

# U.S. Small Business Corporation Income Tax Return for

the calendar year 1973 or

other taxable year beginning \_\_\_\_\_, 1973, ending \_\_\_\_\_, 19 \_\_\_\_\_

# 1973

<b>A</b> Date of election as small business corporation	Name	<b>C</b> Employer Identification No.
<b>B</b> Business Code No. (see page 7 of instructions)	Number and street	<b>D</b> County in which located
	City or town, State, and ZIP code	<b>E</b> Enter total assets from line 14, column D, Schedule L

**IMPORTANT**—All applicable lines and schedules must be filled in. If the lines on the schedules are not sufficient, see instruction N.

<b>GROSS INCOME</b>	<b>1</b> Gross receipts or gross sales _____ <b>Less:</b> returns and allowances _____	<b>1</b>	
	<b>2</b> Less: cost of goods sold (Schedule A) and/or operations (attach schedule) . . . . .	<b>2</b>	
	<b>3</b> Gross profit . . . . .	<b>3</b>	
	<b>4</b> (a) Domestic dividends . . . . .	<b>4(a)</b>	
	(b) Foreign dividends . . . . .	<b>4(b)</b>	
	<b>5</b> Interest on obligations of the U.S. and U.S. instrumentalities . . . . .	<b>5</b>	
	<b>6</b> Other interest . . . . .	<b>6</b>	
	<b>7</b> Gross rents . . . . .	<b>7</b>	
	<b>8</b> Gross royalties . . . . .	<b>8</b>	
	<b>9</b> Gains and losses (separate Schedule D, Form 1120S and/or Form 4797):		
	(a) Net short-term capital gain reduced by any net long-term capital loss . . . . .	<b>9(a)</b>	
(b) Net long-term capital gain reduced by any net short-term capital loss (if more than \$25,000, see instructions) . . . . .	<b>9(b)</b>		
(c) Ordinary gain or (loss) from Part II, Form 4797 (attach Form 4797) . . . . .	<b>9(c)</b>		
<b>10</b> Other income (see instructions—attach schedule) . . . . .	<b>10</b>		
<b>11</b> Total income, lines 3 through 10	<b>11</b>		
<b>DEDUCTIONS</b>	<b>12</b> Compensation of officers (Schedule E) . . . . .	<b>12</b>	
	<b>13</b> Salaries and wages (not deducted elsewhere) . . . . .	<b>13</b>	
	<b>14</b> Repairs (see instructions) . . . . .	<b>14</b>	
	<b>15</b> Bad debts (Schedule F if reserve method is used) . . . . .	<b>15</b>	
	<b>16</b> Rents . . . . .	<b>16</b>	
	<b>17</b> Taxes (attach schedule) . . . . .	<b>17</b>	
	<b>18</b> Interest . . . . .	<b>18</b>	
	<b>19</b> Contributions (not over 5% of line 28 adjusted per instructions—attach schedule) . . . . .	<b>19</b>	
	<b>20</b> Amortization (attach schedule) . . . . .	<b>20</b>	
	<b>21</b> Depreciation (Schedule G) . . . . .	<b>21</b>	
	<b>22</b> Depletion (attach schedule) . . . . .	<b>22</b>	
	<b>23</b> Advertising . . . . .	<b>23</b>	
	<b>24</b> Pension, profit-sharing, etc. plans (see instructions) . . . . .	<b>24</b>	
	<b>25</b> Employee benefit programs (see instructions) . . . . .	<b>25</b>	
	<b>26</b> Other deductions (attach schedule) . . . . .	<b>26</b>	
	<b>27</b> Total deductions, lines 12 through 26 . . . . .	<b>27</b>	
	<b>28</b> Taxable income, line 11 less line 27 . . . . .	<b>28</b>	
<b>TAX</b>	<b>29</b> Income tax on capital gains (Schedule J) . . . . .	<b>29</b>	
	<b>30</b> Minimum tax (see instructions.) Check here <input type="checkbox"/> if Form 4626 is attached . . . . .	<b>30</b>	
	<b>31</b> Total tax (add lines 29 and 30) . . . . .	<b>31</b>	
	<b>32</b> Credits: (a) Tax deposited with Form 7004 (attach copy) . . . . .	<b>32(a)</b>	
	(b) Tax deposited with Form 7005 (attach copy) . . . . .	<b>32(b)</b>	
	(c) Credit for U.S. tax on special fuels, nonhighway gas, and lubricating oil (see instructions—attach Form 4136) . . . . .	<b>32(c)</b>	
<b>33</b> TAX DUE (line 31 less line 32). See instruction G for depository method of payment →	<b>33</b>		
<b>34</b> OVERPAYMENT (line 32 less line 31) →	<b>34</b>		

Under penalties of perjury, I declare 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. Declaration of preparer (other than taxpayer) is based on all information of which he has any knowledge.

