	44000	U.S. Small Business C	orporation		TAX PAYER CO
orm Depai nterr	tment of the Treasury Revenue Service	other taxable year beginning <u>September 1</u> , 1976, en (PLEASE TYPE OR PRINT)	1976 -		
	te of election as small	Name			C Employer identification no.
Ser	siness corporation ot. 3, 1972	H. Tracy Hall, Incorporated			87-0293951
Bu	siness Code No. (see ge 7 of instructions)	Number and street	an and the second s		D Date incorporated
pa	ge / of instructions/	1190 Columbia Lane			August 30, 197
	8599	City or town, State, and ZIP code			E Enter total assets from lin 14. column D. Schadule
124	a plan the second second	rioto, ocui ottor	en service and service of		14, column D, Schedule \$ 29,835
		cable lines and schedules must be filled in. If the lines o eductions limited to amount at-risk) applies, see instruct		sufficien	t, see instruction N.
1	1 Gross receipts	or gross sales Less: Returns and allo	wances	1	5,844
	2 Less: Cost of g	goods sold (Schedule A) and/or operations (attach sche	dule)	2	600
				3	5,244
		dividends		4(a)	and the second
		vidends		4(b)	
		gations of the U.S. and U.S. instrumentalities		5	
				6	264
	7 Gross rents .			7	
1					
		es (attach separate Schedule D (Form 1120S) and/or I		9(a)	21 T S S
I		erm capital gain reduced by any net long-term capital lo		5(a)	
1		erm capital gain reduced by any net short-term capite instructions)		9(b)	
I		ain or (loss) from Part II, Form 4797		9(c)	
l		see instructions—attach schedule).		10	
I	and the second s	ncome—Add lines 3 through 10		11	5,508
ī		of officers (Schedule E)		12	5,500
L		ages (not deducted elsewhere)		13	
l	14 Repairs (see i	14			
l		edule F if reserve method is used)	15		
	16 Rents			16	185
I	17 Taxes (attach	schedule)		17	70
	18 Interest			18	594
	19 Contributions (not over 5% of line 28 adjusted per instructions-attac	ch schedule)	19	
l	20 Amortization (a	attach schedule)		20	
L	21 Depreciation (S	Schedule G)	61.1.1.1.1.1	21	
ł	22 Depletion (atta	ch schedule)		22	
l		States and the second second second	en e	23	
L		sharing, etc. plans (see instructions) (enter number of	plans ►)	_24	
E		fit programs (see instructions)		25	
ŀ	the second se	ns (attach schedule)		26	2,899
ŀ		deductions—Add lines 12 through 26		27	9,075
1		(line 11 less line 27) (see instructions)	<u></u>	28	(3,567)
		capital gains (Schedule J)		30	NONE
l		see instructions—attach Form 4626)		31	1.2.2
		ines 29 and 30)	32(a)		
		x deposited with Form 7004 (attach copy)	32(b)		
		edit for U.S. tax on special fuels, nonhighway gas, and			
			32(c)		
	33 TAX DUE (line	bricating oil (attach Form 4136)	od of payment \longrightarrow	33	NONE
-	the second s	(line 32 less line 31)	the second s	and the second second	knowledge and belief it is tru
rre	t, and complete. Declarat	I declare that I have examined this return, including accompanying schedu ion of preparer (other than taxpayer) is based on all information of which	the preparer has any knowledge.	on or my	mentospe and benefit is the
3	119ct 1977	7/ 7/2011 2/00 9	149.1		
11		Signature of officer Preparer's sig	nature (and employer's name, if a 1675		Da

Elmer Fox, Westheimer & Co. Certified Public Accountants

orm 1	120S (1976)	Schedule A	Cost of Go	ods Sold	(See inst	ruction 2)		4	Page 2
lethoo	d of inventory valuation (sp	ecify) ►		Was the quantition inventor	ere any sub es, costs, y?	or valuat	hange in ions bei] No. If	the man ween op "Yes,"	ner of determining ening and closing attach explanation.
Inve	ntory at beginning of year .			5 Total	of lines 1 t	through 4			
Merc	handise bought for manufacture	or sale		6 Less:	Inventory	at end of	year .		
	ries and wages				of goods so				in the second
	er costs (attach schedule) .	of Officers (See in	struction 12)	2, pa	ge 1	I 5 Dercont			
Sch		1	1	TIM	4. Time de voted to	age of cor- poration		ount of	7. Expense account allowances
-	1. Name of officer	2. Social security n	number 3	. Title	business	stock owned		insación	
т	otal compensation of officer	rs-Enter here an	d on line 12 n	age 1		!		1 1 1	·
		eserve Method (S				<u></u>	1.1.1	1210.00	
	2. Trade notes and accounts re-	2. 6-1			dded to reserve		6. Amour	nt charged	7. Reserve for bad debts
Year	ceivable outstanding at end of year	3. Sales on acco		rent year's ovision	5. Rec	overies		reserve	at end of year
71									
72									
73									
74							*******		
75 76									
-	edule G Depreciation (S	San instruction 21	Notes If depres	Intion to our		an the Olars		Suntam or	the Cuideline Class Life
tem,	you must file Form 4832 (Class Li	fe (ADR) System) or F	form 5006 (Guideli	ne Class Life	System) with	h your return	Lile (ADR)	System of	the duragine class the
	ox(es) if you made an election th							stem. See I	Publication 534.
1		2. Date		4. De	preciation	5. Meth		6. Life	7. Depreciation
	 Group and guideline class or description of property 	acquired	3. Cost or other basis	allowed in pr	or allowable ior years	computing de		or rate	for this year
Tota	al additional first-year depres	ciation (do not inc	clude in items I	below)			.10	>	
	reciation from Form 4832 .			1//////////////////////////////////////					
	reciation from Form 5006 .	and the second se			///////////////////////////////////////				
	depreciation:	the main							
Build	ings								
Furni	ture and fixtures		<u></u>						
Trans	sportation equipment								
Mach	inery and other equipment		32,501),812	Va	r	Var.	5,262
	r (specify)								
									and the second sec
Toto	ls	·	32,501	7			!		5,262
	s: Amount of depreciation of		and the second se	J					
	ance—Enter here and on lin								5,262
	edule J Tax Computat				1 in the		×		
Tax	able income (line 28, page 1	1)							
	ter \$25,000. (Members of a								
Lin	e 1 less line 2		der einen						
Ent	ter line 3 or \$25,000, which	ever is lesser (Me	mbers of a cor	ntrolled gro	oup, see in	structions)		
Lin	e 3 less line 4	e ere ere e							
	ter 20% of line 2							• • •	
	ter 22% of line 4					• • •		1.1.1	
	ter 48% of line 5					•••		· · ·	
	d lines 6, 7, and 8					•••		• • •	
	t long-term capital gain redu						• • •	• • •	\$25,000.00
	btract \$25,000. (Statutory m lance (line 10 less line 11). (
	ter 30% of line 12. (See in					1.1.1	1	1	
Inc	ome tax on capital gains (lin	e 9 or line 13, whi	ichever is lesser). Enter he	ere and on	line 29, pa	gel .		
	A CONTRACT	100 C			1			1	W LYIEU OC
•								1	IN DIAED UU

