

FIRST RETURN

U.S. Corporation Income Tax Return

For calendar year 1971 or other taxable year beginning

August 30, 1971, ending August 31, 1972

(PLEASE TYPE OR PRINT)

1971

Form 1120
Department of the Treasury
Internal Revenue Service

Check if a—

A Consolidated return

B Personal Holding Co.

C Business Code No. (See page 7 of instructions.)

8098

Name

H. Tracy Hall, Incorporated

Number and street

1711 North Lambert Lane

City or town, State, and ZIP code

Provo, Utah 84601

D Employer Identification No. 87-0293951

E County in which located Utah

F Enter total assets from line 14, column (D), Schedule L (See instruction R)

\$ 26,250.00

IMPORTANT—Fill in all applicable lines and schedules. If the lines on the schedules are not sufficient, see instruction N.

Table with 11 rows for GROSS INCOME. Line 11: TOTAL income—Add lines 3 through 10.

Table with 19 rows for DEDUCTIONS. Line 27: TOTAL deductions—Add lines 12 through 26. Line 28: Taxable income before net operating loss deduction and special deductions (line 11 less line 27).

Table with 5 rows for TAX. Line 31: TOTAL TAX (Schedule J). Line 32: Credits. Line 33: TAX DUE (line 31 less line 32). Line 34: OVERPAYMENT (line 32 less line 31). Line 35: Enter amount of line 34 you want: Credited to 1972 estimated tax.

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.

The Internal Revenue Service does not require a seal on this form, but if one is used, please place it here.

Date 25 Oct 1972

Signature of officer H. Tracy Hall

Title President

Date

Signature of individual or firm preparing the return

Address 257 East Center Street, Provo, Utah

Gardner, Squire & Gilbert Certified Public Accountants

Schedule I—SPECIAL DEDUCTIONS

1 (a) 85% of line 1, Schedule C
(b) 60.208% of line 2, Schedule C
(c) 85% of line 3, Schedule C
(d) 100% of line 4, Schedule C
2 Total—See page 6 of instructions for limitation
3 100% of line 8, Schedule C
4 Enter dividends-received deduction allowed for dividends reported on line 9, Schedule C. See section 1564(b) for computation
5 Dividends paid on certain preferred stock of public utilities (see instructions)
6 Western Hemisphere trade corporations (see instructions)
7 Total special deductions—Add lines 2 through 6. Enter here and on line 29(b), page 1

Schedule J—TAX COMPUTATION

1 Taxable income (line 30, page 1) NONE
2 Surtax exemption—Enter line 1 or \$25,000, whichever is lesser. (Component members of a controlled group—see page 6 of instructions and enter your surtax exemption or line 1, whichever is lesser) NONE
3 Line 1 less line 2 NONE
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 NONE
5 Income tax (line 4, or alternative tax from separate Schedule D, whichever is lesser)
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 Personal holding company tax (attach Schedule 1120 PH)
11 Tax from recomputing a prior year investment credit (attach Form 4255)
12 Minimum tax on tax preference items (see page 6 of instructions). Check here [] if Form 4626 is attached
13 Total tax—Add lines 9 through 12. Enter here and on line 31, page 1 NONE

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

Table with 9 columns: 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 August 30, 1972
H (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 [X] 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 [X] No
I Did you have any contracts or subcontracts subject to the Renegotiation Act of 1951? [] Yes [X] No. If "Yes," enter the aggregate gross dollar amount billed during the year.
J Did you ever declare a stock dividend? [] Yes [X] No
K Did you claim a deduction for expenses connected with: Yes No
(1) Entertainment facility (boat, resort, ranch, etc.)? [] Yes [X] No
(2) Living accommodations (except employees on business)? [] Yes [X] No
(3) Employees' families at conventions or meetings? [] Yes [X] No
(4) Employee or family vacations not reported on Form W-2? [] Yes [X] No

