

Form 1120

U.S. Corporation Income Tax Return

OMB No. 1545-0123

For calendar year 1988 or tax year beginning _____, 1988, ending _____, 19

1988

Department of the Treasury Internal Revenue Service

For Paperwork Reduction Act Notice, see page 1 of the instructions.

- Check if a—
A Consolidated return
B Personal holding co.
C Personal service corp. (as defined in Temp. Regs. sec. 1.441-4T—see instructions)

Use IRS label. Otherwise, please print or type.

Name
Number and street (or P.O. box number if mail is not delivered to street address)
City or town, state, and ZIP code

D Employer identification number
E Date incorporated
F Total assets (See Specific Instructions.)
Dollars Cents

G Check applicable boxes: (1) Initial return (2) Final return (3) Change in address

Income section table with rows 1a-11. Includes Gross receipts or sales, Less returns and allowances, Cost of goods sold, Gross profit, Dividends, Interest, Gross rents, Gross royalties, Capital gain net income, Net gain or (loss) from Form 4797, Other income, Total income.

Deductions section table with rows 12-29. Includes Compensation of officers, Salaries and wages, Less jobs credit, Balance, Repairs, Bad debts, Rents, Taxes, Interest, Contributions, Depreciation, Less depreciation claimed, Depletion, Advertising, Pension, profit-sharing, etc., Employee benefit programs, Other deductions, Total deductions, Taxable income before net operating loss deduction, Less: a Net operating loss deduction, b Special deductions.

Tax and Payments section table with rows 30-36. Includes Taxable income, Total tax, Payments: a 1987 overpayment credited to 1988, b 1988 estimated tax payments, Less 1988 refund applied for on Form 4466, Tax deposited with Form 7004, Credit from regulated investment companies, Credit for Federal tax on fuels, Enter any penalty for underpayment of estimated tax, Tax due, Overpayment, Enter amount of line 35 you want: Credited to 1989 estimated tax, Refunded.

Please Sign Here
Signature of officer, Date, Title
Preparer's signature, Date, Check if self-employed, Preparer's social security number
Firm's name (or yours if self-employed) and address, E.I. No., ZIP code

Schedule A Cost of Goods Sold and/or Operations (See instructions for line 2, page 1.)

| | | |
|--|-----------|--|
| 1 Inventory at beginning of year | 1 | |
| 2 Purchases | 2 | |
| 3 Cost of labor | 3 | |
| 4a Additional section 263A costs (see instructions—attach schedule) | 4a | |
| b Other costs (attach schedule) | 4b | |
| 5 Total—Add lines 1 through 4b | 5 | |
| 6 Inventory at end of year | 6 | |
| 7 Cost of goods sold and/or operations—Line 5 less line 6. Enter here and on line 2, page 1 | 7 | |

8a Check all methods used for valuing closing inventory:

(i) Cost (ii) Lower of cost or market as described in Regulations section 1.471-4 (see instructions)

(iii) Writedown of "subnormal" goods as described in Regulations section 1.471-2(c) (see instructions)

(iv) Other (Specify method used and attach explanation.) _____

b Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)

c If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO **8c** _____

d Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the corporation? . . . Yes No

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

Schedule C Dividends and Special Deductions (See Schedule C instructions.)

