

Other Deductions.

69

[fol. 58]

Arthur Murray School of Dancing.

For the Year Ended March 31, 1954.

Description	
Royalties paid to Arthur Murray, Inc., New York, N.Y.....	\$ 35,633.05
Advertising	
Radio	\$12,405.82
Newspaper	12,588.99
Television	14,276.01
Other	7,427.72
	46,698.54
Music Records	711.74
Instructors' Supplies	1,876.63
Office Stationery, Printing and Supplies	5,118.67
Insurance	928.49
Automobile Expenses	1,254.12
Travel and Convention Expense	4,705.11
Club Dues and Entertainment	2,038.54
Contests, Student Parties and General Promotional	5,107.71
Repairs and Maintenance	4,701.05
Heat, Light & Power	3,100.85
Telephone and Telegraph	6,173.86
Professional Services	6,821.73
Dues and Subscriptions	325.45
Miscellaneous	4,163.41
Transfer Hours Paid Other Arthur Murray Dance Schools	1,955.32
Cost of Training	16.00
Cash Short	12.61
	<hr/>
	\$151,342.88

Schedule E.—DEPRECIATION. (See Instruction 20)

Page 3

1. Kind of property (in buildings, state material of which constructed; in other land and other depreciable property)	2. Date acquired	3. Cost or other basis	4. Depreciation allowed (or allowed in prior years)	5. Remaining cost or other basis to be recovered	6. Life used in computing depreciation	7. Estimated life from beginning of year	8. Depreciation allowed this year
Music Equipment	Various	4,275.81	2,313.39		Various		\$ 487.68
Automobiles	"	15,999.97	3,930.98		"		2,718.87
Furniture & Fixtures	"	20,749.07	12,088.70		"		2,408.84
Leasehold Improvements	"	32,016.49	6,768.58		"		5,643.71
Total (enter as item 20, page 1)							\$ 12,259.10

Schedule F.—OTHER DEDUCTIONS. (See Instruction 24)

Explanation	Amount	Explanation (continued)	Amount (continued)
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See Attached Schedule

Total (enter as item 24, page 1)

\$

Schedule G.—CONTRIBUTIONS OR GIFTS PAID. (See Instruction for Schedule K)

Name and address of organization	Amount	Name and address of organization (continued)	Amount (continued)
American Cancer Society	85.00	Christ Child	\$ 10.00
D.A.V.	25.00	Boys Town	10.00
Disabled Veterans	10.00	Volunteers of America	5.00
Community Chest	50.00	Miscellaneous	30.00
Nat'l. I.B. Assn.	5.00	St. Leger Crawley Chapter	20.00
American Red Cross	50.00	Total (enter in column 7, Schedule K)	\$ 300.00

Schedule H.—COMPUTATION OF NET EARNINGS FROM SELF-EMPLOYMENT. (See Instructions for Schedule H)

1. Ordinary net income increased by casualty losses (item 26 plus item 18, page 1, but do not include any income from excluded services or sources)	\$ 69,093.13
2. Less: Portion of item 4, page 1, which does not constitute net earnings from self-employment	
3. Dividends from item 5, page 1	
4. Interest on corporation bonds and Government obligations, etc., included in items 6, 7, and 8, page 1	
5. Net rentals from real estate (item 9, page 1, less allowable deductions)	
6. Net gain (or loss) from item 11, page 1	
7. Net earnings from self-employment. (Enter in column 10, Schedule K)	\$ 69,093.13

QUESTIONS

- Date of organization **June 18, 1946**
- If this is the organization's first return, indicate whether (a) completely new business ☐, or (b) successor to previously existing business, which was organized as (1) corporation ☐, (2) partnership ☐, or (3) sole proprietorship ☐, or (4) other (indicate) **Partnership**
If successor to previously existing business, give name and address of the previous business organization
- Nature of organization (partnership, syndicate, pool, joint venture, etc.) **Partnership**
- Was a return of income filed for preceding year? **Yes** If so, to which District Director's office was it sent? **Omaha**
- Check whether this return was prepared on the cash ☐ or accrual ☒ basis.
- State whether inventories at the beginning and end of the taxable year were valued at (a) cost, or (b) cost or market whichever is lower
If any other basis is used, attach statement describing basis fully, state why used and the date inventory was last reconciled with stock
- Is any member of the partnership the wife, son, or daughter of any other member? (Answer "Yes" or "No.") **Yes**
- Did the organization at any time during the taxable year own directly or indirectly any stock of a foreign corporation or of a personal holding company, as defined in section 501 of the Internal Revenue Code? (Answer "Yes" or "No.") **No** If answer is "Yes," attach list showing name and address of each such corporation and amount of stockholdings
- Was return of information on Forms 1096 and 1099, or Form W-2a, filed for the calendar year 1953? (See Instruction H) **Yes**
- Did the partnership, during the taxable year, have any contracts or subcontracts subject to the Renegotiation Act of 1951? (Answer "Yes" or "No.") **No** If answer is "Yes," state the approximate aggregate gross dollar amount billed during the taxable year under all such contracts and/or subcontracts.
\$ (See General Instruction I.)