L Taxable income or (loss) from line 30, page 1, Form 1120 for: 1968, 1969, 1970
M Refer to page 7 of instructions and state the principal: Business activity Research and Engineering
Product or service
N Were you a member of a controlled group subject to the provisions of: (1) Section 1561? [] Yes [X] No (2) Section 1562? [] Yes [X] 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
O Did the corporation, at any time during the taxable year, have any interest in or signature or other authority over a bank, securities, or other financial account in a foreign country? [] Yes [X] No
If "Yes," attach Form 4683. (For definitions, see Form 4683.)
P Were you a U.S. shareholder of any controlled foreign corporation? [] Yes [X] No. (See sections 951 and 957.) If "Yes," attach Form 3646 for each such corporation.
Q During this taxable year, did you pay dividends (other than stock dividends and distributions in exchange for stock) in excess of your current and accumulated earnings and profits? [] Yes [X] 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.
R Did you file all required Forms 1099, 1096 and 1087? [X] Yes [] No

| ASSETS | Beginning of taxable year | | End of taxable year | |
|---|---------------------------|-----------|---------------------|-----------|
| | (A) Amount | (B) Total | (C) Amount | (D) Total |
| 1 Cash | | 12,460.02 | | 12,460.02 |
| 2 Trade notes and accounts receivable | | | | |
| (a) Less allowance for bad debts | | | | |
| 3 Inventories | | | | |
| 4 Gov't obligations: (a) U.S. and instrumentalities | | | | |
| (b) State, subdivisions thereof, etc. | | | | |
| 5 Other current assets (attach schedule) | | | | |
| 6 Loans to stockholders | | | | |
| 7 Mortgage and real estate loans | | | | |
| 8 Other investments (attach schedule) | | | | |
| 9 Buildings and other fixed depreciable assets | 13,789.98 | | 13,789.98 | |
| (a) Less accumulated depreciation | | 13,789.98 | | 13,789.98 |
| 10 Depletable assets | | | | |
| (a) Less accumulated depletion | | | | |
| 11 Land (net of any amortization) | | | | |
| 12 Intangible assets (amortizable only) | | | | |
| (a) Less accumulated amortization | | | | |
| 13 Other assets (attach schedule) | | | | |
| 14 Total assets | | 26,250.00 | | 26,250.00 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | | |
| 15 Accounts payable | | | | |
| 16 Mtges., notes, bonds payable in less than 1 yr. | | | | |
| 17 Other current liabilities (attach schedule) | | | | |
| 18 Loans from stockholders | | | | |
| 19 Mtges., notes, bonds payable in 1 yr. or more | | 1,250.00 | | 1,250.00 |
| 20 Other liabilities (attach schedule) | | | | |
| 21 Capital stock: (a) Preferred stock | | | | |
| (b) Common stock | 25,000.00 | 25,000.00 | 25,000.00 | 25,000.00 |
| 22 Paid-in or capital surplus (attach reconciliation) | | | | |
| 23 Retained earnings—Appropriated (attach sch.) | | | | |
| 24 Retained earnings—Unappropriated | | | | |
| 25 Less cost of treasury stock | | () | | () |
| 26 Total liabilities and stockholders' equity | | 26,250.00 | | 26,250.00 |

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

| | | | |
|--|------|---|------|
| 1 Net income per books | NONE | 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) | |
| | | (a) Depreciation . . \$ | |
| 5 Expenses recorded on books this year not deducted in this return (itemize) | | (b) Depletion . . \$ | |
| (a) Depreciation . . \$ | | | |
| (b) Depletion . . \$ | | 9 Total of lines 7 and 8 | |
| | | 10 Income (line 28, page 1)—line 6 less 9 | NONE |
| 6 Total of lines 1 through 5 | NONE | | |

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

| | | | |
|--|------|--|------|
| 1 Balance at beginning of year | | 5 Distributions: (a) Cash | |
| 2 Net income per books | NONE | (b) Stock | |
| 3 Other increases (itemize) | | (c) Property | |
| | | 6 Other decreases (itemize) | |
| | | | |
| 4 Total of lines 1, 2, and 3 | NONE | 7 Total of lines 5 and 6 | |
| | | 8 Balance at end of year (line 4 less 7) | NONE |