

# FIDUCIARY RETURN OF INCOME

## For Calendar Year 1933

Do Not Write in These Spaces

(Auditor's Stamp)

Or Fiscal year begun \_\_\_\_\_, 1932, and ended \_\_\_\_\_, 1933

File This Return Not Later Than the 15th Day of the Third Month Following the Close of the Taxable Year  
(PRINT NAMES AND ADDRESS PLAINLY BELOW)

Name of  
Estate or Trust

Name and  
Address of  
Fiduciary

File  
Code

Serial  
Number

District

(Date Received)

Was a return of income for 1932 filed on behalf of the estate or trust named above? \_\_\_\_\_

If so, to which collector's office was it sent? (Give district or city and State) \_\_\_\_\_

Give date of creation of trust \_\_\_\_\_ State whether books are kept on cash or accrual basis \_\_\_\_\_

State whether trust is revocable \_\_\_\_\_ Is any part of trust income for grantor's benefit? \_\_\_\_\_

Item and Instruction No.	INCOME		
1. Income (or Loss) from Trade or Business. (From Schedule A)	_____	\$	
2. Interest on Bank Deposits, Notes, and Corporation Bonds, etc. (except interest on tax-free covenant bonds)	_____		
Interest on Tax-free Covenant Bonds upon which a tax was paid at source	_____		
3. Income (or Loss) from Partnerships, Syndicates, Pools, etc., and Fiduciaries: (State name and address.)	_____		
4. _____	_____		
5. Rents and Royalties. (From Schedule B)	_____		
6. (a) Profit from Sale of Stocks and Bonds held two years or less. (From Schedule C, Total (a))	_____		
(b) Profit or Loss from Sale of Other Assets held two years or less. (From Schedule C, Total (b))	_____		
7. Dividends on Stock of:			
(a) Domestic Corporations subject to taxation under Title I of Revenue Act of 1932	_____		
(b) Domestic Corporations not subject to taxation under Title I of Revenue Act of 1932	_____		
(c) Foreign Corporations	_____		
8. Other income: (State nature of income.)			
(a) _____	_____		
(b) _____	_____		
9. TOTAL INCOME IN ITEMS 1 TO 8	_____	\$	
DEDUCTIONS			
10. Interest Paid	_____	\$	
11. Taxes Paid	_____		
12. Losses by Fire, Storm, etc. (Explain in Table at foot of page 2)	_____		
13. Bad debts. (Explain in Schedule E)	_____		
14. Contributions. (Explain in Schedule E)	_____		
15. Other Deductions Authorized by Law. (Explain in Schedule E)	_____		
16. TOTAL DEDUCTIONS IN ITEMS 10 TO 15	_____		
17. NET INCOME (Item 9 minus Item 16)	_____	\$	

### 18. BENEFICIARIES' SHARES OF INCOME AND CREDITS

(See Instruction 18)

1. NAME AND ADDRESS OF EACH BENEFICIARY (Designate surviving spouse and nonresident aliens) —Where return of beneficiary is filed in another collection district, specify district	2. PER- CENTAGE OF BEN- EFICIAL INTEREST	3. DIVIDENDS (Item 7 (a) above, or Item 17, whichever amount is smaller)		4. BALANCE OF NET INCOME (Item 17 minus Item 7 (a))		5. CAPITAL NET GAIN OR LOSS (Schedule D, Column 9)		6. INCOME TAX PAID AT SOURCE (2% of Item 3)		7. INCOME TAX PAID FOREIGN COUNTRIES OR UNITED STATES POSSESSIONS	
		\$		\$		\$		\$		\$	
(a) _____											
(b) _____											
(c) _____											
(d) _____											
(e) _____											
(f) _____											
(g) _____											
(h) _____											
(i) _____											
(j) _____											
TOTALS		\$		\$		\$		\$		\$	

### 19. NONTAXABLE OBLIGATIONS, LIBERTY BONDS, ETC.

(See Instruction 19)

