

Do back sheet first.

DELIVER OR SEND THIS RETURN WITH PAYMENT TO COLLECTOR OF INTERNAL REVENUE ON OR BEFORE MARCH 15, 1920

PAY YOUR TAX IN FULL WHEN YOU FILE YOUR RETURN, THEREBY REDUCING THE COST OF COLLECTION AND AVOIDING POSSIBLE ANNOYANCE TO YOU

Page 1 of Return Form 1040A.—UNITED STATES INTERNAL REVENUE SERVICE INDIVIDUAL INCOME TAX RETURN FOR NET INCOMES OF NOT MORE THAN \$5,000 For Calendar Year 1919

Do not write in this space

FIRST PAYMENT

\$ (Cashier's Stamp)

CASH CHECK M.O.

Examined by

PRINT NAME AND ADDRESS PLAINLY BELOW

(Name)

(Street and number or rural route)

(Post office and State)

- 1. Did you make a return for 1918? 2. If so, what address did you give on that return? 3. To what collector's office was it sent? 4. Were you married and living with wife (or husband) Dec. 31, 1919? 5. If not, were you on that date the head of a family as defined in instructions under "Personal Exemption"? 6. How many dependent persons under 18 (or mentally or physically defective) were receiving their chief support from you on Dec. 31, 1919? 7. Write "R" if this return shows income received, or "A" if it shows income accrued 8. Did you pay during the calendar year to any individual rent, wages, salaries or other fixed or determinable income amounting to \$1,000 or over? (If so, secure from the collector Forms 1096 and 1099 and file a return of information.)

- 9. Did your wife (or husband) or minor child make a separate return? (If so, give name and address shown thereon.) 10. Did you, your wife (or husband) or minor children receive any interest on U.S. Liberty Bonds or any other income not reported elsewhere in this return or in a separate return? (If so, give sources and amounts.) 11. Enter name and address of each organization to which you made contributions claimed as deductions, and amount paid to each.

12. Enter in this table details concerning repairs, wear and tear, and property losses, claimed as deductions in Schedules A, E, and I on page 2 of return (see instructions): If property was acquired prior to March 1, 1913, attach statement explaining how value as of that date was determined.

Table with 9 columns: 1. Refer to "A," "E," or "I." 2. Kind of property (If buildings, state also materials of which constructed.) 3. Date acquired. 4. Cost or market value March 1, 1913, if acquired prior thereto. 5. Repairs ordinary and incidental. 6. Rate. 7. Amount previous years. 8. Amount this year. 9. Losses not compensated for by insurance. Cause and how amount was arrived at.

Attach a detailed schedule of repairs showing nature and amount of each item of expenditure.

CALCULATION OF TAX

Table for Calculation of Tax with rows: M. Net income shown on page 2, Item J; N. Less personal exemption (see Instruction VII); O. Balance (Income taxable at 4%); P. Tax due (4% on amount of Item O); Q. Less normal tax of 2% on amount of Item F; R. Balance of tax due; S. Amount of tax paid on submission of return.

NOTE.—If the amount on line O exceeds \$4,000, the excess is taxable at 8%, and your return should be made on Form 1040.

AFFIDAVIT.

I swear (or affirm) that this return, to the best of my knowledge and belief, is a true and complete statement of all taxable gains, profits, and income received by or accrued to me (or the person for whom this return is made) during the year 1919, and that all deductions entered or claimed herein are allowable under the law.

(If return is made by agent, the reason therefor must be stated on this line.)

Sworn to and subscribed before me this day of , 1920.

(Signature of individual or agent.)

(Signature of officer administering oath.)

(Title.)

(Address of individual or agent.)

