



Another view of a Knollwood interior. It is a wealthy club and you'd know it the minute you stepped into the lounge for there is an atmosphere of easy elegance identifying the type of the club and its membership

mittee who are selected from the membership at large. He first ascertains if all the chairmen will serve, if the other committee members are agreeable and then submits the entire list to the first board meeting for final approval.

There is no tie-up between old committee chairmen and new appointees. The old chairman does not continue as a member of the new committee or attend its meetings, unless he should be reappointed as chairman or selected by the new chairman to serve on the committee. We are careful to see that the personnel of the new committee is not made up entirely of new men, but endeavor to have one or two experienced men serve on each committee. This is not obligatory but is very desirable.

The President requests the chairman of each standing committee to prepare his budget, usually at the first meeting in January. Club expenditures are light during January, February and March, therefore the early preparation of budget is not necessarily urgent.

### Reports Guide New Men

Our retiring officers and chairmen are not required to turn over a written report covering past years' operations or make recommendations for the incoming administration. Our by-laws provide four quarterly meetings to be held each

year at the club house which are open to the entire membership and at such meetings each Chairman of standing committees and the Secretary and Treasurer make their reports.

From my experience in club work I feel that written reports from retiring officers and chairmen and recommendations for the incoming administration might be very valuable and feel that any club could adopt this policy with profit.

With respect to facilitating the proper handling of the club's financial and buying operations by the incoming administration: The incoming administration at their first meeting is presented with the financial statement of the club. Our Board of Governors work so closely together that the chairman of each committee would not authorize any large expenditure without presenting same at a regular Board meeting and give the Board an opportunity to vote on it. The Club Manager is authorized to make necessary expenditures for cafe and dining room operations. He always works closely with the chairman of the House Committee in reference to the employment of help, wages, etc. The chairman of the Green Committee is authorized to employ necessary labor employed on the course.

# Golf Club Taxes Get Another Boost

**C**ONTRARY to the general government policy of tax reduction, part of the Revenue Act of 1928 affecting golf club dues is more drastic in its demands from golf club members than was the act of 1926, against which so many of the officials of clubs protested.

That these protests were not only overruled but were followed by increased taxation must be somewhat of a mystery to club members whose practices and policies are for just taxation and against tax dodging. General announcement of the material changes made in Section 501, Revenue Act of 1926, as these changes are embraced in Section 413 of the Revenue Act of 1928, coming about at the time when so many active members of golf clubs are being solicited for campaign contributions, and when one of the national committees publicly appeals to golf clubs to close on election day, thickens the bewilderment.

In the 1926 Act the tax on dues and assessments exempted those "active resident annual members" whose dues and assessments were not in excess of \$10 a year. This year's act puts the deadline at \$25 a year. This insignificant concession in total revenue comes right at a place where the fewest number of golf club members are effected and in comparison with the total golf club national tax outlay which may be safely said, on the present basis, to be several times too high, is meaningless even to those making the customary grandstand play for the votes of the "common peepul."

The 1928 Act defines dues and assess-

ments subject to taxation in a manner that leaves no leeway. Assessments for capital expenditures now are taxable, as are amounts paid as "initiation fees" for shares of stock, promissory notes or transferable certificates representing an interest in the property and assets of the club.

## A Tax on Taxes

Golf club dues in reality are the club's own tax on their members for belonging to the clubs. Seldom do these dues suffice in the metropolitan districts to do much more than handle the carrying charges, and when something's left over, do a bit toward paying the "readiness to serve" cost demands of course and clubhouse. Then come the assessments which are virtually additional taxes on the members for the privilege of belonging to a going social and quasi-family establishment, to be followed by the crowning government tax on those who happen to select a golf club for enjoying a certain part of life, liberty and the pursuit of happiness.

In Section 413 of the Revenue Act of 1928 there is only a mirage, and a very tiny one at that, for those who entertain hope of bringing down the cost of golf to any golfers. It is obvious that the golf club quest of reason in taxation must continue vigorously until the logic, fairness and force of the golfer's position receives fitting consideration and favorable action.