(Form 1120S)

Shareholder's Share of Undistributed Taxable Income, etc.—1976

Copy A File with Form 1120S

Department of the Treasury build internal Revenue Service

September 1 1976 or other taxable year 1976, ending _____August 31

beginning <u>September 1</u>, 1976, ending <u>August 31</u>, 19.77 (Complete a separate Schedule K-1 for each shareholder—See instructions on back of Copy C)

Part I Income (b) Form 1040 filers enter col. (a) amount as indicated below. Form 1041 filers enter col. (a) amount in corresponding line of that form. (a) Amount (250)1 Sch. E, Part III 2 Sch. D. Part II Part II Losses from Section 465 Activities Shareholder's distributive share of losses from section 465 activities (see instructions) . Part III Interest on Investment Indebtedness Form 4952 line reference line 14 1(a) Interest expense on investment indebtedness incurred prior to September 11, 1975 . . line 3 (b) Interest expense on investment indebtedness incurred after September 10, 1975 . 2 Net investment income or (loss) line 7(a) 3 line 8 and 19 Excess expenses from "net lease property" 4 Excess net long-term capital gain over net short-term capital loss attributable to investment property line 20 Part IV Items of Tax Preference Form 4625 line reference 1 Excess itemized deductions line 1(a) line 1(b)(1) 2 Accelerated depreciation on: (a) Low income rental housing line 1(b)(2) (b) Other real property line 1(c) (c) Personal property subject to a lease . . . 3 Amortization of: (a) Certified pollution control facilities line 1(d) line 1(e) (b) Railroad rolling stock line 1(f) (c) On-the-job training facilities . . . line 1(g) (d) Child care facilities line 1(i) 4 Reserves for losses on bad debts of financial institutions line 1(j) 5 Depletion line 1(l) 6 Intangible drilling costs . . . 7 Net long-term capital gain (after tax) Part V Property Eligible for Investment Credit Form 3468 line reference Property Qualified for Investment Credit line 1(a) Basis of new (a) 3 or more but less than 5 years . investment line 1(b) (b) 5 or more but less than 7 years . property line 1(c) (c) 7 or more years line 1(d) Qualified progress 1974 and 1975 (d) 7 or more years . expenditures (e) 7 or more years . line 1(e) 1976 line 1(f) Cost of used (f) 3 or more but less than 5 years . investment line 1(g) (g) 5 or more but less than 7 years . property line 1(h) (h) 7 or more years . . . Property Used in Recomputing a Prior Year Investment Credit Column numbers and headings (1) Description of property (Indicate whether new or used) (2) Date placed in service (3) Cost correspond to those on Form 4255 A В С (8) Date (6) Original qualified (5) Applica-ble peritem ceased to be in-(11) Oualified (9) Actual (4) Estimated (10) Applicable investment (Col. 3 x col. 5) useful life investment (Col. 3 x col. 10) useful life percentage vestment centage credit property Corporation's name, identifying number, and address (including ZIP code) 87-0293951 Shareholder's name, identifying number, and address (including ZIP code) 529-94-9795 Nancy Hall H. Tracy Hall, Incorporated 1711 North Lambert Lane 1190 Columbia Lane Provo, Utah 84601 Provo, Utah 84601

(Form 1120S)

Shareholder's Share of Undistributed Taxable Income, etc.—1976

Copy A File with Form 1120S

Department of the Treasury Internal Revenue Service beginning September 1 , 1976, ending August 31

beginning <u>September 1</u>, 1976, ending <u>August 31</u>, 1977 (Complete a separate Schedule K-1 for each shareholder—See instructions on back of Copy C)

(b) Form 1040 filers enter col. (a) amount as indicated below. Form 1041 filers enter col. (a) amount in corresponding line of that form. Part Income (a) Amount (250)1 Undistributed taxable income-ordinary income or (loss) Sch. E, Part III Undistributed taxable income-long-term capital gain after tax . 2 Sch. D. Part II Losses from Section 465 Activities 1 Shareholder's distributive share of losses from section 465 activities (see instructions) . Part III Interest on Investment Indebtedness Form 4952 line reference line 14 1(a) Interest expense on investment indebtedness incurred prior to September 11, 1975 . . line 3 (b) Interest expense on investment indebtedness incurred after September 10, 1975 . 2 line 7(a) Net investment income or (loss) line 8 and 19 3 Excess expenses from "net lease property" Δ Excess net long-term capital gain over net short-term capital loss attributable to investment property . line 20 Part V Items of Tax Preference Form 4625 line reference line 1(a) 1 Excess itemized deductions 2 Accelerated depreciation on: (a) Low income rental housing line 1(b)(1) line 1(b)(2) (b) Other real property line 1(c) (c) Personal property subject to a lease . . 3 Amortization of: (a) Certified pollution control facilities line 1(d) (b) Railroad rolling stock line 1(e) (c) On-the-job training facilities . . . line 1(f) (d) Child care facilities line 1(g) line 1(i) 4 Reserves for losses on bad debts of financial institutions line 1(j) 5 Depletion 6 Intangible drilling costs . line 1(l) 7 Net long-term capital gain (after tax) Part V Property Eligible for Investment Credit Form 3468 line reference Property Qualified for Investment Credit line 1(a) (a) 3 or more but less than 5 years . . . Basis of new investment line 1(b) (b) 5 or more but less than 7 years . property line 1(c) (c) 7 or more years line 1(d) 1974 and 1975 (d) 7 or more years . . . Qualified progress expenditures (e) 7 or more years . line 1(e) 1976 line 1(f) Cost of used (f) 3 or more but less than 5 years . investment line 1(g) (g) 5 or more but less than 7 years property line 1(h) (h) 7 or more years . . . Property Used in Recomputing a Prior Year Investment Credit Part VI Column numbers and headings (1) Description of property (Indicate whether new or used) (2) Date placed in service (3) Cost or basis correspond to those on Form 4255 A В C (8) Date (5) Applica-ble per-centage item ceased to be in-(6) Original qualified (11) Qualified (9) Actual (4) Estimated (10) Applicable percentage investment (Col. 3 x col. 5) useful life useful life (Col. 3 x col. 10) vestment credit property Corporation's name, identifying number, and address (including ZIP code) 87-0293951 Shareholder's name, identifying number, and address (including ZIP code) 528-80-8152 Charlotte Hall H. Tracy Hall, Incorporated 1711 North Lambert Lane 1190 Columbia Lane Provo, Utah 84601 Provo, Utah 84601

