1939 RETURN OF CAPITAL-STOCK TAX
For Year Ending June 30, 1939

DOMESTIC CORPORATIONS

This return must be filed, in triplicate, and received with remittance by the Collector for your district on or before the due date. (See instruction 20, page 10.)

To be stamped above by Collector, showing district and date received

1. Name
2. Address
3. Incorporated or organized in State of
4.Was a 1938 capital-stock tax return filed? 
5. Date of close of last income-tax year ended prior to July 1, 1939
6. Nature of business in detail
7. Name of parent company, if any
8. Name of subsidiary, if any
9. DECLARED VALUE OF CAPITAL STOCK

Corporations enumerated in instruction 10 on page 10 must report a definite and unqualified declared value in this block. (See also instructions 11 to 13.) (Do not use this block for elective declaration year—see block 10 below.)

10. ADJUSTED VALUE—ELECTIVE DECLARED VALUE

Corporations described in instruction 5 on page 9 MUST complete Schedules I and II and enter the adjusted value (last item in Schedule I) in Part A of this block. Any corporation of this class may elect to declare, and pay tax on, a value in excess of the adjusted value. If such election is made, a definite and unqualified value MUST be entered in Part B of this block. (See instructions 14 and 15.)

11. EXEMPTIONS.—The law provides for exemption from the tax only on the grounds indicated below. Corporations claiming exemption must (1) complete block 9 or 10 above whichever is applicable, (2) check the appropriate block below, and (3) submit with the return the evidence specified under the block checked.

- Corporation exempt from income tax under section 101, Internal Revenue Code. Furnish information required by instruction 17.
- Insurance company subject to tax under section 201, 204, or 207, Internal Revenue Code. State which section.
- Corporation not doing business. Furnish information required by instruction 19.

We, the undersigned, (Name of president, vice president, or other principal officer) , (Title) and (Name of treasurer, assistant treasurer, or chief accounting officer) , (Title), of the corporation for which this return is made, being severally duly sworn, each for himself deposes and says that this return, including any accompanying schedules and statements, has been examined by him and is, to the best of his knowledge and belief, a true and complete return, made in good faith, for the taxable year stated, pursuant to Chapter 6, Internal Revenue Code, and Regulations 64 (1938 edition). Sworn to and subscribed before me this __________ day of __________, 19 ______

<table>
<thead>
<tr>
<th>Signature of officer administering oath</th>
<th>Corporate Seal</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Official capacity)</td>
<td>(Title)</td>
</tr>
</tbody>
</table>
The schedules on this page must be completed by every corporation which established a declared value in its capital stock tax return for the
year ended June 30, 1938, even though, under section 1202 (c) of the Code, as amended, the corporation elects to make a new declared
value. See instructions 5 to 9, inclusive, 14, and 15.

**SCHEDULE I. STATUTORY ADJUSTMENTS FOR TRANSACTIONS DURING INCOME-TAX YEAR ENDED**

**DECEMBER 31, 1938, OR INCOME-TAX FISCAL YEAR ENDED __________________________, 19_____.**

Declared value established by the return for the taxable year ended June 30, 1938

$ __________________________

Additions:

A. (1) Total cash paid in for stock or shares (see instruction 7, item A) $ __________

(2) Fair market value of all property paid in for stock or shares (see instruction 7, item A) $ __________

B. Paid-in surplus and contributions to capital (see instruction 7, item B) $ __________

C. Net income (if net loss, enter as item 3) (see instruction 7, item C) $ __________

D. Income wholly exempt from Federal income tax (see instruction 7, item D) $ __________

E. Excess, if any, of deduction for depletion over the amount which would be allowable if computed without regard to discovery value or to percentage depletion under section 114 (b) (2), (3), or (4) of the 1936 or 1938 Act (see instruction 7, item E) $ __________

Total additions $ __________________________

Deductions:

1. (a) Total cash distributed to shareholders (see instruction 7, item 1) $ __________

(b) Fair market value of all property distributed to shareholders (see instruction 7, item 1) $ __________

2. Amount disallowed as deduction by section 24 (a) (5) of 1936 or 1938 Act (see instruction 7, item 2) $ __________

3. Excess of deductions allowable over gross income and claimed on income-tax return (see instruction 7, item 3) $ __________

Total deductions $ __________________________

**ADJUSTED VALUE (enter in Part A of block 10, page 1) $ __________________________**

**SCHEDULE II. ANALYSIS OF CHANGES IN CAPITAL STOCK AND SURPLUS**

*(See instruction 8, page 10)*

**Capital Stock and Surplus at beginning of year**

1. Capital stock: Preferred $ __________

   Common $ __________

2. Capital or paid-in surplus $ __________

3. Surplus reserves $ __________

4. Surplus and undivided profits $ __________

**Additions—Capital transactions**

5. Total cash and fair market value of property paid in for stock or shares (total of items A (1) and A (2), Schedule I) $ __________