| | (a) Dividends received | (b) % | (c) Special deductions: multiply (a) x (b) |
|--|------------------------|------------------|--|
| 1 Dividends from less-than-20%-owned domestic corporations that are subject to the 70% deduction (other than debt-financed stock) | | 70 | |
| 2 Dividends from 20%-or-more-owned domestic corporations that are subject to the 80% deduction (other than debt-financed stock) | | 80 | |
| 3 Dividends on debt-financed stock of domestic and foreign corporations (section 246A) | | see instructions | |
| 4 Dividends on certain preferred stock of less-than-20%-owned public utilities | | 41.176 | |
| 5 Dividends on certain preferred stock of 20%-or-more-owned public utilities | | 47.059 | |
| 6 Dividends from less-than-20%-owned foreign corporations and certain FSCs that are subject to the 70% deduction | | 70 | |
| 7 Dividends from 20%-or-more-owned foreign corporations and certain FSCs that are subject to the 80% deduction | | 80 | |
| 8 Dividends from wholly owned foreign subsidiaries subject to the 100% deduction (section 245(b)) | | 100 | |
| 9 Total —Add lines 1 through 8. See instructions for limitation | | | |
| 10 Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958 | | 100 | |
| 11 Dividends from certain FSCs that are subject to the 100% deduction (section 245(c)(1)) | | 100 | |
| 12 Dividends from affiliated group members subject to the 100% deduction (section 243(a)(3)) | | 100 | |
| 13 Other dividends from foreign corporations not included in lines 3, 6, 7, 8, and 11 | | | |
| 14 Income from controlled foreign corporations under subpart F (attach Forms 5471) | | | |
| 15 Foreign dividend gross-up (section 78) | | | |
| 16 IC-DISC and former DISC dividends not included in lines 1, 2, and/or 3 (section 246(d)) | | | |
| 17 Other dividends | | | |
| 18 Deduction for dividends paid on certain preferred stock of public utilities (see instructions) | | | |
| 19 Total dividends —Add lines 1 through 17. Enter here and on line 4, page 1. ▶ | | | |
| 20 Total deductions —Add lines 9, 10, 11, 12, and 18. Enter here and on line 29b, page 1 ▶ | | | |

Schedule E Compensation of Officers (See instructions for line 12, page 1.)

Complete Schedule E only if total receipts (line 1a, plus lines 4 through 10, of page 1, Form 1120) are \$150,000 or more.

| (a) Name of officer | (b) Social security number | (c) Percent of time devoted to business | Percent of corporation stock owned | | (f) Amount of compensation |
|---|----------------------------|---|------------------------------------|---------------|----------------------------|
| | | | (d) Common | (e) Preferred | |
| 1 | | % | % | % | |
| | | % | % | % | |
| | | % | % | % | |
| | | % | % | % | |
| | | % | % | % | |
| 2 Total compensation of officers | | | | | |
| 3 Less: Compensation of officers claimed in Schedule A and elsewhere on return | | | | | () |
| 4 Compensation of officers deducted on line 12, page 1 | | | | | |

Schedule J Tax Computation (See instructions.)

1 Check if you are a member of a controlled group (see sections 1561 and 1563)

2 If line 1 is checked:

a Enter your share of the \$50,000 and \$25,000 taxable income bracket amounts (in that order):
 (i) \$ _____ (ii) \$ _____

b Enter your share of the additional 5% tax (not to exceed \$11,750) \$ _____

3 Income tax (See instructions to figure the tax). Check this box if the corporation is a qualified personal service corporation (see instructions)

| | | |
|---|--|-----------|
| 4a Foreign tax credit (attach Form 1118) | | |
| 4b Possessions tax credit (attach Form 5735) | | |
| 4c Orphan drug credit (attach Form 6765) | | |
| 4d Credit for fuel produced from a nonconventional source (see instructions) | | |
| 4e General business credit. Enter here and check which forms are attached: <input type="checkbox"/> Form 3800 <input type="checkbox"/> Form 3468 <input type="checkbox"/> Form 5884 <input type="checkbox"/> Form 6478 <input type="checkbox"/> Form 6765 <input type="checkbox"/> Form 8586 | | |
| 4f Credit for prior year minimum tax (attach Form 8801) | | |
| 5 Total—Add lines 4a through 4f | | 5 |
| 6 Line 3 less line 5 | | 6 |
| 7 Personal holding company tax (attach Schedule PH (Form 1120)) | | 7 |
| 8 Recapture taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 | | 8 |
| 9a Alternative minimum tax (see instructions—attach Form 4626) | | 9a |
| 9b Environmental tax (see instructions—attach Form 4626) | | 9b |
| 10 Total tax—Add lines 6 through 9b. Enter here and on line 31, page 1 | | 10 |

Additional Information (See instruction F.)

