FORM 1120 A
Treasury Department
Internal Revenue Service

# UNITED STATES
# CORPORATION INCOME AND EXCESS-PROFITS TAX RETURN

# 1939

**For corporations having total receipts of not more than $250,000 and a net income of not more than $25,000 or no net income (except certain corporations specified in Instruction 2)**

(Auditor's Stamp)

## For Calendar Year 1939

**or fiscal year beginning ....., 1939, and ended ....., 1940**

PRINT PLAINLY CORPORATION'S NAME AND ADDRESS

(Name)

(Street and number)

(Post office) (County) (State)

Kind of business (see Instruction 16):

File Code .....

Serial No. .....

District .....

(Cashier's Stamp)

Cash Check M. O.

First Payment

$.....

## ADJUSTED NET INCOME COMPUTATION

| Item No. | | | | |
|---|---|---|---|---|
| | **GROSS INCOME** | | | |
| 1. | Gross sales (where inventories are an income-determining factor) $..... ; Less returns and allowances $..... | $..... | | |
| 2. | Less cost of goods sold (from Schedule B–1) | | | |
| 3. | Gross profit from sales (item 1 minus item 2) | $..... | | |
| 4. | Gross receipts (where inventories are not an income-determining factor) $..... | | | |
| 5. | Less cost of operations (from Schedule B–2) | | | |
| 6. | Gross profit where inventories are not an income-determining factor (item 4 minus 5) | | | |
| 7. | Interest on loans, notes, mortgages, bonds, bank deposits, etc. (See Instruction 18–(1)) | | | |
| 8. | Interest on obligations of the United States (from Schedule A, line 19 (*a*) (4). (See Instruction 18–(2)) | | | |
| 9. | Rents. (See Instruction 19) | | | |
| 10. | Royalties. (See Instruction 20) | | | |
| 11. | (*a*) Capital gain (or loss) (from Schedule C). (If a net loss, do not enter over $2,000) | | | |
| | (*b*) Gain or loss from sale or exchange of property other than capital assets (from Schedule D) | | | |
| 12. | Dividends (from Schedule E) | | | |
| 13. | Other income (state nature of income) | | | |
| 14. | Total income in items 3, and 6 to 13, inclusive | | $..... | |
| | **DEDUCTIONS** | | | |
| 15. | Compensation of officers (from Schedule F) | $..... | | |
| 16. | Salaries and wages (not deducted elsewhere) | | | |
| 17. | Rent. (See Instruction 23) | | | |
| 18. | Repairs. (See Instruction 24) | | | |
| 19. | Bad debts (from Schedule G) | | | |
| 20. | Interest. (See Instruction 26) | | | |
| 21. | Taxes (from Schedule H). (Do not include Federal excess-profits tax) | | | |
| 22. | Contributions or gifts paid (from Schedule I) | | | |
| 23. | Losses by fire, storm, shipwreck, or other casualty, or theft. (Submit schedule, see Instruction 29) | | | |
| 24. | Depreciation (from Schedule J) | | | |
| 25. | Depletion of mines, oil and gas wells, timber, etc. (Submit schedule, see Instruction 31) | | | |
| 26. | Other deductions authorized by law (from Schedule K) | | | |
| 27. | Total deductions in items 15 to 26, inclusive | | | |
| 28. | Net income for excess-profits tax computation (item 14 minus item 27) | | $..... | |
| 29. | Less: Federal excess-profits tax. (See Instruction 33) | | | |
| 30. | Net income (item 28 minus item 29) | | $..... | |
| 31. | Less: Interest on obligations of the United States (item 8, above) | | | |
| 32. | Adjusted net income (item 30 minus item 31) | | $..... | |