(Form 1120S)

Shareholder's Share of Undistributed Taxable Income, etc.—1976 For calendar year 1976 or other taxable year beginning September 1, 1976, ending August 31, 19, 77 (Complete a separate Schedule K-1 for each shareholder—See instructions on back of Copy C)

Сору А File with

Department of the Treasury Internal Revenue Service

Form 1120S

	and the standard standard standard standards	and the second se			(a) Amount	1041 filers enter col. (a) amount i corresponding line of that form.	
2 Undistributed ta	xable income—ordinal	v income or (loss)		(250)	Sch. E, Part III	
Part II Losses	xable income-long-te	rm capital gai	n after tax		17.	Sch. D, Part II	
	from Section 465	Activities		Star 1 Pr			
L Shareholder's distril	butive share of losses from s	section 465 activit	ties (see instru	ictions)			
Part III Interes	t on Investment In	debtedness		R	Sec. Sec.	Form 4952 line reference	
(a) Interest expense on	investment indebtedness in	curred prior to Se	ptember 11, 1	975		line 14	
(b) Interest expense on	investment indebtedness i	ncurred after Sep	tember 10, 19	75		line 3	
2 Net investment	income or (loss)	1				line 7(a)	
B Excess expenses	from "net lease proper	rty"		· · · · · · · · ·	1. 1. 1. 1. 1.	line 8 and 19	
Excess net long	term capital gain over	net short-tern	n capital los	ss attributable			
to investment p	property					line 20	
Part IV Items	of Tax Preference	hi nrY			and the second second	Form 4625 line reference	
Excess itemized d	eductions					line 1(a)	
	ation on: (a) Low inco				1	line 1(b)(1)	
	erty		-	-		line 1(b)(2)	
	rty subject to a lease				4	line 1(c)	
) Certified pollution c					line 1(d)	
	stock			-		line 1(e)	
	ing facilities			· · · · · · ·		line 1(f)	
	ities					line 1(g)	
	on bad debts of finance					line 1(i)	
			· · · ·	5		line 1(j)	
						line 1(l)	
	osts				1		
Property Property	al gain (after tax) . y Eligible for Invest	tment Cred	 iŧ	· · · · · · [1000		
roperty Qualified for		stillent ored				Form 3468 line reference	
	1					line 1(a)	
asis of new vestment	(a) 3 or more but le					-	
roperty	(b) 5 or more but le						
	(c) 7 or more years						
Qualified progress expenditures							
experiores						1. 1.0	
ost of used	(f) 3 or more but le					line 1(f)	
ivestment roperty	(g) 5 or more but le					line 1(g)	
	(h) 7 or more years					line 1(h)	
Part VI Propert	y Used in Recomp		r year in			- Column numbers and headings	
	(1) Description of property (Indicate whether new or use	d)		(2) Date placed in service	(3) Cost or basis	correspond to those on Form 425	
	· · · · · · · · · · · · · · · · · · ·	avera and			1 day		
N							
		a the second second	1				
(4) Estimated (5) Appl useful life centag	r- investment (Col.	(8) Date item ceased to be in- vestment credit property	(9) Actual useful life	(10) Applicable percentage	(11) Qualified investment (Col. 3 x col. 10)	_	
	1 N	1	1.00		C.S. M.		
		1.125.21					
		1.38.13	1.1		Sec. Sec. S		
hareholder's name, identif Virginia Hall 1711 North La	196	ncluding ZIP code; 28–78–8080		H. Tracy	entifying number, an Hall, Incon Imbia Lane	d address (including ZIP code) 87-0293951 porated	

(Form 1120S)

Shareholder's Share of Undistributed Taxable Income, etc.—1976

Copy A File with Form 1120S

Department of the Treasury Internal Revenue Service beginning _____ September 1 1976 or other taxable year 31

beginning <u>September 1</u>, 1976, ending <u>August 31</u>, 19.77 (Complete a separate Schedule K-1 for each shareholder—See instructions on back of Copy C)

(b) Form 1040 filers enter col. (a) amount as indicated below. Form 1041 filers enter col. (a) amount in corresponding line of that form. Paril Income (a) Amount (250)1 Undistributed taxable income-ordinary income or (loss) Sch. E, Part III Undistributed taxable income-long-term capital gain after tax 2 Sch. D, Part II Losses from Section 465 Activities Shareholder's distributive share of losses from section 465 activities (see instructions) . . . 1 Part III Interest on Investment Indebtedness Form 4952 line reference 1(a) Interest expense on investment indebtedness incurred prior to September 11, 1975 . . line 14 line 3 (b) Interest expense on investment indebtedness incurred after September 10, 1975 . 2 line 7(a) Net investment income or (loss) line 8 and 19 3 Excess expenses from "net lease property" 4 Excess net long-term capital gain over net short-term capital loss attributable to investment property line 20 Part IV Items of Tax Preference Form 4625 line reference 1 Excess itemized deductions line 1(a) line 1(b)(1) 2 Accelerated depreciation on: (a) Low income rental housing line 1(b)(2) (b) Other real property (c) Personal property subject to a lease . . line 1(c) line 1(d) 3 Amortization of: (a) Certified pollution control facilities (b) Railroad rolling stock line 1(e) line 1(f) (c) On-the-job training facilities . . . (d) Child care facilities line 1(g) line 1(i) 4 Reserves for losses on bad debts of financial institutions 5 Depletion line 1(j) line 1(l) 6 Intangible drilling costs . 7 Net long-term capital gain (after tax) Part V Property Eligible for Investment Credit Form 3468 line reference Property Qualified for Investment Credit line 1(a) Basis of new (a) 3 or more but less than 5 years . investment line 1(b) (b) 5 or more but less than 7 years . property (c) 7 or more years . . . line 1(c) line 1(d) Qualified progress 1974 and 1975 (d) 7 or more years . . . expenditures 1976 line 1(e) (e) 7 or more years . . line 1(f) Cost of used (f) 3 or more but less than 5 years . investment line 1(g) (g) 5 or more but less than 7 years property line 1(h) (h) 7 or more years . . . Property Used in Recomputing a Prior Year Investment Credit Part VI Column numbers and headings (1) Description of property (Indicate whether new or used) (2) Date placed in service (3) Cost correspond to those on Form 4255 A в C (8) Date (5) Applica-ble per-centage (6) Original qualified item ceased to be in-(9) Actual (11) Qualified (4) Estimated (10) Applicable investment (Col. 3 x col. 5) useful investment (Col. 3 x col. 10) useful life percentage vestment credit property Corporation's name, identifying number, and address (including ZIP code) Shareholder's name, identifying number, and address (including ZIP code) 529-66-7245 87-0293951 H. Tracy Hall, Incorporated J. Martin and Elizabeth H. Neil 1319 Poppy Way 1190 Columbia Lane San Jose, California 95129 Provo, Utah 84601