6. Paid-in surplus and contributions to capital (item B, Schedule I) $ __________

7. Other additions (to be detailed) $ __________

**Additions—Revenue transactions**

8. Net income (item C, Schedule I) $ __________

9. Income wholly exempt from income tax (item D, Schedule I) $ __________

10. Excess of deduction for depletion (same as item E, Schedule I) $ __________

11. Other additions (to be detailed) $ __________

**Deductions—Capital transactions**

12. Distributions to shareholders (items 1 (a) and (b), Schedule I)*:

   (a) Earnings or profits $ __________

   (b) Liquidating $ __________

   (c) Other $ __________

13. Enter class and amount of distributions in corporation's own stock: $ __________

14. Other deductions (to be detailed) $ __________

**Deductions—Revenue transactions**

15. Excess of deductions allowable over gross income and claimed on income-tax return (item 3, Schedule I) $ __________

16. Deductions disallowed by sec. 24 (a) (5), 1936 or 1938 Act (item 2, Schedule I) $ __________

17. Other deductions (to be detailed) $ __________

**Capital Stock and Surplus at end of year**

18. Capital stock: Preferred $ __________

   Common $ __________

19. Capital or paid-in surplus $ __________

20. Surplus reserves $ __________

21. Surplus and undivided profits $ __________

**TOTAL $ __________________________**

* Enter values shown by the books and, if different from values entered in Schedule I, explain difference.
# 1939 RETURN OF CAPITAL-STOCK TAX

## DOMESTIC CORPORATIONS

For Year Ending June 30, 1939

(Chapter 6, Internal Revenue Code, as amended)

This return must be filed, in triplicate, and received with remittance by the Collector for your district on or before the due date. (See instruction 20, page 10.)

<table>
<thead>
<tr>
<th>1. Name</th>
<th>(Print name of corporation, joint-stock company, or association)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Address</td>
<td>The address must be that of the principal place of business. Give “street and number”, “city or town,” and “State”)</td>
</tr>
<tr>
<td>3. Incorporated or organized in State of</td>
<td>Month Day Year</td>
</tr>
<tr>
<td>4. Was a 1938 capital-stock tax return filed?</td>
<td>Name under which filed. (If different, attach statement explaining fully.)</td>
</tr>
<tr>
<td>5. Date of close of last income-tax year ended prior to July 1, 1939</td>
<td>Was an income-tax return filed for that year?</td>
</tr>
<tr>
<td>6. Nature of business in detail</td>
<td></td>
</tr>
<tr>
<td>7. Name of parent company, if any</td>
<td>(District)</td>
</tr>
<tr>
<td>8. Name of subsidiary, if any</td>
<td>No. shares held (District)</td>
</tr>
<tr>
<td>9. DECLARED VALUE OF CAPITAL STOCK</td>
<td>$</td>
</tr>
<tr>
<td>Corporations enumerated in instruction 10 on page 10 must report a definite and unqualified declared value in this block. (See also instructions 11 to 13.) (Do not use this block for elective declaration year—see block 10 below.)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ADJUSTED VALUE—ELECTIVE DECLARED VALUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations described in instruction 5 on page 9 MUST complete Schedules I and II and enter the adjusted value (last item in Schedule I) in Part A of this block. Any corporation of this class may elect to declare, and pay tax on, a value in excess of the adjusted value. If such election is made, a definite and unqualified value MUST be entered in Part B of this block. (See instructions 14 and 15.)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>10. PART A</th>
<th>PART 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADJUSTED VALUE OF CAPITAL STOCK</td>
<td>ELECTIVE DECLARED VALUE OF CAPITAL STOCK</td>
</tr>
<tr>
<td>(Last item of Schedule I, page 2)</td>
<td>(Any amount declared below must be in excess of adjusted value disclosed by Schedule I)</td>
</tr>
<tr>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

11. EXEMPTIONS.—The law provides for exemption from the tax only on the grounds indicated below. Corporations claiming exemption must (1) complete block 9 or 10 above whichever is applicable, (2) check the appropriate block below, and (3) submit with the return the evidence specified under the block checked.

- Corporation exempt from income tax under section 101, Internal Revenue Code. Furnish information required by instruction 17.
- Insurance company subject to tax under section 201, 204, or 207, Internal Revenue Code. State which section |
- Corporation not doing business. Furnish information required by instruction 19.

