SCHEDULE D (Form 1120)
U. S. Treasury Department
Internal Revenue Service

1953

SCHEDULE OF GAINS AND LOSSES FROM SALES OR EXCHANGES OF PROPERTY

For Calendar Year 1953

or fiscal year beginning ...., 1953, and ending ...., 1954

Name and address ....

(1) CAPITAL ASSETS

1. Description of Property	2. Date Acquired Mo. Day Year	3. Date Sold Mo. Day Year	4. Gross Sales Price (Contract price)	5. Depreciation Allowed (or allowable) Since Acquisition or March 1, 1913 (Furnish details)	6. Cost or Other Basis and Cost of Improvements Subsequent to Acquisition or March 1, 1913	7. Expense of Sale	8. Gain or Loss (Column 4 plus column 5 less the sum of columns 6 and 7)
SHORT-TERM CAPITAL GAINS AND LOSSES—ASSETS HELD FOR NOT MORE THAN 6 MONTHS							
1.			$	$	$	$	$
2. Unused net capital loss carry-over from five preceding taxable years (attach statement)							
3. Total of short-term capital gains or losses or difference between short-term capital gains and losses							$
LONG-TERM CAPITAL GAINS AND LOSSES—ASSETS HELD FOR MORE THAN 6 MONTHS							
4.			$	$	$	$	$
5. Total of long-term capital gains or losses or difference between long-term capital gains and losses							$

SUMMARY OF CAPITAL GAINS AND LOSSES

Classification	Gain or Loss To Be Taken Into Account (a) Gain	(b) Loss
6. Net short-term capital gain or loss from line 3	$	$
7. Net long-term capital gain or loss from line 5	$	$
8. Net short-term capital gain (line 6, col. (a)) reduced by any net long-term capital loss (line 7, col. (b)). Enter here and as item 13 (*a*), page 1, Form 1120	$	x x x x x x x x x x
9. Net long-term capital gain (line 7, col. (a)) reduced by any net short-term capital loss (line 6, col. (b)). Enter here and as item 13 (*b*), page 1, Form 1120	$	x x x x x x x x x x
10. Excess of losses over gains in lines 6 and 7. This excess is not allowable	x x x x x x x x x x	$

COMPUTATION OF ALTERNATIVE TAX FOR CALENDAR YEAR 1953

11. Surtax net income (line 5, page 3, Form 1120)*	$
12. Less: Net long-term capital gain reduced by any net short-term capital loss (line 9 of summary)	
13. Surtax net income for purpose of alternative tax	$
14. Combined normal tax and surtax. If amount of line 13 is: Not over $25,000; enter 30 percent of line 13 (32 percent if a consolidated return). Over $25,000. Compute 52 percent of line 13 (54 percent if a consolidated return). Subtract $5,500. Enter difference	$
15. Less: Normal tax adjustment for partially tax-exempt interest; enter 30 percent of the sum of lines (*a*) and (*b*), column 3, Schedule C–1, Form 1120, but not in excess of 30 percent of line 13	
16. Partial tax	$
17. 26 percent of line 12	
18. Alternative tax (line 16 plus line 17)	$
19. Normal tax and surtax (line 8, page 3, Form 1120)	$
20. Tax liability (line 18 or 19, whichever is lesser). Enter here and as line 9, page 3, Form 1120	$

(2) PROPERTY OTHER THAN CAPITAL ASSETS

1. Description of Property	2. Date Acquired Mo. Day Year	3. Date Sold Mo. Day Year	4. Gross Sales Price (Contract price)	5. Depreciation Allowed (or allowable) Since Acquisition or March 1, 1913 (Furnish details)	6. Cost or Other Basis and Cost of Improvements Subsequent to Acquisition or March 1, 1913	7. Expense of Sale	8. Gain or Loss (Column 4 plus column 5 less the sum of columns 6 and 7)
1.			$	$	$	$	$
2. Total net gain (or loss). Enter here and as item 13 (*c*), page 1, Form 1120							$

State with respect to each item of property reported in Schedule D (1) and (2): (1) How property was acquired .... (2) whether at time of sale or exchange (*a*) purchaser owned directly or indirectly more than 50 percent in value of your outstanding stock, (*b*) where purchaser was a corporation, more than 50 percent in value of its capital stock and 50 percent in value of your capital stock was owned directly or indirectly by or for the same individual or his family, and (*c*) where purchaser was a corporation, whether more than 50 percent in value of its capital stock was owned directly or indirectly by you .... If so, state name and address of purchaser ....

