

LIFE INSURANCE COMPANY INCOME TAX RETURN

FOR COMPANIES ISSUING LIFE AND ANNUITY CONTRACTS, INCLUDING COMBINED LIFE, HEALTH, AND ACCIDENT INSURANCE

For Calendar Year 1928

File This Return with the Collector of Internal Revenue for Your District on or Before March 15, 1929

PRINT PLAINLY COMPANY'S NAME AND BUSINESS ADDRESS

(Name) _____
(Street and Number) _____
(Post office and State) _____

Kind of Business _____

Do Not Write in These Spaces

File Code _____

Serial Number _____

(Cashier's Stamp)

Cash Check M. O. Cert. of Ind. First Payment

\$ _____
Carded

As _____

Item and Instruction No.

GROSS INCOME

	1. LIFE DEPARTMENT			2. OTHER DEPARTMENTS			3. TOTAL		
1. Interest on Bank Deposits, Bonds, Mortgages, Notes, etc.	\$			\$					
2. Dividends on Stock of Domestic and Foreign Corporations									
3. Rents (attach schedule)									
4. TOTAL INCOME IN ITEMS 1 TO 3 (extend total of columns 1 and 2 to column 3)	\$			\$			\$		

DEDUCTIONS

5. Interest Exempt from Taxation (attach schedule)	\$			\$					
6. Four per cent of the Mean of the Reserve Funds (Item 11, Schedule A)									
7. Dividends (attach schedule)									
8. Two per cent of the Reserve Held for Deferred Dividends									
9. Investment Expenses (attach schedule)									
10. Taxes									
11. Other Real Estate Expenses									
12. Depreciation (resulting from exhaustion, wear and tear, or obsolescence) (attach schedule)									
13. Interest on Indebtedness									
14. TOTAL DEDUCTIONS IN ITEMS 5 TO 13 (extend total of columns 1 and 2 to column 3)	\$			\$			\$		
15. NET INCOME (Item 4 minus Item 14)									

COMPUTATION OF TAX

16. Net Income (Item 15 above)	\$			20. Income Tax (12% of Item 18); or	\$		
17. Less Credit of \$3,000 (for domestic company having a net income of less than \$25,360)				21. If a Foreign company, 12% of Item 19			
18. Balance (Item 16 minus Item 17)	\$			22. If the Net Income of a Domestic Company is less than \$25,360, enter the amount in excess of \$25,000			
19. Net Income of Foreign Company (.....% Item 15 above)	\$			23. Total Tax (Item 20 or 21 plus Item 22)	\$		
24. Less: Income Tax Paid at Source. (This credit can only be allowed to a Nonresident Foreign Company)					\$		
25. Income and Profits Taxes Paid a Foreign Country or United States Possession by a Domestic Company (see Inst. 15)					\$		
26. Balance of Tax (Item 23 minus Items 24 and 25)					\$		

SCHEDULE A—RESERVE FUNDS

1. ITEMS	2. BEGINNING OF TAXABLE YEAR			3. END OF TAXABLE YEAR		
1. Reserve for Outstanding Policies and Annuities	\$			\$		
2. Reserve for Disability and Accidental Death Benefits						
3. Reserve for Supplementary Contracts						
4. Reserve for Incurred Disability Benefits						
5. Reserve for Policies upon which a Surrender Value May be Demanded (not included elsewhere)						
6. Deposits Made with State Officers by Assessment Companies as Required by Law						
7. Other Reserve Funds (attach itemized statement)						
8. TOTALS OF ITEMS 1 TO 7	\$			\$		
9. Total of Columns 2 and 3, as Shown in Item 8 above						
10. Mean of the Reserve Funds for the Taxable Year (one-half of Item 9)						
11. Four per cent of the Mean of the Reserve Funds, as Shown in Item 10						
12. Total Reserve Funds of Foreign Companies at End of Taxable Year upon Business within the United States (attach itemized statement)						
13. Percentage which Item 12 is of Item 8, Column 3 (compute a fraction of one per cent to three decimal figures)						%
14. Give the Title and Sections of State Statutes or Insurance Department Rulings Requiring the Reserves Claimed Above.						

