

FORM  
**1120-S**

**U. S. SMALL BUSINESS CORPORATION  
RETURN OF INCOME**

**1961**

U. S. Treasury Department  
Internal Revenue Service

FOR CALENDAR YEAR 1961

or other taxable year beginning ..... 1961,  
and ending ..... 19

**A.** Date of election as small business corporation

PLEASE TYPE OR PRINT PLAINLY

Name

**B.** Business Code No. (See page 4 instr.)

Number and street

City or town, postal zone number, State

**C.** Total assets from line 14 Sch. L (See instruction N)

**D.** County in which located

**E.** Employer identification number

**IMPORTANT**—All applicable lines and schedules of this form must be filled in. Where additional space is needed for schedules, attachments must conform to the official form and totals must be entered in the form schedules.

GROSS INCOME

1. Gross receipts ..... Less: Returns and allowances .....

2. Less: Cost of goods sold (Schedule A) and/or operations (Attach schedule) .....

3. Gross profit .....

4. Dividends .....

5. Interest on obligations of the United States, etc., issued:

(a) Prior to 3-1-41--(1) U. S. savings and Treasury bonds owned in excess of the principal amount of \$5,000; and (2) obligations of a U. S. instrumentality .....

(b) After 2-28-41, U. S., any agency or instrumentality .....

Gross Amount of Interest

Less: Amortizable Bond Premium

6. Other interest .....

7. Rents .....

8. Royalties .....

9. Gains and losses (from separate Schedule D (Form 1120-S))

(a) Net short-term capital gain reduced by any net long-term capital loss .....

(b) Net long-term capital gain reduced by any net short-term capital loss .....

(c) Net gain (loss) from sale or exchange of property other than capital assets .....

10. Other income (Attach schedule) .....

11. Total income, lines 3 to 10, inclusive .....

DEDUCTIONS

12. Compensation of officers (Schedule E) .....

13. Salaries and wages (not deducted elsewhere) .....

14. Repairs (Do not include cost of improvements or capital expenditures) .....

15. Bad debts (Schedule F) .....

16. Rents .....

17. Taxes (Schedule G) .....

18. Interest .....

19. Contributions or gifts paid (Schedule H) .....

20. Losses by fire, storm, shipwreck, or other casualty, or theft (Attach schedule) .....

21. Amortization (Attach schedule) .....

22. Depreciation (Schedule I) .....

23. Depletion of mines, oil and gas wells, timber, etc. (Attach schedule) .....

24. Advertising (Attach schedule) .....

25. Amounts contributed under:

(a) Pension, profit-sharing, stock bonus, annuity plans (See instructions) .....

(b) Other employee benefit plans (See instructions) .....

26. Other deductions (Schedule J) .....

27. Total deductions in lines 12 to 26, inclusive .....

28. Taxable income, line 11 less line 27 .....

**SIGNATURE AND VERIFICATION. (See Instruction F)**

I declare under penalties of perjury that I have examined this return (including accompanying schedules and statements) and to the best of my knowledge and belief it is true, correct, and complete. If prepared by a person other than taxpayer, his declaration is based on all information of which he has any knowledge.

CORPORATE SEAL

(Date)

(Signature of officer)

(Title)

(Date)

(Individual or firm signature of preparer)

(Address)

Schedule A.—COST OF GOODS SOLD. (See Instruction 2) (Where inventories are an income-determining factor)

Table with 7 rows for Schedule A: 1. Inventory at beginning of year, 2. Merchandise bought for manufacture or sale, 3. Salaries and wages, 4. Other costs per books, 5. Total, 6. Less: Inventory at end of year, 7. Cost of goods sold.

- 1. Method of inventory valuation—Cost [ ] ; lower of cost or market [ ] ; LIFO [ ] ; other [ ] . If other, attach explanation.
2. Was the method of inventory valuation indicated above the same method used for 1960? [ ] Yes [ ] No. If "No" attach explanation.
3. If inventory is valued at lower of cost or market, enter total cost \$ and total market valuation \$ of those items valued at market.
4. If closing inventory was taken by physical count, enter date inventory was taken. If not at end of year, attach an explanation of how the end of year count was determined.
5. If closing inventory was not taken by a physical count, attach an explanation of how inventory items were counted or measured.

Schedule D.—Separate Schedule D (Form 1120-S) should be used in reporting sales or exchanges of property. (See Instruction 9)

Schedule E.—COMPENSATION OF OFFICERS. (See page 3 of instructions)

Table for Schedule E with columns: 1. Name and Address of Officer, 2. Official Title (abbreviate), 3. Time Devoted to Business, 4. Common, 5. Preferred, 6. Amount of Compensation, 7. Expense Account Allowances. Includes a total row at the bottom.

Schedule F.—BAD DEBTS. (See Instruction 15)

Table for Schedule F with columns: 1. Taxable year, 2. Beginning of Year, 3. End of Year, 4. Taxable Income Reported, 5. Sales on Account, 6. Bad Debts of Corporation if No Reserve is Carried on Books, 7. Gross Amount Added to Reserve, 8. Amount Charged Against Reserve.

NOTE: Securities which are capital assets and which became worthless within the taxable year should be reported in separate Schedule D (Form 1120-S)

Schedule G.—TAXES. (See Instruction 17)

Schedule H.—CONTRIBUTIONS OR GIFTS PAID (See Instruction 19)

Table for Schedule G with columns: Explanation, Amount. Table for Schedule H with columns: Name and Address of Organization, Amount. Includes a total row at the bottom.

