1940 RETURN OF CAPITAL-STOCK TAX
For Year Ending June 30, 1940
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 July 31, 1940. (See instruction 20, page 10.)

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

---

1. Name
   (Print plainly 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 1939 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, 1940 Was an income-tax return filed for that year? 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

8. Name of subsidiary, if any No. shares held

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.)

    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.

---

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

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

14. Penalty of percent for delinquency in filing return

15. Interest at 6 percent per annum beginning Aug. 1, 1940

16. Total tax, penalty, and interest

We, the undersigned
   (Print plainly name of president, vice president, or principal official)
   (Title)

and
   (Print plainly 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), as amended.

Sworn to and subscribed before me this day of , 19__

NOTARIAL SEAL
   (Signature of officer administering oath)

CORPORATE SEAL
   (Signature)

(Official capacity)

(Title)

(Title)

16–15089
SCHEDULE I. STATUTORY ADJUSTMENTS FOR TRANSACTIONS DURING INCOME-TAX YEAR ENDED

DECEMBER 31, 1939, OR INCOME-TAX FISCAL YEAR ENDED ________________________, 19____

Value established for the taxable year ended June 30, 1939 (see instruction 7) $__________________________

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 C) (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 applicable income-tax law (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 the applicable income-tax law (see instruction 7, item 2) (attach itemized statement) $__________________________

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)

<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 $__________________</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: $__________________ x x x x x</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) $__________________

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) $__________________

Total $__________________

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) of income-tax law (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 $__________________

---

*The amounts entered in items 1, 2, 3, and 4 under this heading should correspond to those entered in items 18, 19, 20, and 21 of Schedule II of the return filed for the previous year ended June 30, 1939. If different, submit explanation.

**Enter values shown by the books and, if different from values entered in Schedule I, explain difference.
1. Name
   (Print plainly 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 1939 capital-stock tax return filed? __________ Name under which filed. (If different, attach statement explaining fully.) __________
   (District ___________)

5. Date of close of last income-tax year ended prior to July 1, 1940 __________ Was an income-tax return filed for that year? __________ Name under which filed __________
   (District ___________)
   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 __________
   (If more than one, attach list and state number of shares held by parent; also districts where filed)
   (District ___________)

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.

12. Taxable value reported in item 9 or 10 __________
    For Use of Taxpayer __________
    For Use of Department __________

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

14. Penalty of ________ percent for delinquency in filing return __________

15. Interest at 6 percent per annum __________

16. Total tax, penalty, and interest __________

DUPLICATE
The schedules on this page must be completed by every corporation except those falling within one of the four classes enumerated in Instruction 10, even though the corporation elects, under section 1202 (e) of the Code, to make a new declared value. (See Instructions 5 to 9, inclusive, and 14 and 15.)

SCHEDULE I. STATUTORY ADJUSTMENTS FOR TRANSACTIONS DURING INCOME-TAX YEAR ENDED DECEMBER 31, 1939, OR INCOME-TAX FISCAL YEAR ENDED ........................................... 19

Value established for the taxable year ended June 30, 1939 (see instruction 7) ........................................... $.................................

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 applicable income-tax law (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 the applicable income-tax law (see instruction 7, item 2) (attach itemized statement) ........................................... $.................................

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) ........................................... $.................................

TOTAL........................................... $.................................

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) of income-tax law (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........................................... $.................................

*The amounts entered in items 1, 2, 3, and 4 under this heading should correspond to those entered in items 18, 19, 20, and 21 of Schedule II of the return filed for the previous year ended June 30, 1939. If different, submit explanation.

**Enter values shown by the books and, if different from values entered in Schedule I, explain difference.
1940 RETURN
OF
CAPITAL-STOCK TAX
For Year Ending June 30, 1940
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 July 31, 1940. (See instruction 20, page 10.)

1. Name ____________________________________________________________
   (Print plainly 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 1939 capital-stock tax return filed? ______
   Name under which filed. (If different, attach statement explaining fully.)
   __________ Name under which filed __________________________
   (District __________________________)

5. Date of close of last income-tax year ended prior to July 1, 1940
   __________ Name under which filed __________________________
   Was an income-tax return filed for
   that year? ______
   Name under which filed __________________________
   (District __________________________)

   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 instruc-
   tions 14 and 15.)

   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.

Computation of Tax

| 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) | x x x x |
| 14. Penalty of ______ percent for delinquency in filing return | x x x x |
| 15. Interest at 6 percent per annum | |
| 16. Total tax, penalty, and interest | |

COLLECTOR'S COPY

Page 5
The schedules on this page must be completed by every corporation except those falling within one of the four classes enumerated in instruction 10, even though the corporation elects, under section 1202 (e) of the Code, 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, 1939, OR INCOME-TAX FISCAL YEAR ENDED**

---

**Value established for the taxable year ended June 30, 1939** (see instruction 7) .................................................. $ ..................................................

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 applicable income-tax law (see instruction 7, item E) .................................................. $

Total additions: .................................................................................................................. $ ..................................................