A. INCOME FROM BUSINESS OR PROFESSION.			
1. Kind of business	2. Business address		
3. Total sales and income from business or professional services		\$	
COST OF GOODS SOLD:	OTHER BUSINESS DEDUCTIONS:		
4. Labor \$	12. Salaries and wages not reported as "Labor" under "Cost of Goods Sold" \$		
5. Materials and supplies	13. Rent on business property in which taxpayer has no equity		
6. Merchandise bought for sale	14. Interest on business indebtedness to others		
7. Other costs	15. Taxes on business and business property		
8. Plus inventories at beginning of year	16. Repairs, wear and tear, and property losses		
9. TOTAL \$	17. Bad debts arising from sales or professional services		
10. Less inventories at end of year	18. Other expenses (attach classified statement),		
11. NET COST OF GOODS SOLD \$	19. TOTAL (Items 12 to 18 inclusive) \$		
	20. NET COST PLUS TOTAL DEDUCTIONS (Item 11 plus Item 19) \$		
	21. NET INCOME FROM BUSINESS OR PROFESSION (Item 3 minus Item 20) \$		

B. INCOME FROM SALARIES, WAGES, COMMISSIONS, BONUSES, DIRECTOR'S FEES AND PENSIONS.			
1. By whom received.	2. Occupation.	3. Name and address of employer.	4. Amount received.
.....
Salary to self and dependent minor children included in any deduction in Schedule A			\$
TOTAL INCOME FROM SALARIES, ETC.			\$

C. INCOME FROM PARTNERSHIPS, PERSONAL SERVICE CORPORATIONS, AND FIDUCIARIES REPORTING ON A CALENDAR YEAR BASIS (not including amounts reported under F and K). (State name and address of partnership, etc.)	\$
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D. PROFIT FROM SALE OF LAND, BUILDINGS, STOCKS, BONDS AND OTHER PROPERTY, AND FROM LIQUIDATING DIVIDENDS.						
1. Kind of property.	2. Name of purchaser or broker.	3. Sale price or liquidating dividends.	4. Date acquired.	5. Cost or market value Mar. 1, 1913, if acquired prior thereto.	6. Cost of subsequent improvements, if any.	7. Depreciation subsequently sustained.
.....	\$	\$	\$	\$
NET PROFIT (total of cols. 3 and 7 minus total of cols. 5 and 6)		\$		\$	\$	\$

E. INCOME FROM RENTS AND ROYALTIES.				
1. Kind of property.	2. Name and address of tenant, lessee, etc.	3. Amount (cash or equivalent)	4. Repairs, wear, tear, and property losses.	5. Other expenses.
.....	\$	\$	\$
NET INCOME FROM RENTS AND ROYALTIES (total of col. 3 minus total of cols. 4 and 5)		\$	\$	\$

F. INTEREST ON CORPORATION BONDS CONTAINING TAX-FREE COVENANT, ON WHICH A TAX OF 2% WAS PAID BY DEBTOR CORPORATION (including such interest received through partnerships, personal service corporations and fiduciaries reporting on calendar year basis)	\$
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G. OTHER INCOME (not including dividends, which should be reported in Item K).	Amount received.
Amount paid for you by debtor corporation on tax-free covenant bonds (Item Q, page 1)	\$
TOTAL	\$

H. TOTAL NET INCOME FROM ABOVE SOURCES	\$
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I. GENERAL DEDUCTIONS NOT INCLUDED ABOVE.				
1. Interest paid on indebtedness \$	3. Losses by fire, storm, or casualty not claimed above \$	5. Bad debts and other deductions, if any (attach detailed statement) \$		
2. Taxes paid	4. Contributions	TOTAL	\$	

J. Total net income on which normal tax is to be calculated (H minus I) (Enter as Item M, page 1)	\$
K. Cash or Stock Dividends from corporations which are taxable by the United States upon any portion of their net incomes (including dividends received through partnerships, personal service corporations, and fiduciaries reporting on a calendar year basis)	\$
L. Total net Income (if this amount is over \$5,000, make your return on Form 1040)	\$

GENERAL INSTRUCTIONS**INDIVIDUAL RETURN****I. PERSONS REQUIRED TO MAKE A RETURN OF NET INCOME.**

1. Return of net income must be filed by every citizen of the United States whether residing at home or abroad, and every person residing in the United States, though not a citizen thereof, whose net income for the taxable year 1919 amount to—

- (a) \$1,000 if single or if married and not living with wife (or husband).
- (b) \$2,000 if married and living with wife (or husband).

2. Under any of these circumstances a return must be made even though the amount of net income is not sufficient to incur tax liability. Note especially personal credits for exemption and dependents under Instruction VII on this page.

