

Form Department of the Treasury Internal Revenue Service

For the calendar year 1987 or tax year beginning _____, 1987, ending _____, 19

1987

For Paperwork Reduction Act Notice, see page 1 of the instructions.

Form header section containing fields A through I: Date of election as an S corporation, Business code no., Name, Address, Employer identification number, Date incorporated, Total assets, Applicable boxes, Consolidated audit procedures, Operation status, and Months in operation.

Caution: Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.

Main table with 25 rows and 3 columns: Description, Amount, and Subtotal. Rows include Income (1a-6), Deductions (7-21), and Tax and Payments (22-25).

Signature and Preparer sections: Please Sign Here (Signature of officer, Date, Title) and Paid Preparer's Use Only (Preparer's signature, Date, Check if self-employed, Social security number, Firm's name, E.I. No., ZIP code).

Schedule A Cost of Goods Sold and/or Operations (See instructions for Schedule A.)

1 Inventory at beginning of year	1		
2 Purchases	2		
3 Cost of labor	3		
4a Additional section 263A costs (attach schedule)	4a		
b Other costs (attach schedule)	4b		
5 Total—Add lines 1 through 4b	5		
6 Inventory at end of year	6		
7 Cost of goods sold and/or operations—Subtract line 6 from line 5. Enter here and on line 2, page 1	7		

- 8a** Check all methods used for valuing closing inventory:
- (i) Cost
 - (ii) Lower of cost or market as described in Regulations section 1.471-4 (see instructions)
 - (iii) Writedown of "subnormal" goods as described in Regulations section 1.471-2(c) (see instructions)
 - (iv) Other (Specify method used and attach explanation) ▶
- b** Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)
- c** If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO **8c** _____
- d** Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the corporation? Yes No
- e** Was there any change (other than for section 263A purposes) in determining quantities, cost, or valuations between opening and closing inventory? (If "Yes," attach explanation.) Yes No

Additional Information Required

	Yes	No
J Did you at the end of the tax year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a schedule showing: (1) Name, address, and employer identification number; (3) Highest amount owed by you to such corporation during the year; and (2) Percentage owned; (4) Highest amount owed to you by such corporation during the year. (Note: For purposes of J(3) and J(4), "highest amount owed" includes loans and accounts receivable/payable.)		
K Refer to the listing of business activity codes at the end of the Instructions for Form 1120S and state your principal: Business activity ▶ _____; Product or service ▶ _____		
L Were you a member of a controlled group subject to the provisions of section 1561?		
M Did you claim a deduction for expenses connected with: (1) Entertainment facilities (boat, resort, ranch, etc.)? (2) Living accommodations (except for employees on business)? (3) Employees attending conventions or meetings outside the North American area? (See section 274(h).) (4) Employees' families at conventions or meetings? If "Yes," were any of these conventions or meetings outside the North American area? (See section 274(h).) (5) Employee or family vacations not reported on Form W-2?		
N At any time during the tax year, did you have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? (See instructions for exceptions and filing requirements for form TD F 90-22.1.) If "Yes," enter the name of the foreign country ▶ _____		
O Were you the grantor of, or transferor to, a foreign trust which existed during the current tax year, whether or not you have any beneficial interest in it? If "Yes," you may have to file Forms 3520, 3520-A, or 926		
P During this tax year did you maintain any part of your accounting/tax records on a computerized system?		
Q Check method of accounting: (1) <input type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ▶ _____		
R Check this box if the S corporation has filed or is required to file Form 8264 , Application for Registration of a Tax Shelter. <input type="checkbox"/>		
S Check this box if the corporation issued publicly offered debt instruments with original issue discount. If so, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments. <input type="checkbox"/>		
T If section 1374 (new built-in gains tax) applies to the corporation, enter the corporation's net unrealized built-in gain as defined in section 1374(d)(1) (see instructions) ▶ _____		

Designation of Tax Matters Person

The following shareholder is hereby designated as the tax matters person (TMP) for the tax year for which this tax return is filed:

Name of designated TMP ▶ _____	Identifying number of TMP ▶ _____
Address of designated TMP ▶ _____	

Schedule K Shareholders' Shares of Income, Credits, Deductions, etc. (See Instructions.)

(a) Distributive share items		(b) Total amount	
Income (Losses) and Deductions			
1	Ordinary income (loss) from trade or business activity(ies) (page 1, line 21)	1	
2a	Gross income from rental real estate activity(ies)		
b	Minus expenses (attach schedule)		
	c Balance: net income (loss) from rental real estate activity(ies)	2c	
3a	Gross income from other rental activity(ies)		
b	Minus expenses (attach schedule)		
	c Balance: net income (loss) from other rental activity(ies)	3c	
4	Portfolio income (loss):		
a	Interest income	4a	
b	Dividend income	4b	
c	Royalty income	4c	
d	Net short-term capital gain (loss) (Schedule D (Form 1120S))	4d	
e	Net long-term capital gain (loss) (Schedule D (Form 1120S))	4e	
f	Other portfolio income (loss) (attach schedule)	4f	
5	Net gain (loss) under section 1231 (other than due to casualty or theft)	5	
6	Other income (loss) (attach schedule)	6	
7	Charitable contributions (attach schedule)	7	
8	Section 179 expense deduction (attach schedule)	8	
9	Expenses related to portfolio income (loss) (attach schedule) (see instructions)	9	
10	Other deductions (attach schedule)	10	
Credits			
11a	Jobs credit (attach Form 5884)	11a	
b	Low-income housing credit (attach Form 8586)	11b	
c	Qualified rehabilitation expenditures related to rental real estate activity(ies) (attach schedule)	11c	
d	Credits related to rental real estate activity(ies) other than on lines 11b and 11c (attach schedule)	11d	
e	Credit(s) related to rental activity(ies) other than on lines 11b, 11c, and 11d (attach schedule)	11e	
12	Other credits (attach schedule)	12	
Tax Preference and Adjustment Items			
13a	Accelerated depreciation of real property placed in service before 1987	13a	
b	Accelerated depreciation of leased personal property placed in service before 1987	13b	
c	Depreciation adjustment on property placed in service after 1986	13c	
d	Depletion (other than oil and gas)	13d	
e (1)	Gross income from oil, gas, or geothermal properties	13e(1)	
(2)	Gross deductions allocable to oil, gas, or geothermal properties	13e(2)	
f	Other items (attach schedule)	13f	
Investment Interest			
14a	Interest expense on investment debts	14a	
b (1)	Investment income included on lines 4a through 4f, Schedule K	14b(1)	
(2)	Investment expenses included on line 9, Schedule K	14b(2)	
Foreign Taxes			
15a	Type of income		
b	Name of foreign country or U.S. possession		
c	Total gross income from sources outside the U.S. (attach schedule)	15c	
d	Total applicable deductions and losses (attach schedule)	15d	
e	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	15e	
f	Reduction in taxes available for credit (attach schedule)	15f	
g	Other (attach schedule)	15g	
Other Items			
16	Total property distributions (including cash) other than dividend distributions reported on line 18, Schedule K	16	
17	Other items and amounts not included in lines 1 through 16, Schedule K, that are required to be reported separately to shareholders (attach schedule)		
18	Total dividend distributions paid from accumulated earnings and profits contained in other retained earnings (line 26 of Schedule L)	18	