1. OBLIGATIONS OR SECURITIES	2. AMOUNT OWNED	3. INTEREST RECEIVED
(a) Obligations of a State, Territory, or any political subdivision thereof, or the District of Columbia	\$	\$
(b) Securities issued under the provisions of the Federal Farm Loan Act, or under such Act as amended, and obligations of United States possessions		
(c) Liberty 3½% Bonds and other obligations of U.S. issued on or before September 1, 1917		
(d) Liberty 4% and 4¼% Bonds and Treasury Bonds		
(e) Treasury Notes, Treasury Bills, and Treasury Certificates of Indebtedness		

**SCHEDULE A—INCOME (OR LOSS) FROM TRADE OR BUSINESS** (See Instruction 1)

1. Total receipts from trade or business (state kind of business) .....		\$			\$
Cost of Goods Sold .....			OTHER BUSINESS DEDUCTIONS		
2. Labor .....	\$		10. Salaries, except "Labor" reported on Line 2 .....	\$	
3. Material and supplies .....			11. Interest on business indebtedness to others .....		
4. Merchandise bought for sale .....			12. Taxes on business and business property .....		
5. Other costs (itemize below or on separate sheet) .....			13. Losses (explain in table at foot of page) .....		
6. Plus inventory at beginning of year .....			14. Bad debts arising from sales .....		
7. TOTAL (Lines 2 to 6) .....	\$		15. Depreciation, obsolescence, and depletion (explain in table provided at foot of page) .....		
8. Less inventory at end of year .....			16. Rent, repairs, and other expenses (itemize below or on separate sheet) .....		
9. NET COST OF GOODS SOLD (Line 7 minus Line 8) .....	\$		17. TOTAL (Lines 10 to 16) .....	\$	
			18. TOTAL DEDUCTIONS (Line 9 plus Line 17) .....	\$	
			19. NET PROFIT (OR LOSS) (Line 1 minus Line 18) (Enter as Item 1) .....	\$	

Enter "C," or "C or M," on Lines 6 and 8 to indicate whether inventories are valued at cost, or cost or market, whichever is lower.

Explanation of deductions claimed on Lines 5 and 16.

**SCHEDULE B—INCOME FROM RENTS AND ROYALTIES** (See Instruction 5)

1. KIND OF PROPERTY	2. AMOUNT RECEIVED	3. COST OR VALUE AS OF MARCH 1, 1913, WHICHEVER GREATER	4. DEPRECIATION (Explain in table at foot of page)	5. REPAIRS	6. OTHER EXPENSES (Itemize below)	7. NET PROFIT (Enter as Item 5)
	\$	\$	\$	\$	\$	\$

Explanations of deductions claimed in Column 6.

**SCHEDULE C—PROFIT OR LOSS FROM SALE OF STOCKS, BONDS, REAL ESTATE, ETC.** (See Instruction 6)

1. KIND OF PROPERTY	2. DATE ACQUIRED	3. DATE SOLD	4. AMOUNT REALIZED	5. COST	6. COST OF IMPROVEMENTS SUBSEQUENT TO ACQUISITION	7. DEPRECIATION ALLOWED (OR ALLOWABLE) SINCE ACQUISITION	8. NET PROFIT OR LOSS
(a) STOCKS AND BONDS* HELD TWO YEARS OR LESS:	Mo. Day Yr.	Mo. Day Yr.					
			\$	\$	XXXXXX XX	XXXXXX XX	\$
					XXXXXX XX	XXXXXX XX	
Total (a) (Transfer net profit to Item 6 (a))	XXXXXX	XXXXXX	\$	\$	XXXXXX XX	XXXXXX XX	\$
(b) OTHER ASSETS HELD TWO YEARS OR LESS:							
			\$	\$	\$	\$	\$
Total (b) (Transfer net profit or loss to Item 6 (b))	XXXXXX	XXXXXX	\$	\$	\$	\$	\$