3. If the combined income of husband and wife, and dependent minor children equaled or exceeded \$2,000, all such income must be reported either on a joint return or on separate returns of husband and wife. If single and the income, including that of dependent minors, if any, equaled or exceeded \$1,000, one return must be filed. However, a minor having a net income of \$1,000 or \$2,000, according to the marital status, must file a return, as such person is not considered a dependent.

4. In the case of husband and wife whose combined net income exceeds \$5,000, Form 1040A should not be used but separate returns must be made on Form 1040, showing the respective amounts of income.

5. Income of a minor or incompetent, if derived from a separate estate under control of a guardian, trustee or other fiduciary, must be reported by his guardian or other legal representative.

II. WHEN TO USE FORM 1040 INSTEAD OF THIS FORM.

You must make your return on Form 1040—

- (a) If your net income is over \$5,000.
- (b) If the net income reported on this return exceeds \$4,000 and the entire family exemption has been claimed in a separate return made by wife (or husband).
- (c) If the combined net income of husband and wife exceeds \$5,000.
- (d) If you are reporting on the basis of a fiscal year ending on the last day of any month other than December.
- (e) If this form does not provide for all the facts you have to report (as, for example, if you receive income from a partnership, personal service corporation or fiduciary with a fiscal year falling partly in 1918 and partly in 1919.).

III. PERIOD TO BE COVERED BY RETURN.

1. You must report your net income for the calendar year 1919, except under the conditions stated in paragraph 2, when Form 1040 must be used.

2. You were required to file your return for 1918 on the basis of your annual accounting period. Having established an accounting period for 1918 this period must be adhered to in 1919, unless permission was received from the Commissioner to make a change. A person having no fiscal year must file a return on the basis of a calendar year.

IV. ACCRUED OR RECEIVED INCOME.

1. If you keep books showing income accrued and expense incurred during the year, make your return from your books, but do not fail to include all your income even if it is not entered in your books.

2. If you do not keep books showing income accrued and expenses incurred, report income received and expenses paid.

3. If you report income accrued, you must include all income that accrued in 1919 even though not actually received.

4. If you report income received, you must include all income constructively received, such as bank interest credited to your account.

V. ITEMS EXEMPT FROM TAX.

The following items are exempt from Federal income tax:

1. Pay, not exceeding \$3,500, for active services in the military or naval forces of the United States, received during the taxable year prior to the termination of the present war as fixed by proclamation of the President.

2. Gifts (not made as a consideration for service rendered) and money and property acquired under a will or by inheritance (but the income derived from money or property received by gift, will or inheritance is taxable and must be reported).

3. Interest on bonds and other obligations of the United States issued before September 1, 1917, and on such bonds and other obligations issued since that date, to the extent provided by acts authorizing the issue thereof.

4. Interest on bonds and other obligations of United States possessions (Philippines, Porto Rico, etc.).

5. Interest on bonds and other obligations of States, territories, political subdivisions thereof (such as cities, counties and townships), and the District of Columbia.

6. Interest on Federal Farm Loan Bonds.

7. Dividends upon stock of Federal Reserve Banks. However, dividends paid by member banks are treated as dividends of ordinary corporations.

8. Interest on bonds issued by the War Finance Corporation, only if and to the extent provided in the act authorizing the issue thereof.

9. Proceeds of life insurance policies paid upon the death of the insured to individual beneficiaries or the estate of the insured.

10. Amounts received by the insured under life insurance, endowment, and annuity contracts, provided such payments do not exceed the premiums paid in. The amount by which the total payments that have been received exceed the total premiums paid in is income and must be reported in Schedule O.

11. Amounts received from accident and health insurance and under workmen's compensation acts plus the amount of any damages received by suit or agreement on account of injuries or sickness.

12. Compensation paid by a State or political subdivision thereof to its officers or employees.

VI. FARMER'S INCOME SCHEDULE.

If you are a farmer, or a farm owner renting your farm out on shares, obtain from the collector and fill out Form 1040F, "Schedule of Farm Income and Expenses," and attach it to this return. Transfer the net farm income to line 21 of Schedule A of the return. Report income from salaries, rents, interest, sales of property, etc., in Schedules B to G of the return.