| | Yes | No | | Yes | No |
|---|-----|----|---|-----|----|
| H Refer to the list in the instructions and state the principal: | | | | | |
| (1) Business activity code no. ▶ | | | | | |
| (2) Business activity ▶ | | | | | |
| (3) Product or service ▶ | | | | | |
| I (1) Did the corporation at the end of the tax 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; and (c) taxable income or (loss) before NOL and special deductions of such corporation for the tax year ending with or within your tax year. | | | K At any time during the tax year, did the corporation have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? (See instruction F and filing requirements for form TD F 90-22.1.) If "Yes," enter name of foreign country ▶ | | |
| (2) Did any individual, partnership, corporation, estate, or trust at the end of the tax year own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c).) If "Yes," complete (a) through (c) | | | L Was the corporation the grantor of, or transferor to, a foreign trust which existed during the current tax year, whether or not the corporation has any beneficial interest in it? If "Yes," the corporation may have to file Forms 3520, 3520-A, or 926. | | |
| (a) Attach a schedule showing name, address, and identifying number. | | | M During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's 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 , Affiliations Schedule, for each subsidiary. | | |
| (b) Enter percentage owned ▶ | | | N During this tax year did the corporation maintain any part of its accounting/tax records on a computerized system? | | |
| (c) Was the owner of such voting stock a person other than a U.S. person? (See instructions.) Note: If "Yes," the corporation may have to file Form 5472. If "Yes," enter owner's country ▶ | | | O Check method of accounting: (1) <input type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ▶ | | |
| J Was the corporation a U.S. shareholder of any controlled foreign corporation? (See sections 951 and 957.) If "Yes," attach Form 5471 for each such corporation. | | | P Check this box if the corporation issued publicly offered debt instruments with original issue discount <input type="checkbox"/> If so, the corporation may have to file Form 8281. | | |
| | | | Q Enter the amount of tax-exempt interest received or accrued during the tax year ▶ _____ | | |
| | | | R Enter the number of shareholders at the end of the tax year if there were 35 or fewer shareholders ▶ _____ | | |

Schedule L Balance Sheets

| | Beginning of tax year | | End of tax year | |
|--|-----------------------|-----|-----------------|-----|
| | (a) | (b) | (c) | (d) |
| Assets | | | | |
| 1 Cash | | | | |
| 2 Trade notes and accounts receivable | | | | |
| a Less allowance for bad debts | | | | |
| 3 Inventories | | | | |
| 4 Federal and state government obligations | | | | |
| 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 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 Mortgages, notes, bonds payable in less than 1 year | | | | |
| 17 Other current liabilities (attach schedule) | | | | |
| 18 Loans from stockholders | | | | |
| 19 Mortgages, notes, bonds payable in 1 year 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 schedule) | | | | |
| 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 (You are not required to complete this schedule if the total assets on line 14, column (d), of Schedule L are less than \$25,000.)

| | | | |
|---|--|--|--|
| 1 Net income per books | | 7 Income recorded on books this year not included in this return (itemize): | |
| 2 Federal income tax | | a Tax-exempt interest \$ | |
| 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): | | 8 Deductions in this tax return not charged against book income this year (itemize): | |
| a Depreciation . . . \$ | | a Depreciation . . . \$ | |
| b Contributions carryover \$ | | b Contributions carryover \$ | |
| c Travel and entertainment . \$ | | | |
| 6 Total of lines 1 through 5 | | 9 Total of lines 7 and 8 | |
| | | 10 Income (line 28, page 1)—line 6 less line 9 | |

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (line 24, Schedule L) (You are not required to complete this schedule if the total assets on line 14, column (d), of Schedule L are less than \$25,000.)

| | | | |
|--------------------------------|--|---|--|
| 1 Balance at beginning of year | | 5 Distributions: a Cash | |
| 2 Net income per books | | b Stock | |
| 3 Other increases (itemize): | | c Property | |
| | | 6 Other decreases (itemize): | |
| | | | |
| 4 Total of lines 1, 2, and 3 | | 7 Total of lines 5 and 6 | |
| | | 8 Balance at end of year (line 4 less line 7) | |