## EXCESS-PROFITS TAX COMPUTATION. (See Instruction 34)

| | | Column 1 | Col. 2 Rate | Column 3 Amount of Tax |
|---|---|---|---|---|
| 33. | Net income for excess-profits tax computation (item 28, above) | $..... | | |
| 34. | Value of capital stock as declared in your capital stock tax return for the year ended June 30, 1939 (or for year ended June 30, 1940, if your income tax fiscal year began in 1939 and ended on or after July 31, 1940) $..... | | | |
| 35. | 10 percent of item 34 $..... | | | |
| 36. | Dividends received credit (85 percent of col. 2, Schedule E, but not in excess of 85 percent of item 32, above) | | | |
| 37. | Balance subject to excess-profits tax (item 33 minus total of items 35 and 36) | $..... | | |
| 38. | Amount taxable at 6 percent (5 percent of item 34, but not more than item 37), and tax | | 6% | $..... |
| 39. | Balance taxable at 12 percent (item 37 minus item 38, col. 1), and tax | $..... | 12% | |
| 40. | Total excess-profits tax (total of item 38, col. 3, and item 39, col. 3) | | | $..... |

## INCOME TAX COMPUTATION

| | | | | |
|---|---|---|---|---|
| | **CORPORATIONS WITH NET INCOME OF NOT MORE THAN $25,000. (See Instruction 35)** | | | |
| 41. | Adjusted net income (item 32, above) | $..... | | |
| 42. | Dividends received credit (85% of col. 2, Schedule E, but not in excess of 85% of item 41, above) | | | |
| 43. | Balance subject to income tax (item 41 minus item 42) | $..... | | |
| 44. | Portion of item 43 (not in excess of $5,000); and tax at 12½ percent | $..... | 12½% | $..... |
| 45. | Portion of item 43 (in excess of $5,000 and not in excess of $20,000); and tax at 14% | | 14% | |
| 46. | Portion of item 43 (in excess of $20,000); and tax at 16 percent | | 16% | |
| 47. | Total income tax (total tax in col. 3 of items 44, 45, and 46) | | | $..... |
| 48. | Less: Credit for income taxes paid to a foreign country or U. S. possession allowed a domestic corporation. (See Instruction 36) | | | |
| 49. | Balance of income tax (item 47 minus item 48) | | | $..... |
| 50. | Excess-profits tax (item 40, above) | | | |
| 51. | Total tax due (item 49 plus item 50) | | | $..... |

**NOTE.—One form marked "DUPLICATE COPY" must be filed with this original return ($10 will be assessed if duplicate copy is not filed).**

## Schedule A.—RECONCILIATION OF NET INCOME AND ANALYSIS OF EARNED SURPLUS AND UNDIVIDED PROFITS

| | | | | | |
|---|---|---|---|---|---|
| 1. Total distributions to stockholders charged to earned surplus during the taxable year | $ | | 17. Earned surplus and undivided profits as shown by balance sheet at close of preceding taxable year (Schedule M) | $ | |
| 2. Contributions or gifts (excess over 5 percent limitation) | | | 18. Adjusted net income (item 32, page 1) | | |
| 3. Federal income taxes | | | 19. Nontaxable and partially exempt income: | | |
| 4. Income taxes of United States possessions or foreign countries if claimed as a credit in whole or in part in item 48, page 1 | | | (a) Interest on: | | |
| 5. Federal taxes paid on tax-free covenant bonds | | | (1) Obligations of a State, Territory, or political subdivision thereof, or the District of Columbia, or United States possessions | | |
| 6. Special improvement taxes tending to increase the value of the property assessed | | | (2) Obligations of United States issued on or before September 1, 1917, Treasury Notes, Treasury Bills, and Treasury Certificates of Indebtedness | | |
| 7. Replacements, renewals, and capital expenditures charged to expenses on the books | | | (3) United States Savings Bonds and Treasury Bonds owned in the principal amount of $5,000 or less | | |
| 8. Insurance premiums paid on the life of any officer or employee where the corporation is directly or indirectly a beneficiary | | | (4) United States Savings Bonds and Treasury Bonds owned in the principal amount of over $5,000 | | |
| 9. Unallowable interest incurred in purchasing or carrying exempt interest obligations | | | (5) Obligations of instrumentalities of the United States | | |
| 10. Excess of capital loss, if any, over amount allowable as a deduction in item 11 (a), page 1 | | | (b) Other nontaxable income (itemize): | | |
| 11. Additions to surplus reserves (list each reserve separately): | | | (1) | | |
| (a) | | | (2) | | |
| (b) | | | | | |
| (c) | | | 20. Charges against surplus reserves deducted from income in the return (itemize): | | |
| (d) | | | (a) | | |
| 12. Other unallowable deductions: | | | (b) | | |
| (a) | | | | | |
| (b) | | | 21. Adjustments for tax purposes not recorded on books (itemize): | | |
| 13. Adjustments for tax purposes not recorded on books (itemize): | | | (a) | | |
| (a) | | | (b) | | |
| (b) | | | | | |
| 14. Sundry debits to earned surplus (itemize): | | | 22. Sundry credits to earned surplus (itemize): | | |
| (a) | | | (a) | | |
| (b) | | | (b) | | |
| (c) | | | (c) | | |
| 15. Earned surplus and undivided profits as shown by balance sheet at close of the taxable year (Schedule M) | | | | | |
| 16. Total of lines 1 to 15 | $ | | 23. Total of lines 17 to 22 | $ | |

