

EXTENSION GRANTED

FISCAL YEAR

U.S. Small Business Corporation Income Tax Return

for calendar year 1981 or other tax year beginning Sept. 1, 1981, ending Aug. 31, 1982

For Paperwork Reduction Act Notice, see page 1 of the instructions.

OMB No. 1545-0130

1981

Form 1120S

Department of the Treasury Internal Revenue Service

A Date of election as small business corporation

Sept. 3, 1972

B Business code no. (see page 8 of Instructions)

8599

Use IRS label. Otherwise, please print or type.

Name H. Tracy Hall, Inc.

Number and street 1190 Columbia Lane

City or town, State, and ZIP code Provo, Utah 84604

C Employer identification no.

87-0293951

D Date incorporated

Aug. 30, 1972

E Enter total assets from Schedule L, line 14, column D (see instructions)

\$ 56,425

IMPORTANT—All applicable lines and schedules must be filled in. If section 465 (deductions limited to amount at risk) applies, see instruction for line 28.

Table with columns for line numbers, descriptions, and amounts. Rows include Gross Income (1a-11), Deductions (12-28), and Tax (29-32).

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: [Signature] Date: 2/28/83 Title: President

Paid Preparer's Use Only Preparer's signature: [Signature] Date: [Blank] Check if self-employed: [Blank] Preparer's social security no.: 529 14 2208 Firm's name (or yours, if self-employed) and address: Fox & Company, 1675 N. 200 W., Provo, Utah E.I. No.: 48 0581199 ZIP code: 84604

Schedule A Cost of Goods Sold (See instructions for line 2)

1	Inventory at beginning of year	
2	Merchandise bought for manufacture or sale	
3	Salaries and wages	
4	Other costs (attach schedule)	
5	Total—Add lines 1 through 4	
6	Inventory at end of year	
7	Cost of goods sold—Subtract line 6 from line 5. Enter here and on line 2, page 1	

- 8 a Check all methods used for valuing closing inventory:
 - (i) Cost (iii) Lower of cost or market as described in regulations section 1.471-4 (see instructions)
 - (ii) Writedown of "subnormal" goods as described in regulations section 1.471-2(c) (see instructions)
- b Did you use any other method of inventory valuation not described above? Yes No
- c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)
- d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO.
- e If you are engaged in manufacturing, did you value your inventory using the full absorption method (regulations section 1.471-11)? Yes No
- f Was there any substantial change in determining quantities, cost, or valuations between opening and closing inventory? Yes No If "Yes," attach explanation.

Schedule E Compensation of Officers (See instructions for line 12)

1. Name of officer	2. Social security number	3. Time devoted to corporation business	4. Percentage of stock owned	5. Amount of compensation	6. Expense account allowances

Schedule F Bad Debts—Reserve Method (See instructions for line 15)

1. Year	2. Trade notes and accounts receivable outstanding at end of year	3. Sales on account	4. Current year's provision	5. Recoveries	6. Amount charged against reserve	7. Reserve for bad debts at end of year
1976						
1977						
1978						
1979						
1980						
1981						

Additional Information Required

F Did you at the end of the tax year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) Yes No

G Refer to page 8 of instructions and state the principal Business activity: Research and Engineering; Product or service:

H Were you a member of a controlled group subject to the provisions of section 1561? Yes No

I If the corporation has a loss in an activity for the year, does the corporation have amounts for which it is not "at risk" in the activity (see instruction for line 28)? Yes No

J Answer only if (1) this is the first 1120S return filed since your election to be treated as a small business corporation and (2) the corporation was in existence for the tax year prior to the election and had investment credit property: Was an agreement filed under section 1.47-4(b) of the regulations? Yes No