

UNITED STATES

FIDUCIARY INCOME AND DEFENSE TAX RETURN

(FOR ESTATES AND TRUSTS)

For Calendar Year 1940

or fiscal year beginning \_\_\_\_\_, 1940, and ended \_\_\_\_\_, 1941

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 { \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Do Not Use These Spaces)

File Code \_\_\_\_\_

Serial No. \_\_\_\_\_

District \_\_\_\_\_

(Cashier's Stamp)

Cash \_\_\_\_\_ Check \_\_\_\_\_ M. O. \_\_\_\_\_

FIRST PAYMENT

\$ \_\_\_\_\_

Item and  
Instruction No.

INCOME

|   |          |          |  |
|---|----------|----------|--|
| 1. Dividends  | \$ _____ |          |  |
| 2. Interest on bank deposits, notes, corporation bonds, etc. (except interest to be reported in item 3)                       | _____    |          |  |
| 3. Interest on tax-free covenant bonds upon which a Federal income tax was paid at source                                     | _____    |          |  |
| 4. Interest on Government obligations, etc. (from Schedule A, cols. 7b and 8b, and Schedule B, line (g))                      | _____    |          |  |
| 5. Income (or loss) from partnerships, syndicates, pools, etc., and income from other fiduciaries<br>(Name and address) _____ | _____    |          |  |
| 6. Rents and royalties (from Schedule C)  | _____    |          |  |
| 7. (a) Net short-term gain from sale or exchange of capital assets (from Schedule E)  | _____    |          |  |
| (b) Net long-term gain (or loss) from sale or exchange of capital assets (from Schedule E)                                    | _____    |          |  |
| (c) Net gain (or loss) from sale or exchange of property other than capital assets (from Schedule F)                          | _____    |          |  |
| 8. Net profit (or loss) from trade or business (attach statement)   | _____    |          |  |
| 9. Other income (state nature of income) _____  | _____    |          |  |
| 10. Total income in items 1 to 9 (enter nontaxable income in Schedules B and H)   | _____    | \$ _____ |  |

DEDUCTIONS

|  |          |          |  |
|--|----------|----------|--|
| 11. Interest (explain in Schedule G)   | \$ _____ |          |  |
| 12. Taxes (explain in Schedule G)  | _____    |          |  |
| 13. Other deductions authorized by law (explain in Schedule G)                             | _____    |          |  |
| 14. Total deductions in items 11 to 13   | _____    |          |  |
| 15. Balance (item 10 minus item 14)  | _____    | \$ _____ |  |
| 16. Less amount distributable to beneficiaries (from Schedule A, columns 2, 7b, 8b, and 9) | _____    |          |  |
| 17. Net income (taxable to fiduciary) (item 15 minus item 16)                              | _____    | \$ _____ |  |

COMPUTATION OF TAX

|  |          |  |  |   |          |  |
|--|----------|--|--|---|----------|--|
| 18. Net income (item 17 above)   | \$ _____ |  |  | 26. Total income tax (item 25, or if you had a net long-term capital gain or loss, enter line 14, Schedule E) | \$ _____ |  |
| 19. Less: Personal exemption (See Instruction 19)  | _____    |  |  | 27. Less: Fiduciary's share of income tax paid at source  | \$ _____ |  |
| 20. Balance (surtax net income)  | \$ _____ |  |  | 28. Fiduciary's share of income tax paid to a foreign country or United States possession (Attach Form 1116)  | _____    |  |
| 21. Less: Interest on Government obligations (Schedule B, line (g)), etc. (See Instruction 21) | _____    |  |  | 29. Balance of income tax (item 26 minus items 27 and 28)   | \$ _____ |  |
| 22. Balance subject to normal tax  | \$ _____ |  |  | 30. Defense tax (10% of item 26) (See Instruction 30)   | _____    |  |
| 23. Normal tax (4% of item 22)   | \$ _____ |  |  | 31. Total income and defense taxes due (item 29 plus item 30)   | \$ _____ |  |
| 24. Surtax on item 20 (See Instruction 24)   | _____    |  |  |   |          |  |
| 25. Total (item 23 plus item 24)   | \$ _____ |  |  |   |          |  |

Note.—In order that this return may be accepted as meeting the requirements of the Internal Revenue Code, the data called for herein must be set forth FULLY and CLEARLY.