---

**DEDUCTIONS**

**TOTAL BEFORE 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 the applicable income-tax law (see instruction 7, item 2) (attach itemized statement) .................................................. $

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) of income-tax law (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 ........................................................................................................

---

*The amounts entered in items 1, 2, 3, and 4 under this heading should correspond to those entered in items 19, 19, 20, and 21 of Schedule II of the return filed for the previous year ended June 30, 1939. If different, submit explanation.

**Enter values shown by the books and, if different from values entered in Schedule I, explain difference.

---

Page 6
1. Name

(Print plainly 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 1939 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, 1940 ____________________________ Was an income-tax return filed for that year? ________ Name under which filed ____________________________ (District ________)

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.)

<table>
<thead>
<tr>
<th>ADJUSTED VALUE—ELECTIVE DECLARED VALUE</th>
<th>PART A</th>
<th>PART B</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>
<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>$_________</td>
<td>$_________</td>
</tr>
</tbody>
</table>

10. 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 x</td>
<td>x 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>
The schedules on this page must be completed by every corporation except those falling within one of the four classes enumerated in instruction 10, even though the corporation elects, under section 1202 (e) of the Code, to make a new declared value. (See instructions 5 to 9, inclusive, and 14 and 15.)

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

**DECEMBER 31, 1939, OR INCOME-TAX FISCAL YEAR ENDED** ........................................, 19

Value established for the taxable year ended June 30, 1939 (see instruction 7) ............................................................ $...................

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 applicable income-tax law (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 the applicable income-tax law (see instruction 7, item 2) (attach itemized statement) ..........................................................

   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) ....................................................
      ...................................................
      ...................................................

   Total .......................................................... $...................

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) ....................................................

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) of income-tax law (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 .......................................................... $...................

*The amounts entered in items 1, 2, 3, and 4 under this heading should correspond to those entered in items 18, 19, 20, and 21 of Schedule II of the return filed for the previous year ended June 30, 1938. If different, submit explanation.

**Enter values shown by the books and, if different from values entered in Schedule I, explain difference.
Section 1205. Payment of Tax

(a) Time of payment.—The tax shall, without assessment by the Commissioner of Internal Revenue, be paid at the time the tax is payable to the collector before the expiration of the period of time for filing the return.

(b) Extension of time.—The Commissioner may extend the time for paying the tax, by proper written order in the case of a corporate taxpayer, or by proper written order in the case of a noncorporate taxpayer, as he shall deem just; but such order shall be accompanied by the approval of the Secretary of the Treasury, and in case of corporate taxpayers, by the approval of the Secretary of Commerce, and such order shall in all cases be issued not later than sixty days after the time fixed for the return.

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 centum per annum from the time when the tax became due until paid.

Chapter 2, Subchapter B, Excess-Profit Tax

Section 605. Rate of Tax

If any corporation is subject to section 1201, with respect to any year ending during the period of time specified in section 1203, the excess-profit income of the corporation for such year, as determined under section 1203, shall be subject to the excess-profit tax at the rate of 6 per centum, 12 per centum, or 18 per centum of such income, as the case may be.

Instructions

The sections of the law mentioned throughout these instructions, unless otherwise stated, refer to sections of the Internal Revenue Code which are consolidated into the internal revenue laws (including section 601 of the Revenue Act of 1938) imposing the capital stock tax which were in force on the 2d of January, 1940, and were applicable with respect to the capital stock tax for the year ending June 30, 1940.

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, and which is subject to tax according to the income-tax law applicable to corporations) shall compute and pay the tax for each year ending during the calendar year 1940, or any fractional part thereof, whether or not specifically exempt, at the rate of 6 per centum per annum on its net income for the income-tax taxable year ending during such year.

(b) If the time for filing a return all the property of a corporation is in the custody of a receiver (including trustee in bankruptcy or other like receiver), the corporation shall compute and pay the tax for the year ending during such year on the net income of the corporation, including any income from property over which it has control as of the date of the order appointing the receiver, and not later than one month after the date of appointment, and the tax shall be paid or satisfied by the receiver in the same manner as for the return of a corporate taxpayer.

(c) If the return is made by the corporation and the tax is paid or satisfied by the corporation, it shall be computed and paid in the same manner as for a corporate taxpayer, except that the corporation shall not be required to file a return for the year ending during such year on the net income of the corporation, including any income from property over which it has control as of the date of the order appointing the receiver, and not later than one month after the date of appointment, and the tax shall be paid or satisfied by the receiver in the same manner as for a corporate taxpayer.

(d) If the time for filing a return all the property of a corporation is in the custody of a receiver (including trustee in bankruptcy or other like receiver), the corporation shall compute and pay the tax for the year ending during such year on the net income of the corporation, including any income from property over which it has control as of the date of the order appointing the receiver, and not later than one month after the date of appointment, and the tax shall be paid or satisfied by the receiver in the same manner as for a corporate taxpayer.

2. For corporations required to compute and report an adjusted value, see instructions under the heading "ADJUSTED VALUE.—MANDATORY." For corporations electing under section 1205 (e) to report a new declared value, see instructions under the heading "DECLARED VALUE.—ELECTIVE.