A bulletin from the office of the Collector of Internal Revenue at Chicago tells of the golf club details in the Act of 1928 as follows:

Section 413 of the Revenue Act of

Salient details of the section of the 1928 Revenue Act affecting golf club members are given here and followed by the comment of one of the country's well known golf club presidents.

It seems strange that golf clubs never have been able to get anywhere in securing tax relief from the government but we understand that the U. S. G. A. now is preparing to act strenuously in behalf of the golf field.

In any campaign for lightening this burden it is up to every golfer in the United States to work vigorously and in co-operation with the agencies that are planning the tax battle.

1928 makes material changes in the tax on club dues and initiation fees imposed by section 501, Revenue Act of 1926. The new law will apply to any payments made by club members on or after June 29, 1928.

The first change to be noted is that dues of social, athletic, or sporting clubs are exempt from tax if the regular members pay dues of \$25.00 per year or less. Under the 1926 Act club members were exempt from tax if the dues of active resident annual members were not in excess of \$10.00 per year, but under the new Act the tax does not apply to dues if the dues paid by active resident annual members of a club are not in excess of \$25.00 per year. If the dues of active resident annual members are in excess of \$25.00 per annum, then the tax attaches to the dues of all classes of members, even though some members pay less than \$25.00 per annum.

In this connection attention is called to the fact that the 1928 Act specifically defines "dues" as including any assessment, irrespective of the purpose for which made. Under prior Acts the Bureau held in its regulations that special assessments for capital expenditures would not be regarded as dues. Since in the 1928 Act Congress has defined dues to include all assessments for whatever purpose made, assessments for capital expenditures will not be exempt from tax when paid on and after June 29, 1928, provided the sum of the assessments and ordinary dues to be paid by an active resident annual member exceeds \$25.00 per year.

Attention is also called to the change in the tax on initiation fees. The 1926 and prior Acts merely taxed amounts paid as "initiation fees" without elaborating on what should be included in that term, and as the result of the decision of the United States

Court of Claims in the case of Alliance Country Clubs vs. United States, the Bureau in Treasury Decision 3950 held that amounts paid for shares of stock, bonds, promissory notes or transferable certificates representing an interest in the property and assets of the club were not subject to tax as initiation fees. However, section 413 of the Revenue Act of 1928 not only imposes a tax on initiation fees if they exceed \$10.00, or on all initiation fees, regardless of the amount, if the dues of active resident annual members exceed \$25.00 per annum, but it also defines initiation fees. Under this Act, the term "initiation fees" includes any amount which an application for membership must pay as a condition precedent to membership. It is not material whether the applicant has any hope or expectation of a return of his payment upon resignation, death, or other circumstances, nor is it material to whom he pays the money. For instance, if an incorporated golf club requires incoming members as a condition precedent to membership to purchase either from it or from others a \$100.00 share of stock, the tax attaches to any such payment after June 28, 1928, regardless of the fact that it represents a property interest in the assets of the club. Likewise, if the purchasing of a share of stock in a land-holding corporation is a necessary precedent to membership in a club, the amount paid for such share of stock is taxable.

Life members are not subject to a tax on the amount paid for life membership, but are subject to an annual tax equivalent to the tax payable by active resident annual members on dues or membership fees OTHER THAN ASSESSMENTS, such tax by life members to be paid at the time for payment of dues by active resident annual members.

## How Long Is Cry for Tax Justice to Be in Vain?

By B. T. B.

HAVING been connected with three golf clubs for the past eighteen years, during which period the writer has given considerable time assisting in the business operations of these clubs, the various tax problems have attracted my attention, and I am wondering

whether or not such data as you could obtain from other club executives might not be of interest to the individual members and the various district associations.

Naturally the government tax situation affects not only golf clubs but city clubs, and I believe it is about time for club

members to have an up-to-date revision of club tax legislation.

Forgetting entirely the number of city clubs, which we can estimate as being about twenty-five times greater than the number of golf clubs in the United States, the following figures, which I believe to be conservative, will show an unbelievable amount of cash is being paid by golf players. The amount, in my mind, is being collected without real justification or in fairness to those men who play golf for the health-building qualities of this recreation.