(Form 1120S)

Shareholder's Share of Undistributed Taxable Income, etc.-1976

Copy A File with Form 1120S

Department of the Treasury Internal Revenue Service

beginning September 1 1976, ending August 31

, 19. 77 (Complete a separate Schedule K-1 for each shareholder-See instructions on back of Copy C)

Part Income (b) Form 1040 filers enter col. (a) amount as indicated below. Form 1041 filers enter col. (a) amount in corresponding line of that form. (a) Amount (250)1 Undistributed taxable income-ordinary income or (loss) . . Sch. E, Part III 2 Undistributed taxable income-long-term capital gain after tax Sch. D, Part II Losses from Section 465 Activities 1 Shareholder's distributive share of losses from section 465 activities (see instructions) . Partille Interest on Investment Indebtedness Form 4952 line reference line 14 1(a) Interest expense on investment indebtedness incurred prior to September 11, 1975 . (b) Interest expense on investment indebtedness incurred after September 10, 1975 . line 3 2 line 7(a) Net investment income or (loss) line 8 and 19 3 Excess expenses from "net lease property" 4 Excess net long-term capital gain over net short-term capital loss attributable to investment property line 20 Items of Tax Preference Form 4625 line reference line 1(a) 1 Excess itemized deductions 2 Accelerated depreciation on: (a) Low income rental housing line 1(b)(1) line 1(b)(2) (b) Other real property line 1(c) (c) Personal property subject to a lease . . 3 Amortization of: (a) Certified pollution control facilities line 1(d) (b) Railroad rolling stock line 1(e) line 1(f) (c) On-the-job training facilities . . . line 1(g) (d) Child care facilities line 1(i) 4 Reserves for losses on bad debts of financial institutions line 1(j) 5 Depletion line 1(l) 6 Intangible drilling costs . 7 Net long-term capital gain (after tax) Property Eligible for Investment Credit Form 3468 line reference Property Qualified for Investment Credit line 1(a) (a) 3 or more but less than 5 years . . . Basis of new investment line 1(b) (b) 5 or more but less than 7 years . property line 1(c) (c) 7 or more years 1974 and 1975 (d) 7 or more years . line 1(d) Qualified progress expenditures 1976 (e) 7 or more years . line 1(e) line 1(f) Cost of used (f) 3 or more but less than 5 years . investment line 1(g) (g) 5 or more but less than 7 years . property (h) 7 or more years . . . line 1(h) Used in Recomputing a Prior Year Investment Credit Part VI Property Column numbers and headings (1) Description of property (Indicate whether new or used) (2) Date placed (3) Cost correspond to those on Form 4255 or basis A в C (8) Date (6) Original qualified (5) Applicaitem ceased (9) Actual (11) Qualified (4) Estimated (10) Applicable to be in-vestment credit property ble per-centage useful life investment (Col. vestment useful life percentage 3 x col. 5) (Col. 3 x col. 10) Corporation's name, identifying number, and address (including ZIP code) Shareholder's name, identifying number, and address (including ZIP code) 87-0293951 528-66-4787 David R. and Karen V. Hall H. Tracy Hall, Incorporated 1190 Columbia Lane 4235 Province Line Road Princeton, NJ 08540 Provo, Utah 84601

(Form 1120S) Department of the Treasury

Internal Revenue Service

Part Income

Shareholder's Share of Undistributed Taxable Income, etc.-1976

Copy A File with Form 1120S

For calendar year 1976 or other taxable year September 1, 1976, ending August 31 beginning 19.77 (Complete a separate Schedule K-1 for each shareholder-See instructions on back of Copy C)

(b) Form 1040 filers enter col. (a) amount as indicated below. Form 1041 filers enter col. (a) amount in corresponding line of that form. (a) Amount (250)1 Sch. E, Part III Undistributed taxable income-ordinary income or (loss) . Undistributed taxable income-long-term capital gain after tax Sch. D, Part II Part Losses from Section 465 Activities Shareholder's distributive share of losses from section 465 activities (see instructions) Interest on Investment Indebtedness Form 4952 line reference line 14 1(a) Interest expense on investment indebtedness incurred prior to September 11, 1975 . . line 3 (b) Interest expense on investment indebtedness incurred after September 10, 1975 . line 7(a) 2 Net investment income or (loss) line 8 and 19 Excess expenses from "net lease property" 3 Excess net long-term capital gain over net short-term capital loss attributable to investment property line 20 Part IV I Items of Tax Preference Form 4625 line reference line 1(a) 1 Excess itemized deductions 2 Accelerated depreciation on: (a) Low income rental housing line 1(b)(1) (b) Other real property line 1(b)(2) line 1(c) (c) Personal property subject to a lease . . . 3 Amortization of: (a) Certified pollution control facilities line 1(d) line 1(e) (b) Railroad rolling stock line 1(f) (c) On-the-job training facilities . line 1(g) (d) Child care facilities line 1(i) 4 Reserves for losses on bad debts of financial institutions line 1(j) 5 Depletion line 1(l) 6 Intangible drilling costs . . 7 Net long-term capital gain (after tax) Perry Property Eligible for Investment Credit Form 3468 line reference Property Qualified for Investment Credit line 1(a) (a) 3 or more but less than 5 years . Basis of new investment line 1(b) (b) 5 or more but less than 7 years . property line 1(c) (c) 7 or more years . 1974 and 1975 (d) 7 or more years . . line 1(d) Qualified progress expenditures line 1(e) 1976 (e) 7 or more years . line 1(f) Cost of used (f) 3 or more but less than 5 years . investment line 1(g) (g) 5 or more but less than 7 years property line 1(h) (h) 7 or more years . Property Used in Recomputing a Prior Year Investment Credit Part VI Column numbers and headings (1) Description of property (Indicate whether new or used) (2) Date placed in service (3) Cost or basis correspond to those on Form 4255 A В С (8) Date (6) Original qualified item ceased (9) Actual (11) Qualified (5) Applica-(4) Estimated (10) Applicable ble per-centage investment (Col. 3 x col. 5) to be in-vestment useful life investment (Col. 3 x col. 10) useful life percentage credit property Corporation's name, identifying number, and address (including ZIP code) Shareholder's name, identifying number, and address (including ZIP code) 87-0293951 529-56-9730 H. Tracy Hall, Incorporated Daniel and Sherlene Bartholomew 1190 Columbia Lane 80 Greenridge Avenue Provo, Utah 84601 White Plains, NY 10605