<table>
<thead>
<tr>
<th>COMPUTATION OF TAX</th>
<th>FOR USE OF TAXPAYER</th>
<th>FOR USE OF DEPARTMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>12. Taxable value reported in item 9 or 10</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>13. Tax at rate of $1 for each full $ 1,000 in item 12 (omit cents)</td>
<td>x x x</td>
<td>x x x</td>
</tr>
<tr>
<td>14. Penalty of ______ percent for delinquency in filing return</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. Interest at 6 percent per annum</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16. Total tax, penalty, and interest</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**DUPLICATE**
The schedules on this page must be completed by every corporation which established a declared value in its capital stock tax return for the year ended June 30, 1938, even though, under section 1202 (e) of the Code, as amended, the corporation elects to make a new declared value. See instructions 5 to 9, inclusive, 14, and 15.

**SCHEDULE I. STATUTORY ADJUSTMENTS FOR TRANSACTIONS DURING INCOME-TAX YEAR ENDED DECEMBER 31, 1938, OR INCOME-TAX FISCAL YEAR ENDED**

**Declared value established by the return for the taxable year ended June 30, 1938**

Additions:
- A. (1) Total cash paid in for stock or shares (see instruction 7, item A)
- A. (2) Fair market value of all property paid in for stock or shares (see instruction 7, item A)
- B. Paid-in surplus and contributions to capital (see instruction 7, item B)
- C. Net income (if net loss, enter as item 3)
- D. Income wholly exempt from Federal income tax

Deductions:
- 1. (a) Total cash distributed to shareholders
- 2. Amount disallowed as deduction by section 24 (a) (5) of 1936 or 1938 Act
- 3. Excess of deductions allowable over gross income and claimed on income-tax return

**Total additions**

**Total deductions**

**ADJUSTED VALUE**

---

**SCHEDULE II. ANALYSIS OF CHANGES IN CAPITAL STOCK AND SURPLUS**

(See instruction 8, page 10)

<table>
<thead>
<tr>
<th>Capital Stock and Surplus at beginning of year</th>
<th>Deductions—Capital transactions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Capital stock: Preferred</td>
<td>12. Distributions to shareholders (items 1 (a) and (b), Schedule I)*:</td>
</tr>
<tr>
<td>Common</td>
<td>(a) Earnings or profits $</td>
</tr>
<tr>
<td>2. Capital or paid-in surplus</td>
<td>(b) Liquidating x x x x x</td>
</tr>
<tr>
<td>3. Surplus reserves</td>
<td>(c) Other</td>
</tr>
<tr>
<td>4. Surplus and undivided profits</td>
<td>13. Enter class and amount of distributions in corporation's own stock:</td>
</tr>
<tr>
<td></td>
<td>x x x x x</td>
</tr>
<tr>
<td>Additions—Capital transactions</td>
<td>14. Other deductions (to be detailed):</td>
</tr>
<tr>
<td>5. Total cash and fair market value of property paid in for stock or shares (total of items A (1) and A (2), Schedule I) *</td>
<td></td>
</tr>
<tr>
<td>6. Paid-in surplus and contributions to capital (item B, Schedule I) *</td>
<td></td>
</tr>
<tr>
<td>7. Other additions (to be detailed)</td>
<td>15. Excess of deductions allowable over gross income and claimed on income-tax return (item 3, Schedule I)</td>
</tr>
<tr>
<td></td>
<td>16. Deductions disallowed by sec. 24 (a) (5), 1936 or 1938 Act (item 2, Schedule I)</td>
</tr>
<tr>
<td></td>
<td>17. Other deductions (to be detailed)</td>
</tr>
<tr>
<td>Additions—Revenue transactions</td>
<td>18. Capital stock: Preferred</td>
</tr>
<tr>
<td>8. Net income (item C, Schedule I)</td>
<td>19. Capital or paid-in surplus</td>
</tr>
<tr>
<td>9. Income wholly exempt from income tax (item D, Schedule I)</td>
<td>20. Surplus reserves</td>
</tr>
<tr>
<td>10. Excess of deduction for depletion (same as item E, Schedule I)</td>
<td>21. Surplus and undivided profits</td>
</tr>
<tr>
<td>11. Other additions (to be detailed)</td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL** $  

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* Enter values shown by the books and, if different from values entered in Schedule I, explain difference.
1939 RETURN OF CAPITAL-STOCK TAX
For Year Ending June 30, 1939
DOMESTIC CORPORATIONS
(Chapter 6, Internal Revenue Code, as amended)
This return must be filed, in triplicate, and received with remittance by the Collector for your district on or before the due date. (See instruction 20, page 10.)

