

Farmers' Cooperative Association Income Tax Return

For calendar year 1994 or tax year beginning _____, 1994, ending _____, 19____

1994

▶ Instructions are separate. See page 1 for Paperwork Reduction Act Notice.

A Identify below the cooperative's business activity with most total receipts (see instructions).

Please Type or Print

Name _____

Number, street, and room or suite no. (If a P.O. box, see page 4 of Instructions) _____

City or town, state, and ZIP code _____

B Employer identification number _____

C Check if a consolidated return (Attach Form 851)

D Type of cooperative
 Tax exempt (Section 521)
 Nonexempt

E Check applicable boxes: (1) Initial return (2) Final return (3) Change of address (4) Amended Return

| | | | | | | |
|---|--|--|----------------|------------|------------|--|
| Income | 1a Gross receipts or sales _____ | b Less returns and allowances _____ | c Bal ▶ | 1c | | |
| | 2 Cost of goods sold (Schedule A, line 9) | | | 2 | | |
| | 3 Gross profit. Subtract line 2 from line 1c | | | 3 | | |
| | 4a Patronage dividends and per-unit retain allocations (attach schedule) | | | 4a | | |
| | b Dividends (Schedule C, line 17) | | | 4b | | |
| | 5 Interest | | | 5 | | |
| | 6 Gross rents | | | 6 | | |
| | 7 Gross royalties | | | 7 | | |
| | 8 Capital gain net income (attach Schedule D (Form 1120)) | | | 8 | | |
| | 9 Net gain or (loss) from Form 4797, Part II, line 20 (attach Form 4797) | | | 9 | | |
| | 10 Other income (see instructions—attach schedule) | | | 10 | | |
| 11 Total income. Add lines 3 through 10 | | | 11 | | | |
| Deductions (See instructions for limitations on deductions.) | 12 Compensation of officers (Schedule E, line 4) | | | 12 | | |
| | 13 Salaries and wages (less employment credits) | | | 13 | | |
| | 14 Repairs and maintenance | | | 14 | | |
| | 15 Bad debts | | | 15 | | |
| | 16 Rents | | | 16 | | |
| | 17 Taxes and licenses | | | 17 | | |
| | 18 Interest | | | 18 | | |
| | 19 Charitable contributions (see instructions for 10% limitation) | | | 19 | | |
| | 20 Depreciation (attach Form 4562) | 20 | | | | |
| | 21 Less depreciation claimed in Schedule A and elsewhere on return. | 21a | | | 21b | |
| | 22 Depletion | | | 22 | | |
| | 23 Advertising | | | 23 | | |
| | 24 Pension, profit-sharing, etc., plans | | | 24 | | |
| | 25 Employee benefit programs | | | 25 | | |
| | 26 Other deductions (attach schedule) | | | 26 | | |
| | 27a Total deductions. Add lines 12 through 26 | | | 27a | | |
| | b Subtract line 27a from line 11 | | | 27b | | |
| | c Deductions and adjustments under section 1382 (Schedule H, line 4) | | | 27c | | |
| | 28 Taxable income before net operating loss deduction and special deductions. Subtract line 27c from line 27b | | | 28 | | |
| 29 Less: a Net operating loss deduction (see instructions) | 29a | | | | | |
| b Special deductions (Schedule C, line 18) | 29b | | | 29c | | |
| 30 Taxable income. Subtract line 29c from line 28. (See instructions) | | | 30 | | | |
| Tax and Payments | 31 Total tax (Schedule J, line 9) | | | 31 | | |
| | 32a 1993 overpayment credited to 1994 | 32a | | | | |
| | b 1994 estimated tax payments | 32b | | | | |
| | c Less 1994 refund applied for on Form 4466 | 32c () | | | | |
| | d Bal ▶ | 32d | | | | |
| | e Tax deposited with Form 7004 | 32e | | | | |
| | f Credit from refiguring tax for years in which nonqualified per-unit retain certificates or nonqualified written notices of allocation (redeemed this year) were issued (see instructions) | 32f | | | | |
| | g Credit for Federal tax on fuels (attach Form 4136) | 32g | | | 32h | |
| | 33 Estimated tax penalty (see page 7 of instructions). Check if Form 2220 is attached. ▶ <input type="checkbox"/> | | | 33 | | |
| | 34 Tax due. If line 32h is smaller than the total of lines 31 and 33, enter amount owed | | | 34 | | |
| 35 Overpayment. If line 32h is larger than the total of lines 31 and 33, enter amount overpaid | | | 35 | | | |
| 36 Enter amount of line 35 you want: Credited to 1995 estimated tax ▶ Refunded ▶ | | | 36 | | | |

