

1969

Identification Number 87-0273191

Mega Pressure Products and Research Corporation
2900 Iroquois Drive
Provo, Utah 84601

SCHEDULE OF OTHER DEDUCTIONS

Utilities	\$ 339.66
Supplies	850.55
Miscellaneous	<u>773.23</u>
	\$ 1,963.44

Check if a— A Consolidated return <input type="checkbox"/> B Personal Holding Co. <input type="checkbox"/> C Business Code No. (see page 7 of instructions.) 8098	Name Mega Pressure Products & Research Corp. Number and street 2900 Iroquois Drive City or town, State, and ZIP code Provo, Utah 84601	D Employer Identification No. 87-0273191 E County in which located Utah F Enter total assets from line 14, column (D), Schedule L (See instruction R) \$ 112,229
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IMPORTANT—Fill in all applicable lines and schedules. If the lines on the schedules are not sufficient, see instruction N.

GROSS INCOME	1 Gross receipts or gross sales Less: Returns and allowances	1,602.40
	2 Less: Cost of goods sold (Schedule A) and/or operations (attach schedule)	1,602.40
	3 Gross profit	
	4 Dividends (Schedule C)	
	5 Interest on obligations of the United States and U.S. instrumentalities	
	6 Other interest	118.76
	7 Gross rents	
	8 Gross royalties	
	9 Net gains (losses)—(separate Schedule D)	
	10 Other income (attach schedule)	12.00
	11 TOTAL income—Add lines 3 through 10	1,733.16
DEDUCTIONS	12 Compensation of officers (Schedule E)	
	13 Salaries and wages (not deducted elsewhere)	
	14 Repairs (do not include capital expenditures)	
	15 Bad debts (Schedule F if reserve method is used)	
	16 Rents	
	17 Taxes (attach schedule) Real Estate	507.57
	18 Interest	970.28
	19 Contributions (not over 5% of line 28 adjusted per instructions—attach schedule)	
	20 Casualty or theft losses (attach schedule)	
	21 Amortization (attach schedule) Organization expense	12.00
	22 Depreciation (Schedule G) Schedule attached	6,899.00
	23 Depletion	
	24 Advertising	
	25 (a) Pension, profit-sharing, stock bonus, annuity plans (attach Form 2950) (b) Other employee benefit plans (see instructions)	1,963.44
26 Other deductions (attach schedule)	10,352.29	
27 TOTAL deductions on lines 12 through 26	(8,619.13)	
28 Taxable income before net operating loss deduction and special deductions (line 11 less line 27)		
29 Less: (a) Net operating loss deduction (see instructions—attach schedule) (b) Special deductions (Schedule I)	(8,619.13)	
30 Taxable income (line 28 less line 29)		
TAX	31 TOTAL TAX (Schedule J)	
	32 Credits: (a) Tax deposited—Form 7004 application for extension (attach copy) (b) 1969 estimated tax payments (include 1968 overpayment allowed as a credit—do not include any "quick refund" of overpayment of 1969 estimated tax applied for on Form 4466) (c) Credit from regulated investment companies (attach Form 2439) (d) Credit for U.S. tax on nonhighway gas and lube oil (attach Form 4136)	
	33 TAX DUE (line 31 less line 32). See instruction G for tax deposit system	
	34 OVERPAYMENT (line 32 less line 31)	
	35 Enter amount of line 34 you want: Credited to 1970 estimated tax ▶ Refunded ▶	

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. If prepared by a person other than the taxpayer, his declaration is based on all information of which he has any knowledge.