ASSETS		Beginning of taxable year		End of taxable year	
	Amount	Total	Amount	Total	
1 Cash		\$ 51,827.72		\$ 109,740.92	
2 Notes and accounts receivable	\$ 86,698.33		\$ 85,177.19		
Less Reserve for bad debts		86,698.33		85,177.10	
3 Inventories				26,990.00	
4 Investments					
5 Depreciable assets	51,991.47		\$ 73,040.84		
Less Reserve for depreciation	23,956.18	28,035.32	36,215.25	36,825.59	
6 Land		874.78		699.04	
Deferred Expense					
7 Other assets		83,822.20		78,880.34	
8 Total assets		\$ 251,258.35		\$ 338,312.99	
LIABILITIES					
9 Accounts payable		\$ 4,754.10		\$ 11,167.53	
10 Accounts payable Deferred Income		235,942.33		248,740.39	
11 Accrued expenses		2,834.40		4,766.39	
12 Other liabilities		289.80			
13 Partners' capital accounts					
(a)					
(b) Mark E. Schlude	2,919.67		35,960.26		
(c)					
(d) Marzalie Schlude	4,518.05		37,678.60		
(e)		7,437.72		73,638.86	
14 Total liabilities		\$ 251,258.35		\$ 338,312.99	

Schedule J.—RECONCILIATION OF PARTNERS' CAPITAL ACCOUNTS

	1. Capital account at beginning of year	2. Ordinary net income	3. Capital gains and losses (able income)	4. Additional capital contributed during year	5. Capital losses and nondeductible deductions	6. Withdrawals	7. Capital account at end of year
(a)	\$ 2,919.67	\$ 34,546.57		\$ 21,645.79		\$ 23,151.77	\$ 35,960.26
(b)							
(c)							
(d)	4,518.05	34,546.56		21,645.77		23,031.78	37,678.60
(e)							

Schedule K.—PARTNERS' SHARES OF INCOME AND CREDITS. (See instruction for Schedule K)

	1. Name and address of each partner (Designate nonresident aliens if any) Where return of partner or member is filed in another internal revenue district, specify district	2. Percentage of loss devoted to business	3. Ordinary net income (Page 25, page 1) (Less any partially tax-exempt interest included in item 4, page 1)	4. Partially tax-exempt interest included in item 3, page 1
(a)				
(b)	Mark E. Schlude - Omaha, Nebraska	100%	\$ 34,546.57	
(c)				
(d)	Marzalie Schlude - Omaha, Nebraska	100%	34,546.56	
(e)				
Totals			\$ 69,093.13	\$

Continuation of Schedule K

	5. Net short-term gain (or loss) from sale or exchange of capital assets (from line 1, Schedule A)	6. Net long-term gain (or loss) from sale or exchange of capital assets (from line 8, Schedule A)	7. Charitable contributions (from Schedule D)	8. Federal income tax paid at source (2 percent of item 3, page 1)	9. Income and profits taxes paid to a foreign country or United States possession	10. Net earnings from self-employment (from line 1, Schedule M, page 3)
(a)	\$	\$	\$	\$	\$	\$
(b)			150.00			34,546.57
(c)						
(d)			150.00			34,546.56
(e)						
Totals	\$	\$	\$ 300.00	\$	\$	\$ 69,093.13

DECLARATION (See instruction D)

I declare under the penalties of perjury that this return (including any accompanying schedules and statements) has been examined by me, and to the best of my knowledge and belief is a true, correct, and complete return.

(Signature of person (other than partner or member) preparing return) *10/15/14* (Date) *Marzalie Schlude* (Signature of partner or member) *10/15/14* (Date)

(Name of firm or employer, if any)

U. S. GOVERNMENT PRINTING OFFICE 16-68836-1

(Address of partner or member)

For other taxable years ending after Sept. 30, 1950, but before Dec. 31, 1951, attach Form 1040F.

EMPLOYEES: Instead of this form, you may use Form 1040A if your total income was less than \$5,000, consisting wholly of wages shown on Forms W-2, of such wages and not more than \$100 of other wages, dividends, and interest.