*Where credits allowable under section 26 (b), (h), and (i) are limited to percentages of net income, such credits must be based upon a net income which has been reduced by the amount of the total net long-term capital gain or excess of total net long-term capital gain over net short-term capital loss. See "Alternative tax" instructions on reverse.

INSTRUCTIONS

(References are to the Internal Revenue Code)

Instructions For Insurance Companies Using This Schedule

Companies taxable under section 204 and having losses from capital assets sold or exchanged in order to obtain funds to meet abnormal insurance losses, etc., shall attach a schedule corresponding to Schedule E, Form 1120M.

For companies taxable under section 204 or section 207 (a) (1) or (3), "net capital loss" means the amount by which the losses for the taxable year from sales or exchanges of capital assets exceed the sum of the gains from such sales or exchanges and the lesser of (1) the corporation surtax net income (computed without regard to gains or losses from sales or exchanges of capital assets) or (2) losses from the sale or exchange of capital assets sold or exchanged to obtain funds to meet abnormal insurance losses and to provide for the payment of dividends and similar distributions to policyholders.

For companies taxable under section 207 (a) (1) or (3), all references to "item" or "line" numbers, Form 1120, shall be considered as references to the appropriate "item" or "line" in Form 1120M. It will be necessary for such companies to substitute for lines 14, 15, and 16 on other side a computation conforming to that on pages 2 and 3 of Form 1120M.

General Instructions

Gains and losses from sales or exchanges of capital assets and other property.—Report sales or exchanges of capital assets and sales or exchanges of property other than capital assets in Schedule D on other side. Every sale or exchange of property, even though no gain or loss may be indicated, must be reported in detail.

Losses from sales or exchanges of capital assets shall be allowed only to the extent of gains from such sales or exchanges. However, the amount of a net capital loss sustained in any taxable year may be carried over to each of the five succeeding taxable years and treated in each such succeeding taxable year as a short-term capital loss to the extent not allowed as a deduction against any net capital gains of any taxable year intervening between the taxable year in which the net capital loss was sustained and the taxable year to which carried.

Definition of capital assets.—The term "capital assets" means property held by the taxpayer (whether or not connected with his trade or business), but does not include (*a*) stock in trade of the taxpayer or other property of a kind which would properly be included in the inventory of the taxpayer if on hand at the close of the taxable year, or property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business, or (*b*) property used in the trade or business, of a character which is subject to the allowance for depreciation provided in section 23 (1), or real property used in the trade or business of the taxpayer; or (*c*) a copyright; a literary, musical, or artistic composition, or similar property; or (*d*) an obligation of the United States or any of its possessions, or of a State or Territory, or any political subdivision thereof, or of the District of Columbia, issued on or after March 1, 1941, on a discount basis and payable without interest at a fixed maturity date not exceeding 1 year from the date of issue.

Classification of capital gains and losses.—The phrase "short-term" applies to the category of gains and losses arising from the sale or exchange of capital assets held for 6 months or less, and the phrase "long-term" to the category of gains and losses arising from the sale or exchange of capital assets held for more than 6 months.

Enter full description of each item of property sold or exchanged, even though no gain or loss may be indicated. Such description should include the following facts: (*a*) For real estate, location and description of land, description of improvements, details explaining depreciation; (*b*) for bonds or other evidences of indebtedness, name of issuing corporation, description of the particular issue, denomination, and amount; (*c*) for stocks, name of issuing corporation, class of stock, number of shares, and capital changes affecting basis (nontaxable stock dividends, other nontaxable distributions, stock rights, etc.).