To be stamped above by Collector, showing district and date received

1. Name..................................................................................................................................................
   (Print name of corporation, joint-stock company, or association)

2. Address..................................................................................................................................................
   (The address must be that of the principal place of business. Give "street and number", "city or town," and "State")

3. Incorporated or organized in State of ..................................................................................................
   Month ....................................... Day ....................................... Year ..................................

4. Was a 1938 capital-stock tax return filed? ________ Name under which filed. (If different, attach statement explaining fully.)
   ____________________________

5. Date of close of last income-tax year ended prior to July 1, 1939 ..........................................................
   Name under which filed ..........................................................................................................................

   If the corporation is newly organized and has not established an income-tax year, state date of organization ________________

6. Nature of business in detail....................................................................................................................

7. Name of parent company, if any ..........................................................................................................
   (District ________________________)

8. Name of subsidiary, if any ....................................................................................................................
   No. shares held ____________________________
   (District ________________________)
   (If more than one, attach list and state number of shares held by parent; also districts where filed)

9. DECLARED VALUE OF CAPITAL STOCK $ __________
   Corporations enumerated in instruction 10 on page 10 must report a definite and unqualified declared value in this block. (See also instructions 11 to 13.) (Do not use this block for elective declaration year—see block 10 below.)

   ADJUSTED VALUE—ELECTIVE DECLARED VALUE

Corporations described in instruction 5 on page 9 MUST complete Schedules I and II and enter the adjusted value (last item in Schedule I) in Part A of this block. Any corporation of this class may elect to declare, and pay tax on, a value in excess of the adjusted value. If such election is made, a definite and unqualified value MUST be entered in Part B of this block. (See instructions 14 and 15.)

10. PART A ADJUSTED VALUE OF CAPITAL STOCK $ __________
    (Last item of Schedule I, page 2)

    PART B ELECTIVE DECLARED VALUE OF CAPITAL STOCK (Any amount declared below must be in excess of adjusted value disclosed by Schedule I) $ __________

11. EXEMPTIONS.—The law provides for exemption from the tax only on the grounds indicated below. Corporations claiming exemption must (1) complete block 9 or 10 above whichever is applicable, (2) check the appropriate block below, and (3) submit with the return the evidence specified under the block checked.

   □ Corporation exempt from income tax under section 101, Internal Revenue Code. Furnish information required by instruction 17.
   □ Insurance company subject to tax under section 201, 204, or 207, Internal Revenue Code. State which section __________________________
   □ Corporation not doing business. Furnish information required by instruction 19.

   COMPETITION OF TAX FOR USE OF TAXPAYER FOR USE OF DEPARTMENT

12. Taxable value reported in item 9 or 10 $ __________ $ __________

13. Tax at rate of $1 for each full $ 1,000 in item 12 (omit cents) __________ $ __________ $ __________

14. Penalty of _______ percent for delinquency in filing return __________________________

15. Interest at 6 percent per annum __________________________

16. Total tax, penalty, and interest __________________________
The schedules on this page must be completed by every corporation which established a declared value in its capital stock tax return for the year ended June 30, 1938, even though, under section 1202 (c) of the Code, as amended, the corporation elects to make a new declared value. See instructions 5 to 9, inclusive, 14, and 15.

**SCHEDULE I. STATUTORY ADJUSTMENTS FOR TRANSACTIONS DURING INCOME-TAX YEAR ENDED DECEMBER 31, 1938, OR INCOME-TAX FISCAL YEAR ENDED --------------------, 19-----**

Declared value established by the return for the taxable year ended June 30, 1938

Additions:

<p>| | | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL BEFORE DEDUCTIONS**

Deductions:

1. (a) Total cash distributed to shareholders (see instruction 7, item 1) $ 
2. (b) Fair market value of all property distributed to shareholders (see instruction 7, item 1) $ 
3. Amount disallowed as deduction by section 24 (a) (5) of 1936 or 1938 Act (see instruction 7, item 2) $ 
4. Excess of deductions allowable over gross income and claimed on income-tax return (see instruction 7, item 3) $ 

**ADJUSTED VALUE**

---

**SCHEDULE II. ANALYSIS OF CHANGES IN CAPITAL STOCK AND SURPLUS**

(See instruction 8, page 10)

**Capital and Surplus at beginning of year**

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Capital stock: Preferred $</td>
<td>Common</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Capital or paid-in surplus</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Surplus reserves</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Surplus and undivided profits</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Additions—Capital transactions**

5. Total cash and fair market value of property paid in for stock or shares (total of items A (1) and A (2), Schedule I) $ 
6. Paid-in surplus and contributions to capital (item B, Schedule I) $ 
7. Other additions (to be detailed) $ 