Name **Mark E. Schlude and Marzalie Schlude**
(PLEASE PRINT. If this is a joint return of husband and wife, use first names of both.)

HOME ADDRESS **309 So. 19th Street**
(PLEASE PRINT. Street and number or rural route.)

Omaha
(City, town, or post office.)

Nebraska
(State.)

Social Security No.

Occupation **Own Dance Studio**

Do not write in these spaces

Key 101-28

(Cashier's Stamp)

MA

Your
exemptions

1. List your own name. If married and your wife (or husband) had no income, or if this is a joint return of husband and wife, list name of your wife (or husband). List names of other close relatives (as defined in instructions) with 1950 gross incomes of less than \$500 who received more than one-half of their support from you in 1950. If this is a joint return of husband and wife, list dependent relatives of both.

Name (please print)	Check below whether you (or your wife) were at the end of your taxable year—		On lines a and b below— Write 1 if neither 65 nor blind, Write 2 if either 65 or blind, Write 3 if both 65 and blind.
	65 OR OVER	BLIND	
Your name Mark	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	a. Number of exemptions for you 1
Wife's (or husband's) name Marzalie	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	b. Number of her (his) exemptions 1
Name of Other Dependent Relative			Address, if different from yours

Enter here total number of exemptions claimed (yours and your wife's plus one for each dependent listed above) **2**

Your
income

2. Enter your total wages, salaries, bonuses, commissions, and other compensation received in 1950. BEFORE PAY-ROLL DEDUCTIONS for taxes, dues, insurance, bonds, etc. Also enter amount of income tax withheld. Members of Armed Forces and persons claiming traveling or reimbursed expenses, see instructions.

Print Employer's Name	Where Employed (City and State)	Amount of Income Tax Withheld	Total Wages
		\$	\$

Enter totals \$

3. If you received dividends, interest, or any other income, give details on page 2 and enter the total here

4. Add income shown in items 2 and 3, and enter the total here

19,948 95

How to
figure
the tax

IF YOUR INCOME WAS LESS THAN \$5,000. Use the table on page 4 to find your tax unless you itemize your deductions. This table allows about 10 percent of your total income for charitable contributions, interest, taxes, medical expenses, etc. If your deductions exceed 10 percent, it will usually be to your advantage to itemize them and compute your tax on page 3.

IF INCOME WAS \$5,000 OR MORE. Do not use tax table. Compute tax on page 3. Use standard deduction or itemize deductions, whichever is to your advantage.

HUSBAND AND WIFE. For split income benefits, file a joint return. If filing separate returns, and one itemizes deductions, both must itemize.

Tax
due or
refund

5. Enter your tax from table on page 4, or from line 18, page 3

6. How much have you paid on your 1950 income tax?
(A) By tax withheld (in item 2, above). Attach Original Forms W-2
(B) By payments on 1950 Declaration of Estimated Tax

7. If your tax (item 5) is larger than payments (item 6), enter BALANCE OF TAX DUE. This balance of tax due must be paid in full with return.

8. If your payments (item 6) are larger than your tax (item 5), enter the OVERPAYMENT here. Enter amount of item 8 you want: Refunded to you \$ **923.68**. Credited on your 1951 estimated tax \$ **923.68**. Do you owe any prior year Federal tax for which you have been billed? **No** (Yes or No)

4,076 32

5,000 00

5,000 00

923 68

If you filed a return for a prior year, state latest year **1949**

Where filed **Omaha, Nebraska**

To which Collector's office did you pay amount claimed in item 6 (P., above)? **Omaha, Nebraska**

County in which you reside **Douglas**

Is your wife (or husband) making a separate return for 1950? **No**

If Yes, with her (or his) name

I declare under the penalties of perjury that this return (including any accompanying schedules and statements) has been examined by me and to the best of my knowledge and belief is a true, correct, and complete return.

(Signature of person other than taxpayer)

EXHIBIT 7-0

Maryale Schlude
Mark E. Schlude

3/1/51
3/1/51

To assure any benefits of split income

and BOTH MUST SIGN, even though only one has income

Automatic Canteen
Merchandise Mart
Chicago, Ill.

62 50

Enter total here →

62 50

Schedule B.—INCOME FROM INTEREST

Name and address of payer

Amount

Name and address of payer

Amount

Enter total here →

Schedule C.—PROFIT (OR LOSS) FROM BUSINESS OR PROFESSION. (Farmers should obtain Form 1060F)

Net profit (or loss) from business or profession (from separate Schedule C)

Schedule D.—GAINS AND LOSSES FROM SALES OR EXCHANGES OF CAPITAL ASSETS, ETC.