### Schedule B-1.—COST OF GOODS SOLD. (See Instruction 17)
(Where inventories are an income-determining factor)

| | | |
|---|---|---|
| 1. Inventory at beginning of year | $ | |
| 2. Material or merchandise bought for manufacture or sale | | |
| 3. Salaries and wages | | |
| 4. Other costs per books. (Attach itemized schedule) | | |
| 5. Total (lines 1 to 4) | $ | |
| 6. Less inventory at end of year | | |
| 7. Cost of goods sold (enter as item 2, page 1) | $ | |

### Schedule B-2.—COST OF OPERATIONS
(Where inventories are not an income-determining factor)

| | | |
|---|---|---|
| 1. Salaries and wages | $ | |
| 2. Other costs (to be detailed): | | |
| (a) | | |
| (b) | | |
| (c) | | |
| (d) | | |
| (e) | | |
| 3. Total (enter as item 5, page 1) | $ | |

### Schedule C.—CAPITAL GAINS AND LOSSES. (See Instruction 21)

| 1. Description 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 (Furnish details) | 7. Gain or Loss (column 3 plus column 6 minus the sum of columns 4 and 5) |
|---|---|---|---|---|---|---|
| | | $ | $ | $ | $ | $ |
| | | | | | | |
| | | | | | | |
| Total Gain (or Loss). (Enter as item 11 (a), page 1, but if amount is a loss, do not enter over $2,000) | | | | | | $ |

### Schedule D.—GAINS AND LOSSES FROM SALES OR EXCHANGES OF PROPERTY OTHER THAN CAPITAL ASSETS. (See Instruction 21)

| 1. Description 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. (Furnish details) | 7. Gain or Loss (column 3 plus column 6 minus the sum of columns 4 and 5) |
|---|---|---|---|---|---|---|
| | | $ | $ | $ | $ | $ |
| | | | | | | |
| | | | | | | |
| Total Gain (or Loss). (Enter as item 11 (b), page 1) | | | | | | $ |

### Supplemental information required for Schedules C and D

State with respect to each item of property reported in Schedules C and D: (1) how property was acquired (2) whether at time of sale or exchange (a) purchaser owned directly or indirectly more than 50 percent in value of your outstanding stock, (b) where purchaser was a corporation, more than 50 percent in value of its capital stock and 50 percent in value of your capital stock was owned directly or indirectly by or for the same individual or his family, and (c) where purchaser was a corporation, whether more than 50 percent in value of its capital stock was owned directly or indirectly by you _____ If so, state name and address of purchaser _____

### Schedule E.—INCOME FROM DIVIDENDS

| 1. Name and Address of Paying Corporation | 2. *Domestic Corporations Taxable under Chapter 1, Internal Revenue Code | 3. Foreign Corporations | 4. Other Corporations |
|---|---|---|---|
| | $ | $ | $ |
| | | | |
| | | | |
| | | | |
| Totals | $ | $ | $ |
| Total of columns 2, 3, and 4. (Enter as item 12, page 1) | | | $ |

*Except dividends received from corporations organized under the China Trade Act, 1922, and corporations entitled to the benefits of section 251 of the Internal Revenue Code, which dividends should be entered in column 4.