Schedule A Cost of Goods Sold (See instructions.)

| | | | | |
|------------|--|------------|--|--|
| 1 | Inventory at beginning of year | 1 | | |
| 2 | Purchases | 2 | | |
| 3 | Cost of labor | 3 | | |
| 4 | Per-unit retain allocations paid in: | | | |
| a | Qualified per-unit retain certificates | 4a | | |
| b | Money or other property (except nonqualified per-unit certificates) | 4b | | |
| 5 | Nonqualified per-unit retain certificates redeemed this year | 5 | | |
| 6a | Additional section 263A costs (attach schedule) | 6a | | |
| b | Other costs (attach schedule) | 6b | | |
| 7 | Total. Add lines 1 through 6b | 7 | | |
| 8 | Inventory at end of year | 8 | | |
| 9 | Cost of goods sold. Subtract line 8 from line 7. Enter here and on line 2, page 1 | 9 | | |
| 10a | Check all methods used for valuing closing inventory: | | | |
| | <input type="checkbox"/> Cost <input type="checkbox"/> Lower of cost or market as described in Regulations section 1.471-4 | | | |
| | <input type="checkbox"/> Writedown of "subnormal" goods as described in Regulations section 1.471-2(c) | | | |
| | <input type="checkbox"/> Other (Specify method used and attach explanation) ▶ | | | |
| b | Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . . ▶ <input type="checkbox"/> | | | |
| c | If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO | 10c | | |
| d | Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the cooperative? <input type="checkbox"/> Yes <input type="checkbox"/> No | | | |
| e | Was there any change in determining quantities, cost, or valuations between opening and closing inventory? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," attach explanation. | | | |

Schedule C Dividends and Special Deductions (See instructions.)

| | (a) Dividends received | (b) % | (c) Deduction ((a) × (b)) |
|---|------------------------|------------------|---------------------------|
| 1 Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock) | | 70 | |
| 2 Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock) | | 80 | |
| 3 Debt-financed stock of domestic and foreign corporations (section 246A). | | See instructions | |
| 4 Dividends on certain preferred stock of less-than-20%-owned public utilities | | 42 | |
| 5 Dividends on certain preferred stock of 20%-or-more-owned public utilities | | 48 | |
| 6 Dividends from less-than-20%-owned foreign corporations and certain FSCs | | 70 | |
| 7 Dividends from 20%-or-more-owned foreign corporations and certain FSCs | | 80 | |
| 8 Dividends from wholly owned foreign subsidiaries (section 245(b)) | | 100 | |
| 9 Total. Add lines 1 through 8. See instructions for limitation | | | |
| 10 Dividends from certain FSCs subject to the 100% deduction (section 245(c)(1)). | | 100 | |
| 11 Dividends from affiliated group members subject to the 100% deduction (section 243(a)(3)) | | 100 | |
| 12 Dividends from foreign corporations not included on lines 3, 6, 7, 8, or 10 | | | |
| 13 Income from controlled foreign corporations under subpart F (attach Form 5471). | | | |
| 14 Foreign dividend gross-up (section 78) | | | |
| 15 IC-DISC and former DISC dividends not included on lines 1, 2, and/or 3 (section 246(d)). | | | |
| 16 Other dividends | | | |
| 17 Total dividends. Add lines 1 through 16. Enter here and on line 4b, page 1 ▶ | | | |
| 18 Total special deductions. Add lines 9, 10, and 11. Enter here and on line 29b, page 1 ▶ | | | |

Schedule E

Compensation of Officers (See instructions for line 12, page 1.)