1. Net gain (or loss) from sale or exchange of capital assets (from separate Schedule D)
2. Net gain (or loss) from sale or exchange of property other than capital assets (from separate Schedule D)

Schedule E.—INCOME FROM ANNUITIES OR PENSIONS

1. Cost of annuity (total amount you paid in) \$
2. Amount received tax-free in prior years
3. Remainder of cost (line 1 less line 2) \$
4. Total amount received this year \$
5. Excess, if any, of line 4 over line 3
6. Enter line 5, or 3 percent of line 1, whichever is greater (but do not enter more than line 4)

Schedule F.—INCOME FROM RENTS AND ROYALTIES

1. Kind and location of property	2. Amount of rent or royalty	3. Depreciation or depletion (explain in Schedule H)	4. Royalties (explain in Schedule H)	5. Other expenses (explain in Schedule H)
	\$	\$	\$	\$
(See schedule attached)				
	\$	\$	\$	\$
1. Totals	\$	\$	\$	\$

2. Net profit (or loss) (column 2 less sum of columns 3, 4, and 5)

Schedule G.—INCOME FROM PARTNERSHIPS, ESTATES AND TRUSTS, AND OTHER SOURCES

NAME	ADDRESS	AMOUNT
1. Partnership, joint venture, etc.	(See schedule attached)	\$
2. Estate or trust		\$
3. Other sources (state nature)		\$

Enter total here →

Total income (or loss) from above sources (Enter as item 3, page 1)

18,690 50

19,948 95

Schedule H.—EXPLANATION OF DEDUCTION FOR DEPRECIATION CLAIMED IN SCHEDULE F

1. Kind of property (if buildings, state whether of other construction)	2. Date acquired	3. Cost or other basis (do not include land or other nondepreciable property)	4. Annual fully depreciated basis (cost of year)	5. Depreciation allowed or allowable in prior years	6. Remaining cost or other basis to be recovered	7. Estimated life used in computing depreciation	8. Estimated remaining life from beginning of year	9. Depreciation allowable this year
		\$	\$	\$	\$			\$

Schedule I.—EXPLANATION OF COLUMNS 4 AND 5 OF SCHEDULE F

1. Column No.	2. Explanation	3. Amount	4. Column No.	5. Explanation	6. Amount
		\$			\$

4-2 (2)

Schedule D (File with Form 1040)

1950

SCHEDULE OF GAINS AND LOSSES FROM SALES OR EXCHANGES OF PROPERTY

For Calendar Year 1950 or other taxable years ending after Sept. 30, 1950, but before Dec. 31, 1951

NAME AND ADDRESS **Mark E. Schlude & Marzalia Schlude**
(1) CAPITAL ASSETS

1. Kind of property (if necessary, attach statement of descriptive details, not shown below)	2. Date acquired Mo. Day Year	3. Date sold Mo. Day Year	4. Gross sales price (contract price)	5. Depreciation allowed (or allowable) since ac- quired or March 1, 1913 (attach schedule)	6. Cost or other basis and cost of subsequent im- provements (if not purchased, attach explanation)	7. Expense of sale
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SHORT-TERM CAPITAL GAINS AND LOSSES—ASSETS HELD NOT MORE THAN 6 MONTHS

1. Totals	\$	\$	\$	\$	\$	\$
2. Net short-term gain or loss other than from partnerships and common trust funds (column 4 plus column 5 minus the sum of columns 6 and 7, of line 1)	\$					
3. Enter your share of the net short-term gain or loss from partnerships and common trust funds						
4. Enter here the sum of gains or losses, or difference between gain and loss, shown in lines 2 and 3	\$					

LONG-TERM CAPITAL GAINS AND LOSSES—ASSETS HELD FOR MORE THAN 6 MONTHS

Krenn & Dato Lots	1941	8/29/51	300000	\$	-	\$ 370 51	\$ 3 00
Krenn & Dato Lots	1941	12/29/50	150000	\$	-	286 89	2 20

(Taxpayer owned a 1/2 interest in these properties)