(Form	1120S)
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Shareholder's Share of Undistributed Taxable Income, etc.—1976 For calendar year 1976 or other taxable year beginning ______September 1______1976, ending ______August 31______19_77 (Complete a separate Schedule K-1 for each shareholder—See instructions on back of Copy C)

Copy A File with Form 1120S

Department of the Treasury Internal Revenue Service

Part Income	(a) Amount	(b) Form 1040 filers enter col. (a amount as indicated below. Form 1041 filers enter col. (a) amount in corresponding line of that form.						
1 Undistributed ta	xable income-ordinar	y income or (loss)		(250)	Sch. E, Part III		
2 Undistributed ta	xable income-long-te	rm capital gai	in after tax			Sch. D, Part II		
Part II Losses	from Section 465	Activities						
1 Shareholder's distrib	outive share of losses from s	section 465 activi	ties (see instr	uctions)				
Part III Interest	t on Investment In	debtedness				Form 4952 line reference		
1(a) Interest expense on	investment indebtedness ind	curred prior to Se	ptember 11, 1	975		line 14		
(b) Interest expense on	investment indebtedness in	ncurred after Sep	tember 10, 1	975	1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.	line 3		
2 Net investment i	ncome or (loss)					line 7(a)		
	from "net lease proper					line 8 and 19		
	term capital gain over							
to investment p	roperty					line 20		
Part IV Items of	of Tax Preference	- <u></u>				Form 4625 line reference		
1 Excess itemized de	eductions					line 1(a)		
	ation on: (a) Low inco					line 1(b)(1)		
	erty					line 1(b)(2)		
	ty subject to a lease					line 1(c)		
) Certified pollution co					line 1(d)		
	stock					line 1(e)		
	ing facilities					line 1(f)		
						line 1(g)		
	ties					line 1(i)		
				-		line 1(j)		
					al and the second s			
7 Net long-term capit	osts			· · · · · -				
Propert	y Eligible for Inves	tment Cred	it			Form 3468 line reference		
Property Qualified for I		intent orea				Form 5468 line relerence		
Basis of new	(a) 3 or more but le	ess than 5 yea	rs			line 1(a)		
investment property	(b) 5 or more but le	ess than 7 yea	rs			line 1(b)		
	(c) 7 or more years			· · '• · · · ·		line 1(c)		
Qualified progress	1974 and 1975 (d)	7 or more year	rs			line 1(d)		
expenditures	1976 (e)	7 or more year	rs			line 1(e)		
Cost of used	(f) 3 or more but le					line 1(f)		
investment property	(g) 5 or more but le					line 1(g)		
	(h) 7 or more years				1	line 1(h)		
Part VI Property	y Used in Recomp	uting a Prio	r Year In			_ Column numbers and headings		
	 Description of property (Indicate whether new or used) 	d)		(2) Date placed in service	(3) Cost or basis	correspond to those on Form 4255		
A		1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.	1. S. W.					
В		146	4.5					
C						-		
(4) Estimated useful life (5) Applible per centag	r- investment (Col. to be in- useful			(10) Applicable percentage	(11) Qualified investment (Col. 3 x col. 10)	_		
		A STATE OF						
					1 1 1 1 1			
Shareholder's name, identify H. Tracy, Jr. 786 East Mead Palo Alto, Ca	52 and Elizabeth ow Drive	8-66-3544 Н. Hall) Co	H. Tracy 1190 Colu	entifying number, ar Hall, Incor mbia Lane :ah 84601	nd address (including ZIP code) 87-0293951 Sporated		

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(Form 1120S)

Shareholder's Share of Undistributed Taxable Income, etc.—1976 For calendar year 1976 or other taxable year beginning September 1, 1976, ending August 31, 19, 77 (Complete a separate Schedule K-1 for each shareholder—See instructions on back of Copy C)

Copy A File with Form 1120S

Department of the Treasury Internal Revenue Service

Part I Income	* 1 1 (sub.)				(a) Amount	(b) Form 1040 filers enter col. (a) amount as indicated below. Form 1041 filers enter col. (a) amount in corresponding line of that form.
1 Undistributed ta:	kable income-ordina	ry income or (loss)		(856)	Sch. E, Part III
	xable income-long-te					Sch. D, Part II
	from Section 465					
1 Shareholder's distrib	utive share of losses from	section 465 activit	ties (see instru	uctions)	1.0. 46	
Part III Interest	on Investment In	debtedness				Form 4952 line reference
1(a) Interest expense on	investment indebtedness in	curred prior to Se	ptember 11, 1	975	1	line 14
	investment indebtedness					line 3
2 Net investment i	ncome or (loss)				and the second	line 7(a)
	from "net lease prope			line 8 and 19		
4 Excess net long-	term capital gain over	net short-tern	n capital los	ss attributable		
to investment p	roperty					line 20
Part IV Items of	of Tax Preference		1. 136		C. Maria	Form 4625 line reference
1 Excess itemized de	ductions				and the second	line 1(a)
2 Accelerated deprecia						line 1(b)(1)
(b) Other real prop	erty					line 1(b)(2)
	ty subject to a lease					line 1(c)
3 Amortization of: (a)						line 1(d)
(b) Railroad rolling	stock					line 1(e)
	ng facilities					line 1(f)
the second se	ties				ALC: NO	line 1(g)
4 Reserves for losses	on bad debts of finan	cial institutions			1 No. 7	line 1(i)
5 Depletion						line 1(j)
6 Intangible drilling co					and she a	line 1(l)
7 Net long-term capita						
Part V Propert	y Eligible for Inve	stment Cred	it			Form 3468 line reference
Property Qualified for I	nvestment Credit	11. i e 1		1 10 11	1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.	
Basis of new	(a) 3 or more but I	ess than 5 yea	rs			line 1(a)
investment	(b) 5 or more but I					
property	(c) 7 or more year	5				line 1(c)
Qualified progress	1974 and 1975 (d)	7 or more year	rs			line 1(d)
expenditures						
Cost of used	(f) 3 or more but I					line 1(f)
investment	(g) 5 or more but I					line 1(g)
property	(h) 7 or more year	s				line 1(h)
Part VI Propert	y Used in Recomp	outing a Prio	r Year In	vestment Cred	the second se	Column numbers and headings
	(1) Description of property (Indicate whether new or us	(ed)	- 18 - T	(2) Date placed in service	(3) Cost or basis	correspond to those on Form 4255
A			1.1.1.1			
B	Pro Vice	the second second				
C		10	1.1			
(4) Estimated useful life (5) Appl ble pe centag	investment (Col. to be in- useful		(10) Applicable percentage	(11) Qualified investment (Col. 3 x col. 10)	_	
						- /////////////////////////////////////
·						-\/////////////////////////////////////
a shirt of the	1.5	1.6.6.	100			
1711 N		29-10-1716		H. Tracy 1190 Col	Hall, Incor umbia Lane tah 84601	nd address (including ZIP code) 87-0293951 rporated