In the metropolitan districts east of the Mississippi river we find not less than 180,000 members of private clubs where the government taxation on initiations averages \$150.00 per membership. The government, then, has collected \$27,000,000 in taxes from these men and in addition the government continues to collect one-tenth of this amount, or \$2,700,000, yearly, because each club has an average turnover of 10 per cent each year.

Outside of these metropolitan areas we find more than 800,000 members of private clubs who have paid an average of \$50.00 tax on their initiation, making a total of \$40,000,000. Due to the 10 per cent turnover in membership the government is collecting an additional \$4,000,000 per year.

Up to this point we have said nothing about dues. In these metropolitan areas the same 180,000 members pay an average of \$175 each, or \$3,150,000, and outside of the metropolitan areas 800,000 men pay \$8,000,000 yearly for the privilege of helping to support their club by the payment of dues on which this tax is levied.

The above figures show, then, that our government has collected \$67,000,000 from the men who join private golf clubs, and this figure will be found to be perhaps \$7,000,000 or \$8,000,000 low if a check is made of the golf clubs in our country. After collecting this \$67,000,000 the government is charging us \$6,700,000 yearly for initiation tax and over \$11,000,000 annual tax on dues.

I am wondering now just how much this interests the U. S. G. A., the Western, and the various district golf associations. Is it not reasonable to believe that our two million private golf club members, and the million and a half daily-fee golf players would be interested in putting forth some effort to induce our senators and congressmen to see the light and have the government

tax eliminated from both initiation fees and dues?

This, of course, is only one angle to the tax situation as affecting golf clubs, inasmuch as the board of directors of every golf club knows that as soon as their club has made itself felt in their particular district, the state tax body and the real estate assessor proceed to remove that club's property from the farm tax class and after estimating as high as they can on the cost of the improvements insist that the club pay anywhere from \$1,800 to \$3,000 yearly tax. Following this the city officials become interested in having the club property annexed to the nearest city or town, that they in turn may boost values and have that particular club give a share of these taxes to the town. This, of course, means an increase in taxes as well as valuation because it is supposed to cover fire and police protection, high school and grade school taxes.

To the writer it sometimes appears that those men outside of golf clubs are inclined to believe that these clubs are "miniature mints" from which money may be extracted at will. Every politician of any consequence looks to the golf clubs and their members for financial assistance, and always gets it because at least 25 per cent of the club membership are outstanding, influential men of the community with the interest of their city and state uppermost in their minds.

## Pick Pro Shop Goods That Move

EVERY pro knows how he can get stuck with dead stocks of merchandise by loading up on products that are not in popular demand or not well enough known to create buyers' confidence to the extent of setting the stage properly for a sale.

In connection with this peril it is well to heed the advice of C. J. Whipple, president of Hibbard, Spencer & Bartlett company, one of the biggest sporting goods jobbers in the United States. He believes that to job sporting goods successfully, 80% of the stock should be in demand. He says: "We would prefer to be overcharged on lines that have a good demand rather than to secure keen concessions on merchandise which we will have difficulty in moving. Knowing what the public wants and how much it will take is a quality that comes only with experience and constant research."



# Running Things Right at a Golf Outpost

By HERMAN HAL POPPE

*Manager, Club Rio Del Mar*

WE have practically no resident members, and have no large cities to draw from. In my work this has been my biggest obstacle to overcome, but our members come as far as 170 miles to spend the week-ends here, and especially during the beautiful weather which we enjoy around Christmas. Our overhead expenses have always been exceptionally high, due largely to the great uncertainty as to the number of guests coming. Very often we have the most beautiful weather, while it rains in San Francisco, and people are afraid to come.

My superior officers are very busy men, and their instructions have been simplified in the command to "make'r go."

In order to increase our house accounts, I had to open the dining-room to the public, which proved a great success during the summer.

## Back-Door Grief

It has been my good fortune to work myself up from a plain pastry-cook, and through many years of experience in the kitchen of a dozen different countries I am very much familiar with the various leaks, which I call "back-door grief." I remember several clubs where lack of help, or careless help, served more food through the back-door to the pigs than to members. The biggest leak I have experienced in my career goes through the pantry, which partly escapes the attention of the chef.

For every article delivered from grocer or baker or milkman, an individual voucher must be left, which is checked against his monthly statement. Everything is ordered by purchase-order in triplicate, signed by the person responsible for it. The original goes to the merchant, the first copy to my office, and the second to the person that signed it.

