

Department of the Treasury  
Internal Revenue Service

other taxable year beginning ....., 1974, ending ....., 19.....  
(PLEASE TYPE OR PRINT)

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

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 K** Computation of Undistributed Taxable Income and Summary of Distributions and Other Items

**Computation of Corporation's Undistributed Taxable Income**

1	Taxable income (line 28, page 1)		
2	Less: (a) Money distributed as dividends out of earnings and profits of the taxable year		
	(b) Tax imposed on certain capital gains (line 31, page 1)		
3	Corporation's undistributed taxable income		

**Summary of Distributions and Other Items (attach additional sheets if necessary)**

1. Name and address of each shareholder	2. Social security number	3. Stock ownership		4. Compensation	5. Percentage of time devoted to business
		Number of shares	Period held From To		
A					
B					
C					
D					

4	Actual dividend distributions taxable as ordinary income (Do not include amounts shown on line 6)	
5	Actual dividend distributions taxable as long-term capital gains (after tax)*	
6	Actual dividend distributions taxable as ordinary income and qualifying for dividend exclusion	
7	Nondividend distributions	
8	Undistributed taxable income—taxable as ordinary income or (loss)	
9	Undistributed taxable income—taxable as long-term capital gain (after tax)*	

\*Each shareholder must be notified of his pro rata share of long-term capital gains that may qualify as subsection (d) gain. 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

**11 Items of tax preference:**

- (a) Accelerated depreciation on:
  - (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
  - (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)

**12 Investment credit property:**

Basis of new 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 property	(d) 3 or more but less than 5 years
	(e) 5 or more but less than 7 years
	(f) 7 or more years

**Additional Information Required**

- F Date incorporated
- G Did you 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 you have any contracts or subcontracts subject to the Renegotiation Act of 1951?  Yes  No. If "Yes," enter the aggregate gross dollar amount billed during the year
- I Taxable income or (loss) from line 28, page 1, Form 1120S for your taxable year beginning in: 1971; 1972; 1973
- 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 section 1561 or 1562?  Yes  No
- L Did you claim a deduction for expenses connected with:
  - (1) Entertainment facility (boat, resort, ranch, etc.)?  Yes  No
  - (2) Living accommodations (except for 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 1087, 1096, and 1099?  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

**ASSETS**

	Beginning of taxable year		End of taxable year	
	(A) Amount	(B) Total	(C) Amount	(D) Total
<b>1</b> Cash . . . . .				
<b>2</b> Trade notes and accounts receivable . . . . .				
<b>(a)</b> Less allowances for bad debts . . . . .				
<b>3</b> Inventories . . . . .				
<b>4</b> Gov't obligations: <b>(a)</b> U.S. and instrumentalities . . . . .				
<b>(b)</b> State, subdivisions thereof, etc. . . . .				
<b>5</b> Other current assets (attach schedule) . . . . .				
<b>6</b> Loans to shareholders . . . . .				
<b>7</b> Mortgage and real estate loans . . . . .				
<b>8</b> Other investments (attach schedule) . . . . .				
<b>9</b> Buildings and other fixed depreciable assets . . . . .				
<b>(a)</b> Less accumulated depreciation . . . . .				
<b>10</b> Depletable assets . . . . .				
<b>(a)</b> Less accumulated depletion . . . . .				
<b>11</b> Land (net of any amortization) . . . . .				
<b>12</b> Intangible assets (amortizable only) . . . . .				
<b>(a)</b> Less accumulated amortization . . . . .				
<b>13</b> Other assets (attach schedule) . . . . .				
<b>14</b> Total assets . . . . .				
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
<b>15</b> Accounts payable . . . . .				
<b>16</b> Mtges., notes, bonds payable in less than 1 year . . . . .				
<b>17</b> Other current liabilities (attach schedule) . . . . .				
<b>18</b> Loans from shareholders . . . . .				
<b>19</b> Mtges., notes, bonds payable in 1 year or more . . . . .				
<b>20</b> Other liabilities (attach schedule) . . . . .				
<b>21</b> Capital stock . . . . .				
<b>22</b> Paid-in or capital surplus . . . . .				
<b>23</b> Retained earnings—appropriated (attach schedule) . . . . .				
<b>24</b> Retained earnings—unappropriated . . . . .				
<b>25</b> Shareholders' undistributed taxable income previously taxed . . . . .				
<b>26</b> Less cost of treasury stock . . . . .		( )		( )
<b>27</b> Total liabilities and shareholders' equity . . . . .				

**Schedule M-1** Reconciliation of Income Per Books With Income Per Return

<b>1</b> Net income per books . . . . .		<b>7</b> Income recorded on books this year not included in this return (itemize)	
<b>2</b> Federal income tax . . . . .		<b>(a)</b> Tax-exempt interest \$ . . . . .	
<b>3</b> Excess of capital losses over capital gains . . . . .			
<b>4</b> Taxable income not recorded on books this year (itemize) . . . . .		<b>8</b> Deductions in this tax return not charged against book income this year (itemize) . . . . .	
<b>5</b> Expenses recorded on books this year not deducted in this return (itemize) . . . . .			
<b>6</b> Total of lines 1 through 5 . . . . .		<b>9</b> Total of lines 7 and 8 . . . . .	
		<b>10</b> Income (line 28, page 1)—line 6 less line 9 . . . . .	

**Schedule M-2** Analysis of Unappropriated Retained Earnings Per Books (line 24 above)

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