INDIVIDUAL INCOME TAX RETURN
FOR NET INCOMES OF NOT MORE THAN $5,000
For Calendar Year 1921
Or for period begun ........................................, 1920, and ended ........................................., 1921

PRINT NAME AND ADDRESS Plainly below

(Name.)
(Street and number or rural route.)
(Peace office.)
(County.)
(State.)

CASH CHECK M. O.

Examined by

OCCUPATION, PROFESSION, OR KIND OF BUSINESS

See Instruction Number

Enlarge in Schedule (page 2)

13

F

INCOME.

1. Salaries, Wages, Commissions, etc.
(State name and address of person from whom received.)

Amount received. Expenses paid.

$.......................... $......... $.........

2. Interest on Bank Deposits, Notes, Mortgages, and Corporation Bonds...

3. Income from Partnerships, Fiduciaries, etc. (State name and address of partnerships, etc.)

4. Rents and Royalties

5. Profit (or loss) from Business or Profession (not including income from partnerships)

6. Profit (or loss) from Sale of Real Estate

7. Profit (or loss) from Sale of Stocks, Bonds, etc.

8. Other Income (except dividends from domestic corporations and interest on obligations of the
   U. S.) (State nature of income)

(a)

(b)

9. TOTAL INCOME IN ITEMS 1 TO 8 (less losses shown above, if any) $..........................

DEDUCTIONS.

10. Interest Paid (not including interest deducted above) $..........................

11. Taxes Paid (not including taxes deducted above)

12. Losses by Fire, Storm, etc.

13. Contributions

14. Bad Debts (not including bad debts deducted above)

15. Other Deductions Authorized by Law

16. TOTAL OF ITEMS 10 TO 15 $..........................

17. TAXABLE NET INCOME (Item 9 minus Item 16) $..........................

COMPUTATION OF TAX.

18. Net Income (Item 17 above) $..........................

19. Less Personal Exemption and Credit for Dependents

20. Balance (Item 18 minus Item 19) $..........................

CHEQUES will be accepted if payable at par at Collector's Office.

21. Tax Due (4% of Item 20) $..........................

22. Less: Tax Paid at Source $..........................

23. Income and profits tax paid to a foreign country or possession of the United States (attach Form 1116)...

24. Balance Due (Item 21 minus 22 and 23) $..........................

25. Tax Paid when Filing Return $..........................
### SCHEDULE A.—EXPLANATION OF ITEM 4. (Rents and Royalties.)

<table>
<thead>
<tr>
<th>1. Kind of property.</th>
<th>2. Cost, or March 1, 1913, value.</th>
<th>3. Amount received.</th>
<th>4. Repairs.</th>
<th>5. Depreciation and depletion.</th>
<th>6. Other expenses.</th>
<th>7. Net profit (or loss).</th>
</tr>
</thead>
</table>

State estimated life of property and how you figured depreciation.

### SCHEDULE B.—EXPLANATION OF ITEM 5. (Business or Profession.)

Total Income from Business or Profession...

Total Business Expenses (state specifically, see Instruction 10).

**NET PROFIT (OR LOSS)** (If profit is less than usual, explain)

Explanation of business expenses.

### SCHEDULE C.—EXPLANATION OF ITEM 6. (Sale of Real Estate.)

|-----------------------|-------------------|--------------------|---------|------------------------|---------------------------|-----------------|-------------------------|

If not acquired by purchase, state how acquired...

### SCHEDULE D.—EXPLANATION OF ITEM 7. (Sale of Stocks, Bonds, etc.)

<table>
<thead>
<tr>
<th>1. Kind of property.</th>
<th>2. Date acquired.</th>
<th>3. Cost.</th>
<th>4. March 1, 1913, value.</th>
<th>5. Amount received.</th>
<th>6. Net profit (or loss).</th>
</tr>
</thead>
</table>

If not acquired by purchase, state how acquired...

