Form **1120**
Department of the Treasury
Internal Revenue Service

U.S. Corporation Income Tax Return

For calendar year 1978 or other taxable year beginning ....., 1978, ending ....., 19.....

1978

Check if a—
A Consolidated return ☐
B Personal Holding Co. ☐
C Business Code No. (See Page 8 of instructions)

Use IRS label. Otherwise please print or type.

Name

Number and street

City or town, State, and ZIP code

D Employer identification number (see instruction W)

E Date incorporated

F Enter total assets (see instruction X) $

Gross Income

1	Gross receipts or gross sales.....Less: Returns and allowances.....	1	
2	Less: Cost of goods sold (Schedule A) and/or operations (attach schedule)	2	
3	Gross profit	3	
4	Dividends (Schedule C)	4	
5	Interest on obligations of the United States and U.S. instrumentalities	5	
6	Other interest	6	
7	Gross rents	7	
8	Gross royalties	8	
9	(a) Capital gain net income (attach separate Schedule D)	9(a)	
	(b) Net gain or (loss) from Form 4797, line 11, Part II (attach Form 4797)	9(b)	
10	Other income (see instructions—attach schedule)	10	
11	TOTAL income—Add lines 3 through 10	11	
12	Compensation of officers (Schedule E)	12	
13	(a) Salaries and wages..... 13(b) Less new jobs credit..... Balance ▶	13(c)	

Schedule A Cost of Goods Sold (See instruction 2)

1 Inventory at beginning of year
2 Merchandise bought for manufacture or sale
3 Salaries and wages
4 Other costs (attach schedule)
5 Total
6 Less: Inventory at end of year
7 Cost of goods sold—Enter here and on line 2, page 1

8 (a) Check valuation method(s) used for total closing inventory:
☐ Cost ☐ Lower of cost or market ☐ Other (if "other," attach explanation)

(b) Check if this is the first year LIFO inventory method was adopted and used. (If checked, attach Form 970.) ☐

(c) If the LIFO inventory method was used for this taxable year, enter percentage (or amounts) of closing inventory computed under LIFO

(d) Is the corporation engaged in manufacturing activities? ☐ Yes ☐ No
If "Yes," are inventories valued under Regulations section 1.471–11 (full absorption accounting method)? ☐ Yes ☐ No

(e) Was there any substantial change in determining quantities, cost, or valuations between opening and closing inventory? ☐ Yes ☐ No
If "Yes," attach explanation.

Schedule C Dividends (See instruction 4)

1 Domestic corporations subject to 85% deduction
2 Certain preferred stock of public utilities
3 Foreign corporations subject to 85% deduction
4 Dividends from wholly-owned foreign subsidiaries subject to 100% deduction (section 245(b))
5 Other dividends from foreign corporations
6 Includable income from controlled foreign corporations under subpart F (attach Forms 3646)
7 Foreign dividend gross-up (section 78)
8 Qualifying dividends received from affiliated groups and subject to the 100% deduction (section 243(a)(3))
9 Taxable dividends from a DISC or former DISC not included in line 1 (section 246(d))
10 Other dividends
11 Total—Enter here and on line 4, page 1

Schedule E Compensation of Officers (See instruction 12)

1. Name of officer	2. Social security number	3. Time devoted to business	Percent of corporation stock owned		6. Amount of compensation	7. Expense account allowances
			4. Common	5. Preferred		
Total compensation of officers—Enter here and on line 12, page 1						

Schedule F Bad Debts—Reserve Method (See instruction 15)

1. Year	2. Trade notes and accounts receivable outstanding at end of year	3. Sales on account	Amount added to reserve		6. Amount charged against reserve	7. Reserve for bad debts at end of year
			4. Current year's provision	5. Recoveries		
1973						
1974						
1975						
1976						
1977						
1978						

Schedule I Special Deductions

1 (a) 85% of Schedule C, line 1
(b) 60.208% of Schedule C, line 2
(c) 85% of Schedule C, line 3
(d) 100% of Schedule C, line 4
2 Total—See instructions for limitation
3 100% of Schedule C, line 8
4 Dividends paid on certain preferred stock of public utilities (see instructions)
5 Western Hemisphere trade corporations (see instructions)
6 Total special deductions—Add lines 2 through 5. Enter here and on line 29(b), page 1

Schedule J Tax Computation

(Fiscal year corporations, omit lines 1 through 8 and enter on line 9, the amount from Form 1120–FY (1978–79), line 5, Part III)

1	Taxable income (line 30, page 1)	
2	Enter line 1 or $25,000, whichever is less. (Members of a controlled group enter one-half of surtax allocation, see instructions)	
3	Subtract line 2 from line 1	
4	Enter line 3 or $25,000, whichever is less. (Members of a controlled group enter one-half of surtax allocation, see instructions)	
5	Subtract line 4 from line 3	
6	20% of line 2	
7	22% of line 4	
8	48% of line 5	
9	Income tax (Sum of lines 6, 7 and 8 or alternative tax from separate Schedule D, whichever is less)	
10	(a) Foreign tax credit (attach Form 1118)	
	(b) Investment credit (attach Form 3468)	
	(c) Work incentive (WIN) credit (attach Form 4874)	
	(d) New jobs credit (attach Form 5884)	
11	Total of lines 10(a), (b), (c), and (d)	
12	Subtract line 11 from line 9	
13	Personal holding company tax (attach Schedule PH (Form 1120))	
14	Tax from recomputing a prior year investment credit (attach Form 4255)	
15	Tax from recomputing a prior year WIN credit (see instructions—attach computation)	
16	Minimum tax on tax preference items (see instructions—attach Form 4626)	
17	Total tax—Add lines 12 through 16. Enter here and on line 31, page 1	