\*As defined in section 23 (t), 1932 Act.  
State how property was acquired

**SCHEDULE D—CAPITAL NET GAIN OR LOSS FROM SALE OF CAPITAL ASSETS** (See Instruction 6A)

1. KIND OF PROPERTY	2. DATE ACQUIRED	3. DATE SOLD	4. AMOUNT REALIZED	5. COST	6. MARCH 1, 1913, VALUE IF ACQUIRED PRIOR TO THAT DATE	7. COST OF IMPROVEMENTS SUBSEQUENT TO ACQUISITION OR MARCH 1, 1913	8. DEPRECIATION ALLOWED (OR ALLOWABLE) SINCE ACQUISITION OR MARCH 1, 1913	9. NET GAIN OR LOSS (Enter in Column 6, Item 18)
	Mo. Day Yr.	Mo. Day Yr.	\$	\$	\$	\$	\$	\$

State how property was acquired

**SCHEDULE E—EXPLANATION OF DEDUCTIONS CLAIMED IN ITEMS 13, 14, AND 15**

.....

.....

.....

**EXPLANATION OF DEDUCTION FOR DEPRECIATION CLAIMED IN SCHEDULES A AND B**

1. KIND OF PROPERTY (If buildings, state material of which constructed)	2. DATE ACQUIRED	3. AGE WHEN ACQUIRED	4. PROBABLE LIFE AFTER ACQUISITION	5. COST (Exclusive of Land)	6. MARCH 1, 1913, VALUE IF ACQUIRED PRIOR TO THAT DATE (Exclusive of Land)	7. DEPRECIATION ALLOWED (OR ALLOWABLE) IN PRIOR YEARS	8. DEPRECIATION ALLOWABLE THIS YEAR
				\$	\$	\$	\$

**EXPLANATION OF DEDUCTION FOR LOSSES BY FIRE, STORM, ETC., CLAIMED IN SCHEDULE A AND IN ITEM 12**

1. KIND OF PROPERTY	2. DATE ACQUIRED	3. COST OR VALUE AS OF MARCH 1, 1913, WHICHEVER GREATER	4. SUBSEQUENT IMPROVEMENTS	5. DEPRECIATION ALLOWABLE SINCE ACQUISITION	6. INSURANCE AND SALVAGE VALUE	7. DEDUCTIBLE LOSS
		\$	\$	\$	\$	\$

**AFFIDAVIT**

I swear (or affirm) that this return, including the accompanying schedules and statements, 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 accounting period stated, pursuant to the Revenue Act of 1932 and the National Industrial Recovery Act and the Regulations issued thereunder.

Sworn to and subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_

(Signature of fiduciary or officer representing fiduciary)



(Signature of officer administering oath)

(Title)

(Address of fiduciary or officer)

See Instruction 24 (An amended return must be plainly marked "Amended" across face of return)

# FIDUCIARY RETURN OF INCOME

## For Calendar Year 1933

**DUPLICATE**

**DUPLICATE**

Or Fiscal year begun \_\_\_\_\_, 1932, and ended \_\_\_\_\_, 1933

File This Return Not Later Than the 15th Day of the Third Month Following the Close of the Taxable Year  
(PRINT NAMES AND ADDRESS PLAINLY BELOW)

DETACH AND RETAIN  
THIS COPY AND  
THE INSTRUCTIONS

Name of Estate or Trust \_\_\_\_\_

Name and Address of Fiduciary \_\_\_\_\_

IF YOU NEED  
ASSISTANCE IN THE  
PREPARATION OF THIS  
RETURN, GO TO A  
DEPUTY COLLECTOR  
OR TO THE  
COLLECTOR'S OFFICE

Was a return of income for 1932 filed on behalf of the estate or trust named above? \_\_\_\_\_

If so, to which collector's office was it sent? (Give district or city and State) \_\_\_\_\_

Give date of creation of trust \_\_\_\_\_ State whether books are kept on cash or accrual basis \_\_\_\_\_

State whether trust is revocable \_\_\_\_\_ Is any part of trust income for grantor's benefit? \_\_\_\_\_