### SCHEDULE E.—EXPLANATION OF ITEM 12. (Losses by Fire, Storm, etc.)

<table>
<thead>
<tr>
<th>1. Kind of property.</th>
<th>2. Cost, or March 1, 1913, value.</th>
<th>3. Depreciation previously taken.</th>
<th>4. Salvage value.</th>
<th>5. Insurance.</th>
<th>6. Net loss.</th>
</tr>
</thead>
</table>

### SCHEDULE F.—EXPLANATION OF DEDUCTIONS CLAIMED IN ITEMS 1, 13, 14, and 15.)

1. Are you a citizen or resident of the United States?
2. If so, state:
3. Is this a joint return of husband and wife?
4. Was a separate return filed by your husband or wife?
5. Were you married and living with husband or wife on the last day of your taxable period?
6. If not, were you on the last day of your taxable period supporting one or more persons living in your household who are closely related to you by blood, marriage, or adoption?
7. How many dependents persons (other than husband or wife) under 18 years of age or incapable of self-support because mentally or physically defective were receiving their chief support from you on the last day of your taxable period?
8. State amount of dividends received from domestic corporations (including dividends received through partnerships, etc.)...
9. State amount of interest received on Victory Liberty...
10. State amount of interest received on other obligations of the United States (except Liberty Bonds) on a principal in excess of...

I swear (or affirm) that this return, including the accompanying schedules and statements (if any), has been examined by me, and, to the best of my knowledge and belief, is a true and complete return, made in good faith, for the taxable period as stated, pursuant to the Revenue Act of 1921 and the Regulations issued under authority thereof.

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

Sworn to and subscribed before me this day of , 1922.

(Signature of individual or agent.)

(Signature of officer administering oath.)

(Title.)

(Address of individual or agent.)

(An amended return must be plainly marked “Amended” across the face of the return.)

2—11652
1. PERSONS REQUIRED TO MAKE A RETURN OF INCOME.

An income tax return must be filed by every citizen of the United States who resides at home or abroad, and every person residing in the United States, whether resident or nonresident, who has not been a citizen or subject of the United States at any time during the taxable period 1921 in the income of which $5,000 or more was included.

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

You must file your return on Form 1040.

(a) If the combined net income of husband and wife exceeds $5,000, or if the combined gross income of husband and wife, and dependent minor children equalled or exceeded $2,000, or if the combined gross income of husband and wife, and dependent minor children equalled or exceeded $5,000, all such income must be reported on a joint return, or on separate returns of husband and wife.

(b) If the income is the result of any transfer of property to an income or a trust, the income must be reported on a joint return or on separate returns of husband and wife.

(c) If the income is the result of any transfer of property to an income or a trust, the income must be reported on a joint return or on separate returns of husband and wife.

3. PERIOD TO BE COVERED BY RETURN.

Your return must be filed for the calendar year ending December 31, 1921, or for the fiscal year ending on the last day of any month other than December. The dates on which the period covered by the return begins and ends, if other than a calendar year, must be plainly stated at the head of the return.

4. ACCRUED OR RECEIVED INCOME.

If your books of account are kept on an accrual basis, report all income accrued, even though it has not been actually received or entered on the books, and all expenses incurred in the period.

If your books do not show income accrued and expenses incurred, report all income received, and expenses paid, as if they had been reported on the books.

5. INSTALLMENT SALES.

If you have used the installment method in computing income from installment sales you must attach to your return a schedule showing separately for each month of 1921 following the return the amount of sales, cost of goods sold, and gross profit for each month.

6. ITEMS EXEMPT FROM TAX.

The following items are exempt from Federal income tax and should not be reported, unless it is desired to establish a net loss, in which case see Section 295 of the Revenue Act of 1921:

(a) Amounts received as compensation, family allotments and allowances under the provisions of the War Risk Insurance and the War Risk Insurance, or as pensions from the United States for service of the beneficiary or another in the military or naval forces of the United States in time of war;

(b) Amounts received from any other source whose income tax liability is fixed by law;

(c) Amounts received as compensation for personal injuries or sickness, plus the amount of any damages received, whether by suit or settlement, on account of such injuries or sicknesses;
13. INCOME FROM SALARIES, WAGES, COMMISSIONS, ETC.

Report all salaries or other compensation credited by or received from outside sources, and any salaries included as a deduction in Item 5 for (a) yourself, (b) your wife (or husband), if a joint return is filed, and (c) each dependent minor child having a net income of less than $1,000 per annum. Use a separate line for each entry, giving the information requested.

