

## TAXES

# Tips for Taxing Times

BY TIMOTHY CONDON

This is the nastiest time of the entire year. Why? Because income tax time is fast approaching. And for anyone who keeps in mind that taxes are forced exactions, and go to pay for an institution that has caused more death, destruction, and misery than any other in the history of mankind, parting with this money is particularly painful.

So I want to tell you to get your taxes done *now* and on time. A *non sequitur*? Not quite—just a prudent defensive measure. You see, if you get your taxes done early (that is, before the mad stampede at the beginning of April), you won't have to worry about getting that last-minute appointment with your tax specialist or spending a frantic, last-minute 24 hours trying to figure out the unfigurable.

More importantly, if you get your return done now, you can slip it into the mailbox *on the April 15 deadline*, along with literally millions of other harried taxpayers. Although the IRS yearly tries to deny the fact, it's been established (in congressional testimony, no less) that a person's tax return has a much better chance of slipping through without a close examination if it's mailed on or about April 15. And *this* year—tsk, tsk—it will be harder than ever for the IRS to “do its thing” with us, since presidential directives have been steadily whittling down IRS personnel by significant percentages.

Now, since you've decided to sit down instantaneously and get your taxes done, take this article with you. What follows is a host of little hints, things not to forget, places to look for extra deductions, and important nooks and crannies in the current tax law.

- First of all, be sure when you sit down that *all* your records and receipts and so forth are together in front of you. It's hard as hell to get your taxes all done (or have your preparer do them) and then happen upon a sheaf of forgotten deductions that will change your entire return.

- Second, if you're going to do your own taxes, you've got to have a good tax preparation book for reference. The most important thing to look for is an extensive and comprehensive index. Probably the best is J. K. Lasser's *Your Income Tax*. It can be found, along with

about 20 other income tax guides, at any good bookstore.

- Don't neglect the venerable Schedule A—Itemized Deductions. Tax breaks often forgotten on this form include medical transportation mileage, non-prescription medicines and drugs found in your cabinet at home, medical supplies (like gauze, bandages, adhesive tape, thermometers, etc.), both cash and non-cash charitable donations (such as charity mileage driven, things from your home donated to Goodwill or the Salvation Army, etc.), casualty losses (such as trees and shrubs lost in floods or freezes, not to mention the common fires, thefts, auto wrecks, etc.), job-seeking expenses, job expenses (including special clothing, safety equipment, books and manuals, gifts, etc.), tax record-keeping expenses (including notebooks, pens, ledgers, and your safe deposit box), and much else. The Schedule A is a veritable gold mine. Dig in it.

- If you made any capital gains in 1981 (through the sale of items such as land, buildings, jewelry, stocks, and bonds), you should be aware that you don't have to report it all on your tax return. Besides the normal 60 percent capital gain deduction, installment sale rules have been drastically revamped—in favor of the taxpayer—such that virtually anyone can qualify for reporting these gains on the installment basis. This means you'll report only a *part* of your profit each year; and for the next three years, at least, tax rates will be going down.

- If you own anything you can depreciate on your tax return (rental property, business machinery or vehicles, office equipment, etc.), you're going to be delighted with the new depreciation rules. For depreciable property put into use after December 31, 1980, there's a very simple 3-year, 5-year, 10-year, and 15-year set of schedules (depending on what kind of property is to be depre-

ciated). Wonderful stuff. (And remember, if you *did* put depreciable property into service in 1981, you may be eligible for an investment credit if it's the right kind of property.)

- Other tidbits available this year include, besides the generally lower tax rates (a 2.5 percent drop for 1981), an increased child care credit for moms and dads who both work; a new research and development credit, which can be examined on the new *Form 6765: Credit for Increasing Research Activities*; and slightly changed rules for avoiding tax on the sale of a principal residence (you now get two years instead of 18 months to buy another abode, or you can take the once-in-a-lifetime exclusion, now up to \$125,000).

- On the negative side of the tax battle, commodity straddles have been pretty much eliminated, greatly increased penalties of all kinds are coming on line for the IRS to beat us over the head with, and the awful and egregious Social Security taxes have gone up yet again (if you're an employee, you'll have to pay a maximum of \$1,975.05, up from a maximum of \$1,587.67 in 1980; the self-employed will get hit for a maximum of \$2,762.10 for this monstrous boondoggle, up from \$2,097.90 last year).

Naturally, the size and scope of government is going to grow in 1982, even with President Reagan's first cuts. Naturally, taxpayers are going to have to pay more in 1981 than 1980 and will pay more in 1982 than in 1981. Yet even so, we're at least somewhat better off than if the bigger spenders had won the White House. It's easy to forget this fact.

Finally, don't let me hear anyone out there complaining about high taxes if he or she is not a member of the National Taxpayers Union (325 Pennsylvania Ave., S.E., Washington, DC 20003) or the National Tax Limitation Committee (1523 “L” St., N.W., Suite 600, Washington DC 20005). Or, preferably, both. There's a long struggle coming.

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### QUOTABLE QUOTE

*The hardest thing in the world to understand is the Income Tax.*

—Albert Einstein

Do you have a tax question? Mr. Condon may have the answer. Send your query along to REASON Taxes, Box 40105, Santa Barbara, CA 93103.