The Internal Revenue Service does not require a seal on this form, but if one is used, please place it here.

Date	Signature of officer	Title	
Date	Signature of individual or firm preparing the return	Preparer's address	Emp. Ident. or Soc. Sec. No.

**Schedule A COST OF GOODS SOLD (See instruction 2)**

Method of inventory valuation (specify) <span style="font-size: 1.2em;">▶</span> _____	Was there any substantial change in the manner of determining quantities, costs, or valuations between opening and closing inventory? . . . <input type="checkbox"/> Yes <input type="checkbox"/> No. If "Yes," attach explanation.
1 Inventory at beginning of year . . . . .	5 Total of lines 1 through 4 . . . . .
2 Merchandise bought for manufacture or sale . . . . .	6 Loss inventory at end of year . . . . .
3 Salaries and wages . . . . .	7 Cost of goods sold (enter here and on line 2, page 1) . . . . .
4 Other costs (attach schedule) . . . . .	

**Schedule E COMPENSATION OF OFFICERS (See instruction 12)**

1. Name of officer	2. Social security number	3. Title	4. Time devoted to business	5. Percentage of corporation stock owned	6. Amount of compensation	7. Expense account allowances
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		
1968						
1969						
1970						
1971						
1972						
1973						

**Schedule G DEPRECIATION (See instruction 21)** Note: If depreciation is computed by using the Class Life (ADR) System for assets placed in service after 1970, or the Guideline Class Life System for assets placed in service before 1971, you must file Form 4832 (Class Life (ADR) System) or Form 5006 (Guideline Class Life System) with your return. Except as otherwise expressly provided in regulations section 1.167(a)-11(b)(5)(vi) and regulations section 1.167(a)-12, the provisions of Revenue Procedures 62-21 and 65-13 are not applicable for taxable years ending after 1970.  
 Check box(es) if you made an election this taxable year to use  Class Life (ADR) System and/or  Guideline Class Life System. See Publication 534.

1. Group and guideline class or description of property	2. Date acquired	3. Cost or other basis	4. Depreciation allowed or allowable in prior years	5. Method of computing depreciation	6. Life or rate	7. Depreciation for this year
1 Total additional first-year depreciation (do not include in items below)						
2 Depreciation from Form 4832						
3 Depreciation from Form 5006						
4 Other depreciation:						
Buildings						
Furniture and fixtures						
Transportation equipment						
Machinery and other equipment						
Other (specify) _____						
5 Totals						
6 Less amount of depreciation claimed in Schedule A						
7 Balance—enter here and on line 21, page 1						

**Schedule H SUMMARY OF DEPRECIATION (other than additional first-year depreciation)**

	Straight line	Declining balance	Sum of the years-digits	Units of production	Other (specify)	Total
1 Depreciation from Form 4832						
2 Depreciation from Form 5006						
3 Other						

**Schedule J TAX COMPUTATION (See instructions)**

1 Taxable income (line 28, page 1) . . . . .		
2 (a) Enter 48% of line 1 (members of controlled groups, see instructions) . . . . .		
(b) Subtract \$6,500 and enter difference . . . . .	6,500.00	
3 Net long-term capital gain reduced by net short-term capital loss (from line 9(b), page 1) . . . . .		
4 Subtract \$25,000. (Statutory minimum) . . . . .		25,000.00
5 Balance (line 3 less line 4) (see instructions) . . . . .		
6 Enter 30% of line 5 (see instructions) . . . . .		
7 Income tax (line 2 or line 6, whichever is lesser). Enter here and on line 29, page 1 . . . . .		

Schedule K COMPUTATION OF UNDISTRIBUTED TAXABLE INCOME AND SUMMARY OF DISTRIBUTIONS

Computation of Corporation's Undistributed Taxable Income

Table with 2 columns: Description and Amount. Rows include Taxable income, Less: (a) Money distributed as dividends, (b) Tax imposed on certain capital gains, and Corporation's undistributed taxable income.

SUMMARY OF DISTRIBUTIONS AND OTHER ITEMS (attach additional sheets if necessary)

Table with 5 columns: 1. Name and address of each shareholder, 2. Social security number, 3. Stock ownership (Number of shares, Period held), 4. Compensation, 5. Percentage of time devoted to business. Rows A, B, C, D.

Table with 2 columns: Description and Amount. Rows include Actual dividend distributions taxable as ordinary income, long-term capital gains, and nondividend distributions.

\*Each shareholder must be notified as to what amount of his pro rate share of long-term capital gains may qualify as subsection (d) gains. See section 1201(d).