VII. CREDITS FOR PERSONAL EXEMPTION AND DEPENDENTS.

1. If you were married and living with your wife (or husband) or were head of a family December 31, 1919, you may subtract from your net income, before calculating your tax, an exemption of \$2,000 plus \$200 for each person under 18 (or mentally or physically defective) who was receiving his chief support from you on that date. If husband and wife make separate returns, this exemption may be claimed by either (but not by both) or may be divided between them.

2. If you were not married or did not live with wife (or husband) and were not head of a family December 31, 1919, you are entitled to a personal exemption of \$1,000 plus \$200 for each dependent person under 18 (or mentally or physically defective) who was receiving his chief support from you on that date.

3. If, by reason of a change in your accounting period, you make a return for a part of a year, your personal exemption shall be as many twelfths of the amount that would be allowed for a full year as there are months in the period covered by the return.

4. The personal exemption must be reported on line N, page 1, of the return, and must be supported by answers to questions 4, 5 and 6.

5. A "head of family" is a person who is the chief support of one or more persons living in his (or her) household, who are closely related to him (or her) by blood, marriage, or adoption.

VIII. AFFIDAVIT.

1. The affidavit must be executed by the person whose income is reported unless he is a minor or incompetent or unless he is ill, absent from the country, or otherwise incapacitated, in which case the legal representative or agent may execute the affidavit. However, a minor making his own return may execute the affidavit.

2. The oath will be administered without charge by any collector, deputy collector or internal-revenue agent, or (if you are in the military or naval service of the United States) by any military or naval officer who is authorized to administer oaths for purposes of military or naval justice and administration. If an internal-revenue officer is not available, the return should be sworn to before a notary public, justice of the peace, or other person authorized to administer oaths.

IX. WHEN AND WHERE THE RETURN MUST BE FILED.

Send your return to the collector of internal revenue for the district in which you live or have your place of business so that it will reach him on or before March 15, 1920. If the address of the collector is not printed on the return and you do not know it, ask at the post office or bank.

X. WHEN AND TO WHOM THE TAX MUST BE PAID.

1. The tax should be paid, if possible, by sending or bringing with the return a check or money order drawn to the order of "Collector of Internal Revenue at [insert name of city and State]."

2. Do not send cash through the mail, nor pay it in person, except at the office of the collector or a regularly established internal-revenue stamp office.

3. At least one-fourth of the tax is due at the same time this return is due.

4. An additional amount sufficient to bring the total payments up to one-half of the tax is due on or before June 15, 1920.

5. An additional amount sufficient to bring the total payments up to three-fourths of the tax is due on or before September 15, 1920.

6. The entire remainder of the tax is due on or before December 15, 1920.

7. The total tax may be paid at the time of filing the return, or if not so paid, one installment may be paid and the balance may be paid in installments, or in full, on or prior to any subsequent installment date referred to above.

Failure to pay any installment on the date fixed by law makes the taxpayer liable for the payment of the balance of the tax due, upon notice and demand by the collector.

XI. PENALTIES.**For Making False or Fraudulent Return.**

Not exceeding \$10,000 or not exceeding one year's imprisonment, or both in the discretion of the court, and, in addition, 50 per cent of the tax evaded.

For Failing to Make Return of Time.

Not more than \$1,000, and, in addition, 25 per cent of the amount of tax due.

For Failing to Pay Tax When Due, or Understatement of Tax Through Negligence.

Five per cent of the tax due but unpaid, plus interest at the rate of 1 per cent per month during the period in which it remains unpaid.

A. INCOME FROM BUSINESS OR PROFESSION.**Report here income from—**

(a) Sale of merchandise, or of products of manufacturing, construction, mining, and agriculture. (For farm income see Instruction VI on the reverse side of this sheet.)

(b) Business service, such as transportation, storage, laundering, hotel and restaurant service, livery and garage service, etc., if you own the business. If you are engaged in the business as an employee, report your salary or wages in Schedule B.

(c) A profession, such as medicine, law, or dentistry, if you practice it on your own account. If you are employed on a salary, report your salary in Schedule B.

