

1987

Corporation Franchise or Income Tax Return

100

For income year beginning MONTH DAY YEAR, and ending MONTH DAY YEAR

Affix Preaddressed Label

California Corporation Number, Federal Employer Identification Number, Corporation Name, Address, City, State, Zip Code

- B Is income included in a combined report of a unitary group?
C Did this corporation or its subsidiary(ies) have a change in control or ownership this year?
D Did the corporation or combined group pay more than \$100,000 in local personal property taxes and/or business license taxes in California during this income year?
E Principal business activity code
F Check here if claiming enterprise zone or program area tax benefits:
G Check here if claiming technological property contribution tax benefits:
H Date incorporated Where?
I Check applicable box if the corporation is to be treated as a California:
S Corporation Real Estate Mortgage Investment Conduit

Questions

- A Final Return? Dissolved Withdrawn Merged/Reorganized
IRC Section 338 Sale If a box is checked, enter date

Table with 11 rows for State Adjustments and 6 sub-rows for Dividends (10a-10f). Includes descriptions like 'Net income (loss) before state adjustments' and 'Total. Add line 1 through line 8'.

If all income is derived from California sources, transfer the amount from line 11 to line 12. If income is derived from sources both within and without California, complete Schedule R and transfer the amount from Schedule R, line 24 to line 12 below.

Table with 23 rows for Taxes and 7 rows for Payments/Balance Due or Refund. Includes descriptions like 'Net income (loss) for state purposes', 'Total tax', 'Tax due', and 'Total amount due'.

**Schedule A Taxes Deducted**

(a) Nature of Tax	(b) Taxing Authority	(c) Amount

**Total Taxes Deducted.** Enter here and on Schedule G, line 17 .....

**Schedule B Depreciation and Amortization** (attach form FTB 3885 or a detailed schedule in support of this schedule)

Part A. Depreciation Claimed		Part B. Amortization Claimed	
1 Total depreciation claimed for federal purposes ..		1 Total amortization claimed for federal purposes ..	
2 Allowable for state purposes .....		2 Allowable for state purposes .....	
3 Depreciation adjustment * .....		3 Amortization adjustment * .....	

\* If line 1 is greater than line 2, enter difference on line 3 and on Side 1, line 6 or line 7.  
 If line 2 is greater than line 1, enter difference on line 3 and on Side 1, line 10f. **Note:** California has not adopted the federal Accelerated Cost Recovery System (ACRS). See exceptions on form FTB 3885.

**Schedule C Tax Credits**

1 Jobs Tax Credit (FTB 3524) .....		5 Solar or Commercial Solar Energy (FTB 3805L)	
2 Energy Conservation Credit Carryover (FTB 3514)		6 Technological Property Contribution (FTB 3519) ...	
3 Research and Development (FTB 3523) .....		7 Other (attach schedules) .....	
4 Orphan Drug Research (FTB 3528) .....		8 Total. Enter here and on Side 1, line 20 .....	

**Schedule D Cost of Goods Sold and/or Operations**

1 Inventory at beginning of year .....	1	
2 Purchases ..	2	
3 Cost of labor .....	3	
4 Other costs (attach schedule) .....	4	
5 Total. Add line 1 through line 4 .....	5	
6 Inventory at end of year .....	6	
7 Cost of goods sold and/or operations. Subtract line 6 from line 5. Enter here and on Schedule G, line 2 .....	7	

Method of inventory valuation ▶  
 Was there any substantial change in the manner of determining quantities, costs or valuations between opening and closing inventory?  Yes  No  
 If "Yes," attach an explanation. Enter California sales permit number (if any) ▶

**Questions**

**J** Date business began in California or date income was first derived from California sources \_\_\_\_\_

**K** Accounting method used \_\_\_\_\_

**L** Location of principal accounting records \_\_\_\_\_

**M** Has the federal government redetermined your income tax liability for any prior year(s) which has not previously been reported?  Yes  No  
 If yes, furnish copy of agent's report under separate cover.

**N** First Return? (Check appropriate box(es))  
 New business or successor to previously existing business operated as a:  
 sole proprietorship  partnership  joint venture  corporation  other  
 (attach statement showing name, address and FEIN of previous business)

**O** Enter corporation "doing business as" name \_\_\_\_\_

**P** At any time during the income year, was more than 50% of voting stock:  
**a** of the corporation owned by any single interest?  Yes  No  
**b** of another corporation owned by this corporation?  Yes  No  
**c** of this and one or more other corporations owned or controlled, directly or indirectly, by the same interests?  Yes  No  
 If **a**, **b**, or **c** is "yes" furnish statement of ownership indicating pertinent names, addresses, and percentages of stock owned. If the owner(s) is an individual, provide the social security number.

**Q** Have all required information returns (federal forms 1099) been filed with the Franchise Tax Board?  N/A  Yes  No

**R** Was the corporation's income included in a consolidated federal return?  Yes  No

**Schedule E Compensation of Officers.** Complete only if total receipts (Schedule G, line 1a plus line 4 through line 10) are \$150,000 or more.