10 INTEREST ON INVESTMENT INDEBTEDNESS:

- (a) Investment interest expense.
(b) Net investment income or (loss)
(c) Excess expenses over rental income attributable to net lease property
(d) Excess of net long-term capital gains over net short-term capital losses attributable to investment property

- (2) Railroad rolling stock
(3) On-the-job training facilities
(4) Child care facilities
(c) Reserves for losses on bad debts of financial institutions
(d) Excess percentage depletion
(e) Net long-term capital gain (after tax)

11 ITEMS OF TAX PREFERENCE:

- (a) Accelerated depreciation of:
(1) Low-income rental housing
(2) Other real property
(3) Personal property subject to a net lease
(b) Amortization of
(1) Certified pollution control facilities

12 INVESTMENT CREDIT PROPERTY:

- Basis of new investment property:
(a) 3 or more but less than 5 years
(b) 5 or more but less than 7 years
(c) 7 or more years
Cost of used investment property:
(d) 3 or more but less than 5 years
(e) 5 or more but less than 7 years
(f) 7 or more years

Schedule K-1 COMPLETE A SEPARATE SCHEDULE K-1 FOR EACH SHAREHOLDER—File Copy A with Form 1120S, give Copy B to each shareholder, and keep Copy C for your records.

F Date incorporated \_\_\_\_\_

G Did the corporation at the end of the taxable year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation?
Yes No. (For rules of attribution, see section 267(c).)

If the answer is "Yes," attach a schedule showing:

- (a) name, address, and employer identification number, and
(b) percentage owned.

H Did the corporation during the taxable year have any contracts or sub-contracts subject to the Renegotiation Act of 1951? Yes No

If "Yes," enter the aggregate gross dollar amount billed during the year \_\_\_\_\_

I Amount of taxable income or (loss) for: 1970 \_\_\_\_\_ 1971 \_\_\_\_\_ ; 1972 \_\_\_\_\_

J Refer to page 7 of Instructions and state the principal; Business activity \_\_\_\_\_ Product or service \_\_\_\_\_

K Were you a member of a controlled group subject to the provisions of sections 1561 or 1562? Yes No

L Did you claim a deduction for expenses connected with any:

- (1) Entertainment facility (boat, resort, ranch, etc.)? Yes No
(2) Living accommodations (except employees on business)? Yes No
(3) Employees' families at conventions or meetings? Yes No
(4) Employee or family vacations not reported on Form W-2? Yes No

M Did you file all required Forms 1099, 1096 and 1087? Yes No

N Did the corporation, at any time during the taxable year, have any interest in or signature or other authority over a bank, securities, or other financial account in a foreign country? Yes No
If "Yes," attach Form 4683. (For definitions, see Form 4683.)

O Answer only if (1) this is the first 1120S return filed since your election to be treated as a small business corporation and (2) the corporation was in existence for the taxable year prior to the election and had investment credit property: Was an agreement filed under section 1.47-4(b) of the Regulations? Yes No

**Schedule L BALANCE SHEETS (See instructions)**

	Beginning of taxable year		End of taxable year	
	(A) Amount	(B) Total	(C) Amount	(D) Total
<b>ASSETS</b>				
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 shareholders . . . . .				
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 . . . . .				
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
15 Accounts payable . . . . .				
16 Mtgs., notes, bonds payable in less than 1 year . . . . .				
17 Other current liabilities (attach schedule) . . . . .				
18 Loans from shareholders . . . . .				
19 Mtgs., notes, bonds payable in 1 year or more . . . . .				
20 Other liabilities (attach schedule) . . . . .				
21 Capital stock . . . . .				
22 Paid-in or capital surplus (attach reconciliation) . . . . .				
23 Retained earnings—appropriated (attach schedule) . . . . .				
24 Retained earnings—unappropriated . . . . .				
25 Shareholders' undistributed taxable income previously taxed . . . . .				
26 Less cost of treasury stock . . . . .				
27 Total liabilities and shareholders' equity . . . . .				

**Schedule M-1 RECONCILIATION OF INCOME PER BOOKS WITH INCOME PER RETURN**

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 Taxable income not recorded on books this year (itemize) . . . . .			
		8 Deductions in this tax return not charged against book income this year (itemize) . . . . .	
5 Expenses recorded on books this year not deducted in this return (itemize) . . . . .			
		9 Total of lines 7 and 8 . . . . .	
6 Total of lines 1 through 5 . . . . .		10 Income (line 28, page 1)—line 6 less line 9 . . . . .	

**Schedule M-2 ANALYSIS OF UNAPPROPRIATED RETAINED EARNINGS PER BOOKS (line 24 above)**

1 Balance at beginning of year . . . . .		5 Distributions out of current or accumulated earnings and profits: (a) Cash . . . . .	
2 Net income per books . . . . .		(b) Stock . . . . .	
3 Other increases (itemize) . . . . .		(c) Property . . . . .	
		6 Current year's undistributed taxable income or net operating loss (total of lines 8 and 9, Schedule K) . . . . .	
		7 Other decreases (itemize) . . . . .	
		8 Total of lines 5, 6, and 7 . . . . .	
4 Total of lines 1, 2, and 3 . . . . .		9 Balance at end of year (line 4 less line 8) . . . . .	