject to a tax levied by local assessors at the same rate as on real estate. Where enforced, the tax proved to be virtually confiscatory on income on intangibles.

Application of Act. New tax will be levied for the calendar year 1940 and will be payable in the first fifty days after the end of the calendar year unless further time is granted or the fiscal year of the taxpayer varies from the calendar year. Because the present personal property tax has already been levied for 1939 and will be payable during this year, no tax on intangibles will be due during 1940 (unless the fiscal year expires before the 1940 calendar year).

"Intangible personal property" includes "accounts receivable, money on hand or on deposit or in transit, interest-bearing obligations for the payment of money, including bonds, certificates of indebtedness, debentures, notes, and certificates of deposit, either secured or unsecured, annuities, royalties, shares of stock in corporations, associations, and joint stock companies, certificates of ownership in enterprises conducted for profit (not, however, including partnership agreements), equitable interests in any of the foregoing classes of intangible property and any and all other credits and evidences of indebtedness."

Rate of Tax. The tax on income producing intangible personal property shall be 6 per cent of the income but in no event less than one-tenth of 1 per cent nor more than three-tenths of 1 per cent of the face or par value of each item. In case of corporate stock or other forms of corporate ownership having no par or face value, the tax rate shall apply on the average per share contribution to capital surplus, and other funds in consideration of which shares of stock were issued.

Tax on non-income producing intangible personal property shall be one-tenth of 1 per cent of said face, par or contributed value. In case the value of any item of property changes during the year, the average value shall be computed under rules to be promulgated by the tax commission.

(Present rate on personal property, now applicable to intangibles, varies from two to three percent of the true cash value, depending on the tax rate in the particular community.)

Bank Deposits. Bank deposits are specifically included in the definition of intangible personal property subject to the new specific tax and will be exempt from the general personal property tax. Each taxpayer is exempt with respect to bank deposits up to \$5,000. If the taxpayer has more than one deposit account, the exemption applies to the aggregate amount of his deposits and not to each deposit account. Under paragraph 6 of the act, the Michigan Bankers association advises that it is apparently intended that the bank may pay the tax for the depositor and may charge the same against the depositor. It also seems intended that the commission may, under appropriate rules and regulations, require banks to pay the tax on bank deposits. The language of the act is not perfectly clear.

Stocks in banks and trust companies are subject to the specific tax, irrespective of the residence of the owner. The same applies to building and loan associations.

Trusts and estates. Beneficiaries, rather than the trustee of a trust, will generally be regarded as the owner subject to the tax. However, paragraph 6 of the act provides that any person having intangible personal property of another in his custody or on deposit may pay the tax imposed thereon and may be required, under certain circumstances, by the tax commission, to pay the tax on behalf of the owner. It is believed that the sponsors meant this to apply to trusts and estates, although a court decision may be needed to clarify the matter.

Mortgage and Land Contracts. This act repeals the Mortgage Tax act. Effective 30 days after the end of the legislative session, the act provides that no mortgage tax need now be paid on mortgages, mortgages and land contracts. Taxpayers may save by paying, before the effective date of this act, the mortgage tax on land contracts. Where the mortgage tax is \$50 cents for each \$100 of the original unpaid purchase price, the specific tax (assuming that the land contract annuity is paying as much as five per cent interest) will be 30 cents annually for each \$100 of the balance due on the contract.

Deductions and Exemptions. Each taxpayer is allowed to deduct from his total tax computed under the foregoing formula the sum of seven dollars. Furthermore, in computing the tax, accounts payable by the taxpayer and notes given in lieu thereof may be deducted from accounts receivable and notes given in connection with such accounts payable and notes are incurred or given in connection with the business from which the accounts and notes receivable are derived.

The following intangibles are exempt:

- (1) Mortgages and land contracts on which the mortgage tax has been paid prior to the effective date of this Act (ninety days after the end of the Legislative Session).
- (2) Bonds and other obligations secured by mortgages upon which the specific tax imposed by Act No. 42 of the Michigan Public Acts of 1913 has been paid prior to the effective date of this Act.
- (3) Bonds and other obligations of the State of Michigan or of any political subdivision thereof.
- (4) Bonds or other obligations of, or guaranteed as to principal and interest by, the United States or any of its possessions, agencies or instrumentalities.
- (5) Bonds, mortgages and other evidences of indebtedness issued for the purpose of erecting armories in Michigan.
- (6) United States pensions.
- (7) Partnership interests to the extent of intangibles with respect to which the partnership has paid the specific tax.
- (8) Time, savings and demand deposits in banks up to three thousand dollars for each taxpayer.
- (9) Intangible personal property belonging to state and national banks, building and loan associations, savings and loan associations, and credit unions doing business in Michigan, belonging to certain benevolent, charitable, religious, educational, scientific and other specified organizations, and belonging to insurance companies and other corporations paying the tax under specified acts.
- (10) That proportion of each share of capital stock or dividends thereon which the proportion of the corporation owned and used in Michigan bears to all of its property.
- (11) Intangible personal property, the taxation of which under this Act would, under specified circumstances, be unconstitutional as double taxation.