Schedule I.—DEPRECIATION. (See Instruction 22 and Summary on Page 3)

Table for Schedule I with columns: 1. Kind of Property (if buildings, state material of which constructed), 2. Date Acquired, 3. Cost or Other Basis (Exclude land), 4. Depreciation Allowed (or allowable) in Prior Years, 5. Method of Computation, 6. Rate (%) or Life (years), 7. Depreciation This Year. Includes a total row at the bottom.

SUMMARY OF DEPRECIATION AND AMORTIZATION SCHEDULES

Table with 7 rows and 3 columns for depreciation methods: 1. Straight line method, 2. Declining balance method, 3. Sum of the years-digits method, 4. Based on units of production, 5. Additional first-year depreciation, 6. Other methods, 7. Total depreciation claimed, 8. Emergency facilities, 9. Grain storage facilities, 10. Research or experimental expenditures, 11. Exploration and development expenditures, 12. Organizational expenditures, 13. Trademark and trade name expenditures, 14. Total amortization claimed.

Schedule J.—OTHER DEDUCTIONS. (See General Instruction L and Specific Instruction 26)

Table for Schedule J with 3 columns and multiple rows for other deductions, ending with a Total line.

Schedule K.—SHAREHOLDER'S SHARE OF INCOME. (See page 3 of the instructions)

Computation of Corporation's Undistributed Taxable Income

Table for Schedule K with 3 rows: 1. Taxable income, 2. Less: Money distributed as dividends, 3. Corporation's undistributed taxable income.

Schedule of Distribution and Income

Table for Schedule of Distribution and Income with columns for Shareholder Name, Social Security Number, Stock Ownership (Number of Shares, Period Held), and Totals.

Continuation of Schedule of Distribution and Income

Table for Continuation of Schedule of Distribution and Income with columns for Percentage of Time Devoted to Business, Compensation, Dividends, Share of Undistributed Taxable Income, Share of Long-Term Capital Gain, Dividends Entitled to Exclusions and Credit, Amount Taxable as Ordinary Income, and Nondividend Distributions.

- F. Date incorporated
G. Did the corporation derive more than 80% of its gross receipts from sources outside the United States?
Did the corporation derive more than 20% of its gross receipts from royalties, rents, dividends, interest, annuities, and sales or exchanges being taken into account for purposes of this question only to the extent of gains therefrom?
H. Did the corporation during the taxable year, have any contracts or subcontracts subject to the Renegotiation Act of 1951?
I. Amount of income (deficit) for: 1958 \$, 1959 \$, 1960 \$
J. Refer to page 4 of instructions and state the: Principal business activity, Principal product or service

- K. Did you claim a deduction for expenses connected with: (If answer to any question is "Yes," check applicable boxes within that question).
(1) A hunting lodge, working ranch or farm, fishing camp, resort property, pleasure boat or yacht, or other similar facility?
(2) The leasing, renting, or ownership of a hotel room or suite, apartment, or other dwelling, which was used by customers or employees or members of their families?
(3) The attendance of your employees' families at conventions or business meetings?
(4) Vacations for employees or members of their families?

Schedule L.—BALANCE SHEETS. (See Instructions)

ASSETS	Beginning of Taxable Year		End of Taxable Year	
	Amount	Total	Amount	Total
1. Cash				
2. Investments in governmental obligations:				
(a) U. S. and instrumentalities				
(b) States, subdivisions thereof, etc.				
3. Notes and accounts receivable				
(a) Less: Reserve for bad debts				
4. Inventories: (a) Other than last-in, first-out				
(b) Last-in, first-out				
5. Other current assets including short-term marketable investments (Attach Schedule)				
6. Mortgage and real estate loans				
7. Loans to shareholders				
8. Other investments (Attach schedule)				
9. Buildings and other fixed depreciable assets				
(a) Less: Accumulated amortization and 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				
<b>LIABILITIES AND CAPITAL</b>				
15. Accounts payable				
16. Bonds, notes, and mortgages payable (short-term) to:				
(a) Banks				
(b) Small business investment companies				
(c) Shareholders				
(d) Others				
17. Other current liabilities				
18. Bonds, notes, and mortgages payable (long-term) to:				
(a) Banks				
(b) Small business investment companies				
(c) Shareholders				
(d) Others				
19. Other liabilities (Attach schedule)				
20. Capital stock				
21. Paid-in or capital surplus				
22. Surplus reserves (Attach schedule)				
23. Earned surplus and undivided profits accumulated				
24. Shareholders' undistributed taxable income				
25. Total liabilities and capital				

Schedule M.—RECONCILIATION OF TAXABLE INCOME

1. Income from books		9. Total from line 8	
Add: Nondeductible items		Less: Nontaxable income and allowable deductions not recorded on books	
2. Contributions in excess of 5% limitation		10. Nontaxable interest on:	
3. Insurance premiums paid on the life of any officer or employee where the corporation is directly or indirectly a beneficiary		(a) Obligations of a State, or a possession of the United States, or any political subdivision of any of the foregoing, or of the District of Columbia	
4. Unallowable interest expense		(b) All postal savings bonds	
5. Excess of capital losses over capital gains		11. Other nontaxable income (Attach schedule)	
6. Adjustment for tax purposes not recorded on books (Attach schedule)		12. Adjustment for tax purposes (Attach schedule)	
7. Other (Attach schedule)		13. Other (Attach schedule)	
8. Total		14. Total	
		15. Taxable income (Line 9 minus 14)	