CORPORATE SEAL 3/16/70 Date	<i>Richard B. Sharpe</i> Signature of officer Individual or firm signature of preparer	3700 Wilshire Blvd Los Angeles, Cal. Address	Title
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Schedule I—SPECIAL DEDUCTIONS

- 1 (a) 85% of line 1, Schedule C
 (b) 82.462% of line 2, Schedule C (Fiscal year corporations, see page 6 of instructions)
 (c) 85% of line 3, Schedule C
 (d) 100% of line 4, Schedule C
- 2 Total—May not exceed 85% of (line 28, page 1, less the sum of lines 3 and 5 of this schedule). The 85% limitation does not apply to a year in which a net operating loss occurs
- 3 100% of line 8, Schedule C
- 4 Dividends paid on certain preferred stock of public utilities (see instructions)
- 5 Western Hemisphere trade corporations (see instructions)
- 6 Total special deductions—Add lines 2 through 5. Enter here and on line 29(b), page 1

Schedule J—TAX COMPUTATION (Fiscal year corporations, see page 6 of instructions)

- 1 Taxable income (line 30, page 1)
- 2 Surtax exemption (line 1, \$25,000, or amount apportioned under section 1561, whichever is lesser)
- 3 Line 1 less line 2
- 4 (a) 22% of line 1
 (b) 26% of line 3
 (c) If multiple surtax exemption is elected under section 1562, enter 6% of line 2
- 5 (a) Income tax (line 4, or line 24 of separate Schedule D, whichever is lesser)
 (b) Tax Surcharge—10% of line 5(a)
- 6 Foreign tax credit (attach Form 1118)
- 7 Line 5 less line 6
- 8 Investment credit (attach Form 3468)
- 9 Line 7 less line 8
- 10 (a) Personal holding company tax (attach Schedule 1120 PH)
 (b) Tax Surcharge—10% of line 10(a)
- 11 Tax from recomputing a prior year investment credit (attach Form 4255)
- 12 Total tax—Add lines 9, 10, and 11. Enter here and on line 31, page 1

Schedule K—RECORD OF FORM 503 FEDERAL TAX DEPOSITS (List deposits in order of date made—See instruction G)

Serial number of Form 503	Date of deposit	Amount	Serial number of Form 503	Date of deposit	Amount	Serial number of Form 503	Date of deposit	Amount

G Date incorporated April 6, 1966H (1) Did you at the end of the taxable year own directly or indirectly 50% or more of the voting stock of a domestic corporation? Yes ☐ No ☐(2) Did any corporation, individual, partnership, trust, or association at the end of the taxable year own directly or indirectly 50% or more of your voting stock? Yes ☐ No ☐

(For rules of attribution, see section 267(c).)

If the answer to (1) or (2) is "Yes," attach a schedule showing:
 (a) name, address, and identifying number; and
 (b) percentage owned.

If the answer to (1) above is "Yes," also show the taxable income (or loss) from line 30, page 1, Form 1120 of such corporation for the taxable year ending with or within your taxable year.

I Did you have any contracts or subcontracts subject to the Renegotiation Act of 1951? Yes ☐ No ☒ If "Yes," enter the aggregate gross dollar amount billed during the year.J Did you claim a deduction for expenses connected with: Yes No
 (1) Entertainment facility (boat, resort, ranch, etc.)? ☐ ☒(2) Living accommodations (except employees on business)? ☐ ☒(3) Employees' families at conventions or meetings? ☐ ☒(4) Employee or family vacations not reported on Form W-2? ☐ ☒K Taxable income (or loss) from line 30, page 1, Form 1120 for:
 1966 (14,227), 1967 (38,443), 1968 (20,722)

L Refer to page 7 of instructions and state the principal:

Business activity 2898
 Product or service 8098 Research

M Were you a member of a controlled group subject to the provisions of:

(1) Section 1561? Yes ☐ No ☒(2) Section 1562? Yes ☐ No ☒

If answer to (1) or (2) is "Yes," check type of relationship:

(a) parent-subsidiary ☐(b) brother-sister ☐(c) combination of (a) and (b) ☐ (See section 1563.)If answer to (2) is "Yes," does section 1562(b)(1)(A) apply (nonapplication of 6% additional tax under section 1562)? Yes ☐ No ☐N Were you liable for filing Forms 1096 and 1099 or 1087 for the calendar year 1969? Yes ☐ No ☒

If "Yes," where were they filed?