Item and Instruction No.	INCOME		
1.	Income (or Loss) from Trade or Business. (From Schedule A)	\$	
2.	Interest on Bank Deposits, Notes, and Corporation Bonds, etc. (except interest on tax-free covenant bonds)		
3.	Interest on Tax-free Covenant Bonds upon which a tax was paid at source		
4.	Income (or Loss) from Partnerships, Syndicates, Pools, etc., and Fiduciaries: (State name and address.)		
5.	Rents and Royalties. (From Schedule B)		
6.	(a) Profit from Sale of Stocks and Bonds held two years or less. (From Schedule C, Total (a))		
	(b) Profit or Loss from Sale of Other Assets held two years or less. (From Schedule C, Total (b))		
7.	Dividends on Stock of:		
	(a) Domestic Corporations subject to taxation under Title I of Revenue Act of 1932		
	(b) Domestic Corporations not subject to taxation under Title I of Revenue Act of 1932		
	(c) Foreign Corporations		
8.	Other income: (State nature of income.)		
	(a)		
	(b)		
9.	TOTAL INCOME IN ITEMS 1 TO 8	\$	
	<b>DEDUCTIONS</b>		
10.	Interest Paid	\$	
11.	Taxes Paid		
12.	Losses by Fire, Storm, etc. (Explain in Table at foot of page 2)		
13.	Bad debts. (Explain in Schedule E)		
14.	Contributions. (Explain in Schedule E)		
15.	Other Deductions Authorized by Law. (Explain in Schedule E)		
16.	TOTAL DEDUCTIONS IN ITEMS 10 TO 15		
17.	NET INCOME (Item 9 minus Item 16)	\$	

### BENEFICIARIES' SHARES OF INCOME AND CREDITS

(See Instruction 18)

1. NAME AND ADDRESS OF EACH BENEFICIARY (Designate surviving spouse and nonresident aliens) —Where return of beneficiary is filed in another collection district, specify district	2. PER- CENTAGE OF BEN- EFICIAL INTEREST	3. DIVIDENDS (Item 7 (a) above, or Item 17, whichever amount is smaller)		4. BALANCE OF NET INCOME (Item 17 minus Item 7 (a))		5. CAPITAL NET GAIN OR LOSS (Schedule D, Column 9)		6. INCOME TAX PAID AT SOURCE (2% of Item 3)		7. INCOME TAX PAID FOREIGN COUNTRIES OR UNITED STATES POSSESSIONS	
		\$		\$		\$		\$		\$	
(a)											
(b)											
(c)											
(d)											
(e)											
(f)											
(g)											
(h)											
(i)											
(j)											
<b>TOTALS</b>		\$		\$		\$		\$		\$	

### NONTAXABLE OBLIGATIONS, LIBERTY BONDS, ETC.

(See Instruction 19)

1. OBLIGATIONS OR SECURITIES	2. AMOUNT OWNED	3. INTEREST RECEIVED
(a) Obligations of a State, Territory, or any political subdivision thereof, or the District of Columbia	\$	\$
(b) Securities issued under the provisions of the Federal Farm Loan Act, or under such Act as amended, and obligations of United States possessions		
(c) Liberty 3½% Bonds and other obligations of U.S. issued on or before September 1, 1917		
(d) Liberty 4% and 4¼% Bonds and Treasury Bonds		
(e) Treasury Notes, Treasury Bills, and Treasury Certificates of Indebtedness		



# INSTRUCTIONS

The Instructions Numbered 1 to 19 Correspond with the Item Numbers on the First Page of the Return

## 1. INCOME (OR LOSS) FROM TRADE OR BUSINESS

If a trade or business is carried on by the estate or trust, fill in Schedule A on page 2 of the return, and enter the net income (or loss) as Item 1 on page 1 of the return.

This schedule should include income from: (a) Sale of merchandise, or products of manufacturing, mining, construction, and agriculture; and (b) Business service, such as hotel, restaurant, and garage service, amusements, laundering, storage, transportation, etc.

In general, report any income in the earning of which expenses were incurred for material, labor, supplies, etc.

**Farmer's income schedule.**—If the estate or trust operates a farm and keeps no books of account, or keeps books on a cash basis, obtain from the collector, and attach to this return, Form 1040F, Schedule of Farm Income and Expenses, and enter the net farm income as Item 1, page 1 of this return. If the farm books of account are kept on an accrual basis, the filing of Form 1040F is optional.

