

Schedule A—Computation of Credit Against Federal Unemployment Tax

Name of State (1)	State reporting number as shown on employer's State contribution returns (2)	Taxable payroll (As defined in State act) (3)	Experience rate period (4)		Experi- ence rate (5)	Contributions had rate been 2.7% (col. 3 × 2.7%) (6)	Contributions payable at experience rate (col. 3 × col. 5) (7)	Additional credit (col. 6 minus col. 7) (8)	Contributions actually paid to State (9)
			From—	To—					
<p><i>not liable for tax wages less than \$1500. and less than 20 weeks</i></p>									
Totals ▶									

10. Total tentative credit (Column 8 plus column 9)

11. Enter 2.7% of the amount of wages shown in Item 13 below

12. Credit allowable (Item 10 or 11 whichever is smaller). Enter here and in Item 15

**KEEP THIS COPY
 FOR YOUR RECORDS**

You must retain this copy, and a copy of each related schedule or statement for a period of 4 years after the date the tax is due or paid, whichever is the later. These copies must be available for inspection by the Internal Revenue Service.

YOUR COPY

H. TRACY HALL, INC.
 1190 COLUMBIA LANE
 P. O. BOX 7533 UNIV. STA.
 PROVO, UTAH 84601

Calendar Year
1973
 Identification No.
84602

Calendar Year
1973
 Identification No.
84602

13. Total taxable wages paid during calendar year (From Schedule B, on other side)

14. Gross Federal tax (3.28% of Item 13)

15. Less: Credit (State taxes paid and additional credit) from Item 12, Schedule A

16. Item 14 less Item 15

17. Total Federal tax deposited (From Schedule C, on other side)

18. Balance Due (Item 16 less Item 17). Pay to "Internal Revenue Service" ▶

19. If no longer in business at end of year, write "FINAL" here ▶

Important—Before filing the return be sure to enter on this copy your name, address, and identification number.

10 Jan 1974

H. Tracy Hall

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General Instructions

Additional instructions for withholding, depositing, paying, and reporting Federal income tax, social security taxes, and Federal unemployment tax, are contained in Circular E, Employer's Tax Guide, available free from any Internal Revenue office.

Refer to Circular E to find which employers must file Form 940, the types of payments defined by law as wages, and the kind of services covered by the Federal Unemployment Tax Act.

Purpose of Form 940.—This form is for the annual reporting of tax under the Federal Unemployment Tax Act. Federal unemployment tax is paid by the employer. It is not deductible from wages paid employees. The tax rate is 3.28 percent on the first \$4,200 of wages paid to each employee during 1973. The tax rate is 3.2 percent on the first \$4,200 of wages paid to each employee during 1974.

Who Must File.—Every employer who during the current or preceding calendar year paid wages of \$1,500 or more in any calendar quarter, or had ONE or more employees at any time in each of 20 calendar weeks must file Form 940. Count all regular, temporary, and part-time employees. A partnership should not count its partners. If there is a change of ownership or other transfer of the business during the year, each employer who during the current or preceding calendar year paid wages of \$1,500 or more in calendar quarter, or had ONE or more employees at any time in each of 20 calendar weeks must file Form 940, but neither should report wages paid by the other.

If you receive a preaddressed form and are not liable for Federal unemployment tax for 1973, write "Not Liable" across the front of the form and return it to Internal Revenue. If you are no longer in business at the end of a year, write "Final Return" in Item 19.

If the business was sold or transferred during the year, attach a statement showing the name, and address and employer identification number (if known) of the new owner.

Once you have filed a Form 940, you will be sent a preaddressed form near the close of each calendar year. If you do not receive a form, request one from any Internal Revenue office in time to file when due.

Due Date of Return.—Form 940 for calendar year 1973 is due on or before January 31, 1974. However, if timely deposits were made in full payment of the tax due for the year, the return may be filed on or before February 10, 1974.

Where to file.

If your principal business, office, or agency is located in

Use this address

New Jersey, New York City and counties of Nassau, Rockland, Suffolk, and Westchester	Internal Revenue Service Center 1040 Waverly Avenue Holtsville, New York 11799
New York (all other counties), Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont	Internal Revenue Service Center 310 Lowell Street Andover, Massachusetts 01812
District of Columbia, Delaware, Maryland, Pennsylvania	Internal Revenue Service Center 11601 Roosevelt Boulevard Philadelphia, Pennsylvania 19155

Alabama, Florida, Georgia, Mississippi, South Carolina	Internal Revenue Service Center 4800 Buford Highway Chamblee, Georgia 30006
Michigan, Ohio	Internal Revenue Service Center Cincinnati, Ohio 45298
Arkansas, Kansas, Louisiana, New Mexico, Oklahoma, Texas	Internal Revenue Service Center 3651 S. Interregional Hwy. Austin, Texas 78740
Alaska, Arizona, Colorado, Idaho, Minnesota, Montana, Nebraska, Nevada, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming	Internal Revenue Service Center 1160 West 1200 South St. Ogden, Utah 84201
Illinois, Iowa, Missouri, Wisconsin	Internal Revenue Service Center 2306 E. Bannister Road Kansas City, Missouri 64170
California, Hawaii	Internal Revenue Service Center 5045 East Butler Avenue Fresno, California 93888
Indiana, Kentucky, North Carolina, Tennessee, Virginia, West Virginia	Internal Revenue Service Center 3131 Democrat Road Memphis, Tennessee 38110

If you have no legal residence or principal place of business in any Internal Revenue district, or if your principal place of business is in Puerto Rico, file Form 940 with Internal Revenue Service Center, 11601 Roosevelt Boulevard, Philadelphia, Pa. 19155.