1. Totals	\$4500 00	\$	-	\$ 657 40	\$ 5 20
6. Net long-term gain or loss other than from partnerships and common trust funds (column 4 plus column 5 minus the sum of columns 6 and 7, of line 5)	1/2 of profit reportable by taxpayer	\$	1918 70		
7. Enter the full amount of your share of the net long-term gain or loss from partnerships and common trust funds		\$	1918 70		
8. Enter here the sum of gains or losses, or difference between gain and loss, shown in lines 6 and 7		\$	959 35		
9. Enter 50 percent of line 8. This is the amount to be taken into account in summary below		\$	959 35		
10. Summary of Capital Gains (use only if gains exceed losses in lines 4 and 9):		\$	959 35		
(a) Net gain for 1950 (either the sum of gains or difference between gains and losses in lines 4 and 9)		\$	959 35		
(b) Capital loss carry-over, 1945-1949 inclusive		\$	259 35		
(c) If line (a) exceeds line (b), enter this excess here and on line 1, Schedule D, page 2, Form 1040		\$			
(d) If line (b) exceeds line (a), enter the excess here and use line (c) to determine allowable loss		\$			
(e) Enter here and on line 1, Schedule D, page 2, Form 1040, the smallest of the following: (1) the amount on line (d), (2) net income (adjusted gross income if tax table is used) computed without regard to capital gains or losses, or (3) \$1,000		\$			
(f) Enter here the amount on line (e) plus any capital loss carry-over from 1945 which was not used against line (a) or in line (e)		\$			
(g) Subtract line (f) from line (d) and enter the remainder here. This is your capital loss carry-over to 1951		\$			
11. Summary of Capital Losses (use only if losses exceed gains in lines 4 and 9):		\$			
(a) Net loss for 1950 (either the sum of losses or difference between losses and gains in lines 4 and 9)		\$			
(b) Capital loss carry-over, 1945-1949 inclusive		\$			
(c) Total of lines (a) and (b)		\$			
(d) Enter here and on line 1, Schedule D, page 2, Form 1040, the smallest of the following: (1) the amount on line (c), (2) net income (adjusted gross income if tax table is used) computed without regard to capital gains or losses, or (3) \$1,000		\$			
(e) Enter here the amount on line (d) plus the amount of any 1945 capital loss carry-over not used in line (d)		\$			
(f) Subtract line (e) from line (c) and enter the remainder here. This is your capital loss carry-over to 1951		\$			

(2) PROPERTY OTHER THAN CAPITAL ASSETS

1. Kind of property	2. Date acquired Mo. Day Year	3. Date sold Mo. Day Year	4. Gross sales price (contract price)	5. Depreciation allowed (or allowable) since ac- quired or March 1, 1913 (attach schedule)	6. Cost or other basis and cost of subsequent im- provements (if not purchased, attach explanation)	7. Expense of sale
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1. Totals	\$	\$	\$	\$	\$	\$
2. Total net gain or loss (columns 4 plus 5 minus the sum of columns 6 and 7). Enter on line 2, Schedule D, page 2, Form 1040	\$					

See other side for instructions and Computation of Alternative Tax

• 40001

[fol. 61]

Marzalie Schlude--1956

Marzalie Schlude 1/2
Bayard W. Biossat 1/4
6756 Oglesby Ave.
Lendol D. Snow 1/4
2542 W. 101st St.

1305 W. Chicago Ave.

Rent Income..... \$420.00

Expenses:

Management 21.00
Repairs 74.99
Insurance 160.16
256.15

Net Income Before Depreciation..... 163.85

Depreciation 46.18

Net Income..... 117.67

1/2 Interest..... 58.84

Depreciation Schedule:

1. Store
2. 9/18/47
3. \$923.72
4.
5. 27.58
6. 896.14
7. 20 years
8. 17 3/4 years
9. \$ 46.18

Marzalie Schlude 1/2

Harry A. Boissat 1/2

6818 Bennet Ave.

7801 South Shore Drive

Gross Income: \$540.00

Expenses:

Insurance 5.51

Water 4.26

Plumbing Repairs 29.00 : 38.77

Net Income (Before Depreciation) 501.23

A 1/2 interest 250.62

Deduct depreciation (Taxpayer's share) 404.69

Net Income 154.07

Depreciation Schedule:

1. Frame-House

2. 12-31-49

3. \$6,067.35

4.

5.

6. 6,067.35

7. 15 years

8. 15 years

9. \$ 404.69

[fol. 63] Schedule 5. Marzalie and Mark Schlude—1950

Income From Partnerships and Other Sources.

Arthur Murray Dance Studio

395 So. 19th St.

Omaha, Nebraska.

Mark E. Schlude\$ 9,908.22

Marzalie Schlude 9,908.22

54th & Woodlawn—University Building

c/o South Central Realty Co.

216 E. 31st St.,

Chicago, Ill.

Marzalie Schlude 280.31

Total Partnership Income 20,096.75

Oil Well Development Expense 1,406.25

Total \$18,690.50