In general, report in Schedule A any income in the earning of which you incur expenses for labor, rent, etc. Do not report here partnership profits or profits of personal service corporations, which should be entered under C, or dividends from other corporations, which should be entered under K.

If you are a farmer (or a farm owner renting your farm to another person on shares), enter on line 21 your net income from farming, as shown by your "Schedule of Farm Income and Expenses," Form 1040F.

If you keep books showing income accrued, report such income instead of cash received, and report expenses incurred instead of expenses paid.

Income received from sale of lands, buildings, equipment, stocks, bonds, and other property not dealt in as a business, and from liquidating dividends, should be reported under D.

Kind of business.—Enter "grocery," "retail clothing," "drug store," "laundry," "doctor," "lawyer," etc.

Total sales and income from business or profession.—Report the total amount derived from sales, less any discounts or allowances from the sale price.

Other business deductions.—Do not include cost of business equipment or furniture, expenditures for replacements, or for permanent improvements to property, or living and family expenses.

Salaries.—Enter as item 12, all salaries and wages not reported as "Labor" under "Cost of Goods Sold." Salary or wages for your own services or the services of your dependent minor children if deducted must be reported as income in Schedule B.

Rent.—Enter as Item 13, rent on business property in which taxpayer has no equity. Do not include rent for dwelling you occupy for residential purposes.

Interest.—Enter as Item 14, interest on business indebtedness to others. Do not include interest on your capital investment in or advances to the business.

Taxes.—Enter as Item 15, taxes on business property or for carrying on business. Do not include taxes assessed against local benefits of a kind tending to increase the value of the property assessed, as for paving, sewers, etc., nor Federal income taxes.

Repairs, wear and tear, and property losses.—Enter as Item 16, (a) ordinary repairs required to keep property in usable condition, (b) reasonable allowance for exhaustion, wear and tear of property used in the trade or business, including a reasonable allowance for obsolescence, and (c) losses of business property by fire, storm, theft, etc., not compensated for by insurance or otherwise, and for which no claim for insurance is pending. Explain these deductions in table, page 1 of the return, Item 12.

Bad debts.—Enter as Item 17, only debts arising from sales or professional services that have been reported as income, which have been definitely ascertained to be worthless and have been charged off within the year.

Net loss.—If the net cost of goods sold plus other business deductions is in excess of the total amount of sales and income from business or professional service, report the difference as a loss by using red ink or a minus sign.

B. INCOME FROM SALARIES, WAGES, COMMISSIONS, BONUSES, DIRECTOR'S FEES, AND PENSIONS.

If salary, wages, or other compensation received from outside sources by you, your wife (or husband), or dependent minor child was at the rate of \$1,000 or more per annum, report on separate lines, together with the occupation or position and employer's name and address. The total of all other income from salaries, wages, commissions, etc., should be reported on a separate line.

Do not report pay, not exceeding \$3,500, for active service in the military or naval forces of the United States received during the taxable year prior to the termination of the present war as fixed by proclamation of the President.

C. INCOME FROM PARTNERSHIPS, PERSONAL SERVICE CORPORATIONS, AND FIDUCIARIES.

If the partnership, personal service corporation or fiduciary from which you received income, keeps its books on a fiscal year basis, make your return on Form 1040 instead of this form.

Report here your share (whether received or not) in the profits of the partnership or personal service corporation or in the income of estate or trust. Do not include the part of such share that consisted of dividends on stock of corporations (to be included in Item K), interest on obligations of the United States (see question 10),

or interest on corporation bonds containing a tax-free covenant, upon which a tax of 2 per cent was paid (or will be paid) by the debtor corporation (to be included in Item F). No withholding of income tax at the source with respect to interest upon tax-free covenant bonds owned by partnerships and personal service corporations was required prior to February 25, 1919.

Report in Schedule B salary received from partnership or personal service corporation.

D. PROFIT FROM SALE OF LAND, BUILDINGS, STOCKS, BONDS, AND OTHER PROPERTY, AND FROM LIQUIDATING DIVIDENDS.

Kind of property.—Describe the property as definitely as you can in a word or two, as "farm," "house," "lot," "stocks," "bonds."