Requirements for Deposits.—Federal unemployment tax must be deposited with an authorized commercial bank or a Federal Reserve bank. A Federal Tax Deposit Form 508 must accompany each deposit.

Federal unemployment tax must be computed on a quarterly basis. Any amount due must be deposited on or before the last day of the first month following the close of the quarter. (For those who do not qualify as an employer until the second or third quarter, deposit requirements do not begin until the end of the second or third quarter, respectively.)

To determine whether you must make a deposit for any of the first three quarters in 1974, compute the total tax by multiplying by .005 that part of the first \$4,200 of each employee's annual wages that was paid during the quarter.

If the amount subject to deposit (plus the amount subject to deposit for any prior quarter but not deposited) is more than \$100, deposit it during the first month following the quarter. If \$100 or less, you do not have to deposit it, but you must add it to the amount subject to deposit for the next quarter.

If the tax reportable on Form 940 less amounts deposited for the year is more than \$100, you must deposit the entire amount. If your tax for the year (less any deposits) is \$100 or less, you may either deposit the tax or send payment with Form 940.

If you deposited the proper amounts in accordance with these rules, the balance due on line 18 will not exceed \$100.

How to Make Deposits.—Fill in a pre-inscribed Federal Tax Deposit Form 508 in accordance with its instructions.

Send the Federal tax deposit form and your tax deposit to any commercial bank depository or Federal Reserve bank. Make your check or money order payable to that bank.

The timeliness of deposits is determined by the date received in a commercial bank depository or Federal Reserve bank. A deposit received after the due date will be considered timely if you establish it was

mailed two or more days before the due date.

Employer's Name, Address, and Identification Number.—Use the preaddressed Form 940 mailed to you. If you must use one not preaddressed, type or print your name, trade name, address, and employer identification number on it.

Penalties and Interest.—Avoid penalties and interest by filing a correct return and paying the proper amount of tax when due. The law provides a penalty for late filing unless reasonable cause is shown for the delay. If you file late, attach an explanation.

There also are penalties for willful failure to pay tax, keep records, and make returns and for filing false or fraudulent returns.

Credit for Contributions Paid into State Funds.—Employers are entitled to a credit against their Federal unemployment tax for contributions paid into a certified State unemployment compensation fund on or before the due date of Form 940.

The term "contributions" means payments required by a State law to be made into an unemployment fund by any person on account of having individuals in his employ, to the extent that such payments are made by him without being deducted or deductible from the remuneration of individuals in his employ.

Contributions may be credited against the tax whether or not they are paid with respect to "employment." But credit may not be taken for voluntary contributions or for penalties or interest paid to a State.

The credit for contributions made after the due date (or extended due date) for filing Form 940 may not exceed 90 percent of the amount that would have been allowable if the contributions were paid on or before the due date.

Employers who have been granted an experience rate lower than 2.7 percent by a State for the whole or part of the year are entitled to an "additional credit." This is equal to the difference between actual contributions and the amount they would have been required to contribute at (1) the highest rate applied by the State, or (2) 2.7 percent, whichever is lower.

Under Section 3302(e) a special credit is provided if an employer during any calendar year acquires substantially all of the property used in the trade or business (or in a separate unit of a trade or business) of another person who is not an "employer" and immediately after the acquisition the successor employs in his trade or business one or more individuals who immediately prior to the acquisition were employed in the trade or business of the predecessor. This special credit is not allowable to any successor employer whose predecessor also is an "employer," nor is it allowable to a corporation acquiring the trade or business of another corporation in a statutory merger or consolidation. The amount of the special credit is based on the amount of remuneration, subject to the unemployment compensation law of a State, paid by the predecessor to those employees who were employed by the predecessor immediately before the transfer of the trade or business (or separate unit thereof) and who also were employed by the successor immediately after the transfer.

The total credit allowable under Section 3302 may not exceed 2.7 percent of taxable wages.

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SCHEDULE B—Computation of Taxable Wages (See Schedule B instructions on page 2)

1. Total remuneration (including exempt remuneration) PAID during the calendar year for services of employees	\$
Exempt Remuneration (List each type of exemption)	
2. Exempt remuneration (Explain each exemption shown, attaching additional sheet if necessary):	
3. Remuneration in excess of \$4,200. (Enter only the excess over the first \$4,200 paid to individual employees exclusive of exempt amounts entered on line 2)	
4. Total exempt remuneration	
5. Total taxable wages (line 1 minus line 4). Enter this amount in Item 13 on other side	\$

SCHEDULE C—Record of Federal Tax Deposits

Serial Number of Form 508	Date of Deposit	Amount	Serial Number of Form 508	Date of Deposit	Amount	Serial Number of Form 508	Date of Deposit	Amount

Total tax deposited (also enter in item 17 on other side) ▶