Immunity. Paragraph 12 of the Act provides that, after a taxpayer files a return for the calendar year 1940, no proceeding shall be maintained against his property or his assets for the enforcement of any tax or penalty arising out of any prior law imposing a tax on intangibles with respect to intangibles subject to the new tax other than for the enforcement of the tax actually levied prior to 1940. This provision constitutes, in effect, a statute of limitations with respect to claims against persons who have failed to make returns or proper returns under the General Personal Property Tax Act in prior years; thus encourages compliance by taxpayers with the new Act by eliminating fear of assessment for prior years on the basis of information disclosed in returns under the new Act.

Inspiration Compiled by Clarence W. Hamilton

We all need inspiration to make us improve, think harder and be more efficient. These messages by men and women who have overcome difficulties are intended as an aid to your success and happiness.

GET IN THE PLACE YOU ARE FITTED TO FILL

"Success is not a matter of purchasable labels," says Merle Thorpe, distinguished editor and publisher of National Business, the official publication of the Chamber of Commerce of the United States, who has achieved a wide reputation as a writer on business subjects. Many of his editorials have attracted national attention because they so ably express the sentiment of many business men.

"Success" is a word with definitions as various as the people who strive for it. If the old trinity—health, wealth and happiness—be acceptable by the standard by which the satisfaction of a life is measured, few could qualify as successful. All these things are relative.

"Perfect health cannot endure by reason of the ill to which the flesh is heir. How much of this world's goods it takes to make the man successful in the eyes of his fellows is a debatable question, complete contentment is very much desired and well for the progress of society that there is not. Stagnation would be the consequence."

"The successful person, to my mind, is the person who best and most fully puts to useful service all his powers and faculties, who finds and utilizes the opportunity for his application—person who manages to get into the place he is best fitted to fill."

(WNU Service)

The body of Mrs. Mary P. Ford, who lived on the Royal Oak cemetery, Royal Oak, Mich., was held at the Royal Oak cemetery, Royal Oak, Mich., on Tuesday afternoon at 2 o'clock.

The body of Mrs. Mary P. Ford, who lived on the Royal Oak cemetery, Royal Oak, Mich., was held at the Royal Oak cemetery, Royal Oak, Mich., on Tuesday afternoon at 2 o'clock.

The body of Mrs. Mary P. Ford, who lived on the Royal Oak cemetery, Royal Oak, Mich., was held at the Royal Oak cemetery, Royal Oak, Mich., on Tuesday afternoon at 2 o'clock.

The body of Mrs. Mary P. Ford, who lived on the Royal Oak cemetery, Royal Oak, Mich., was held at the Royal Oak cemetery, Royal Oak, Mich., on Tuesday afternoon at 2 o'clock.

The body of Mrs. Mary P. Ford, who lived on the Royal Oak cemetery, Royal Oak, Mich., was held at the Royal Oak cemetery, Royal Oak, Mich., on Tuesday afternoon at 2 o'clock.

The body of Mrs. Mary P. Ford, who lived on the Royal Oak cemetery, Royal Oak, Mich., was held at the Royal Oak cemetery, Royal Oak, Mich., on Tuesday afternoon at 2 o'clock.

The body of Mrs. Mary P. Ford, who lived on the Royal Oak cemetery, Royal Oak, Mich., was held at the Royal Oak cemetery, Royal Oak, Mich., on Tuesday afternoon at 2 o'clock.

The body of Mrs. Mary P. Ford, who lived on the Royal Oak cemetery, Royal Oak, Mich., was held at the Royal Oak cemetery, Royal Oak, Mich., on Tuesday afternoon at 2 o'clock.

Beaver Church. Burial was in Oakview cemetery, Royal Oak, Mich., of Mrs. Ford, who lived on the Royal Oak cemetery, Royal Oak, Mich., on Tuesday afternoon at 2 o'clock.

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Funeral services were held Saturday afternoon at 2 o'clock for George William Long who died Thursday morning at the Detroit

Death of Mrs. E. Benson. Mrs. E. Benson, 68 years old of 4741 Delemere avenue, Troy Township, died Monday at her home following a four month illness.

Surviving are two sons, Roy L. and Ray P. of Troy Township, and a brother, John Clampt of Indiana.

The body was taken from the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Funeral services were held at the Sparks Funeral Home in Royal Oak at 1:30 Wednesday to the

Radio Temple, Berkeley, where funeral services were held at 2 o'clock, Rev. H. Ed Weinstock officiated and burial was in Oakview cemetery.

WE HEARD IT SAID BY— Dr. Fred L. Tucker, local dentist, "I've modernized the out-of-date doctors ought to be equipped with an amphibious airplane—then he could travel several hundred miles to go hunting and fishing. At some time far distant future date I'll wager that airplanes will be as plentiful as horses and buggies."

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.

ONE QUART MASON JARS 59c doz.