## Schedule F.—COMPENSATION OF OFFICERS. (See Instruction 22)

| 1. Name and Address of Officer | 2. Official Title | 3. Time Devoted to Business | Percentage of Corporation's Stock Owned | | 6. Amount of Compensation |
|---|---|---|---|---|---|
| | | | 4. Common | 5. Preferred | |
| | | | | | $ |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Total Compensation of Officers. (Enter as item 15, page 1) | | | | | $ |

NOTE.—Schedule H-1 (IN DUPLICATE) also must be filed with this return if compensation in excess of $75,000 was paid to any officer or employee.

## Schedule G.—BAD DEBTS. (See Instruction 25) (See note 1)

| 1. Taxable Year | 2. Net Income Reported | 3. Sales on Account | 4. Bad Debts Charged Off by Corporation if No Reserve is Carried on Books. (See note 2) | If Corporation Carries a Reserve— | |
|---|---|---|---|---|---|
| | | | | 5. Gross Amount Added to Reserve | 6. Amount Charged Against Reserve |
| 1935 | $ | $ | $ | $ | $ |
| 1936 | | | | | |
| 1937 | | | | | |
| 1938. (See note 3) | | | | | |
| 1939. (See note 3) | | | | | |

1. Check whether deduction claimed represents worthless debts charged off ☐, or is an addition to a reserve ☐.
2. In addition to the data required above, corporations claiming deductions on other than a reserve basis must submit the information specified in Instruction 25.
3. Not including securities which are capital assets ascertained to be worthless and charged off within the taxable year. Such securities charged off within the year covered by this return should be reported in Schedule C.

## Schedule H.—TAXES. (See Instruction 27)

| Nature | Amount |
|---|---|
| | $ |
| | |
| | |
| | |
| | |
| | |
| Total. (Enter as item 21, page 1) | $ |

## Schedule I.—CONTRIBUTIONS OR GIFTS PAID. (See Instruction 28)

| Name and Address of Organization | Amount |
|---|---|
| | $ |
| | |
| | |
| | |
| | |
| | |
| Total. (Enter as item 22, page 1, subject to 5 percent limitation). (See Instruction 28). | $ |

## Schedule J.—DEPRECIATION. (See Instruction 30)

| 1. Kind of Property (If buildings, state material of which constructed) | 2. Date Acquired | 3. Cost or Other Basis | 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 |
|---|---|---|---|---|---|---|---|---|
| | | $ | $ | $ | $ | | | $ |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| Total. (Enter as item 24, page 1) | | | | | | | | $ |

## Schedule M.—BALANCE SHEETS. (See Instruction 14)

| ASSETS | Beginning of Taxable Year: Amount | Beginning of Taxable Year: Total | End of Taxable Year: Amount | End of Taxable Year: Total |
|---|---|---|---|---|
| 1. Cash | | $ | | $ |
| 2. Notes and accounts receivable | $ | | $ | |
| Less reserve for bad debts | | | | |
| 3. Inventories: | | | | |
| (a) Raw materials | $ | | $ | |
| (b) Work in process | | | | |
| (c) Finished goods | | | | |
| (d) Supplies | | | | |
| 4. Investments (Government obligations): | | | | |
| (a) Obligations of a State, Territory, or political subdivision thereof, or the District of Columbia, or United States possessions | $ | | $ | |
| (b) Obligations of the United States | | | | |
| (c) Obligations of instrumentalities of the United States | | | | |
| 5. Other investments (itemize) | $ | | $ | |
| 6. Capital assets: | | | | |
| (a) Depreciable assets (itemize) | $ | | $ | |
| Total depreciable assets | $ | | $ | |
| Less reserve for depreciation | | | | |
| (b) Depletable assets | $ | | $ | |
| Less reserve for depletion | | | | |
| (c) Land | | | | |
| 7. Other assets (itemize) | $ | | $ | |
| 8. Total Assets | | $ | | $ |
| **LIABILITIES** | | | | |
| 9. Accounts payable | | $ | | $ |
| 10. Bonds, notes, and mortgages payable: | | | | |
| (a) With original maturity of less than 1 year | $ | | $ | |
| (b) With original maturity of 1 year or more | | | | |
| 11. Accrued expenses (itemize) | $ | | $ | |
| 12. Other liabilities (itemize) | $ | | $ | |
| 13. Surplus reserves (itemize) | $ | | $ | |
| 14. Capital stock: | | | | |
| (a) Preferred stock | $ | | $ | |
| (b) Common stock | | | | |
| 15. Paid-in or capital surplus | | | | |
| 16. Earned surplus and undivided profits | | | | |
| 17. Total Liabilities | | $ | | $ |