The "basis" for the property is not subject to the same rule for reporting gains as for losses, if the property was acquired before March 1, 1913. If the property sold or exchanged was acquired prior to March 1, 1913, the basis of determining GAIN is the cost or the fair market value as of March 1, 1913, adjusted as provided in section 113 (b), whichever is greater, but in determining LOSS the basis is cost so adjusted. If property was acquired after February 28, 1913, basis for both gain and loss is the cost of such property, except as otherwise provided by section 113. The exceptions arise chiefly where property was acquired by gift, bequest, tax-free exchange, involuntary conversion, or wash sale of stock; and in such cases section 113 provides the basis that shall be used. If the amount shown as the basis is other than actual cash cost of the property sold or exchanged, full details must be furnished regarding the acquisition of the property.

Enter in column 5 of separate Schedule D the amount of depreciation, exhaustion, wear and tear, obsolescence, and depletion in respect of the property. This amount shall be the sum of the following:

(*a*) The amount of depreciation, exhaustion, wear and tear, obsolescence, and depletion which has been allowed (but not less than the amount allowable) in respect of such property since date of acquisition, or since February 28, 1913, if the property was acquired before that date. For any period after December 31, 1951, the amount of depreciation, etc., allowed (and which is in excess of the amount allowable) shall be disregarded to the extent that such excess does not result in a reduction for any taxable year of the taxpayer's income or excess profits taxes. In respect of any period after February 28, 1913, and before January 1, 1952, the taxpayer may disregard depreciation, etc., which was in excess of the amount allowable and which did not result in reduction of income or excess profits taxes only if an election is made in accordance with regulations. See section 113 (b) (1) (B); and

(*b*) The amount of depreciation, exhaustion, wear and tear, obsolescence, and depletion actually sustained prior to March 1, 1913, if the property was acquired before that date.

Subsequent improvements include expenditures for additions, improvements, renewals, and replacements made to restore the property or prolong its useful life. Do not deduct ordinary repairs, interest, or taxes in computing gain or loss.

Losses on securities becoming worthless.—If any securities (as defined below) become worthless within the taxable year and are capital assets, the loss resulting therefrom shall, in the case of a taxpayer other than a bank, as defined in section 104, be considered as a loss from the sale or exchange, on the last day of such taxable year, of capital assets. (See section 23 (k) (2).)

Definition of securities.—As used for the purpose of determining capital losses under section 23 (k), the term "securities" means bonds, debentures, notes, or certificates, or other evidences of indebtedness, issued by any corporation (including those issued by a government or political subdivision thereof), with interest coupons or in registered form. However, securities issued by any corporation affiliated with the taxpayer shall not be deemed capital assets. (See section 23 (k) (3) and (5).)

Losses on stocks or stock rights becoming worthless.—If any shares of stock in a corporation (except stock in a corporation affiliated with the taxpayer), or rights to subscribe for or to receive such shares, become worthless during the taxable year and are capital assets, the loss resulting therefrom shall be considered as a loss from the sale or exchange, on the last day of such taxable year, of capital assets. (See section 23 (g) (2) and (4).)

Losses not allowable.—No loss shall be recognized in any sale or other disposition of shares of stock or securities where there has been acquired substantially identical stock or securities or there has been entered into a contract or option to acquire substantially identical stock or securities within 30 days before or after the date of such sale or disposition, except in cases of dealers in stocks and securities and with respect to transactions made in the ordinary course of such business.

No deduction shall be allowed in respect of losses from sales or exchanges of property, directly or indirectly (except in the case of distributions in liquidation), between an individual and a corporation in which such individual owns, directly or indirectly, more than 50 percent in value of the outstanding stock; or (except in the case of distributions in liquidation) between two corporations more than 50 percent in value of the outstanding stock of each of which is owned, directly or indirectly, by or for the same individual, if either one of such corporations, with respect to the taxable year of the corporation preceding the date of the sale or exchange was, under the laws applicable to such taxable year, (1) a personal holding company, as defined in section 501, or (2) a foreign personal holding company, as defined in section 331. (See paragraph (1) (B) and (C) of section 24 (b).) (For the purpose of determining the ownership of stock, in applying this paragraph, see section 24 (b) (2).)