**Installment sales.**—If the installment method is used, attach to the return a schedule showing separately for the years 1930, 1931, 1932, and 1933 the following information: (a) Gross sales; (b) Cost of goods sold; (c) Gross profits; (d) Percentage of profits to gross sales; (e) Amount collected; and (f) Gross profit on amount collected. See Section 44 of the Revenue Act of 1932.

**Kind of business.**—Describe the business or service rendered in the space provided on Line 1 of Schedule A, as "grocery", "retail clothing", "drug store", "laundry", "farming", etc.

**Total receipts.**—Enter on Line 1 of Schedule A the total receipts, less any discounts or allowances from the sale price or service charge.

**Inventories.**—If the production, purchase, or sale of merchandise is an income-producing factor in the trade or business, inventories of merchandise on hand shall be taken at the beginning and end of the taxable year which may be valued at cost, or cost or market, whichever is lower.

**Salaries.**—Enter on Line 10 all salaries and wages not included as "Labor" on Line 2 under "Cost of Goods Sold."

**Interest.**—Enter on Line 11 interest on business indebtedness. Do not include interest on capital invested in or advanced to the business by the estate or trust.

**Taxes.**—Enter on Line 12 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, nor Federal income taxes.

**Losses.**—Enter on Line 13 losses incurred in the trade or business, if not compensated for by insurance or otherwise and not made good by repairs claimed as deductions. Losses of business property arising from fire, storm, or other casualty, or from theft, should be explained in the table provided therefor at the foot of page 2 of the return, giving the information requested.

**Bad debts.**—Enter on Line 14 debts, or portions thereof, arising from sales or services that have been reflected in income, which have been definitely ascertained to be worthless and charged off within the year, or 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.

**Depreciation.**—Enter on Line 15 depreciation claimed by reason of exhaustion, wear and tear of property used in the trade or business, or as obsolescence or depletion, and fill in the table at the foot of page 2, giving the information requested. If obsolescence is claimed, explain why useful life is less than actual life.

The amount of depreciation on property acquired by purchase should be determined upon the basis of the original cost (not replacement cost) of the property and the probable number of years remaining of its useful life, except if the property was purchased prior to March 1, 1913, it will be computed on the fair market value of such property as of that date or its original cost (less depreciation actually sustained before that date), whichever is greater. If the property was acquired in any other manner than by purchase, see Sections 23 (k), 23 (m), and 114 of the 1932 Act.

In case a deduction is claimed on account of depletion of mines, oil or gas wells, or timber, see Sections 23 (l), 23 (m), and 114 of the 1932 Act.

Do not claim any deduction for depreciation in the value of a building occupied by any beneficiary as a dwelling, or property held for his personal use, nor for land (exclusive of improvements), nor on stocks and bonds.

**Rent, repairs, and other expenses.**—Enter on Line 16 rent on business property in which the estate or trust has no equity, ordinary repairs to keep the property in a usable condition, and other necessary business expenses not classified above, such as heat, light, and fire insurance. Do not include rent for a dwelling occupied by any beneficiary for residential purposes, the cost of business equipment or furniture, expenditures for replacements or permanent improvements to property, nor personal, living, or family expenses of any beneficiary.

**Deficit.**—If the amount to be entered on Line 19 shows a deficit such amount should be preceded by a minus sign or written with red ink.

## 2. INTEREST ON BANK DEPOSITS, ETC.

Enter as Item 2 all interest received or credited to the account of the estate or trust during the taxable year on bank deposits, notes, mortgages, and corporation bonds, except interest on bonds upon which a tax was paid at the source. Interest on bonds is considered income when due and payable, or as it accrues, depending upon whether the books of account are kept on the cash or the accrual basis.

## 3. INTEREST ON TAX-FREE COVENANT BONDS

Enter as Item 3 interest on bonds upon which a tax was paid at the source, if an ownership certificate on Form 1000 was filed with the interest coupons. The tax of 2 percent paid at source on such interest should be allocated to the beneficiaries in Column 6, Item 18, page 1 of the return.