SCHEDULE B—INVESTED ASSETS BOOK VALUES

1. ITEMS	LIFE DEPARTMENT				OTHER DEPARTMENTS			
	2. BEGINNING OF TAXABLE YEAR		3. END OF TAXABLE YEAR		4. BEGINNING OF TAXABLE YEAR		5. END OF TAXABLE YEAR	
1. Real Estate	\$			\$			\$	
2. Mortgage Loans								
3. Collateral Loans								
4. Policy Loans, Including Premium Notes								
5. Bonds and Stocks								
6. Bank Deposits Bearing Interest								
7. Other Interest-bearing Assets (attach itemized statement)								
8. TOTALS OF ITEMS 1 TO 7	\$			\$			\$	
9. Total of Columns 2 to 5, Inclusive, as Shown in Item 8 above								
10. Mean of the Invested Assets for the Taxable Year (one-half of Item 9)								
11. One-fourth of One per cent of the Mean of the Invested Assets								

AFFIDAVIT

We, the undersigned, president and treasurer of the company for which this return is made, being severally duly sworn, each for himself, deposes and says that this return, including the accompanying schedules and statements, has been examined by him and is, to the best of his knowledge and belief, a true and complete return made in good faith for the taxable year as stated, pursuant to the Revenue Act of 1928, and the regulations issued under authority thereof.

Sworn to and subscribed before me this _____ day of _____, 1929.



(Signature of officer administering oath)

(Title)



2-14875

President.

Treasurer.

INSTRUCTIONS

The Instructions Numbered 1 to 13 on this Page Correspond with the Item Numbers on Page 1 of the Return

GROSS INCOME AND DEDUCTIONS

1. **Interest.**—Enter as Item 1 interest actually received from all sources during the taxable year. Interest on bonds is considered income when due and payable.

2. **Dividends.**—Enter as Item 2 dividends actually received on stock of domestic and foreign corporations.

3. **Rents.**—Enter as Item 3 rents actually received from tenants, including the rental value of the space occupied in any building owned by the company. In case the rental value of a building so occupied is not included in this amount, no deduction on account of such building is allowable for taxes, other expenses, and depreciation in Items 10, 11, and 12. If these deductions are claimed, a schedule similar to the following should be furnished for each building occupied:

1. Location of building.....	
2. Book value at end of taxable year.....	\$.....
3. Gross rents for year, including \$....., the rental value of space occupied by the company.....	\$.....
4. Loss: Taxes.....	\$.....
5. Depreciation.....	\$.....
6. Other expenses.....	\$.....
7. Total of Lines 4, 5, and 6.....	\$.....
8. Net income from rentals (Line 3 minus Line 7).....	\$.....

4. **Total income.**—Enter as Item 4 the total of Items 1 to 3, inclusive.

5. **Interest exempt from taxation.**—Enter as Item 5 the amount of interest received on the following obligations which are exempt from taxation: (1) Obligations of a State, Territory, or any political subdivision thereof, or the District of Columbia; (2) Securities issued under the provisions of the Federal Farm Loan Act or under the provisions of such Act as amended; and (3) Obligations of the United States or its possessions. Submit a schedule showing for each class of securities, (a) name of obligation, (b) amount of principal, (c) rate of interest, and (d) interest received.

6. **Four per cent of the mean of the reserve funds.**—Enter as Item 6 the amount reported as Item 11 in Schedule A.

7. **Dividends.**—Enter as Item 7 the total amount of dividends deductible under Section 203 (a) (3) of the Revenue Act of 1928. A schedule should be submitted showing the amount received as dividends, (a) from each domestic corporation other than a corporation entitled to the benefits of Section 251 of the Act and other than a corporation organized under the China Trade Act, 1922, or (b) from each foreign corporation when it is shown to the satisfaction of the Commissioner that more than 50 per cent 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 foreign corporation has been in existence) was derived from sources within the United States.