(A limited number of reader questions can be answered in print; personal replies cannot be made.)

# Sleep and Your Health

BY DURK PEARSON AND SANDY SHAW

**A**lthough our understanding of the biochemical and physical processes underlying sleep is still rather crude, we now know enough to be able to modify some of them repeatably.

Sleep is an altered state of consciousness from that of our everyday world. We are put to sleep by increased quantities of serotonin in the brain. Serotonin is an inhibitory neurotransmitter (chemical used for communication between nerve cells) that decreases the firing rate of certain nerve cells. The quantity of serotonin in the brain depends on a day-night clock cycle maintained by the brain. Even in the absence of any external dark or light signal to establish the time of day, most people run on a 23- to 26-hour daily rhythm.

Serotonin is manufactured by the brain from the nutrient *tryptophan*, which may be obtained from the diet (for example, bananas or milk) or from a nutritional supplement purchased in a drug or health food store. In order for the brain to convert the tryptophan to serotonin, *vitamins C* and *B-6* are required, so supplements of these ought to be taken with tryptophan for best results.

Animal studies have shown that after a large carbohydrate meal more tryptophan enters the brain; insulin released in response to the carbohydrates alters the binding properties of tryptophan to the protein that carries it in the bloodstream. This phenomenon explains, at least in part, why so many people fall asleep at lectures after lunch!

Another aspect of sleep is staying asleep once serotonin has induced us to enter that state. The cholinergic nervous system in the brain uses the neurotransmitter acetylcholine to regulate the input of stimuli from the outside world. When we sleep, this input is greatly reduced, allowing us to stop paying attention to our surroundings and enter the sleep state. Taking *choline* (along with *vitamins B-1* and *B-6*, which are required for its conversion to acetylcholine by the brain) can help us to stay asleep. *Lecithin* (which contains phosphatidyl choline) and the prescription drug *Deaner*® (Riker) are also effective.

Why do we need sleep? This is a question that has interested scientists and nonscientists alike since time im-

memorial. We still do not know, but there are hypotheses.

An interesting hypothesis is that REM (rapid eye movement) sleep may serve to increase our brain's supplies of certain neurotransmitters, the catecholamines (dopamine, norepinephrine), that are important for learning, memory, long-term planning, emotions, primitive drives, motor activity, and other functions. An increase in these substances has been measured in the brains of experimental animals after REM sleep, and a lack of REM sleep has been known for many years to reduce ability to concentrate and focus and to increase aggressiveness and bad judgment.

REM is associated with dreaming, a fascinating altered state of consciousness. It is initiated in the brain by a release of the hormone vasopressin by the pituitary gland. It is currently available as a prescription drug, *Diapid*® (Sandoz), used to treat a condition of excess urination caused by a deficit of vasopressin. We have experimented with this drug (because it has been shown to increase intelligence and improve memory in several human clinical trials) and found that it increases the ability to visualize. Thus, its connection with dreaming is not surprising.

Another hypothesis concerning why we sleep is that it removes individuals from the relatively more dangerous night environment to the relative safety of the home territory. It puts us "on hold," so to speak.

One important event that takes place about 90 minutes after we begin to sleep is the release of growth hormone (GH), triggered by serotonin and dopamine. Growth hormone is necessary for the proper function of our immune system—the white blood cells, thymus gland (located behind the breastbone), spleen, bone marrow, and various chemicals, including antibodies, interferon, and com-

plement. The thymus gland enables certain white blood cells, called T-cells, to identify and attack entities that are foreign to the individual's body. When there is inadequate GH, the thymus shrinks in size and the white cells don't do as good a job of locating, killing, and eating bacteria, viruses, and cancer cells. Certain of these white cells instruct other white cells (called B-cells) to make antibodies. This, too, is performed less well when there is inadequate GH.

Older people release less growth hormone than younger people do, and this is suspected by some scientists studying aging, including ourselves, to be an important factor in the rapid decline in health that occurs after young adulthood. It is possible to bring GH release back up to young-adult levels by taking supplements, including the nutrients *L-tryptophan*, *L-arginine*, and *L-ornithine* (amino acids) and the prescription drug *L-Dopa* (also an amino acid). Taking these just before bedtime increases GH release at a natural place in the daily cycle. Other stimulants of GH release include exercise, fasting, and hypoglycemia.

Reducing sleep without disturbing the brain's chemistry may be an effective strategy for life extension; even if we don't live any more years than is normal, we can increase our subjective life spans by up to about a third. Although it is possible for at least some individuals to function with very small amounts of sleep, data indicate that, for most of us, sleeping seven to eight hours a night is normal, and any substantial deviation from that amount is usually associated with a reduced life span.

Staying awake for prolonged periods results in a psychotic state (including hallucinations and paranoid delusions) that closely resembles that seen in chronic abusers of amphetamines. They both result in depletion of brain stores of norepinephrine, an important neurotransmitter. Staying awake for a couple of nights has been of benefit to some people with depression, possibly by a mechanism involving a resetting of day-night cycles. It is known that REM deprivation reduces the threshold for electrical shock convulsions. Thus, it may activate an overly inhibited

(Continued on p. 55.)

We invite questions of general interest from our readers. Send your query along to REASON Health & Welfare, Box 40105, Santa Barbara, CA 93103.

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