## 4. INCOME (OR LOSS) FROM PARTNERSHIPS, FIDUCIARIES, ETC.

Enter as Item 4 the share of the estate or trust of the profits (whether received or not) (or of the losses) of a partnership, syndicate, pool, etc., and income from another estate or trust, except that the share of (a) capital net gain or loss from the sale of capital assets shall be reported in Schedule D, (b) dividends on stock of domestic corporations shall be included in Item 7 ((a) and/or (b)) on page 1 of the return, and (c) interest on obligations of the United States, etc., shall be reported in Item 19 at the foot of page 1 of the return.

If the accounting period on the basis of which this return is filed does not coincide with the accounting period of the partnership or other fiduciary, then there should be included in this return the distributive share of the net profits (or losses) for such accounting period ending within the accounting period of the estate or trust.

## 5. INCOME FROM RENTS AND ROYALTIES

Explain income received and deductions claimed in Schedule B.

If property or crops were received 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 income accrued).

State the original cost of the property, and if it was acquired prior to March 1, 1913, the fair market value as of that date.

Enter as depreciation the amount of wear and tear, or depletion sustained during the year 1933, and explain in the table at the foot of page 2 how this amount was determined.

Other expenses include interest, taxes, fire insurance, fuel, light, labor, and other necessary expenses of this character.

## 6. PROFIT OR LOSS FROM SALE OF STOCKS, BONDS, REAL ESTATE, ETC.

Report sales of the property according to the two classes designated in Schedule C: (a) Stocks and bonds as defined in Section 23 (t), Revenue Act of 1932, held two years or less (including also those held more than two years if

not capital assets); (b) Other assets held two years or less (including also those held more than two years if not capital assets). For definitions of stocks and bonds included in (a), and of "Capital assets," see following paragraphs.

Describe the property briefly in Schedule C, and state the price received, or the fair market value of the property received in exchange. Expenses connected with the sale may be deducted in computing the profit or loss.

See Instruction 6A below relative to cost of improvements, depreciation, etc.

No loss shall be recognized in any sale or other disposition of stock or securities where the estate or trust has acquired substantially identical stock or securities within 30 days before or after the date of such sale, unless the estate or trust is a dealer in securities.

In case the amount to be entered in Column 8 is a deductible loss, amount should be preceded by a minus sign or written with red ink.

**Losses from sales of stocks and bonds as defined in Section 23 (t), Revenue Act of 1932, held two years or less.** The principal provisions of the Revenue Act of 1932, as amended, relating to these losses are:

**Section 23 (r) Limitation on stock losses.**—(1) Losses from sales or exchanges of stocks and bonds (as defined in Subsection (t) of this section) which are not capital assets (as defined in Section 101) shall be allowed only to the extent of the gains from such sales or exchanges (including gains which may be derived by a taxpayer from the retirement of his own obligations).

(3) This subsection shall not apply to a dealer in securities (as to stocks and bonds acquired for resale to customers) in respect of transactions in the ordinary course of his business, nor to a bank or trust company incorporated under the laws of the United States or of any State or Territory.

(t) **Definition of stocks and bonds.**—As used in Subsections (r) and (s), the term "stocks and bonds" means (1) shares of stock in any corporation, or (2) rights to subscribe for or to receive such shares, or (3) bonds, debentures, notes, or certificates or other evidences of indebtedness, issued by any corporation (other than a government or political subdivision thereof), with interest coupons or in registered form, or (4) certificates of profit, or of interest in property or accumulations, in any investment trust or similar organization holding or dealing in any of the instruments mentioned or described in this subsection, regardless of whether or not such investment trust or similar organization constitutes a corporation within the meaning of this Act.

## 6A. CAPITAL NET GAIN OR LOSS

Fill in Schedule D and allocate the net gain or loss in Column 5, Item 18, page 1 of the return.