(Form 1120S)

Shareholder's Share of Undistributed Taxable Income, etc.—1976 For calendar year 1976 or other taxable year beginning September 1976, ending August 31 , 19 77 (Complete a separate Schedule K-1 for each shareholder—See instructions on back of Copy C)

Department of the Treasury Internal Revenue Service

Сору А File with Form 1120S

Part I Incor	ne	e e e e e				(a) Amount	(b) Form 1040 filers enter col. (a amount as indicated below. Forr 1041 filers enter col. (a) amount in corresponding line of that form.
1 Undistributed	taxable	e income-ordinar	v income or (loss)		(961)	Sch. E, Part III
2 Undistributed	taxable	e income—long-te	rm capital gai	in after tax		()01)	Sch. D, Part II
Part II Loss				A State	1990 - A.	1. I.	
1 Shareholder's dis	tributive	share of losses from s	ection 465 activi	ties (see instr	uctions)		
Part III Inter	est on	Investment In	debtedness				Form 4952 line reference
1(a) Interest expense	on invest	ment indebtedness ind	curred prior to Se	ptember 11, 1	975		line 14
(b) Interest expense	on inves	tment indebtedness in	ncurred after Sep	tember 10, 1	975		line 3
2 Net investmen	line 7(a)						
3 Excess expens	es from	"net lease proper	ty"			1	line 8 and 19
		capital gain over					
to investment	proper	rty				5.9 V	line 20
Part IV Items	of Ta	ax Preference			1.1.1		Form 4625 line reference
1 Excess itemized	deduct	ions					line 1(a)
2 Accelerated depr						1	line 1(b)(1)
							line 1(b)(2)
		bject to a lease				1	line 1(c)
3 Amortization of:							line 1(d)
		k			-	in .	line 1(e)
		acilities					line 1(f)
						1	line 1(g)
4 Reserves for loss					-	1	line 1(i)
							line 1(j)
5 Depletion 6 Intangible drilling							line 1(l)
7 Net long-term ca							
Part V Prope	erty Fl	igible for Inves	tment Cred	it		-	Form 3468 line reference
Property Qualified for			intent orea		1		Torini 5400 Inte Telefence
			as then E use				line 1(a)
Basis of new investment) 3 or more but le					
property		5 or more but le					
O ultrad anomalo	107	7 or more years	· · · · ·		· · · · · ·		line 1(d)
Qualified progress expenditures		74 and 1975 (d) 7 1976 (e) 7					
	_				· · · · · ·		
Cost of used investment		3 or more but le			· · · · · -		line 1(g)
property		5 or more but le		rs		line 1(h)	
Part VI Prope		or more years sed in Recompt		r Voor In	voctment Cred		
Part VI Prope	-) Description of property	ating a Prio	I lear III		(3) Cost	 Column numbers and headings correspond to those on Form 4255
	(Ind	icate whether new or used	1)		(2) Date placed in service	or basis	correspond to chose on Form 4255
A		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		5.00			
В							
С		1. 1. N. 1.	12	4	handler -		_
(4) Estimated ble	pplica- per- tage	 (6) Original qualified investment (Col. 3 x col. 5) 	(8) Date item ceased to be in- vestment credit property	(9) Actual useful life	(10) Applicable percentage	(11) Qualified investment (Col. 3 x col. 10)	_
					35.76	7	_
				101			
The second second			Stran S.	i. i			
	acy 1	52 Hall	9-07-9801		H. Tracy	Hall, Incor	d address (including ZIP code) 87-0293951 porated
1711	North	h Lambert La ah 84601	ne	in the	1190 Colu	mbia Lane ah 84601	

H. TRACY HALL, INCORPORATED

87-0293951

22

AMORTIZATION OF ORGANIZATION EXPENSES

Fiscal year ended August 31, 1977

An election has been made under the provisions of Sec. 248 of the Internal Revenue Code of 1954 to amortize organization expenses ratably over a 60-month period beginning October 1, 1972:

Total organization expenses	\$325
Prior years' amortization	255
Unamortized balance August 31, 1976 Amortization for the fiscal year	70
ended August 31, 1977	65
Unamortized balance August 31, 1977	<u>\$ 5</u>

H. TRACY HALL, INCORPORATED	87 - 0293951
SCHEDULE OF TAXES AND LICENSES	
Fiscal year ended August 31, 1977	

Property taxes Use taxes Licenses

Total

33
12
70

SCHEDULE OF OTHER DEDUCTIONS

Freight and express			\$ 67
Insurance			366
Dues and subscriptions			124
Professional fees			910
Supplies			296
Travel expense			136
Automotive expense		•	78
Office expense			157
Utilities			765
Total			\$2,899

H. TRACY HALL, INCORPORATED

SUMMARY OF DISTRIBUTIONS AND OTHER ITEMS

Fiscal year ended August 31, 1977

	Social	Stock			
	Security			d held	
	number	of shares	From	To	Compensation
H. Tracy Hall 1711 North Lambert Lane Provo, Utah 84601	529-07-9801	6,750	9/1/74	8/31/77	NONE
Ida Rose Hall 1711 North Lambert Lane Provo, Utah 84601	529-10-1716	6,000	9/1/74	8/31/77	NONE
H. Tracy and Elizabeth H. Hall, Jr. 786 East Meadow Drive Palo Alto, California 94303	528-66-3544	1,750	9/1/74	8/31/77	NONE
Daniel and Sherlene Bartholomew 80 Greenridge Avenue White Plains, NY 10605	529-56-9730	1,750	9/1/74	8/31/77	NONE
David R. and Karen V. Hall 4235 Province Line Road Princeton, NJ 08540	528-66-4787	1,750	9/1/74	8/31/77	NONE
J. Martin and Elizabeth H. Neil 1319 Poppy Way San Jose, California 95129	529-66-7245	1,750	9/1/74	8/31/77	NONE
Virginia Hall 1711 North Lambert Lane Provo, Utah 84601	528-78-8080	1,750	9/1/74	8/31/77	NONE
Charlotte Hall 1711 North Lambert Lane Provo, Utah 84601	528-80-8152	1,750	9/1/74	8/31/77	NONE
Nancy Hall 1711 North Lambert Lane Provo, Utah 84601	529-94-9795	1,750	9/1/74	8/31/77	NONE
Totals		25,000			NONE