3. 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 for the years ended June 30, 1938, and June 30, 1939, and every corporation created during the calendar year 1939, which was not granted exemption for the years ended June 30, 1939, and June 30, 1940, shall compute an adjusted value for the year ending June 30, 1940, and report that value in the return for the year ending June 30, 1940.

6. The adjusted value must be determined by making the adjustments provided for in section 1205 (e) to the net income of the corporation for the year ending June 30, 1940, and must be reported in the return for the year ending June 30, 1940.

7. The adjusted value must be computed in Schedule I of the return by making the following additions to and deductions from the value established for the year ending June 30, 1939, by the adjustments made by the corporation for the year ending June 30, 1939.

Additional

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 shall be entered as an adjustment to the value of stock or shares of the corporation.

Item B. The total amount of cash and the fair market value of property acquired during the income-tax taxable year as paid-in surplus or contributions to capital shall be entered as an adjustment to the value of stock or shares of the corporation.

Item C. The amount to be entered as item C will be the net income as reported under section 1205 (e), page 1 of Form 1120 or 1124A. In case of a net loss, see instructions under "DEDUCTIONS," item 5.
EXEMPTIONS

16. Corporations claiming exemption from the capital-stock tax.—Three classes of corporations (or organizations) are entitled to exemption from the capital-stock tax; namely: (1) those listed in section 101 and 102 and subject to income tax under section 201, 204, or 207; and (2) corporations not carrying on any business at any time during the period July 1, 1939, to June 30, 1940.

17. Exemption as a corporation enumerated in section 101.—A mere claim or certification by a corporation (or other organization) that it is exempt from income tax under section 101 does not make it exempt from the capital-stock tax. Unless the Commissioner has determined in writing that the corporation is exempt under section 101, it shall be presumed that the corporation is not exempt. This presumption shall extend also to foreign corporations or organizations which have been registered in the United States under the provisions of any Act of Congress not inconsistent with the applicable income-tax law. The amount of depletion claimed as a deduction from the income-tax liability under section 114 (b) (2), (3), or (4) of the applicable income-tax law will be entered as item 1b.

DEDUCTIONS

1. The total amount of cash distributed to shareholders during the applicable income-tax taxable year will be entered as item 1a. If property other than cash was distributed, the shareholders shall be credited with the lower of the fair market value of the property distributed, or the adjusted basis of the property in the hands of the corporation.

2. A statement shall be made disclosing the number and classes of shares acquired and the dates of acquisition and disposition. Item 2. The total amounts disallowed by section 24 (a) (5) of the applicable income-tax law as deductions in the computation of net income will be entered as item 2. Deductions disallowed by other sections are not to be included. An itemized statement of the amounts included in this deduction must be attached.

3. If a net income was not reported on the income-tax return, the excess of the cash dividends over the net loss, item 28, Form 1120 or 1120A) will be entered as item 5. Losses and other charges to surplus not allowable as deductions, and deductions allowable but not charged to surplus, will not be included in item 3.

4. A reconciliation of changes in cash dividends and surplus accounts during the income-tax year (including the adjustments in Schedule I) must be made by each corporation. The schedule of changes in cash dividends and surplus accounts must be attached to the income-tax return, and if not attached the schedule must be included in the tax return as a separate schedule. Item 5. The total amounts disallowed by section 24 (a) (5) of the applicable income-tax law as deductions in the computation of net income will be entered as item 2. Deductions disallowed by other sections are not to be included. An itemized statement of the amounts included in this deduction must be attached.

5. A reconciliation of changes in cash dividends and surplus accounts during the income-tax year (including the adjustments in Schedule I) must be made by each corporation. The schedule of changes in cash dividends and surplus accounts must be attached to the income-tax return, and if not attached the schedule must be included in the tax return as a separate schedule. Item 5. The total amounts disallowed by section 24 (a) (5) of the applicable income-tax law as deductions in the computation of net income will be entered as item 2. Deductions disallowed by other sections are not to be included. An itemized statement of the amounts included in this deduction must be attached.

6. A statement attached to the income-tax return in support of the adjustments in Schedule I and in explanation of the entries in Schedule II should properly identify the item to which related. Such statements need not be submitted in duplicate.

DECLARED VALUE—MANDATORY

10. The following corporations are required to report a declared value on this return: (a) Every corporation created during the year July 1, 1939, to June 30, 1940. (b) Every corporation created during the year July 1, 1938, to June 30, 1939, which was granted exemption from the capital-stock tax for the year ended June 30, 1939.

19. Exemption as a corporation enumerated in section 101.—A corporation which claims exemption from the tax imposed by section 201, 204, or 207 must be supported by a statement of the circumstances under which it qualified for exemption. The return must state the section under which the corporation is subject to income tax.

21. Signatures and verification.—The return must be signed and verified under oath or affirmation by at least one of the responsible officers of the corporation. The signature of the president, the secretary, the executive officer, and the treasurer, assistant treasurer, or chief accounting officer, if any, may be verified under oath or submission to the Commissioner of the list of officers of the corporation prescribed by law. Each officer whose signature verifies the return shall execute the return of the corporation.