Gain on sales by a "controlled" corporation.—If (1) property is sold or exchanged after May 3, 1951, by a corporation to one or more of its shareholders, and (2) the property in the hands of such shareholders is depreciable property, and (3) such shareholders, their spouses, and their minor children and minor grandchildren own more than 80 percent in value of the outstanding stock of the corporation, then any gain on such sale or exchange shall not be treated as gain from the sale or exchange of property which is a capital asset or of property which is described in section 117 (j).

Gains and losses from involuntary conversion and from the sale or exchange of certain property used in the trade or business.—The term "property used in the trade or business" as used in section 117 (j) means property used in the trade or business, of a character which is subject to the allowance for depreciation provided in section 23 (1), held for more than 6 months, and real property used in the trade or business, held for more than 6 months, which is not (*a*) property of a kind which would properly be includible in the inventory of the taxpayer if on hand at the close of the taxable year or (*b*) property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business. Such term also includes timber or coal with respect to which section 117 (k) (1) or (2) is applicable as well as unharvested crops sold with the land to which section 117 (j) (3) applies. Such term also includes livestock (but not poultry) held for draft, breeding, or dairy purposes and held for 12 months or more from the date of acquisition.

Section 117 (j) provides special treatment for the gains and losses upon the sale or exchange of depreciable property and of land, held for more than 6 months, and for the gains and losses upon the compulsory or involuntary conversion of such depreciable property and land and of capital assets held for more than 6 months.

The method prescribed in section 117 (j) (2) is to treat such gains and losses during the taxable year as gains and losses from the sale or exchange of capital assets held for more than 6 months, if the aggregate of such gains exceeds the aggregate of such losses. If, however, the aggregate of such gains does not exceed the aggregate of such losses, such gains and losses shall not be treated as gains and losses from the sale or exchange of capital assets held for more than 6 months.

In determining whether gains do or do not exceed losses, it is necessary to include the gains and losses to the extent that they would be included if they were all ordinary gains and losses. The limitations of section 117 (d) on the deductibility of capital losses do not operate to exclude any such losses from the computation as to the excess of gains over losses, but all such losses are included in full.

For special treatment of gain or loss upon the cutting of timber, or upon the disposal of timber or coal under a contract by which the owner retains an economic interest in such timber or coal, see section 117 (k).

Alternative tax.—If for any taxable year the net long-term capital gain exceeds the net short-term capital loss or in case of only a net long-term capital gain, section 117 (c) (1) imposes an alternative tax in lieu of the normal tax and surtax imposed upon net income, if any, only if such tax is less than the tax imposed by sections 13 and 15 (relating to normal tax and surtax on corporations), sections 204 and 207 (a) (1) or (3) (relating to normal tax and surtax on insurance companies, other than life insurance companies), section 421 (relating to taxation of business income of certain section 101 organizations), and section 500 (relating to surtax on personal holding companies). The alternative tax is the sum of (1) a partial tax, computed at the normal tax and surtax rates on the net income decreased by the amount of the excess of the net long-term capital gain over the net short-term capital loss, and (2) 26 percent of such excess.

In computing the alternative tax under section 117 (c) (1) in cases where the credits allowable under the provisions of subsections (b), (h), and (i) of section 26 are limited to or are percentages of net income, lines 11 and 12 on other side should be disregarded. In lieu of these lines, a computation should be made first reducing net income by the amount of the total net long-term capital gain or excess of net long-term capital gain over net short-term capital loss and then redetermining such section 26 credits on the basis of the resulting reduced net income to derive the amount of the surtax net income for purposes of alternative tax to be inserted on line 13 on other side.