Schedule K Record of Federal Tax Deposits Tax Class Number 503

(List deposits in order of date made—See instruction G)

Date of deposit	Amount	Date of deposit	Amount	Date of deposit	Amount

	Yes	No
G (1) Did you claim a deduction for expenses connected with:		
(a) Entertainment facility (boat, resort, ranch, etc.)?		
(b) Living accommodations (except for employees on business)?		
(c) Employee's families at conventions or meetings?		
If "Yes," were any of these conventions or meetings outside the United States or its possessions?		
(d) Employee or family vacations not reported on Form W-2?		
(2) Enter total amount claimed on Form 1120 for entertainment, entertainment facilities, gifts, travel, and conventions of the type for which substantiation is required under section 274(d). (See instruction Y.) ▶		
H (1) Did you at the end of the taxable year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).)		
If "Yes," attach a schedule showing: (a) name, address, and identifying number; (b) percentage owned; (c) taxable income or (loss) (e.g., if a Form 1120: from Form 1120, line 28, page 1) of such corporation for the taxable year ending with or within your taxable year; (d) highest amount owed by you to such corporation during the year; and (e) highest amount owed to you by such corporation during the year.		
(2) Did any individual, partnership, corporation, estate or trust at the end of the taxable year own, directly or indirectly, 50% or more of your voting stock? (For rules of attribution, see section 267(c).) If "Yes," complete (a) through (e)		
(a) Attach a schedule showing name, address, and identifying number; (b) Enter percentage owned ▶		
(c) Was the owner of such voting stock a person other than a U.S. person? (See instruction S.)		
If "Yes," enter owner's country ▶		
(d) Enter highest amount owed by you to such owner during the year ▶		
(e) Enter highest amount owed to you by such owner during the year ▶		
(Note: For purposes of H(1) and H(2), "highest amount owed" includes loans and accounts receivable/payable.)		
I Did you ever declare a stock dividend?		
J Taxable income or (loss) from Form 1120, line 28, page 1, for your taxable year beginning in: 1975 ....., 1976 ....., 1977		
K Were you a member of a controlled group subject to the provisions of section 1561? If "Yes," check the type of relationship (1) ☐ parent-subsidiary (2) ☐ brother-sister (3) ☐ combination of (1) and (2) (See section 1563.)		
L Refer to page 8 of instructions and state the principal: Business activity ..... Product or service		
M Did you file all required Forms 1087, 1096 and 1099?		
N Were you a U.S. shareholder of any controlled foreign corporation? (See sections 951 and 957.) If "Yes," attach Form 3646 for each such corporation		
O Did you, at any time during the taxable year, have an interest in or signature or other authority over a bank, securities or other financial account in a foreign country (see instruction V)?		
P Were you the grantor of, or transferor to, a foreign trust during any taxable year, which foreign trust was in being during the current taxable year, whether or not you have any beneficial interest in such trust? If "Yes," you may be required to file Forms 3520, 3520–A, or 926		
Q During this taxable year, did you pay dividends (other than stock dividends and distributions in exchange for stock) in excess of your current and accumulated earnings and profits? (See sections 301 and 316.)		
If "Yes," file Form 5452. If this is a consolidated return, answer here for parent corporation and on Form 851, Affiliation Schedule, for each subsidiary.		

Schedule L Balance Sheets

	Beginning of taxable year		End of taxable year	
	(A) Amount	(B) Total	(C) Amount	(D) Total
ASSETS				
1 Cash				
2 Trade notes and accounts receivable				
(a) Less allowance for bad debts				
3 Inventories				
4 Gov't obligations: (a) U.S. and instrumentalities				
(b) State, subdivisions thereof, etc.				
5 Other current assets (attach schedule)				
6 Loans to stockholders				
7 Mortgage and real estate loans				
8 Other investments (attach schedule)				
9 Buildings and other fixed depreciable assets				
(a) Less accumulated depreciation				
10 Depletable assets				
(a) Less accumulated depletion				
11 Land (net of any amortization)				
12 Intangible assets (amortizable only)				
(a) Less accumulated amortization				
13 Other assets (attach schedule)				
14 Total assets				
LIABILITIES AND STOCKHOLDERS' EQUITY				
15 Accounts payable				
16 Mtges., notes, bonds payable in less than 1 yr.				
17 Other current liabilities (attach schedule)				
18 Loans from stockholders				
19 Mtges., notes, bonds payable in 1 yr. or more				
20 Other liabilities (attach schedule)				
21 Capital stock: (a) Preferred stock				
(b) Common stock				
22 Paid-in or capital surplus				
23 Retained earnings—Appropriated (attach sch.)				
24 Retained earnings—Unappropriated				
25 Less cost of treasury stock		( )		( )
26 Total liabilities and stockholders' equity				

Schedule M-1 Reconciliation of Income Per Books With Income Per Return

1 Net income per books
2 Federal income tax
3 Excess of capital losses over capital gains
4 Income subject to tax not recorded on books this year (itemize)

5 Expenses recorded on books this year not deducted in this return (itemize)
(a) Depreciation $
(b) Depletion $

6 Total of lines 1 through 5

7 Income recorded on books this year not included in this return (itemize)
(a) Tax-exempt interest $

8 Deductions in this tax return not charged against book income this year (itemize)
(a) Depreciation $
(b) Depletion $

9 Total of lines 7 and 8
10 Income (line 28, page 1)—line 6 less 9

Schedule M-2 Analysis of Unappropriated Retained Earnings Per Books (line 24 above)

1 Balance at beginning of year
2 Net income per books
3 Other increases (itemize)

4 Total of lines 1, 2, and 3

5 Distributions: (a) Cash
(b) Stock
(c) Property

6 Other decreases (itemize)

7 Total of lines 5 and 6
8 Balance at end of year (line 4 less 7)