87-0293951

		outation of Undistributed T		I Summary of	Distributions	and Other Ite	ms	Page 3
Co	mputation of Corporat	ion's Undistributed Taxabl	e Income			2.11	1963	
	Less: (a) Money distril	28, page 1)	ings and profits of th			· · · ·	(3,	567)
3		ed on certain capital gains ibuted taxable income .			101		(3.	567)
-		and Other Items (attach a		the second s			(5)	501)
-		d address of	2. Social security		3. Stock ownership	the second se	1.61	5. Percentage of
1		areholder	number	Number of shares	Period From	held To	4. Compensation	time devoted to business
A		and a second	Schedu	le Attac	hed	There is a		100
B				1 Part As	and the second			14
5 6 7 8 9	Actual dividend distri Actual dividend distri Nondividend distribut Undistributed taxable Undistributed taxable	income—taxable as ordin income—taxable as long-	rm capital gains (y income and qual nary income or (lo	after tax) . lifying for div ss)	idend exclusio	 n 		
10	Investment credit pro		11.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1	10 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1			Cost or	basis
Property Qualified	Basis of new investment property Qualified prog- ress expenditures		than 7 years	· · · · ·	· · · · · · · · · · · · · · · · · · ·	 		
erty			or more years .					
Prop(Cost of used investment property	 (f) 3 or more but less (g) 5 or more but less (h) 7 or more years . 	than 7 years	· · · · ·				
12		from "net lease property rm capital gain over net short-		(e) Amortizat		ontrol facilities		
	(b) Accelerated depreciat	///////////////////////////////////////			oad rolling stock			1
	(1) Low income rent	al housing		(3) On-th	he-job training fa	acilities	19.1.28	S. Kangh K
	(3) Personal property	rty		(4) Child	care facilities . for losses on bad			23
		sts	Contraction of the		itutions			
Additional Information Required	 indirectly, 50% or maccorporation? (For rules of attributi attach a schedule sh fication number and G Taxable income or for your taxable you 1974	gain (after tax) .] of the taxable year own, direc- ore of the voting stock of a do on, see section 267(c).) If the owing: (a) name, address, an (b) percentage owned (loss) from line 28, page ear beginning in: 1973	mestic x e answer is "Yes," d employer identi- e 1, Form 1120S 59,000 ; (4,158) e principal: ineering Yes No x ith:	 (4) Employ W-2? K Did you file L Answer only your electio and (2) th year prior the erty: Was a the regulat M Did you, at terest in securities, (except in U.S. financ definitions, 	all required Forry y if (1) this is the on to be treated as e corporation was to the election as an agreement fil- ions? t any time during or signature or or other financia a U.S. military ial institution)? If see Form 4683.	ms 1087, 1096, he first 1120S rn as a small busin as in existence and had investm ed under section g the taxable ye other authority al account in a banking facility f "Yes," attach)	and 1099? eturn filed since ness corporation for the taxable ent credit prop- on 1.47-4(b) of ar, have any in- y over a bank, foreign country y operated by a Form 4683. (For	X X X X X X X X X
	(2) Living accommod business)?	lations (except for employed es at conventions or meetings)	es on x	during any during the any benefic	the grantor of, o y taxable year, w current taxable cial interest in su definitions, see	hich foreign tru year, whether ich trust? If "Ye	ist was in being or not you have es," attach Form	

Form 1120S (1976) Page 4 Scheellie K-1 Shareholder's Share of Undistributed Taxable Income, etc. (Complete a separate Schedule K-1 (Form 1120S) for each shareholder. See page 5 of instructions, and also back of Copy C, Schedule K-1 (Form 1120S).) Schedule L Balance Sheets Beginning of Taxable year End of Taxable year ASSETS (D) Total (A) Amount (B) Total (C) Amount 4,240 6,643 1 Cash 2 Trade notes and accounts receivable (a) Less allowances for bad debts 3 Inventories 4 Gov't obligations: (a) U.S. and instrumentalities (b) State, subdivisions thereof, etc. 9,163 5 Other current assets (attach schedule) 6 Loans to shareholders 7 Mortgage and real estate loans . . 8 Other investments (attach schedule) . . 32,501 32,501 9 Buildings and other fixed depreciable assets . 16,427 10,812 21,689 16,074 (a) Less accumulated depreciation . . . 10 Depletable assets (a) Less accumulated depletion 11 Land (net of any amortization) . . 325 325 12 Intangible assets (amortizable only) 320 70 5 255 (a) Less accumulated amortization . 13 Other assets (attach schedule) . . 29.835 Total assets 28.402 14 LIABILITIES AND SHAREHOLDERS' EQUITY 15 Accounts payable 5,000 10,000 16 Mtges, notes, bonds payable in less than 1 year . 17 Other current liabilities (attach schedule) . . . 11,426 18 Loans from shareholders 11,4262,500 2,500 19 Mtges, notes, bonds payable in 1 year or more . . 20 Other liabilities (attach schedule) 25,000 21 Capital stock 25,000 22 Paid-in or capital surplus 23 Retained earnings-appropriated (attach schedule) . . (523)24 Retained earnings-unappropriated (523) (15,001) (18, 568)25 Shareholders' undistributed taxable income previously taxed . 26 Less cost of treasury stock 29,835 Total liabilities and shareholders' equity . 28,402 27 Schedule M-1 Reconciliation of Income Per Books With Income Per Return (3, 567)1 Net income per books 7 Income recorded on books this year not included in this return (itemize) 2 Federal income tax . . 3 Excess of capital losses over capital gains . (a) Tax-exempt interest \$_____ 4 Income subject to tax not recorded on books this 8 Deductions in this tax return not charged against year (itemize) 5 Expenses recorded on books this year not deducted book income this year (itemize) in this return (itemize) Q Total of lines 7 and 8 6 (3, 567)(3,567)Total of lines 1 through 5 . . 10 Income (line 28, page 1)-line 6 less line 9 Schedule M-2 Analysis of Unappropriated Retained Earnings Per Books (line 24 above) (523) 1 Balance at beginning of year . . . 5 Distributions out of current or accumulated earn-(3, 567)ings and profits: (a) Cash 2 Net income per books 3 Other increases (itemize) (b) Stock (c) Property 6 Current year's undistributed taxable income or net (3, 567)operating loss (total of lines 8 and 9, Schedule K) 7 Other decreases (itemize) (3,567) Total of lines 5, 6, and 7 . . .

☆ U.S. GOVERNMENT PRINTING OFFICE : 1976-0-218-118 23-0916750

9 Balance at end of year (line 4 less line 8)

(4,090)

(523)

400

Total of lines 1, 2, and 3 .