**Deductions—Capital transactions**

12. Distributions to shareholders (items 1 (a) and (b), Schedule I)*: 
   (a) Earnings or profits $ 
   (b) Liquidating $ 
   (c) Other $ 
13. Enter class and amount of distributions in corporation's own stock: $ x x x x x 
14. Other deductions (to be detailed) $ 

**Additions—Revenue transactions**

8. Net income (item C, Schedule I) $ 
9. Income wholly exempt from income tax (item D, Schedule I) $ 
10. Excess of deduction for depletion (same as item E, Schedule I) $ 
11. Other additions (to be detailed) $ 

**Deductions—Revenue transactions**

15. Excess of deductions allowable over gross income and claimed on income-tax return (item 3, Schedule I) $ 
16. Deductions disallowed by sec. 24 (a) (5), 1936 or 1938 Act (item 2, Schedule I) $ 
17. Other deductions (to be detailed) $ 

**Capital Stock and Surplus at end of year**

18. Capital stock: Preferred $ 
19. Capital or paid-in surplus $ 
20. Surplus reserves $ 
21. Surplus and undivided profits $ 

**TOTAL** $ 

* Enter values shown by the books and, if different from values entered in Schedule I, explain difference.
1. Name  
2. Address  
3. Incorporated or organized in State of  
4. Was a 1938 capital-stock tax return filed?  
5. Date of close of last income-tax year ended prior to July 1, 1939  
6. Nature of business in detail  
7. Name of parent company, if any  
8. Name of subsidiary, if any  
9. DECLARED VALUE OF CAPITAL STOCK  
10. ADJUSTED VALUE—ELECTIVE DECLARED VALUE  
11. EXEMPTIONS.  
12. Taxable value reported in item 9 or 10  
13. Tax at rate of $1 for each full $1,000 in item 12 (omit cents)  
14. Penalty of ______ percent for delinquency in filing return  
15. Interest at 6 percent per annum  
16. Total tax, penalty, and interest
The schedules on this page must be completed by every corporation which established a declared value in its capital stock tax return for the year ended June 30, 1938, even though, under section 1202 (e) of the Code, as amended, the corporation elects to make a new declared value. See instructions 5 to 9, inclusive, 14, and 15.

### SCHEDULE I. STATUTORY ADJUSTMENTS FOR TRANSACTIONS DURING INCOME-TAX YEAR ENDED DECEMBER 31, 1938, OR INCOME-TAX FISCAL YEAR ENDED __________________________, 19_____

Declared value established by the return for the taxable year ended June 30, 1938

**Additions:**

1. Total cash paid in for stock or shares (see instruction 7, item A)
2. Fair market value of all property paid in for stock or shares (see instruction 7, item A)
3. Excess of deductions allowable over gross income and claimed on income-tax return (see instruction 7, item 3)
4. Income wholly exempt from Federal income tax (see instruction 7, item D)
5. Total cash and fair market value of property paid in for stock or shares (total of items A (1) and A (2), Schedule I)
6. Paid-in surplus and contributions to capital (item B, Schedule I)
7. Other additions (to be detailed)

**Deductions:**

1. Total cash distributed to shareholders (see instruction 7, item 1)
2. Amount disallowed as deduction by section 24 (a) (5) of 1936 or 1938 Act (see instruction 7, item 2)
3. Excess of deductions allowable over gross income and claimed on income-tax return (see instruction 7, item 3)

**Total additions**

**Total deductions**

**TOTAL BEFORE DEDUCTIONS**

**ADJUSTED VALUE** (enter in Part A of block 10, page 1)

### SCHEDULE II. ANALYSIS OF CHANGES IN CAPITAL STOCK AND SURPLUS

(See instruction 8, page 10)

**Capital Stock and Surplus at beginning of year**

1. Capital stock: Preferred
2. Capital or paid-in surplus
3. Surplus reserves
4. Surplus and undivided profits

**Additions—Capital transactions**

5. Total cash and fair market value of property paid in for stock or shares (total of items A (1) and A (2), Schedule I)
6. Paid-in surplus and contributions to capital (item B, Schedule I)
7. Other additions (to be detailed)

**Deductions—Capital transactions**

12. Distributions to shareholders (items 1 (a) and (b), Schedule I):
   (a) Earnings or profits
   (b) Liquidating
   (c) Other

13. Enter class and amount of distributions in corporation's own stock:

14. Other deductions (to be detailed)

**Deductions—Revenue transactions**

15. Excess of deductions allowable over gross income and claimed on income-tax return (item 3, Schedule I)
16. Deductions disallowed by sec. 24 (a) (5), 1936 or 1938 Act (item 2, Schedule I)
17. Other deductions (to be detailed)

**Capital Stock and Surplus at end of year**

18. Capital stock: Preferred
19. Capital or paid-in surplus
20. Surplus reserves
21. Surplus and undivided profits

**TOTAL**

---

* Enter values shown by the books and, if different from values entered in Schedule I, explain difference.
CHAPTER 6, Internal Revenue Code, As Amended, Capital-Stock Tax

SECTION 1200. TAX

(a) Domestic corporations.—For each year ending June 30, 1939, there shall be imposed upon every domestic corporation with respect to carrying on or doing business for any part of such year an excise tax of $1 for each $1,000 of the adjusted declared value of its capital stock.