Complete Schedule E only if total receipts (line 1a, plus lines 4a through 10, of page 1) are \$500,000 or more.

| (a) Name of officer | (b) Social security number | (c) Percent of time devoted to business | Percent of association's stock owned | | (f) Amount of compensation |
|---------------------|---|---|--------------------------------------|---------------|----------------------------|
| | | | (d) Common | (e) Preferred | |
| 1 | | % | % | % | |
| | | % | % | % | |
| | | % | % | % | |
| | | % | % | % | |
| | | % | % | % | |
| 2 | Total compensation of officers | | | | 2 |
| 3 | Compensation of officers claimed in Schedule A and elsewhere on return | | | | 3 |
| 4 | Subtract line 3 from line 2. Enter the result here and on line 12, page 1 | | | | 4 |

Schedule H

Deductions and Adjustments Under Section 1382 (See instructions.)

| | | | | |
|----------|--|-----------|--|--|
| 1 | Dividends paid on capital stock (section 521 cooperatives only) | 1 | | |
| 2 | Nonpatronage income allocated to patrons (section 521 cooperatives only) | 2 | | |
| 3 | Patronage dividends: | | | |
| a | Money | 3a | | |
| b | Qualified written notices of allocation | 3b | | |
| c | Other property (except nonqualified written notices of allocation) | 3c | | |
| d | Money or other property (except written notices of allocation) in redemption of nonqualified written notices of allocation | 3d | | |
| e | Other (attach schedule) | 3e | | |
| 4 | Total. Add lines 1 through 3e. Enter here and on line 27c, page 1 | 4 | | |

Schedule J

Tax Computation (See instructions.)

| | | | | |
|-----------|--|-----------|--|--|
| 1 | Check if the cooperative is a member of a controlled group (see sections 1561 and 1563) <input type="checkbox"/> | | | |
| 2a | If the box on line 1 is checked, enter the cooperative's share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order): | | | |
| | (1) \$ _____ (2) \$ _____ (3) \$ _____ | | | |
| b | Enter the cooperative's share of: | | | |
| | (1) additional 5% tax (not more than \$11,750) \$ _____ | | | |
| | (2) additional 3% tax (not more than \$100,000) \$ _____ | | | |
| 3 | Income tax | 3 | | |
| 4a | Foreign tax credit (attach Form 1118) | 4a | | |
| b | Other credits (see instructions) | 4b | | |
| c | General business credit. Enter here and check which forms are attached: | | | |
| | <input type="checkbox"/> 3800 <input type="checkbox"/> 3468 <input type="checkbox"/> 5884 | | | |
| | <input type="checkbox"/> 6478 <input type="checkbox"/> 6765 <input type="checkbox"/> 8586 <input type="checkbox"/> 8830 | | | |
| | <input type="checkbox"/> 8826 <input type="checkbox"/> 8835 <input type="checkbox"/> 8844 <input type="checkbox"/> 8845 | | | |
| | <input type="checkbox"/> 8846 <input type="checkbox"/> 8847 | 4c | | |
| d | Credit for prior year minimum tax (attach Form 8827) | 4d | | |
| 5 | Total credits. Add lines 4a through 4d | 5 | | |
| 6 | Subtract line 5 from line 3 | 6 | | |
| 7 | Recapture taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 (See instructions) | 7 | | |
| 8a | Alternative minimum tax (attach Form 4626). (See instructions) | 8a | | |
| b | Environmental tax (attach Form 4626) | 8b | | |
| 9 | Total tax. Add lines 6 through 8b. Enter here and on line 31, page 1 | 9 | | |