	FISCAL YEAR	
Form TC-20S Completed Return is to be filed with or mailed to STATE TAX COMMISSION OF UTAH State Office Building Salt Lake City, Utah 84134 Returns made on the basis of the calendar year 1976 shall be filed with the State Tax Commission, State Office Bldg., Salt Lake City, Utah 84134, on or before April 15, 1977. Returns made on the basis of a fiscal year shall be filed on or before the fifteenth day of the fourth month following the	UTAH SMALL BUSINESS CORPORATION FRANCHISE TAX RETURN For Calendar Year 1976 or other taxable year beginning 9/1, 1976, ending 8/31, 1977 H. Tracy Hall, Incorporated 1190 Columbia Lane Provo, Utah 84601	1976 Federal Identification Number 87-0293951 Utah Sec. of State Number 57676
close of the fiscal year.	(If name, address and zip code are incorrectly printed in above space, please correct)	
	SUPPLEMENTAL INFORMATION (To be supplied by all corporations)	
A. Distributions to shareh mulated prior to January 1, 1	olders out of earnings accu- 973, \$ past examinations still pendin (2) With respect to wh	ng? <u>NONE</u> . at year or years have exten-

B. What is the latest year or years for which a Federal Examination has been completed? <u>NONE</u>. Attach a summary of the Federal adjustments and the adjusted Federal tax liability for each year for which Federal audit adjustments have not already been reported to the Tax Commission, and indicate date of final determination.

C. (1) With respect to what year or years are Federal examinations now in progress, or final determinations of

(2) With respect to what year or years have extensions for period of proposing additional assessments of Federal tax been agreed to with the Internal Revenue Service? <u>NONE</u>. Attach schedule giving complete details.

Note: Automatic extension of statute of limitations is provided by Section 59-13-40 of the Utah Code for failure to report fully the information required by Questions (B) and (C).

NOTE: A co	py of the	Federal return	(1120S)	and supporting	schedules	must l	be attached	to	this re	turn
------------	-----------	----------------	---------	----------------	-----------	--------	-------------	----	---------	------

1. 2.	Taxable income from page 1 of federal form 1120S Deduct: Income subject to federal tax, from schedule J form 1120S	\$ (3,567)	
3.	Line 1 less line 2	\$	
4.	Percentage of ownership represented by: (See instruction 5) (a) Resident shares <u>18,000</u> <u>72</u> (b) Non-resident shares <u>7,000</u> <u>28</u> Total – equals 100% <u>25,000</u> <u>100</u>		
5.	Line 3 multiplied by percent in line 4(a)	(2,568)	
6.	Line 3 less line 5	s (999)	
7.	Amount on line 2		
8.	Net Income (line 6 plus line 7)	\$(999)	
	(If corporation is taxable in another state, refer to schedule N, page 2)		
9.	Income allocated to Utah, from line 11, Schedule N, Page 2, (Applicable only if corporation is taxable in another state)	c	
10.	Net income subject to Utah franchise tax from line 8 or 9, whichever is applicable	\$	
10.			
XX	11. Tax: 6% of line 10. (No minimum tax applies) Penalty	s <u>NONE</u>	
H	Interest TOTAL	\$NONE	

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.

Date	Signature of officer		Presider Title	<u>1C</u>
Date	Individual or firm signature of preparer Elmer Fox, Westheimer & Co.	1675 North 200 West	, Provo, Utah dress	84601
	Certified Public Accountants			

	SCHEDULE N - ALLOCATION OF INCOME (To be used only if tax	kable in another stat	e)	
DES	CRIPTION	In Utah (a)	Everywhe (b)	ere	Fraction (a) \div (b)
1.	Total tangible property	\$	\$		
2.	Total expenditures for wages, salaries, commissions or other compensation	s	s		1.200
3.		\$	\$		
4.	Total of fractions 1, 2 and 3				
5.	Apportionment fraction (line 4 divided by three)				
6.	Net income (line 8, page 1)			\$	
7.	Less: Non-business income allocated: (attach schedule) (a) To Utah \$ X percent at line 4(b) page 1 (b) Outside Utah \$ X percent at line 4(b) page 1	= [{	6		
	Total	and the second	P1	s	
8. 9. 10.	Remainder of net income subject to apportionment (line 6 less line Portion of remainder allocated to Utah (line 8 X line 5) Add: Non-business income allocated to Utah (line 7(a) above)	7)			
11.	Net income subject to Utah franchise tax (enter at line 9, page 1)			\$	

Non-Business Income. Attach schedule showing gross amounts, related expenses and net amounts of each item. Also explain the nature and source of each item being specifically allocated.

Business and Nonbusiness Income Defined. Section 59-13-78. (a) defines "business income" as "income arising from transactions and activity in the regular course of the taxpayer's trade or business and includes income from tangible and intangible property if the acquisition, management, and disposition of the property constitute integral parts of the taxpayer's regular trade or business operations." In essence, all income which arises from the conduct of trade or business operations of a taxpayer is business income. For purposes of administration of the Uniform Division of Income for Tax Purposes Act, the income of the taxpayer is business income unless clearly classifiable as nonbusiness income.

GENERAL INSTRUCTIONS FORM TC-20S

Note: A Copy of the Federal Return and Supporting Schedules Must Be Attached to This Return.

1. Who Must File. Every small business corporation (as defined at Section 1371(a) of the Internal Revenue Code) which has filed a proper and timely election under Section 1372(a) shall file form TC-20S so long as the federal election remains in effect.

2. Time and Place for Filing. The return must be filed with the Tax Commission on or before the fifteenth day of April following the close of the calendar year for which the return is filed; or if the return is for a fiscal year, on or before the fifteenth day of the fourth month following the close of such fiscal year. The Tax Commission may grant a reasonable extension of time not exceeding six months for filing a return, if application therefor is made before the date prescribed above for filing such return, whenever in its judgment good cause exists.

3. Accounting Period. The taxable year for Utah shall be the same as for Federal income tax purposes. If a small business corporation changes the federal taxable year, it must change the Utah taxable year accordingly. However, permission to change shall be requested from the Tax Commission within 30 days after the close of the new filing period.

4. Signatures and Verification. The return shall be signed by a responsible officer of the corporation, the signature of whom need not be notarized but when signed shall be deemed made under oath. 5. Income Taxed to a Small Business Corporation. Every small business corporation is subject to payment of the corporation franchise tax on any income which is subject to the federal corporation income tax, adjusted, of course, for any applicable apportionment fraction. Also, the corporation franchise tax must be paid by a small business corporation on that percentage of income (other than income subject to federal tax) that the percentage of ownership of its outstanding shares of stock owned by non-resident individuals bears to the total outstanding shares of stock as of the last day of the corporation's filing period.

6. Dividends and Other Distributions. Any dividends or other distributions out of the corporation's earnings must be identified as to distributions out of earnings accumulated prior to 1-1-73, and/or earnings accumulated after 12-31-72.

7. Net Income Assignable to Business Done in Utah. If the corporation during the taxable year was taxable in another state complete schedule N.

A corporation is taxable in another state if (1) in that state it is subject to a net income tax, a franchise tax measured by net income, a franchise tax for the privilege of doing business, or a corporate stock tax, or (2) that state has jurisdiction to subject the taxpayer to a net income tax regardless of whether, in fact, the state does or does not. See Tax Commission reg. 8.