Bonds, etc., losses of banks.—In the case of a bank, as defined in section 104, if the losses of the taxable year from sales or exchanges of bonds, debentures, notes, or certificates, or other evidence of indebtedness, issued by any corporation (including one issued by a government or political subdivision thereof) with interest coupons or in registered form, exceed the gains from such sales or exchanges, such excess shall be considered as an ordinary loss and deductible in full against other income.

Dealers in securities. Capital gains and ordinary losses.—Under the provisions of section 117 (n), gain by a dealer in securities from the sale or exchange of a security, as defined in section 117 (n) (3), shall in no event be considered as gain from the sale or exchange of a capital asset unless (a) the security is, prior to the expiration of the thirtieth day after its acquisition or of the thirtieth day after October 20, 1951, whichever is later, clearly identified in the dealer's records as a security held for investment; and (b) the security is not, at any time after the expiration of such thirtieth day, held by the dealer primarily for sale to customers in the ordinary course of trade or business. A loss from the sale or exchange of a security shall, if section 117 (i) is not applicable, be considered a capital loss if at any time after November 19, 1951, the security was clearly identified in the dealer's record as a security held for investment.

Short sales of capital assets.—For specific rules relating to the tax consequences of certain short sales of stock or other securities, transactions in stock or securities on a "when issued" basis and transactions in commodity futures, see section 117 (g) and (l) and the regulations issued thereunder.

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Schedule J.—OTHER DEDUCTIONS. (See Instruction 30)

NOTE: If taking expense deductions for development and exploration of mines, and oil and gas wells, show separately: (1) intangible drilling and development costs of oil and gas wells; (2) development expense of mines; and (3) exploration expense subject to limitation. Show separately deductions, if any, computed on ratable basis.

Schedule K.—COMPUTATION TO DETERMINE NECESSITY FOR FILING EXCESS PROFITS TAX SCHEDULE

Line No.		
1.	Net income before net operating loss deduction (item 32, page 1) (Taxpayers which have elected under section 455 to accrue income from installment sales or long-term contracts, enter income so adjusted)	$
2.	Deductions for interest (item 21, page 1) (banks should exclude interest on deposits)	
3.	Deductions on account of retirement or discharge of bonds, etc.	
4.	Deductions attributable to a grant or loan by a governmental agency to encourage mining of certain minerals	
5.	Deductions attributable to technical services rendered to related foreign corporations	
6.	In the case of banks, the excess of the deduction for bad debts under the reserve method over debts which actually became worthless during the year	
7.	Federal income and excess profits taxes paid by lessee under long-term lease	
8.	Total of lines 1 to 7, inclusive	$

If line 8 is $25,000 or less, Schedule EP (Form 1120) need not be filed with this return. If line 8 is over $25,000, Schedule EP (Form 1120) must be filed. Schedule EP may be obtained from your District Director.

TAX COMPUTATION FOR CALENDAR YEAR 1953. (See Tax Computation Instructions)

For other taxable years attach Form 1120FY

Line No.				
1.	Net income (item 34, page 1)			$
2.	Less: Dividends received credit:			
	(*a*) Enter 85 percent of column 2, Schedule C	$		
	(*b*) Enter 62 percent of column 3, Schedule C			
	(*c*) Enter 85 percent of dividends received from certain foreign corporations			
	Total dividends received credit. Enter sum of (*a*), (*b*), and (*c*), above, but not to exceed 85 percent of the excess of item 32, page 1, over the sum of lines (*a*) and (*b*) in column 3 of Schedule C–1		$	
3.	Credit for dividends paid on certain preferred stock if taxpayer is a public utility			
4.	Credit for Western Hemisphere trade corporations			
5.	Surtax net income			$
6.	Combined normal tax and surtax. If amount of line 5 is: Not over $25,000; enter 30 percent of line 5 (32 percent if a consolidated return). Over $25,000. Compute 52 percent of line 5 (54 percent if a consolidated return). Subtract $5,500. Enter difference			$
7.	Less: Normal tax adjustment for partially tax-exempt interest; enter 30 percent of the sum of lines (*a*) and (*b*) in column 3 of Schedule C–1, but not in excess of 30 percent of line 5			
8.	Normal tax and surtax			$
9.	Total tax (line 8, or line 20 of separate Schedule D). Enter here and as item 35, page 1			$