| Schedule L | Balance Sheets | Beginning of tax year | | End of tax year | |
|--------------------------------|---|-----------------------|-----|-----------------|-----|
| | | (a) | (b) | (c) | (d) |
| Assets | | | | | |
| 1 | Cash | | | | |
| 2a | Trade notes and accounts receivable | | | | |
| b | Less allowance for bad debts | () | | () | |
| 3 | Inventories | | | | |
| 4 | U.S. government obligations | | | | |
| 5 | Tax-exempt securities (see instructions) | | | | |
| 6 | Other investments (attach schedule) | | | | |
| 7 | Other current assets (attach schedule) | | | | |
| 8a | Buildings and other depreciable assets | | | | |
| b | Less accumulated depreciation | () | | () | |
| 9a | Depletable assets | | | | |
| b | Less accumulated depletion | () | | () | |
| 10 | Land (net of amortization) | | | | |
| 11a | Intangible assets (amortizable only) | | | | |
| b | Less accumulated amortization | () | | () | |
| 12 | Other assets (attach schedule) | | | | |
| 13 | Total assets | | | | |
| Liabilities and Capital | | | | | |
| 14 | Accounts payable | | | | |
| 15 | Mortgages, notes, bonds payable in less than 1 year | | | | |
| 16 | Other current liabilities (attach schedule) | | | | |
| 17 | Mortgages, notes, bonds payable in 1 year or more | | | | |
| 18 | Other liabilities (attach schedule) | | | | |
| 19 | Capital stock: a Preferred stock | | | | |
| | b Common stock | | | | |
| 20 | Paid-in or capital surplus | | | | |
| 21 | Patronage dividends allocated in noncash form (other than capital stock and interest-bearing obligations) | | | | |
| 22 | Per-unit retains allocated in noncash form | | | | |
| 23 | Retained earnings (Schedule M-2) | | | | |
| 24 | Less cost of treasury stock | | () | | () |
| 25 | Total liabilities and capital | | | | |

Schedule M-1 **Reconciliation of Income (Loss) per Books With Income per Return.** *Note: The cooperative is not required to complete Schedules M-1 and M-2 below if the total assets on line 13, column (d), of Schedule L are less than \$25,000.*

| | | | | | |
|---|---|--|----|--|--|
| 1 | Net income (loss) per books | | 7 | Income recorded on books this year not included in this tax return (itemize): | |
| 2 | Federal income tax | | a | Tax-exempt interest \$ | |
| 3 | Excess of capital losses over capital gains | | b | Patronage refunds \$ | |
| 4 | Income subject to tax not recorded on books this year (itemize): | | | | |
| 5 | Expenses recorded on books this year not deducted in this return (itemize): | | 8 | Deductions in this tax return not charged against book income this year (itemize): | |
| a | Depreciation \$ | | a | Depreciation \$ | |
| b | Contributions carryover \$ | | b | Contributions carryover \$ | |
| c | Travel and Entertainment \$ | | | | |
| 6 | Add lines 1 through 5 | | 9 | Add lines 7 and 8 | |
| | | | 10 | Income (loss). Line 6 less line 9 (line 28, page 1) | |

Schedule M-2 **Analysis of Unappropriated Retained Earnings per Books (Line 23, Schedule L).**

| | | | | | |
|---|--|--|---|--|--|
| 1 | Balance at beginning of year | | 5 | Distributions: a Cash | |
| 2 | Net income (loss) per books | | | b Stock | |
| 3 | Other increases (itemize): | | | c Property | |
| | | | 6 | Other decreases (itemize): | |
| | | | 7 | Add lines 5 and 6 | |
| 4 | Add lines 1, 2, and 3 | | 8 | Balance at end of year. Line 4 less line 7 | |

Schedule N Other Information. (Items 1 through 10b, apply to section 521 cooperatives only; the remaining items are applicable to all filers.) (See instructions.)