8. **Two per cent of the reserve held for deferred dividends.**—Enter as Item 8 an amount equal to 2 per cent of the reserve held at the end of the taxable year for deferred dividends the payment of which is deferred for a period of not less than five years from the date of the policy contract. Do not include in such reserve any dividends payable during the year following the taxable year.

9. **Investment expenses.**—Enter as Item 9 expenses paid which are properly chargeable to investment expenses, the total amount of which, if there be any allocation of general expenses to investment expenses, should not exceed one-fourth of 1 per cent of the mean of the invested assets reported in Item 11, Schedule B. Submit a schedule showing the nature and amount of the items included herein, the minor items being grouped in one amount. See Section 203 (a) (5) of the Act.

10. **Taxes.**—Enter as Item 10 taxes paid exclusively upon real estate owned by the company, and that proportion of the taxes assessed against individual shareholders and paid by the company without reimbursement, as provided in Section 203 (a) (6) of the Act. Do not include taxes assessed against local benefits of a kind tending to increase the value of the property assessed, as for paving, sewers, etc.

11. **Other real estate expenses.**—Enter as Item 11 all ordinary and necessary building expenses, such as fire insurance, heat, light, labor, etc., and the cost of incidental repairs which neither materially add to the value of the property nor appreciably prolong its life, but keep it in an ordinarily efficient operating condition. Do not include any amount paid out for new buildings or for permanent improvements or betterments made to increase the value of any property.

12. **Depreciation.**—The amount deductible on account of depreciation in Item 12 is an amount charged off which fairly measures the loss during the year by reason of exhaustion, wear and tear, or obsolescence in the company's investment in property used in the business. Such an amount should be determined upon the basis of the cost of the property, or if purchased prior to March 1, 1913, the cost or value as of that date, whichever is greater, and the probable number of years remaining of its useful life. If a deduction is made on account of depreciation the following schedule must be filled in and the total amount claimed therein should correspond with the figures reflected in the company's books. In case obsolescence is included, state separately the amount claimed and the basis upon which it is computed. Land values must not be included in this schedule. Stocks, bonds, and like securities are not subject to depreciation within the meaning of the law.

Kind of property. (If buildings, state the material of which constructed)	Date acquired	Age when acquired	Probable life after acquisition	Cost, or if acquired prior to Mar. 1, 1913, the fair market value as of that date, whichever is greater	Amount of depreciation charged off	
					Previous years	This year
				\$.....	\$.....	\$.....
				\$.....	\$.....	\$.....
				\$.....	\$.....	\$.....
				\$.....	\$.....	\$.....
TOTALS				\$.....	\$.....	\$.....

13. **Interest on indebtedness.**—Enter as Item 13 the amount of interest paid during the taxable year on the company's indebtedness, except on indebtedness incurred or continued to purchase or carry obligations or securities the interest upon which is wholly exempt from taxation. Interest paid on dividends held on deposit and surrendered during the taxable year should be included in this item.

CREDIT FOR TAXES

14. A foreign company subject to taxation and not engaged in a trade or business within the United States and not having any office or place of business therein may claim as a credit in Item 24 any income tax required to be deducted and withheld at the source.

15. If credit is claimed in Item 25 for income and profits taxes paid to a foreign country or possession of the United States, Form 1118, together with the receipt for each such tax payment, must be submitted with this return. If credit is claimed for taxes accrued a bond may be required on Form 1119. A foreign company is not entitled to claim this credit.

LIST OF ATTACHED SCHEDULES

16. Attach a list of the schedules accompanying this return, giving for each a brief title and the schedule number. Place name and address of company on each schedule.

COMPANIES REQUIRED TO FILE A RETURN

17. **Liability.**—Every domestic or foreign life insurance company that derives income from sources within the United States, issuing life and annuity contracts (including life, health, and accident insurance), the reserve funds of which held for the fulfillment of such contracts comprise more than 50 per cent of its total reserve funds, shall file a return on this form. See Sections 201 to 203 of the Revenue Act of 1928.