* * * * * * * * *

SECTION 1201. EXEMPTIONS

(a) The taxes imposed by section 1200 shall not apply—

(1) Corporations exempt from income tax.—To any corporation enumerated in section 101.

(2) Insurance companies.—To any insurance company subject to the tax imposed by section 201, 204, or 207.

(b) Common trust funds.—For exemption of common trust funds from the capital-stock tax, see section 196 of this chapter.

(NOTE.—The exemption for common trust funds relates only to a fund maintained by a bank.)

SECTION 1202. ADJUSTED DECLARED VALUE

(a) Declaration Year.—

(1) The adjusted declared value shall be determined with respect to 3-year periods beginning with the year ending June 30, 1938, and each third year thereafter. The first year of each such 3-year period, or, in case of a corporation not subject to the tax imposed for such year, the first year of such 3-year period for which the corporation is subject to such tax, shall constitute a “declaration year.”

(2) For the declaration year of the first 3-year period the adjusted declared value shall be the value as declared by the corporation in its return under section 601 of the Revenue Act of 1938, 52 Stat. 565, for the year ended June 30, 1938, or, in the case of a corporation not subject to the tax imposed for such year, the amount of such corporation’s first return filed under this chapter for the declaration year with respect to which it is subject to the tax. For each subsequent 3-year period, the adjusted declared value for a declaration year shall be the value as declared by the corporation in the adjusted declaration year. The value declared by a corporation in its return for a declaration year (which declaration of value cannot be amended) shall be as of the close of its last income-tax taxable year ending with or prior to the close of such declaration year (or as of the date of organization in any case a corporation having no income-tax taxable year ending with or prior to the close of such declaration year).

(b) Subsequent years.—

(1) Domestic corporations.—For each year of any 3-year period subsequent to the declaration year, the adjusted declared value in the case of a domestic corporation shall be the value declared in the return for the declaration year plus—

(A) the cash, and the fair market value of property, paid in for stock or shares,

(B) paid-in surplus and contributions to capital,

(C) its net income,

(D) its income wholly exempt from Federal income tax, and

(E) the amount of deductions allowed as a deduction in accordance with section 24 (a) (5) of chapter 1 or a corresponding provision of a later Revenue Act; and minus—

(i) the cash, and the fair market value of property, distributed to shareholders,

(ii) the amount disallowed as a deduction by section 24 (b), (c), (d), or (e) of chapter 1 or a corresponding section of a later Revenue Act;

and minus—

(i) the cash, and the fair market value of property, distributed to shareholders,

(ii) the amount disallowed as a deduction in accordance with section 24 (a) (5) of chapter 1 or a corresponding provision of a later Revenue Act; and minus—

and minus—

(i) the cash, and the fair market value of property, distributed to shareholders,

(ii) the amount disallowed as a deduction in accordance with section 24 (a) (5) of chapter 1 or a corresponding provision of a later Revenue Act; and minus—

and minus—

and minus—

and minus—

(c) Corporations in bankruptcy or receivership.—The capital-stock tax year beginning with or without an income-tax taxable year within which bankruptcy or receivership, due to insolvency, of a domestic corporation is terminated shall constitute a declaration year. In such case the adjusted declared value for any subsequent year of the 3-year period shall be determined on the basis of the value declared in the return for such declaration year.

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SECTION 1203. RETURNS

(a) Requirement.—Every corporation liable for tax under section 1200 shall make a return on oath. Such return shall contain such information and be made in such manner as the Commissioner, with the approval of the Secretary, may by regulations prescribe.

(b) Time of filing.—

(1) General rule.—Such return shall be made within 1 month after the close of the year with respect to which such tax is imposed.

(2) Extension of time.—The Commissioner may extend the time for making the returns, under such rules and regulations as he may prescribe with the approval of the Secretary, but no such extension shall be for more than 60 days.

(c) Place of filing.—The return shall be made to the collector for the district in which is located the principal place of business of the corporation, or, if it has no principal place of business in the United States, then to the collector at Baltimore, Md.