**Schedule D.—EXPLANATION OF DEDUCTION FOR DEPRECIATION CLAIMED IN SCHEDULES C, E, AND F. (See Instruction L)**

| 1. Kind of property<br>(if buildings, state material of which constructed) | 2. Date acquired | 3. Cost or other basis<br>(do not include land or other nondepreciable property) | 4. Assets fully depreciated in use at end of year | 5. Depreciation allowed (or allowable) in prior years | 6. Remaining cost or other basis to be recovered | 7. Estimated life used in accumulating depreciation | 8. Estimated remaining life from beginning of year | 9. Depreciation allowable this year |
|--|------------------|--|---|---|--|---|--|-------------------------------------|
|  |                  | \$   | \$  | \$  | \$   |   |  | \$                                  |
|  |                  |  |   |   |  |   |  |                                     |
|  |                  |  |   |   |  |   |  |                                     |

**Schedule E.—GAINS AND LOSSES FROM SALES OR EXCHANGES OF CAPITAL ASSETS. (See Instruction 7)**

| 1. Kind of property (if necessary, attach statement of descriptive details not shown below) | 2. Date acquired<br><i>Mo. Day Year</i> | 3. Date sold<br><i>Mo. Day Year</i> | 4. Gross sales price (contract price) | 5. Cost or other basis | 6. Expense of sale and cost of improvements subsequent to acquisition or March 1, 1913 | 7. Depreciation allowed (or allowable) since acquisition or March 1, 1913 (explain in Schedule D) | 8. Gain or loss (column 4 plus column 7 minus the sum of columns 5 and 6) | Gain or loss to be taken into account |            |
|---|---|-------------------------------------|---------------------------------------|------------------------|--|---|---|---------------------------------------|------------|
|   |   |                                     |                                       |                        |  |   |   | 9. Percentage                         | 10. Amount |

**SHORT-TERM CAPITAL GAINS AND LOSSES—ASSETS HELD NOT MORE THAN 18 MONTHS**

|   |  |  |    |    |    |    |    |     |    |
|---|--|--|----|----|----|----|----|-----|----|
|   |  |  | \$ | \$ | \$ | \$ | \$ | 100 | \$ |
|   |  |  |    |    |    |    |    | 100 |    |
|   |  |  |    |    |    |    |    | 100 |    |
|   |  |  |    |    |    |    |    | 100 |    |
| Total net short-term capital gain or loss (enter in line 1, column 3, of summary below) |  |  |    |    |    |    |    |     | \$ |

**LONG-TERM CAPITAL GAINS AND LOSSES—ASSETS HELD FOR MORE THAN 18 MONTHS BUT NOT FOR MORE THAN 24 MONTHS**

|  |  |  |    |    |    |    |    |        |    |
|--|--|--|----|----|----|----|----|--------|----|
|  |  |  | \$ | \$ | \$ | \$ | \$ | 66 2/3 | \$ |
|  |  |  |    |    |    |    |    | 66 2/3 |    |
|  |  |  |    |    |    |    |    | 66 2/3 |    |
|  |  |  |    |    |    |    |    | 66 2/3 |    |

**LONG-TERM CAPITAL GAINS AND LOSSES—ASSETS HELD FOR MORE THAN 24 MONTHS**

|  |  |  |    |    |    |    |    |    |    |
|--|--|--|----|----|----|----|----|----|----|
|  |  |  | \$ | \$ | \$ | \$ | \$ | 50 |    |
|  |  |  |    |    |    |    |    | 50 |    |
|  |  |  |    |    |    |    |    | 50 |    |
|  |  |  |    |    |    |    |    | 50 |    |
| Total net long-term capital gain or loss (enter in line 2, column 3, of summary below) |  |  |    |    |    |    |    |    | \$ |

**SUMMARY OF CAPITAL NET GAINS OR LOSSES**

| 1. Classification   | 2. Net short-term capital loss of preceding taxable year (not in excess of net income for such year) | 3. Net gain or loss to be taken into account from column 10, above |      | 4. Net gain or loss to be taken into account from partnerships and "common trust funds" |      | 5. Total net gain or loss to be taken into account in columns 2, 3, and 4 of this summary |   |
|---|--|--|------|---|------|---|---|
|   |  | Gain   | Loss | Gain  | Loss | Gain  | Loss                                      |
| 1. Total net short-term capital gain or loss (enter as item 7 (a), page 1, amount of gain shown in column 5)        | \$   | \$   | \$   | \$  | \$   | \$  | No net loss allowable (See Instruction 7) |
| 2. Total net long-term capital gain or loss (enter as item 7 (b), page 1, amount of gain or loss shown in column 5) | \$   | \$   | \$   | \$  | \$   | \$  |   |

State the family, fiduciary, or business relationship to you, if any, of purchaser of any of the above items: \_\_\_\_\_  
 If any of the above items were acquired by you other than by purchase, explain fully how acquired: \_\_\_\_\_

