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United States v. The Jefferson Mills, Inc.
367 F.2d 392 (5th Cir. 1966)

TUTTLE, Chief Judge, and BROWN and GODBOLD, Circuit Judges.

PER CURIAM

[*392] The question presented on this appeal is whether the trial court properly concluded, on motion for summary judgment, that payments by Jefferson Mills, Inc., a textile mill operating in the small town of Jefferson, Georgia, made to the Board of Education of Jefferson City under a contract by which the latter was obligated to upgrade the education in the city schools, constituted ordinary and necessary business expenses deductible in full under Section 162(a) of the Internal Revenue Code of 1954, or whether such payments were charitable contributions deductible only to the limited extent allowable under Sections 162(b) and 170 of the Code.

[*393] We have carefully considered the briefs and the record and find, as did the trial court, that there are no disputed issues of fact. We agree with the trial court that the payments made were made under a valid contract which inured to the benefit of Jefferson Mills and that the payments thus made were properly treated by the trial court as ordinary and necessary business expenses. We have carefully read the opinion of the learned trial judge, and we adopt in full his opinion and base our affirmance on the reasoning of that opinion. 259 F. Supp. 305.

The Judgment is affirmed.