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SECTION 1205. PAYMENT OF TAX

(a) Time of payment.—The tax shall, without assessment by the Commissioner or notice from the collector, be due and payable to the collector before the expiration of the period for filing the return.

(b) Extension of time.—The Commissioner may extend the time for paying the taxes imposed by section 1200, under such rules and regulations as he may prescribe with the approval of the Secretary, but no such extension shall be for more than 60 days.

SECTION 1206. ADDITION TO THE TAX IN CASE OF DELINQUENCY

If the tax is not paid when due, there shall be added as part of the tax interest at the rate of 6 per cent per annum from the time when the tax became due until paid.

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Chapter 2, Subchapter B. Excess Profits Tax

SECTION 600. RATE OF TAX

If any corporation is taxable under section 1200 with respect to any year ending June 30, 1939, there shall be imposed upon its net income for the income-tax taxable year ending after the close of such year an excess-profits tax equal to the sum of the following:

1. The excess of 10 per centum and not in excess of 15 per centum of the adjusted declared value;

2. 12 per centum of the excess of net income for such income-tax taxable year as is in excess of 10 per centum and not in excess of 15 per centum of the adjusted declared value.

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INSTRUCTIONS

The chapters and sections of the law mentioned throughout these instructions, unless otherwise stated, refer to sections of the Internal Revenue Code in which are consolidated all internal revenue laws (including section 601 of the Revenue Act of 1938 imposing the capital-stock tax) which were in force on the 2nd day of January 1939. The Code was enacted February 10, 1939, and is applicable with respect to the capital-stock tax for the year ending June 30, 1939.

RETURN

1. (a) Every domestic corporation (including an association, common-law trust, and any other organization which is required to file income-tax returns as a corporation) which was in existence during the period July 1, 1938, to June 30, 1939, or any fractional part thereof, must, unless specifically exempted, file a capital-stock tax return in triplicate with the collector for the district in which is located its principal place of business. The return must be complete in every respect, including either a declared value or an adjusted value. So-called parent and subsidiary corporations must each submit a separate return.

(b) If at the time for filing a return all the property of a corporation is in custody of a receiver (including a trustee in bankruptcy or other like representative), a return shall be filed by the receiver. In such case, if the property of the corporation was under the control of the receiver during the entire year July 1, 1938, to June 30, 1939, no value will be required to be shown on the return, but, in lieu of such value, the receiver should attach a statement to the return showing the date on which the property came into his custody and whether his custody was continuous thereafter.

2. For corporations required to compute and report an adjusted value, see instructions under the heading “ADJUSTED VALUE.”

3. For corporations required to report a declared value, see instructions under the heading “DECLARED VALUE.”

4. For corporations claiming exemption, see instructions under the heading “EXEMPTIONS.”

ADJUSTED VALUE

5. Every corporation created prior to July 1, 1938, which was not granted exemption from the capital-stock tax for the year ended June 30, 1938, must compute and report an adjusted value on this return, unless by reason of termination of bankruptcy or receivership the corporation comes within the rule specified in instruction 10 (c). In the case of a corporation which was organized during the period July 1, 1938, to June 30, 1939, as an additional declaration year under section 1202 (e), the adjusted value must, nevertheless, be computed. (See instructions 14 and 15.)

6. The adjusted value must be determined by making the adjustments provided for in section 1202 (b) (1). The adjustments must be confined to transactions during the income-tax taxable year ending subsequent to June 30, 1938, and on or prior to June 30, 1939. Thus, if the income-tax return was filed for the calendar year 1938, the adjustments must reflect the transactions during such fiscal year. Only adjustments provided for by the law, reflecting transactions during the applicable income-tax taxable year may be made.

7. The adjusted value must be computed in Schedule I of the return by making the following additions to and deductions from the declared value established for the year ended June 30, 1938.

ADDITIONS

Item A. If cash was paid in during the income-tax taxable year for stock or shares of the corporation, the total amount of the cash paid in by the stockholders shall be entered as item A (1). If a corporation pays a liability by issuing stock therefor, the amount of the liability so paid shall be included as an item A (1). Property other than cash or shares received for stock or shares, enter as item A (2) the fair market value of such property as of the date paid in and attach a statement describing the property and explaining how the value was determined. If property was acquired in connection with a reorganization, full particulars as to the corporations involved, the plan of reorganization, and other details of the transaction should also be submitted.

Item B. If any cash or property was acquired during the income-tax taxable year as paid-in surplus or contribution to capital, whether received from shareholders or from others, the total amount of the cash and fair market value of the property so acquired will be entered as item B. It shall be assumed that the item B was entered as paid-in surplus unless specifically exempted under any law as required with respect to item A (2) must be submitted.