Sale price or liquidating dividends.—State the actual consideration or price, or, in case of an exchange, the fair market value of the property received.

Cost.—Enter the original cost of the property or, if it was acquired before March 1, 1913, its fair market value on that date. Attach statement explaining how value

of March 1, 1913, was determined. Expenses incidental to the purchase may be included in the cost if never claimed in income tax returns as deductions from income. Enter in column 7 the amount of wear and tear (depreciation) or depletion sustained since March 1, 1913 (or since date of acquisition if subsequent to March 1, 1913).

Losses.—If the total of columns 5 and 6 is in excess of the total of columns 3 and 7, report the difference as a loss by using red ink or a minus sign.

E. INCOME FROM RENTS AND ROYALTIES.

Kind of property.—Describe briefly, as in D.

Rent.—If a tenant rented your property on a crop share basis, report the amount of the rent as income for the year in which you disposed of such crops (unless your return shows income accrued). In case of rent paid in other property, the fair market value thereof as of date of receipt should be reported as income of the year of receipt.

Wear, tear, repairs, and property losses.—See instructions for Schedule A, above. Explain in Item 12, page 1 of the return.

Other expenses.—Report taxes on rented or leased property and interest on indebtedness incurred or continued to purchase or carry it. Do not include taxes assessed against local benefits of a kind tending to increase the value of the property assessed.

F. INTEREST ON CORPORATION BONDS CONTAINING TAX-FREE COVENANT, ON WHICH TAX OF 2% WAS PAID BY DEBTOR CORPORATION.

This item should include all interest received directly or through partnerships, personal service corporations, and fiduciaries on bonds of corporations organized or doing business in the United States, containing a clause by which the debtor corporation agrees to pay the interest without any deduction for taxes, provided exemption from withholding was not claimed by the owner of the bonds. If exemption was claimed (by filing certificate Form 1001) the interest received must be reported

in G. The amount of tax paid by the debtor corporation is treated as a credit against the tax due (see Item Q, page 1 of the return), but such amount paid at the source should be reported as income in Schedule G. If the partnership, personal service corporation or fiduciary from which you received income, keeps its books on a fiscal year basis, make your return on Form 1040 instead of this form.

G. OTHER INCOME (NOT INCLUDING DIVIDENDS).

Report in this schedule interest received on bank deposits, notes, mortgages, etc., the amount paid for you by debtor corporations on tax-free covenant bonds (Item Q, page 1), and all other income not reported in Schedules A to F, except—

(a) Dividends received from corporations which are taxable by the United States on any portion of their net income (see Item K).

(b) Income exempt from Federal income tax, as stated in Instruction V on the reverse side of this sheet.
State separately income from each source.

I. GENERAL DEDUCTIONS.

Interest.—Report here interest paid on personal indebtedness as distinguished from business indebtedness (which should be reported under A or E above). Do not include interest on indebtedness incurred for the purchase of bonds and other obligations, the interest on which is exempt from tax, except interest on indebtedness incurred to purchase obligations of the United States issued after September 24, 1917.

Taxes.—Report here personal taxes paid and all taxes on property not used in business or profession, not including those assessed against local benefits of a kind tending to increase the value of the property assessed. Do not include Federal income taxes, nor estate or inheritance taxes.

Losses.—Report here losses of property not connected with your trade, business, or profession, sustained during the year from fire, storm, shipwreck, or other casualty, or from theft, which were not compensated for by insurance or otherwise, and for which no claim for insurance is pending. Do not include losses from transactions not

entered into for profit. Losses claimed should be explained in Item 12, page 1 of the return.

Contributions.—Report here only contributions made within the year to corporations organized and operated exclusively for religious, charitable, scientific, or educational purposes, or for the prevention of cruelty to children or animals, or to the special fund for vocational rehabilitation. The total amount of contributions to be entered here must not exceed 15 per cent of the net income computed without the benefit of this deduction.

Bad debts and other deductions.—Bad debts arising out of loans should be reported here, and other proper deductions not claimed elsewhere. Attach a detailed statement of all such deductions. Deductions claimed by traveling salesmen to cover expenditures for meals and lodging should be fully explained in an attached statement setting forth the conditions of employment.