## A Pinch-Hitter

Trouble with the help? I get my share of it. Having gone through the grindmill of hotel-life ever since I was a small child, I naturally wanted to treat my help better than other people. It did not work. Club-

Poppe has been in the hotel and club business all his life so he's a capable fellow for handling the difficult job of running a country club located off the beaten path.

Club Rio Del Mar has about 2,000 acres with more than two miles of Monterey Beach front, and depends on its scenic charm and course and clubhouse facilities to attract members from rather remote territory.

This line-up means that the manager has to operate pretty much "on his own." "Tricks of the trade" of this conscientious and successful manager are described in this article.

houses are lonesome places for young people, and since cheap help has no cars, they will not stick. My help enjoys the best I can give, but if they do quit, know what I do? I put on an apron and do it myself till the next fellow is on the job. It works better than anything I have ever tried, and I haven't lost any prestige or respect yet.

Fussy members are plentiful everywhere, especially women and sickly men. Most of them have their pet arguments, and their pet idiosyncrasies. My wife, who is hostess of the Golf Lodge, has had success in converting such kickers by simply pampering them like sick children, without losing her temper.

## Pro Coöperation

The pro, who is too often regarded by members of the house staff as a necessary evil, is very important for the success of the manager. Handicaps, putting-contests, and a hundred other schemes can be worked out with the co-operation of the pro, to make members stay for their meals.

My greatest help has been this: At the close of a golf event, non-players were asked to take their seats in the dining-room overlooking the last hole (to avoid crowding or a bad rush in the kitchen).

This has a magnetic effect. As soon as the tense excitement of the game relapses, everybody feels hungry when he sees the gay parties in the dining-room.

The best women-members to my knowledge are teachers, doctors and other professional women, if they have a chance to be amongst themselves. Many of them like to smoke, but not in the presence of men. They like their own feminine conversations and games. Afternoon teas for them are easy to prepare and very profitable.

Our lodge, now being used in place of our clubhouse which was destroyed by fire, is built of redwood panel inside, with a large fire-place in the lobby, which, in itself, does much to create "atmosphere." All our dishes have our club-emblem; we serve all the conventional "country club" dishes, and the conversation concerns naturally horses and golf, which helps the "atmosphere" considerably.

At such rare moments as my officers find time to discuss affairs with me, we exchange ideas freely, but as a rule I am my own boss and have to be, and am running this exactly as if it were my own business. Last year we served an average of 2000 meals per month, and my monthly reports are something like this:

Number of meals served.....	0000
Value of meals served.....\$ ....	
Value of meals to staff.....	
Value of commissaries purchased during month of.....	
Value of inventory for the month of.....	
Total value of unpaid bills.....	
Current overhead expenses.....	
Total expense .....	
Total cash taken in.....	
Balance .....	
	\$ ....

Gross Accounts	No. of members	Pct. of membership	Total accounts	Percent of total	3 mo. av. per membr.
\$ 0.00 to \$ 25.00	20	6.8	\$ 237	0.5	\$ 11.60
26.00 to 50.00	16	5.5	649	1.3	40.50
51.00 to 100.00	46	15.8	3,450	6.9	75.00
101.00 to 150.00	65	22.3	8,262	16.3	127.00
151.00 to 200.00	46	15.8	8,182	16.2	177.50
201.00 to 250.00	34	11.7	7,589	14.9	222.75
251.00 to 400.00	52	17.7	16,129	31.8	310.00
401.00 and up	13	4.4	6,070	12.1	466.00
Totals.....	292	100.0	\$50,568	100.0	\$173.50
		* * *			
\$ 0.00 to \$200.00	193	66.2	20,780	41.2	\$108.00
201.00 and up	99	33.8	29,788	58.8	301.00
		* * *			
\$ 0.00 to \$150.00	147	50.4	\$12,598	25.0	88.00

## Caddies Help Keep Handicaps Right

ON the caddie cards at the Davenport (Iowa) Country club there is a space for the score of the player for whom the boy is caddying. This score is kept by the caddie in addition to the player's own score and turned in with the caddie card. These caddie cards go to the handicap committee and prove invaluable in providing complete data for correct handicapping.