Item C. If the income-tax return was filed for the calendar year 1938 or for a fiscal year ending from January to June, 1939, inclusive, the amount to be entered as item C will be the net income as reported under item 30, page 1, of Form 1120 or 1120A. A corporation which files its return for a fiscal year ending from July to December, 1938, will enter as its net income under item C the amount reported under item 31, Schedule A, page 2, plus any amount entered under item 30 of the income-tax return. All adjustments affecting under section 1202 (e) the net income reported on the tax return showing the corporation’s interest in obligations of the United States not exempt from excess-profits tax, are to be considered as affecting the net income entered under item C. In case a report, see instructions under “DEDUCTIONS,” item 3.
EXEMPTIONS

16. Corporations claiming exemption from the capital-stock tax.—Three classes of corporations may elect under section 1201 of the Code (for that purpose) to be exempt from the capital-stock tax: (1) corporations enumerated in section 101; (2) insurance companies subject to income tax under sections 201, 204, or 207; and (3) corporations not carrying on or doing business at any time during the period July 1, 1938, to June 30, 1939.

17. Exemption as a corporation enumerated in section 101.—The exemption from the capital-stock tax under section 1201 (a) (1) as a corporation enumerated in section 101 must be established by an official ruling, unless already established. For that purpose a capital-stock tax return, complete and show all transactions such as purchases, orders, commitments, sales, agreements, contracts (including contracts of employment), acquisitions of property for stock of the corporation, and (3) the latest financial statement showing the assets, liabilities, receipts, and disbursements, properly itemized. Original documents, such as leases, charters, bylaws, etc., should not be submitted as all evidence becomes a part of the records of the Bureau and, under the rules of the Department, may not be returned. The corporation, if a farmers’ cooperative organization, may elect under section 1202 (d) (2) as an insurance company subject to the tax imposed by section 201, 204, or 207 must be established by an official ruling. For that purpose a capital-stock tax return, complete in all respects, including a declared value or an adjusted value, or both (see instructions 1, 5, 10, 14, and 15), must be filed. The return must state the section under which the corporation is subject to income tax.

18. Exemption as an insurance company.—Exemption from the capital-stock tax under section 1201 (c) (2) as an insurance company subject to income tax under sections 201, 204, or 207 must be established by an official ruling. For that purpose a capital-stock tax return, complete in all respects, including a declared value or an adjusted value, or both (see instructions 1, 5, 10, 14, and 15) must be filed. The corporation must complete and show all transactions such as purchases, orders, commitments, sales, agreements, contracts (including contracts of employment), acquisitions of property for stock of the corporation, and (3) the latest financial statement showing the assets, liabilities, receipts, and disbursements, properly itemized. Original documents, such as leases, charters, bylaws, etc., should not be submitted as all evidence becomes a part of the records of the Bureau and, under the rules of the Department, may not be returned.

19. Exemption as not doing business.—A corporation which claims exemption on the ground that it is not carrying on or doing business at any time during the year ended June 30, 1939, must file a return, complete in all respects, including a declared value or an adjusted value, or both (see instructions 1, 5, 10, 14, and 15), even though exemption was allowed for the prior taxable year. In every instance the claim for exemption must be supported by an affidavit of one of the responsible officers having knowledge of the facts, in which the following information must be set forth: (a) A general statement of the operations prior to July 1, 1938, and a detailed statement of the operations for the period from July 1, 1938, to June 30, 1939.

20. Penalties and interest.—Failure to file a return on or before July 31, 1939 (or the expiration of a period of extension), causes to accrue the following graduated scale of penalties: 6 percent of the amount of the tax if the failure is for not more than 30 days, with an additional 5 percent for each additional 30 days, or fraction thereof, during which failure continued. Such penalties may not, however, exceed 25 percent in the aggregate. Failure to pay the tax on or before the due date causes to accrue interest at the rate of 6 percent per annum until paid. Failure to pay within the prescribed period, based on the assessment approved by the Commissioner, causes to accrue a penalty of 5 percent of the total assessment and interest at the rate of 6 percent per annum on the entire assessment from the date of the assessment to the date of the payment, in the case of gross failure to pay tax, keep records, file returns, or for false or fraudulent returns are imposed by law.

21. Signatures and verification.—The return must be signed and verified under oath or affirmation of the person or persons claiming exemption. Exemption by two officers, the president, vice president, or other executive officer, and the treasurer, assistant treasurer, or chief accounting officer, is, however, preferred. If at the time the return is required to be signed a recused or trusted representative of the property or business of the corporation, such officer shall execute the return of such corporation.