(a) Name of officer	(b) Social security number	(c) Percent of time devoted to business	(d) Percent of stock owned	(e) Amount of compensation
		%	%	
		%	%	
		%	%	
		%	%	

**Total compensation of officers.** Enter here and on Schedule G, line 12 .....

**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 the taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer ▶ Title Date Telephone ( )

**Paid Preparer's Use Only** Preparer's signature ▶ Date Check if self-employed  Preparer's social security no. E.I. No. ▶ Telephone ▶ ( )

**Schedule F Bad Debts — Reserve Method**

(a) Income year	(b) Trade notes and accounts receivable outstanding at end of year	(c) Sales on account	Amount added to reserve		(f) Amount charged against reserve	(g) Reserve for bad debts at end of year
			(d) Current year's provision	(e) Recoveries		
1982						
1983						
1984						
1985						
1986						
1987						

**Schedule G Computation of Net Income**

<b>GROSS INCOME</b>	1 a Gross receipts or gross sales _____ b Less returns and allowances _____ Balance ▶	1c	
	2 Cost of goods sold and/or operations (Schedule D) .....	2	
	3 Gross profit. Subtract line 2 from line 1 .....	3	
	4 Dividends (Schedule H) .....	4	
	5 a Interest on obligations of the United States and U.S. instrumentalities .....	5a	
	5 b Other interest (attach schedule) .....	5b	
	6 Gross rents .....	6	
	7 Gross royalties .....	7	
	8 Capital gain net income (attach federal Schedule D (Form 1120) ) *	8	
	9 Ordinary gain (loss) (attach federal Form 4797) .....	9	
	10 Other income (attach schedule) .....	10	
11 <b>Total income.</b> Add line 3 through line 10 .....	11		
* Capital loss carryover deducted on line 8 must be restored to income on Side 1, line 5. Any net capital loss not reported on line 8 may be deducted on Side 1, line 10c.			
<b>DEDUCTIONS</b>	12 Compensation of officers (Schedule E) .....	12	
	13 Salaries and wages (not deducted elsewhere) .....	13	
	14 Repairs .....	14	
	15 Bad debts (complete Schedule F if reserve method is used) .....	15	
	16 Rents .....	16	
	17 Taxes (Schedule A) .....	17	
	18 Interest .....	18	
	19 Contributions (attach schedule) .....	19	
	20 Depreciation .....	20	
	21 Amortization .....	21	
	22 Depletion (attach schedule) .....	22	
	23 Advertising .....	23	
	24 Pension, profit-sharing, etc., plans .....	24	
	25 Employee benefit plans .....	25	
	26 Other deductions (attach schedule) .....	26	
	27 <b>Total deductions.</b> Add line 12 through line 26 .....	27	
	28 <b>Net income before state adjustments.</b> Subtract line 27 from line 11 and transfer result to Side 1, line 1 .....	28	

**Schedule H Dividend Income (attach additional sheet(s) if necessary)**

(a) Name of Payer	(b) Dividend Received	(c) Type of Stock Common/Preferred

**Schedule K S Corporations Only — Computation of Net Income Before State Adjustments**

1 Ordinary income (loss) from trade or business activity(ies) (federal Form 1120S, Schedule K, line 1) .....	1	
2 Net income (loss) from rental real estate activity(ies) (federal Form 1120S, Schedule K, line 2c) .....	2	
3 Net income (loss) from other rental activity(ies) (federal Form 1120S, Schedule K, line 3c) .....	3	
4 Portfolio income (loss), (federal Form 1120S, Schedule K, sum of line 4a through line 4f) .....	4	
5 Net gain (loss) under Internal Revenue Code section 1231 (federal Form 1120S, Schedule K, line 5) .....	5	
6 Other income (loss) (federal Form 1120S, Schedule K, line 6) .....	6	
7 Add line 1 through line 6 .....	7	
8 Portfolio income (loss) expenses and other deductions (federal Form 1120S, Schedule K, sum of line 7 through line 10) .....	8	
9 <b>Net income before state adjustments.</b> Subtract line 8 from line 7. Enter here and on Schedule G, line 28 .....	9	

Schedule L Balance Sheets	Beginning of income year		End of income year	
	(a)	(b)	(c)	(d)
<b>Assets</b>				
1 Cash				
2 Trade notes and accounts receivable				
a Less allowance for bad debts				
3 Inventories				
4 Federal and state government obligations				
5 Other current assets (attach schedule)				
6 Loans to stockholders/officers (attach schedule)				
7 Mortgage and real estate loans				
8 Other investments (attach schedule)				
9 Buildings and other fixed depreciable assets				
a Less accumulated depreciation				
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 <b>Total assets</b>				
<b>Liabilities and Stockholders' Equity</b>				
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				
20 Other liabilities (attach schedule)				
21 Capital stock: a Preferred stock				
b Common stock				
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 <b>Total liabilities and capital</b>				

Schedule M - 1 Reconciliation of Income per Books with Income per Return			
Do not complete this schedule if amount on Schedule L, line 14, column (d), is less than \$25,000.			
1 Net income per books		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 State tax refunds ... \$ _____	
a Depreciation .... \$ _____			
b State taxes .... \$ _____		9 Total. Add line 7 and line 8	
		10 Net income per return. Subtract line 9 from line 6	
6 Total. Add line 1 through line 5			

Schedule M - 2 Analysis of Unappropriated Retained Earnings per Books (Schedule L, line 24)			
Do not complete this schedule if amount on Schedule L, line 14, column (d), is less than \$25,000.			
1 Balance at beginning of year		5 Distributions: a Cash	
2 Net income per books		b Stock	
3 Other increases (itemize) _____		c Property	
		6 Other decreases (itemize) _____	
4 Total. Add line 1 through line 3		7 Total. Add line 5 and line 6	
		8 Balance at end of year. Line 4 minus line 7	