The term "capital assets" means property held by the estate or trust for more than two years (whether or not connected with its trade or business), but does not include stock in trade of the estate or trust or other property of a kind which would properly be included in the inventory of the estate or trust if on hand at the close of the taxable year, or property held by the estate or trust primarily for sale in the course of its trade or business. See Section 101 of the Revenue Act of 1932.

The term "capital net gain" means the excess of the total amount of capital gain over the sum of (a) the capital deductions and capital losses plus (b) the amount, if any, by which the ordinary deductions exceed the gross income computed without capital gain.

The term "capital net loss" means the excess of the sum of the capital losses plus the capital deductions over the total amount of capital gain.

If gain or loss is computed on March 1, 1913, value, both cost and March 1, 1913, value must be shown and full information given as to how March 1, 1913, value was determined. If the amount shown as cost is other than actual cash cost of the property sold, full details must be furnished regarding the acquisition of the property.

Enter as depreciation the amount of wear and tear, obsolescence, or depletion which has been allowed (but not less than the amount allowable) in respect of such property since date of acquisition, or since March 1, 1913, if the property was acquired before that date. In addition, if the property was acquired before March 1, 1913, and if the cost of such property is greater than its fair market value as of that date, the cost shall be reduced by the depreciation actually sustained before that date.

Subsequent improvements include expenditures for additions, improvements, and repairs made to restore the property or prolong its useful life.

## 7. DIVIDENDS

Enter as Item 7 (a) the amount received as dividends (1) from a domestic corporation subject to taxation under Title I of the Revenue Act of 1932 other than a corporation entitled to the benefits of Section 251 of the 1932 Act and other than a corporation organized under the China Trade Act, 1922, or (2) from a foreign corporation when it is shown to the satisfaction of the Commissioner that more than 50 percent of the gross income of such foreign corporation for the three-year period ending with the close of its taxable year preceding the declaration of such dividends (or for such part of such period as the corporation has been in existence) was derived from sources within the United States, including the share of such dividends received on stock owned by a partnership, or an estate or trust. Enter as Item 7 (b) dividends from a domestic corporation not subject to taxation under Title I of the Revenue Act of 1932. Enter as Item 7 (c) dividends from a foreign corporation other than a foreign corporation described in (2) of this paragraph.

Dividends reported in Item 7 (a) or 7 (c) must include Federal excise tax thereon withheld at source. Such tax is deductible in Item 11.

## 8. OTHER INCOME

Enter as Item 8 all other taxable income for which no space is provided on page 1 of the return.

## 9. TOTAL INCOME

Enter as Item 9 the net amount of Items 1 to 8, inclusive, after deducting any losses reported in Items 1, 4, 5, and 6.

## 10. INTEREST PAID

Enter as Item 10 interest paid on other indebtedness as distinguished from business indebtedness (which should be deducted under Schedule A or B). Do not include interest on capital invested in or advanced to the business by the estate or trust, nor interest on indebtedness incurred or continued to purchase or carry obligations or securities the interest upon which is wholly exempt from taxation or on indebtedness incurred or continued in connection with the purchasing or carrying of an annuity.

## 11. TAXES PAID

Enter as Item 11 taxes paid on property not used in the trade or business, not including those tending to increase the value of the property assessed. Do not include Federal income taxes, nor taxes imposed upon the estate or trust on its interest as shareholder of a corporation which are paid by the corporation without reimbursement from the estate or trust, nor taxes entered in Column 7, Item 18, page 1 of return.

## 12. LOSSES BY FIRE, STORM, ETC.

Enter as Item 12 losses sustained during the year of property not connected with the trade or business, if arising from fire, storm, shipwreck, or other casualty, or from theft, and if not compensated for by insurance or otherwise. See Section 23 (e) of the Revenue Act of 1932.

Explain losses claimed in the table provided on page 2 of the return.

## 13. BAD DEBTS

Enter as Item 13 all bad debts other than those claimed as a deduction in Schedule A. State in Schedule E, (a) of what the debts consisted, (b) when they were created, (c) when they became due, (d) what efforts were made to collect, and (e) how they were actually determined to be worthless.