QUESTIONS

1. If this is the corporation's first return, indicate whether (*a*) completely new business ☐, or (*b*) successor to previously existing business, which was organized as (1) corporation ☐, (2) partnership ☐, or (3) sole proprietorship ☐, or (4) other (indicate) ________ If successor to previously existing business, give name and address of the previous business organization ____________________

2. District Director's office where the corporation's return for the preceding year was filed ____________________
3. Enter amount of income (or deficit) from item 32, page 1, Form 1120 for 1952 ____________ $________
4. The corporation's books are in care of ____________________ Located at ____________________
5. Check if the corporation is a farmers' marketing or a farmers' purchasing cooperative association ☐, a consumers' cooperative association ☐, or other cooperative association ☐.
6. Is the corporation a personal holding company within the meaning of section 501 of the Internal Revenue Code? ________ (If so, an additional return on Form 1120 H must be filed.)
7. Is this a consolidated return? ________ (If so, procure from the District Director of Internal Revenue for your district Form 851, Affiliations Schedule, which shall be filled in and filed as a part of this return; each subsidiary should procure Form 1122 and file in accordance with Instruction I.)
8. If this is not a consolidated return: (*a*) Did the corporation at any time during the taxable year own 50 percent or more of the voting stock of another corporation either domestic or foreign? ________; (*b*) did any corporation, individual, partnership, trust, or association at any time during the taxable year own 50 percent or more of the corporation's voting stock? ________ (If either answer is "yes," attach separate schedule showing: (1) Name and address; (2) percentage of stock owned; (3) date stock was acquired; and (4) the District Director's office in which the income tax return of such corporation, individual, partnership, trust, or association for the last taxable year was filed.)
9. Check whether this return was prepared on the cash basis ☐ or accrual basis ☐.
10. Check basis of valuing or method of inventorying material or merchandise at the beginning and end of the taxable year—(*a*) cost ☐; (*b*) cost or market, whichever is lower ☐; (*c*) elective method provided in section 22 (d) ☐; (*d*) other basis or method ☐. If other basis or method is used, explain fully in separate statement, giving date inventory was last reconciled with stock (see Specific Instructions 2).
11. Did the corporation make a return of information on Forms 1096 and 1099 or Form W–2a for the calendar year 1953? (See General Instruction G–(1)) ________
12. Has any transaction described in General Instruction G–(3) occurred on or after October 8, 1940? (Answer "yes" or "no") ________
13. Has any transaction described in General Instruction G–(4) occurred on or after January 1, 1951? (Answer "yes" or "no")________
14. Did the corporation, during the taxable year, have any contracts or subcontracts subject to the Renegotiation Act of 1951? (Answer "yes" or "no") ________ If answer is "yes," state the approximate aggregate gross dollar amount billed during the taxable year under all such contracts and/or subcontracts. $________ (See General Instruction G–5.)
15. Did the corporation at any time during the taxable year own directly or indirectly any stock of a foreign corporation? ________ (If so, attach statement as required by General Instruction K.)

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Schedule L.—BALANCE SHEETS. (See Instruction L)

