

### Income Tax Depreciation of Car

"J. R. T." bought a 12-h.p. car in 1927 for £408, and sold it in March, 1933, for £41, buying a 10-h.p. car for £171. He has claimed the loss on sale of the old car £408-£41=£367, but the inspector of taxes will allow only £171-£41=£130—that is, the actual out-of-pocket cost of replacement.

\*\* There are two alternative methods of dealing with such transactions: (a) claiming "depreciation" year by year and "obsolescence" when the car is replaced, and (b) claiming cost of renewal. "J. R. T." has adopted the second, which is simpler but less satisfactory, because where the price level has fallen the renewal allowance is inadequate to cover the capital loss. If he had claimed depreciation at 20 per cent. on the written-down value from 1928-9 onwards he would have received (£82+£65+£52+£42+£33=) £274 by 1932-3 inclusive, and could then have claimed "obsolescence"—that is (£408-£274-£41=) £93, as an expense of the year ending March, 1933, so that the aggregate allowances would have covered the capital loss. In all the circumstances we advise "J. R. T." to lodge a claim with the inspector of taxes under Section 24 of the Finance Act, 1923—which provides for redress where excessive tax has been paid owing to an "error or mistake" in the taxpayer's return—for a revision of the past five years' assessments to give effect to the depreciation and obsolescence allowances which he has omitted to claim.

### New Partnership—Cash Basis

"G. O. C." entered into partnership in a practice in 1930, and took it over entirely as from March 31st, 1932. "The assessment for 1933" is being dealt with on the basis that the gross income is the cash receipts for the year to March 31st, 1933, plus all unpaid bookings as at that date. (We assume that the "cash receipts" so taken exclude those relating to bookings for work done prior to March 31st, 1932.) Is this method usual? It has not been previously applied in "G. O. C.'s" case, and causes extra trouble each year.

\*\* It is clear that tax is payable on trade or professional profits due but unpaid, and the adjustment of the amount of the cash receipts—upwards or downwards—for the increase or decrease in debts due to a practice is undeniably correct. In many cases the amount of the unpaid debts remains fairly steady, and the "cash basis" is accepted by the revenue without adjustment. But where a practice is treated as a new one—or where part of the cash receipts go to a retired partner—the taxpayer's "income" for tax purposes is something more than would be calculated from his cash receipts alone, and "G. O. C." appears to be under the necessity of admitting the adjustment for bookings. He is, however, entitled to deduct from the gross amount of the outstanding bookings any sums which he has reasonable grounds for thinking he will never receive.

### LETTERS, NOTES, ETC.

#### Intussusception in a Family

Mr. J. ARMSTRONG, F.R.C.S.I. (Ballymena), writes: May I add one to the curious surgical records which we see occasionally, and to which Mr. McAdam Eccles made an addition in the *British Medical Journal* of July 15th in his record of the case of repeated nephrolithotomies. There is in our neighbourhood a family in which there are six children, three girls and three boys. Upon each of the three boys I have operated in infancy for intussusception, the last one at the age of 8 months about three months ago. In this last case, five days after the operation, intussusception recurred at a different part of the bowel, and the baby had to be done a second time. All the operations were successful, and the boys are up to the present all healthy children. The cause of the frequency of the intussusception in the family may be pure chance, or it may be congenital neuro-muscular incoordination affecting the males only.

#### Treatment of Chorea

"G.P." (Surrey) writes: Would it not be wise to try drugs first before proceeding to new and dangerous treatments for chorea? I am acquainted with a bad case that went on for years. The child could never go to school or play with other children, dropped articles, and was always falling down. She was treated by several doctors and sent to a

home—all without result. This case was completely cured in a few weeks with large doses of arsenic. The child now is fit for school and can play with her companions. With all these new treatments there is a danger of medicines being forgotten. It is like Charlie Chaplin, who, after working for hours trying to break into a house, found the front door open. Surely the golden rule is, "Try simple measures first."

#### Herpes and Varicella

Dr. W. L. TEMPLETON (London, N.) writes: It is rather a remarkable coincidence that on the day I read Dr. Silcock's article on "Herpes Zoster Brachialis with Concurrent Varicelliform Eruption" I should see a similar case in a patient of the same age. Miss X, aged 74, developed on July 19th, after three days of neuralgic pain, a typical herpes zoster of the first branch of the right trigeminal nerve; the eruption was profuse on the forehead and the nose, but the cornea did not seem affected. Three days later my attention was drawn to a vesicular eruption on the face, both sides of the neck, chest, and the back as far down as the waist, which on inspection looked like a typical chicken-pox. There was no history of contact with chicken-pox, and the patient remembers from a history of slight scarring on her forehead that she had had a severe attack of chicken-pox in childhood. The order of eruption in both Dr. Silcock's and my own case would lead one to suggest rather that the vesicular rash, whether true varicella or not, is an atypical manifestation of the virus of herpes zoster.

#### Diagnosis of Scarlet Fever

Dr. F. R. HUMPHREYS (Wokingham) writes: The difficulty attending the arrest of an epidemic of scarlet fever emboldens me to give the following particulars of an epidemic which passed through my hands some years since, and was only arrested after some four months of it. Sixty-nine cases in all were sent to the local isolation hospital out of some three hundred boys. The first two cases were severe and unmistakable. The Dick test was made use of, Dick-positive individuals being subsequently immunized. The latter proved to be carriers during their immune period. Very early the symptoms ceased to be characteristic—some slight increase of pulse rate and possibly some sore throat. The only definite symptom manifested throughout was a slight oedema of the skin, with some doubtful rash in a few cases. The skin felt rough and dry. On picking it up it was thickened, and the normal limit of the epithelium was indefinitely demarcated from the subcutaneous tissue. This skin symptom came to be regarded as pathognomonic among those who had been exposed to infection, and isolation followed. The correctness of the diagnosis was indicated by the fact that, with two exceptions, all subsequently peeled and the epidemic ceased. Examination of throat swabs for haemolytic bacteria proved of the greatest value.

#### The Bridge of Allan Conference

Sir HENRY S. LUNN, M.D., writes from the Reform Club: I shall be glad if you will allow me to correct a misapprehension which has arisen. On May 20th, 1933, a medical conference was held at Bridge of Allan in which several well-known medical men took part. The conference resulted from an invitation which I issued, the subject of the discussion being "Rational Dietetics." In subsequent publications for which I was responsible the title "Modified Fasting and Dietetics" has been used as having been the subject of discussion at the conference. I regret that this title has been used rather than the title "Rational Dietetics," which was originally agreed upon with the chairman before the conference took place, and which latter was, in fact, the subject of discussion at the conference, and appeared on the invitations sent out to the medical members of the conference. I have taken steps to have the correction made on all future publications issued relating to the conference in question.

*Caravan and Camp Sites* (1933), published by the Automobile Association, is a comprehensive list of over 1,500 sites. All practical points—charges, postal address, accessibility for caravans, access to sea, etc.—have been indicated. The booklet is a companion to *Caravanning and Camping*, and is issued free to members of the A.A.

#### Vacancies

Notifications of offices vacant in universities, medical colleges, and of vacant resident and other appointments at hospitals, will be found at pages 31, 32, 33, 36, and 37 of our advertisement columns, and advertisements as to partnerships, assistantships, and locumtenencies at pages 34 and 35.

A short summary of vacant posts notified in the advertisement columns appears in the *Supplement* at page 80.