18. **Basis of return.**—A return on this form shall be rendered on a cash receipts and disbursements basis in conformity with the annual statement made to the State Insurance Department, instead of the accrual basis.

19. **Annual statement.**—A copy of the annual statement for life insurance companies adopted by the National Convention of Insurance Commissioners for the year 1928, as filed with the Insurance Department of the State in which the company is located, together with copies of Schedule A (real estate) and Schedule D (bonds and stocks), must accompany this return. Similar copies for the preceding year must be also furnished, if not filed with the return for the previous year.

PERIOD COVERED

20. The return shall be for the calendar year ended December 31, 1928, and the net income computed on the calendar year basis in accordance with the State laws regulating insurance companies.

TIME AND PLACE FOR FILING

21. The return must be sent to the Collector of Internal Revenue for the district in which the company's principal office is located, so as to reach the collector's office on or before March 15, 1929. In the case of a foreign company not having any office or place of business in the United States, the return shall be filed with the Collector of Internal Revenue, Baltimore, Maryland, on or before June 15, 1929.

The Commissioner may grant a reasonable extension of time for filing a return, if application therefor is made before the date prescribed by law for filing such return, whenever in his judgment good cause exists.

AFFIDAVIT

22. The return shall be sworn to by the president, vice president, or other principal officer, and by the treasurer or assistant treasurer. The return of a foreign company having an agent in the United States shall be sworn to by such agent.

PAYMENT OF TAX

23. The tax should be paid by sending with the return a check or money order drawn to the order of "Collector of Internal Revenue at (insert name of city and State)."

Do not send cash by mail nor pay it in person except at the collector's office. The total tax in the case of a domestic company may be paid at the time of filing the return or in four equal installments, as follows:

The first installment shall be paid on or before March 15, 1929, the second installment shall be paid on or before June 15, 1929, the third installment on or before September 15, 1929, and the fourth installment on or before December 15, 1929.

If any installment is not paid on the date fixed for its payment, the whole amount of the tax unpaid shall be paid upon notice and demand by the collector.

PENALTIES

24. **For willful failure to make and file a return on time.**—Not more than \$10,000 or imprisonment for not more than one year, or both, and, in addition, 25 per cent of the amount of the tax.

25. **For willfully making a false or fraudulent return.**—Not more than \$10,000 or imprisonment for not more than five years, or both, and, in addition, 50 per cent of the amount of the tax.

26. **For deficiency in tax.**—Interest on deficiency at 6 per cent per annum to the date the deficiency is assessed, or to the thirtieth day after the filing of a waiver of the right to file a petition with the Board of Tax Appeals, whichever date is the earlier, and, in addition, 5 per cent of the amount of the deficiency if due to negligence or intentional disregard of rules and regulations without intent to defraud, or 50 per cent of amount of deficiency if due to fraud.

INFORMATION AT SOURCE

27. Every corporation making payments of salaries, wages, interest, rents, commissions, or other fixed or determinable income of \$1,500 or more during the calendar year to a single person, a partnership, or a fiduciary, or \$3,500 or more to a married person, or payments of dividends of \$500 or more to a person, a partnership, or a fiduciary, is required to make a true and accurate return to the Commissioner of Internal Revenue, showing the amount of such payments and the name and address of the recipient. Forms 1096 and 1099, for reporting this information will be furnished by any Collector of Internal Revenue upon request. Such returns of information covering the calendar year 1928 must be forwarded to the Commissioner of Internal Revenue, Sorting Section, Washington, D. C., in time to be received not later than March 15, 1929.

QUESTIONS

1. Date of incorporation.....

2. Under the laws of what State or country?

3. Did the company file a return under the same name for the preceding taxable year? Was the company 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?.....

4. State the amount of deferred dividend funds at the end of the taxable year, exclusive of any amount held for payments during the following taxable year: \$.....

5. Describe method used for determining investment expenses shown in Item 9:

6. Is the above method the same as that used in preparing the Gain and Loss Exhibit for 1927? If not, state change and reason therefor:

7. Are any general expenses in part assigned to or included in the investment expenses shown in Item 9?