

How to Figure Intangibles Tax On Corp. Stocks

A person preparing a Michigan intangibles tax return for the first time may be bewildered by the application of the form. This return form is used for all types of returns, including individual, business and corporate returns. It must be noted that the computation will not be made by the individual.

This second in a series of three articles prepared by the State Bar of Michigan for the Michigan Department of Revenue explains the computation of the tax on stocks.

The intangible reported by most persons is stock in a corporation. Stocks in all corporations, regardless of where they are located or incorporated, are taxed. Market value or purchase price is not a factor in the computation.

THE RATE on stocks is 3 1/2% of the market value of the stock, but not less than \$1.00 per \$1000 of the par or contributed value. As in recent years most generally owned a stock with a par or contributed value will have little significance in the computation, but will be required for a non-dividend stock.

These par values can be obtained from the stock certificate itself, or if it is a no-par stock, from a bond or note issued by the Department of Revenue.

Here's a typical computation:

Joe Taxpayer owns 200 shares

of General Motor's common stock.

\$50.00 was paid on which a \$400

per share dividend was paid in 1952. That's a total par value of \$1,000 and a total dividend income

of \$800. This tax is computed at 3 1/2% of the \$800 income. Joe owes the state \$33 on that item.

THE REST of the computations are just as simple. There is one general rule concerning exemptions. General Motors, for example, if Joe had no other intangibles he would file no return.

Next week: How the tax is computed on land contracts and mort-

gages.

First Shipment of Gamma Globulin Leaves Red Cross

Oakland County Chapter American Red Cross, this week announced the first shipment of gamma globulin to the Office of Defense Mobilization. This initial installment of the Red Cross pledge of several million units of blood for processing into gamma globulin will be used in the fight against polio.

Dr. Ernest E. Bauer, blood program chairman, said the Red Cross has received enough gamma immunization shots. The distribution to epidemic areas will be determined by ODM.

These are the first units of blood for the armed forces and civilian hospitals, as well as the polio fight," Dr. Bauer said. "There is also a stockpile of gamma globulin available in case an emergency arises."

"With this in mind, several bloodmobile visits will be set up in the areas for the balance of the year," he added.

Mrs. Bradley Pruden of Birmingham will direct the work of one campaign scheduled for Royal Oak.

REPAIRED IN DAY

RENOVATED

IN

DAY

1

REPAIRED

RENOVATED