| | | Yes | No | | | Yes | No |
|----|---|-----|----|---|---|-----|----|
| 1 | Has the cooperative engaged in any activities not previously reported to the IRS? (If "Yes," attach a detailed description of these activities.) | | | <input type="checkbox"/> Method 1—Did the cooperative use the operations of members for those months that correspond to the months that make up its tax year? | | | |
| 2 | Have any changes not previously reported to the IRS been made in the cooperative's organizing or governing documents? (If "Yes," attach a copy of the changes.) | | | <input type="checkbox"/> Method 2—Did the cooperative use the tax years of members that end within its tax year? | | | |
| 3 | Number of shares of capital stock (other than nonvoting preferred) owned by— | | | <input type="checkbox"/> Method other than 1 or 2 above— Explain ▶ | | | |
| a | Producers | | | 11 | Amount of business done for the U.S. Government or its agencies. | | |
| b | Current and Active producers | | | | \$ | | |
| c | Nonproducers | | | 12 | Were patronage dividends allocated based on a written obligation in existence before the cooperative received for sale agricultural products from patrons and/or before it furnished supplies, equipment, and services to patrons? | | |
| d | Inactive producers | | | | If "Yes," attach an explanation of the obligation and whether it is in the cooperative's organizing document(s) or bylaws. | | |
| 4 | May persons other than producers acquire voting stock or otherwise become members? | | | 13 | At any time during the 1994 calendar year, did the cooperative have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank, securities, or other financial account)? If "Yes," the cooperative may have to file Form TD F 90-22.1 | | |
| 5 | Were nonmembers charged the same as members for marketing and purchasing? | | | | If "Yes," write the name of the foreign country | | |
| 6 | Were patronage dividends paid to all patrons, both member and nonmember, on the same basis? | | | 14 | Was the cooperative the grantor of or transferor to a foreign trust that existed during the current tax year, whether or not the cooperative had any beneficial interest in it? If "Yes," the cooperative may have to file Form 926, 3520, or 3520-A | | |
| 7 | Value of agricultural products marketed or handled for: | | | 15 | Tax-exempt interest received or accrued during the tax year | | |
| a | Members—(1) Actually produced by such members \$ | | | | \$ | | |
| | (2) Not actually produced by such members but marketed by them through this cooperative \$ | | | 16 | Method of accounting: a <input type="checkbox"/> Cash b <input type="checkbox"/> Accrual | | |
| b | Nonmembers—(1) Actually produced by such nonmembers \$ | | | | c <input type="checkbox"/> Other (specify) ▶ | | |
| | (2) Not actually produced by such nonmembers but marketed by them through this cooperative \$ | | | 17 | Is the cooperative a subsidiary in an affiliated group or a parent-subsidiary controlled group? | | |
| c | Nonproducers—(purchased from nonproducers for marketing by this cooperative) \$ | | | | If you checked "Yes" to 17, enter name and employer identification number of the parent corporation | | |
| 8 | Value of supplies and equipment purchased for or sold to: | | | 18 | Did any individual, partnership, corporation, estate or trust at the end of the tax year, own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c).) If yes, complete a and b below | | |
| a | Members who were producers \$ | | | | a Attach a schedule showing name and identifying number. (Do not include any information already entered in 17 above.) | | |
| b | Nonmembers who were producers \$ | | | | b Enter percentage owned ▶ | | |
| c | Nonproducers \$ | | | 19 | If the cooperative has an NOL for the tax year and is electing to forgo the carryback period, check here <input type="checkbox"/> | | |
| 9 | Does the cooperative allocate income from business done for the U. S. or its agencies to all patrons? (If "Yes," attach a statement explaining how patronage dividends are allocated (as between producer patrons and purchaser patrons).) | | | 20 | Enter the available NOL carryover from prior tax years (Do not reduce by any deduction on line 29a.) ▶ \$ | | |
| 10 | Federated cooperatives only: | | | | | | |
| a | Are all of this cooperative's member cooperatives exempt under section 521? | | | | | | |
| b | If "No," do the nonexempt member cooperatives have the same annual accounting period as this cooperative's? If "No," check the box that identifies the method that the cooperative used, or will use, to provide a common or comparable unit of time for analyzing and evaluating its operations and those of its members. (Note: The methods listed do not apply to the filing of returns or the manner in which operating results are reported by a federated cooperative and its members.) | | | | | | |

The books are in the care of ▶ Telephone No. ▶ ()
 Located at ▶

| | | | | |
|---------------------------------|--|------------|---|-----------------------------------|
| Please Sign Here | Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge. | | | |
| | Signature of officer | | Date | Title |
| Paid Preparer's Use Only | Preparer's signature | Date | Check if self-employed <input type="checkbox"/> | Preparer's social security number |
| | Firm's name (or yours if self-employed) and address | E.I. No. ▶ | | |
| | | ZIP code ▶ | | |