## Do Your House Accounts Match These Percentages?

BELOW is an analysis of the house accounts at a well-run Illinois club, for a three-month period—May, June and July—classified according to size. Dues and subscriptions are not included, but all other charge items—season locker, club-cleaning, and valet fees; caddy-fees, golf-shop purchases, beverages, card-fees, restaurant charges and all miscellaneous items—are figured in.

The club, on the authority of the official who compiled these figures, is "just about breaking even," so the percentages in the table below are about normal for well-run clubs.

If your club is faced each year with an assessment, large or small, a compilation similar to this will probably show a higher percentage of members with small house accounts and fewer members with large ones.

Attention is particularly called to the last line in the tabulation, which shows that 50 per cent of the members (50.4 per cent, to be exact) contribute only 25 per cent of the club's gross income.



To make daily fee golf pay well you have to make the most of scenic possibilities of the course. This water hole at Alderwood is one of the spots that "brings 'em back" even if they do plunk a few in

## Fee Plan Brings Good Golf Northwest

WHEN GOLFDOM, some months ago, referred to the New Albany (Ind.) Country Club as a model institution for smaller towns, Lee E. Smith of Bay City, Ore., was one of the many who read the New Albany article with interest. New Albany is Smith's home town and he has lived true to the principles of the place by establishing golf on a good and

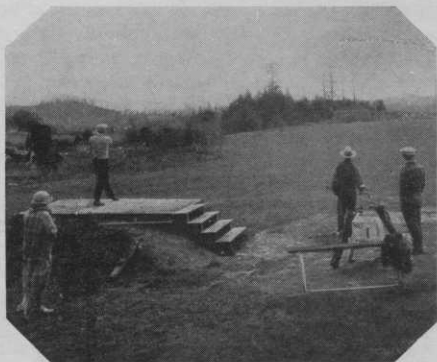
practical basis in three small towns in Oregon, where he became a resident several years back.

He is owner of two of the courses and has a substantial interest in a third. The first of these courses to be built was Alderbrook, "The Tillamook County Golf Course." Smith has had successful experience in bringing good golf to localities where the natives have been of the opinion that it would cost too much to build and operate just a passable course.

Of this experience Mr. Smith says:

"After many years of studying the golf situation and seeing the difficulty of pulling together the various groups which invariably form the social life of our American towns and the amount of capital needed to build a good course, I conceived the idea of selling playing privileges which would enable the purchasers to play golf and have all the pleasures of a country club without the collective bother of operating one.

The fact that a course is owned by an individual makes the upkeep much less than when operated by a number of committees as it eliminates duplication in pieces of equipment and waste which often



Tee maintenance, always a tough problem at a fee course, is handled in this manner at Alderwood

# Walter Hagen says

“EVERY wide awake Professional I have talked to is cashing in on the matched club idea. It's the biggest thing that ever hit the Pro shop because the majority of the members of every club are using sets consisting of mismatched odds and ends. These members are all real live prospects for a set of high grade matched clubs.

“The Pros who are doing the biggest business are the Pros who demonstrate to their members that matched clubs are the proper thing by using a matched set themselves. Unless you are using a matched set yourself, you are doing your sales an injustice.

“I use a set of my matched models and know that it has helped us sell thousands of matched sets. Why not start using a set of Hagen matched irons and woods and boost your sales? I'm sure you'll like them.”



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NEW YORK

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CHICAGO

occurs and offers golf at a yearly cost much lower than would otherwise be possible.

“Our entrance to the Alderbrook course is just off the highway on our own private road. Our advertising has been ‘dignified.’ In our caddy room is an agreeable hostess and the spirit of old-time Southern hospitality prevails at all times. To those members of an exclusive country club who might object to having golfers on the course who are not sponsored by a membership committee, I will say that we have found the game of golf to attract only clean out-of-doors people and the attitude of your hostess, pro and other employees will keep the holders of playing privileges on the same basis as members of a club.

## Virgin Golf Field

“Three years ago I opened Alderbrook and at that time there were not over three men in the county who had played golf. This part of the country is famous over the world for its hunting and fishing. Tillamook is an old Indian name meaning “Many Waters” and is so named for the number of rivers which empty into the Pacific. These streams are filled with trout, steelhead and salmon and offer attractive fishing.