Any amount claimed as a deduction for necessary expenses against salaries, etc., should be fully explained in Schedule F, page 2 of the return, or in an attached statement.

Traveling expenses (including the entire amount expended for meals and lodging) while away from home in the pursuit of a trade or business are deductible.

14. INCOME FROM PARTNERSHIPS, FIDUCIARIES, ETC.

Report your share (whether received or not) in the profits of a partnership, personal service corporation, or in the income of an estate or trust, except the part of such share that consisted of dividends on stock of domestic corporations, and taxable interest on obligations of the United States which should be included in Items 8, 9, and 10, at foot of page 2 of the return.

In Item 1, salary received from a partnership or personal service corporation.

If the period on the basis of which you file your return fails to coincide with the annual accounting period of the partnership, personal service corporation, or fiduciary, then you should include in your return your distribution of net income for the year in which dividends were received or interest was earned. The dividends should be reported in the year received or in the year in which the right to receive such dividends was acquired.

In Schedule A, repairs, depreciation, depletion, and other expenses. Other expenses include interest, taxes, fire insurance, fuel, light, labor, and other necessary expenses of this character.

15. INCOME FROM RENTS AND ROYALTIES.

If you received property or crops in lieu of cash rent, report the income as though the rent had been received in cash. Crops received as rent on a crop-share basis should be reported as income for the year in which disposed of (unless your return shows rentals collected in advance).

Explain in Schedule A, repairs, depreciation, depletion, and other expenses. Other expenses include interest, taxes, fire insurance, fuel, light, labor, and other necessary expenses of this character.

16. INCOME FROM BUSINESS OR PROFESSION.

Report in Item 3 income from—

(a) Sale of merchandise, or of products of manufacturing, construction, mining, and agriculture.

(b) Business service, such as transportation, storage, laundering, hotel and restaurant service, in the regular course of the business, even if owned by the business.

(c) If you are only an employee of a business, report your salary or wages in Item 1.

(d) A profession, such as medicine, law, or dentistry, if you practiced it on your own account. If you were employed in a salary, report your salary in Item 1.

In general, report in Item 3 any income in the earning of which you incurred expenses for labor, rent, etc.

If you are a farmer (or a farm owner renting your farm to another person on share), report in Schedule F.

Describe the business or profession, as "grocery," "retail clothing," "drug store," "laundry," "doctor," "lawyer," "farmer," etc.

Report the total income derived from sales or services, less any discounts or allowances from the sale price or service charge. (For installment sales see Instruction 5.)

"Total Business Expenses" include; (1) cost of goods sold, which is usually obtained by adding to the inventory at the beginning of the year the merchandise and supplies purchased during the year, and deducting from this sum the value of the merchandise and supplies on hand at the end of the year. It includes all ordinary and necessary business expenses not classified above, such as office wages, rent, heat, light, and traveling expenses (see Instruction 13); (2) repairs, wages and depreciation, and property losses (other than merchandise), such as (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, or other casualty, or theft, not compensated for by insurance or otherwise and not made good by repairs claimed as deductions; and (4) bad debts, or portions thereof, arising from sales or professional services that have been reported as income, which have been definitely ascertained to be worthless and charged off within the year in such reasonable amount as has been added to a reserve for bad debts within the year. A debt previously charged off as bad, if subsequently collected, must be returned as income for the year in which collected. Explain the deductions under Schedule B, page 2 of the return.

Do not include cost of business equipment or furniture, expenditures for repairs, or for permanent improvements to property, or personal living or family expenses, nor any deduction for depreciation in the value of a building occupied by you as a dwelling, or of other property held for personal use.

If Item 5 shows a deficit, indicate by using red ink a minus sign.

17. PROFIT FROM SALE OF REAL ESTATE.

Describe the property briefly, as "farm," "house," "lot,"
State the actual consideration or price received, or, in case of an exchange, the fair market value of the property received.

DETACH AND RETAIN THIS INSTRUCTION SHEET WITH YOUR WORKING PAPERS.

INCOME TAX RETURN INSTRUCTIONS FOR 1931

2-1632