O Were you a U.S. shareholder of any controlled foreign corporation? Yes ☐ No ☒ (See sections 951 and 957.) If "Yes," attach Form 3646 for each such corporation.P Did you ever declare a stock dividend? Yes ☐ No ☒Q During this taxable year, did you pay dividends (other than stock dividends and distributions in exchange for stock) in excess of your earnings and profits? Yes ☐ No ☒ (See sections 301 and 316.) If "Yes," file Schedule A, Form 1096. If this is a consolidated return, answer here for parent corporation and on Form 851, Affiliations Schedule, for each subsidiary.

Schedule L—BALANCE SHEETS

ASSETS	Beginning of taxable year		End of taxable year	
	(A) Amount	(B) Total	(C) Amount	(D) Total
1 Cash		72.79		9,792.57
2 Trade notes and accounts receivable				
(a) Less allowance for bad debts				
3 Inventories		757.69		757.69
4 Gov't obligations: (a) U.S. and instrumentalities				
(b) State, subdivisions thereof, etc.				
5 Other current assets (attach schedule)				27,000.00
6 Loans to stockholders				
7 Mortgage and real estate loans				
8 Other investments (attach schedule)				
9 Buildings and other fixed depreciable assets	66,343		86,454.41	
(a) Less accumulated depreciation		59,117.00	20,108.13	66,346.28
10 Depletable assets				
(a) Less accumulated depletion				
11 Land (net of any amortization)		8,320.50		8,320.50
12 Intangible assets (amortizable only)				
(a) Less accumulated amortization		24.00		12.00
13 Other assets (attach schedule)				
14 Total assets		68,291.98		112,229.04
LIABILITIES AND STOCKHOLDERS' EQUITY				
15 Accounts payable		75,832.80		75,671.00
16 Mtges., notes, bonds payable in less than 1 yr.				
17 Other current liabilities (attach schedule)				
18 Loans from stockholders		5,650.00		
19 Mtges., notes, bonds payable in 1 yr. or more		28,749.01		
20 Other liabilities (attach schedule)				
21 Capital stock: (a) Preferred stock	60,000.00		60,000.00	
(b) Common stock		60,000.00		60,000.00
22 Paid-in or capital surplus (attach reconciliation)01		91,100.01
23 Retained earnings—Appropriated (attach sch.)				
24 Retained earnings—Unappropriated		(101,939.84)		(103,441.97)
25 Less cost of treasury stock		()		()
26 Total liabilities and stockholders' equity		68,297.98		112,229.64

Schedule M-1—RECONCILIATION OF INCOME PER BOOKS WITH INCOME PER RETURN

1 Net income per books	(8,619.13)	7 Income recorded on books this year not included in this return (itemize)	
2 Federal income tax		(a) Tax-exempt interest \$	
3 Excess of capital losses over capital gains			
4 Taxable income not recorded on books this year (itemize)		8 Deductions in this tax return not charged against book income this year (itemize)	
5 Expenses recorded on books this year not deducted in this return (itemize)		(a) Depreciation . . . \$	
(a) Depreciation . . . \$		(b) Depletion . . . \$	
(b) Depletion . . . \$			
6 Total of lines 1 through 5		9 Total of lines 7 and 8	
		10 Income (line 28, page 1)—line 6 less 9	(8,619.13)

Schedule M-2—ANALYSIS OF UNAPPROPRIATED RETAINED EARNINGS PER BOOKS (line 24 above)

1 Balance at beginning of year	(101,939.84)	5 Distributions: (a) Cash	
2 Net income per books	(8,619.13)	(b) Stock	
3 Other increases (itemize)		(c) Property	
Adjustment of depreciation reserve to reflect RAR report	7,117.00	6 Other decreases (itemize)	
4 Total of lines 1, 2, and 3	103,441.97	7 Total of lines 5 and 6	
		8 Balance at end of year (line 4 less 7)	103,441.97