“Realizing that a golf course would attract many visitors to this locality, the enterprising community of Tillamook and vicinity quickly purchased the playing privileges offered. These are renewed each year for the term of ten years at the same price and are transferable if the third party is agreeable to me. The course has been open since March 15, 1925, and the enjoyment of the families having playing privileges, the interesting tournaments which have been played off with other communities and the number of visitors who have played over the course each year has proved the plan to be a success.

“At the present time I am building nine holes at Bandon-by-the-Sea and will own and manage it under the same plan.

“In laying out these courses, my fairways are wide, my greens of German and Cocos Bent. The layout of all of them gives each green a character all its own and does away with all monotony in having one or more fairways paralleling each other.

“Meals are served in the club house dining rooms, a stock of balls and clubs carried at all times. My own handmade clubs keep me busy much of the time as there is a great demand for these clubs.”



# "Brighten the Corner Where You Are" Helps Sales



THAT genius who said "perfection is made up of trifles, but perfection is no trifle," was the author of the merchandising policy of Russell Jacobus, pro at Crestmont Country club, West Orange, N. J.

Note, first of all that the place is orderly and as neat as a pin. Little touches like the wall hanging, the curtains, and the attractive display of merchandise means that Russell is giving the members a tempting visual inducement to "stop and shop." He makes good use of manufacturers' advertising material, displaying it where it will tie-up with the urge to buy that the players have received thru makers' general advertising.

The shop itself is not elaborate but Jacobus has used his noodle and laid out his display and made his decorative features to best advantage. Some of the fellows who kick, saying their shops are just coops and you can't put any nifty display element in them, might take a tip from the sprightly simplicity of this Crestmont shop. You can see from the determined look on the Jacobus kid's face that if he could make some money by doing it, he'd fix up the inside of a woodshed so it would look like a corner of Tiffany's.



Russell Jacobus, pro at Crestmont, has the right sales background for profit



## HOL-HI BRINGS IN THE LOWEST SCORE



### Because—

It's a high powered ball. It gives greater distance. Its remarkable getaway minimizes hooks and slices. Its accuracy is unerring. Also its durability will amaze you—guaranteed to give absolute satisfaction.

# Wilson

## GOLF EQUIPMENT

### WILSON - WESTERN SPORTING GOODS CO.

NEW YORK, CHICAGO, SAN FRANCISCO

## Trials and Triumphs of the Green-Committeemen

BY "ONE OF THEM."

AN OLD adage reads "misery loves company." Possibly some Green Committee chairman will relish a few words recording the problems and tribulations peculiar to their vocation.

Many of us have had days filled with business troubles and nights broken by hallucinations arising from causes common to the responsibility assumed;—little details in themselves, but like the good housewife who has boasted unwisely of the table manners of her children, the bugaboos appear to crop out only when elite company is entertained as guests.

Take the first appearance of brown patch showing up on your pet green. Did you ever know it to fall on some fine clear morning when a visiting committeeman was your partner in a competitive game, that No. 12 would develop this insidious trouble? You had just explained in answer to his inevitable query that this fungus growth never visited your greens, in fact you always exercised precaution to quarantine against its appearance. But on this day of days, there it was in an advanced stage, staring you in the face.

Then there always comes the day when the crack golfer of the section decides to accept your invitation to play your course and review with a critical eye all that you have worried and stewed over all season. Did you ever accompany one who found only those traps with heel prints like elephant's tracks and bunkers with whisker growth that would phase a native Scot used to getting a ball out of gorse.

Again there is that group of golfers known as "Calamity Janes" who have been appeased through converting the slight semi-rough places off the line of play into fairgreens, thus bettering their accumulative scores through improved lies. (This last word can be interpreted literally.) Along comes a very good golfing friend of yours and wants to play for stakes. It invariably happens that on the short 8th hole, he will pull his mashie shot and find his ball setting right up on well clipped grass which should be semi-rough. Here is a test for the mental balance of any green chairman.

Coming to the putting greens and their condition, beware of the old proverb "pride goeth before a fall." A day will come when