## QUESTIONS

1. Business classification. (See Instruction 16) _____

If engaged in more than one of the business classifications indicated in Instruction 16, state on the two lines above the two businesses accounting for the greater part of the total receipts, and the approximate percentage accounted for by each of the two businesses. If engaged in retail trade, also indicate the number of stores as of the end of the taxable year.

2. Date of incorporation _____
3. State or country _____
4. State collector's office where your return for the preceding year was filed _____
5. The corporation's books are in care of _____ Located at _____
6. Is the corporation a personal holding company within the meaning of section 501 of the Internal Revenue Code? _____ If so, an additional return on Form 1120 H must be filed.
7. Is this a consolidated return of railroad corporations? _____ If so, procure from the collector of internal revenue for your district Form 851, Affiliations Schedule, which shall be filled in, sworn to, and filed as a part of this return.
8. If this is not a consolidated return of railroad corporations, did you (a) own at any time during the taxable year 50 percent or more of the voting stock of another corporation either domestic or foreign? _____; or (b) did any corporation, individual, partnership, trust, or association own at any time during the taxable year 50 percent or more of your voting stock? _____ If either answer is "yes," attach separate schedule showing: (1) Name and address; (2) percentage of stock owned; (3) date stock was acquired; and (4) the collector's office in which the income tax return of such corporation, individual, partnership, trust, or association for the last taxable year was filed.
9. Was the income of this corporation included in a consolidated return for any prior year? _____ If so, give name and address of corporation which filed the consolidated return and the last year for which such return was filed _____
10. Was the corporation in any way an outgrowth, result, continuation, or reorganization of a business or businesses in existence during this or any prior year since December 31, 1917? _____ If answer is "yes," give name and address of each predecessor business and the date of the change in entity _____

Upon such change, were any asset values increased or decreased? _____ If answer is "yes," closing balance sheets of old business and opening balance sheets of new business must be furnished, unless furnished heretofore.

11. Is this return made on the basis of cash receipts and disbursements? _____ If not, describe fully what other basis or method was used in computing net income _____
12. State whether the inventories at the beginning and end of the taxable year were valued at cost, or cost or market, whichever is lower _____ If other basis is used, describe fully, state why used, and the date inventory was last reconciled with stock _____
13. Did the corporation make a return of information on Forms 1096 and 1099 for the calendar year 1939 (see Instruction 10–(1))? _____
14. Did the corporation at any time during the taxable year own directly or indirectly any stock of a foreign corporation? (Answer "yes" or "no") _____ (If answer is "yes," attach schedule as required by Instruction 13–(2).)

### AFFIDAVIT. (See Instruction 7)

We, the undersigned, president (or vice president, or other principal officer) and treasurer (or assistant treasurer, or chief accounting officer) of the corporation for which this return is made, being severally duly sworn, each for himself deposes and says that this return (including any accompanying schedules and statements) has been examined by him and is, to the best of his knowledge and belief, a true, correct, and complete return, made in good faith, for the taxable year stated, pursuant to the Internal Revenue Code, as amended, and the regulations issued thereunder.

Subscribed and sworn to before me this _____ day of _____, 194 .

_____ (President or other principal officer) (State title)

NOTARIAL SEAL

_____, _____
(Signature of officer administering oath) (Title)

CORPORATE SEAL

_____ (Treasurer, Assistant Treasurer, or Chief Accounting Officer) (State title)

### AFFIDAVIT. (See Instruction 7)

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 income tax and/or excess-profits 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 person preparing the return)

NOTARIAL SEAL

_____ (Signature of person preparing the return)

_____, _____
(Signature of officer administering oath) (Title)

_____ (Name of firm or employer, if any)

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