**COMPUTATION OF ALTERNATIVE TAX**

Use only (1) if you had a net long-term capital gain, and item 20, page 1, exceeds \$22,000  
 (2) if you had a net long-term capital loss, and such loss plus item 20, page 1, exceeds \$22,000

|   |    |  |   |    |
|---|----|--|---|----|
| 1. Net income (item 17, page 1)   | \$ |  | 8. Normal tax (4% of line 7)  | \$ |
| 2. (a) Net long-term capital gain (item 7 (b), page 1)  |    |  | 9. Surtax on line 5 (See Instruction 24)  | \$ |
| (b) Net long-term capital loss (item 7 (b), page 1)   |    |  | 10. Partial tax (line 8 plus line 9)  | \$ |
| 3. Ordinary net income (line 1 minus line 2 (a) or line 1 plus line 2 (b))                    | \$ |  | 11. (a) 30% of net long-term capital gain (30% of line 2 (a))   |    |
| 4. Less: Personal exemption (item 19, page 1)   |    |  | (b) 30% of net long-term capital loss (30% of line 2 (b))   |    |
| 5. Balance (surtax net income)  | \$ |  | 12. Alternative tax (line 10 plus line 11 (a) or line 10 minus line 11 (b))   | \$ |
| 6. Less: Interest on Government obligations (Schedule B, line (g)), etc. (See Instruction 21) |    |  | 13. Total normal tax and surtax (item 25, page 1)   | \$ |
| 7. Balance subject to normal tax  | \$ |  | 14. Tax liability (if a net long-term capital gain, on line 2 (a), enter line 12 or line 13, whichever is the lesser; if a net long-term capital loss, on line 2 (b), enter line 12 or line 13, whichever is the greater). (Enter as item 26, page 1) | \$ |

Schedule F.—GAINS AND LOSSES FROM SALES OR EXCHANGES OF PROPERTY OTHER THAN CAPITAL ASSETS. (See Instruction 7)

Table with 7 columns: 1. Kind of property, 2. Date acquired, 3. Gross sales price (contract price), 4. Cost or other basis, 5. Expense of sale and cost of improvements subsequent to acquisition or March 1, 1913, 6. Depreciation allowed (or allowable) since acquisition or March 1, 1913 (Explain in Schedule D), 7. Gain or loss (column 3 plus column 6, minus the sum of columns 4 and 5). Includes a row for 'Total net gain (or loss) (enter as item 7 (c), page 1)'.

State the family, fiduciary, or business relationship to you, if any, of purchaser of any of the above items:
If any of the above items were acquired by you other than by purchase, explain fully how acquired:

Schedule G.—EXPLANATION OF DEDUCTIONS CLAIMED IN ITEMS 11, 12, and 13. (See Instructions 11, 12, and 13)

Table with 6 columns: 1. Item No., 2. Explanation, 3. Amount, 1. Item No. (continued), 2. Explanation (continued), 3. Amount (continued).

Schedule H.—NONTAXABLE INCOME OTHER THAN INTEREST REPORTED IN SCHEDULE B. (See Instruction 10)

Table with 3 columns: 1. Source of income, 2. Nature of income, 3. Amount.

QUESTIONS

- 1. Was a return of income filed for the preceding year? If so, to which collector's office was it sent?
2. Date estate or trust was created
3. If copy of will or trust instrument and statement required under Instruction I have been previously furnished, state when and where filed
4. Check whether this return was prepared on the cash or accrual basis.
5. Did the estate or trust at any time during the taxable year own directly or indirectly any stock of a foreign corporation or a personal holding company as defined in section 501 of the Internal Revenue Code? (Answer "Yes" or "No")
6. If return is for a trust, state name and address of grantor

AFFIDAVIT (See Instruction F)

I swear (or affirm) that this return (including any accompanying schedules and statements) has been examined by me, and to the best of my knowledge and belief, is a true, correct, and complete return, made in good faith for the taxable year stated, pursuant to the Internal Revenue Code and the regulations issued thereunder.

Subscribed and sworn to before me this

day of, 194

(Signature of officer administering oath)

(Title)

(Signature of fiduciary or officer representing fiduciary)

(Address of fiduciary or officer)

(If this return was prepared for you by some other person, the following affidavit must be executed)

AFFIDAVIT (See Instruction F)

I/we swear (or affirm) that I/we prepared this return for the person named herein and that the return (including any accompanying schedules and statements) is a true, correct, and complete statement of all the information respecting the tax liability of the person for whom this return has been prepared of which I/we have any knowledge.

Subscribed and sworn to before me this

day of, 194

(Signature of officer administering oath)

(Title)

(Signature of person preparing the return)

(Signature of person preparing the return)

(Name of firm or employer, if any)