ASSETS	Beginning of Taxable Year: Amount	Beginning of Taxable Year: Total	End of Taxable Year: Amount	End of Taxable Year: Total
1. Cash		$		$
2. Notes and accounts receivable	$		$	
Less: Reserve for bad debts				
3. Inventories: (*a*) Raw materials	$		$	
(*b*) Work in process				
(*c*) Finished goods				
(*d*) Supplies				
4. Investments in governmental obligations:				
(*a*) Obligations of a State, Territory, or political subdivision thereof, or the District of Columbia, or United States possessions	$		$	
(*b*) Obligations of the United States:				
(1) Obligations issued on or before September 1, 1917; all postal savings bonds; Treasury notes issued prior to December 1, 1940; and Treasury bills issued prior to March 1, 1941				
(2) United States savings bonds and Treasury bonds issued prior to March 1, 1941				
(3) Treasury notes issued on or after December 1, 1940; and all other obligations of the United States issued on or after March 1, 1941				
(*c*) Obligations of instrumentalities of the United States:				
(1) Obligations of Federal land banks, joint stock land banks, and Federal intermediate credit banks issued prior to March 1, 1941				
(2) Obligations issued by other instrumentalities of the United States prior to March 1, 1941				
(3) Obligations of all instrumentalities of the United States issued on or after March 1, 1941				
5. Other investments (attach schedule)				
6. Capital assets:				
(*a*) Depreciable assets (attach schedule)	$		$	
Less: Reserve for depreciation				
(*b*) Depletable assets	$		$	
Less: Reserve for depletion				
(*c*) Land				
7. Other assets (attach schedule)				
8. TOTAL ASSETS		$		$
LIABILITIES				
9. Accounts payable		$		$
10. Bonds, notes, and mortgages payable:				
(*a*) With original maturity of less than 1 year	$		$	
(*b*) With original maturity of 1 year or more				
11. Accrued expenses (attach schedule)				
12. Other liabilities (attach schedule)				
13. Surplus reserves (attach schedule)				
14. Capital stock: Enter number as at end of year—(Shares) (Shareholders)				
(*a*) Preferred stock (______) (______)	$		$	
(*b*) Common stock (______) (______)				
15. Paid-in or capital surplus				
16. Earned surplus and undivided profits				
17. TOTAL LIABILITIES		$		$

Schedule M.—RECONCILIATION OF NET INCOME AND ANALYSIS OF EARNED SURPLUS AND UNDIVIDED PROFITS

1. Total distributions to stockholders charged to earned surplus during the taxable year:	
(*a*) Cash	$
(*b*) Stock of the corporation	
(*c*) Other property	
2. Contributions in excess of 5% limitation	
3. Federal income and excess profits taxes	
4. Income taxes of foreign countries or United States possessions if claimed as a credit in whole or in part in item 36, page 1	
5. Federal taxes paid on tax-free covenant bonds	
6. Special improvement taxes tending to increase the value of the property assessed	
7. Capital expenditures charged to expenses on the books	
8. Insurance premiums paid on the life of any officer or employee where the corporation is directly or indirectly a beneficiary	
9. Unallowable interest incurred to purchase or carry tax-exempt interest obligations	
10. Excess of capital losses over capital gains	
11. Additions to surplus reserves (attach schedule)	
12. Other unallowable deductions (attach schedule)	
13. Adjustments for tax purposes not recorded on books (attach schedule)	
14. Sundry debits to earned surplus (attach schedule)	
15. Earned surplus and undivided profits at close of the taxable year (Schedule L)	
16. Total of lines 1 to 15	$

17. Earned surplus and undivided profits at end of preceding taxable year (Schedule L)	$
18. Net income before net operating loss deduction (item 32, page 1)	
19. Nontaxable interest on:	
(*a*) Obligations of a State, Territory, or political subdivision thereof, or the District of Columbia, or U. S. possessions	
(*b*) Obligations of the United States:	
(1) Obligations issued on or before Sept. 1, 1917; all postal savings bonds; Treasury notes issued prior to Dec. 1, 1940; and Treasury bills issued prior to March 1, 1941	
(2) U. S. savings bonds and Treasury bonds owned in the principal amount of $5,000 or less, issued prior to March 1, 1941	
(*c*) Obligations of Federal land banks, joint stock land banks, and Federal intermediate credit banks issued prior to March 1, 1941	
20. Other nontaxable income (attach schedule)	
21. Charges against surplus reserves deducted from income in the return (attach schedule)	
22. Adjustments for tax purposes not recorded on books (attach schedule)	
23. Sundry credits to earned surplus (attach schedule)	
24. Total of lines 17 to 23	$