

Schedule A--GAINS AND LOSSES FROM SALES OR EXCHANGES OF PROPERTY OTHER THAN CAPITAL ASSETS.
(See Instruction 10)

	1. Acquisition cost or other basis (contract price)	2. Depreciation allowed (for allow- ance) and acquir- ing or March 1, 1913 (attach schedule)	3. Cost or other basis (if not purchased, attach explanation)	4. Expenses of sale and cost of improvements subsequent to acqui- sition or March 1, 1913
1. Totals	\$	\$	\$	\$
2. Total net gain or loss (column 3 plus 4 minus the sum of columns 1 and 2). Enter as item 10, page 1				

Schedule B.—TAXES. (See Instruction 18)

Nature		Nature (continued)	Amount (continued)	
	\$		\$	
		Total (enter as item 18; page 1)	\$	

Schedule C.—BAD DEBTS. (See Instruction 20)

1. Fiscal year	2. Net income reported	3. Sales on account	4. If all debts of organization d, no reserve is carried on books	If organization carried a reserve—	
				5. Gross amount added to reserve	6. Amount charged against reserve
1945	\$	\$	\$	\$	\$
1946					
1947					
1948				187 89	82 89

Employee Advances

NOTE.--Check whether deduction claimed represents debts which have become worthless ☐ or is an addition to a reserve ☒

Schedule D.—DEPRECIATION. (See Instruction 21)

1. Kind of property (if buildings, state material of which constructed).	2. Date acquired	3. Cost or other basis (do not include land or other nondepreciable property)	4. Assets fully depreciated in use at end of year	5. Depreciation allowed (or allowable) in prior years	6. Remaining cost or other basis to be recovered	7. Estimated life used in accumulating depreciation	8. Estimated remaining life from beginning of year	9. Depreciation allowable this year
Music Equipment	Various	\$1,454 00	-0-	\$323 60	\$1,130 40	2 yrs		\$485 60
Automobile	Various	4,014 40	-0-	-0-	4,014 40	3 yrs		1,338 13
Furniture & Fixture	Various	10,229 70	-0-	1,180 56	9,049 14	5 yrs		1,809 83
Leasehold Improvements	Various	3,562 86	-0-	1,434 16	2,128 70	Locations		1,520 90
Total (enter as item 21, page 1)					\$120.00 on old auto disposed of during year			4,755 43

Schedule E.—EXPLANATION OF DEDUCTIONS CLAIMED IN ITEMS 17 AND 24

1. Item No.	2. Explanation	3. Amount	1. Item No. (continued)	2. Explanation (continued)	3. Amount (continued)
	Interest on loans and discount paper de- faulted by maker	75 90			

Schedule F.—CONTRIBUTIONS OR GIFTS PAID. (See instruction for Schedule I)

Name and address of organization	Amount	Name and address of organization (continued)	Amount (continued)
Greek Charities	1 80		
Omaha Community Chest	25 00		
Disabled American Vets	2 00		
Nebraska Society for Crippled Children	10 00		
Lancaster County T.B. Association	4 00		
		Total (enter in column 7, Schedule 1)	8

Other Deductions—Line 24—Page 1.

Arthur Murray Dance Studio—Omaha &
Lincoln, Nebraska.

For Year Ended March 31, 1949.

Supplies for instructors.....	\$ 141.55
Tuition cost paid other Arthur Murray Dance Studios	418.50
Royalties to Arthur Murray.....	10,676.66
Advertising expense.....	9,664.72
Automobile expense.....	573.31
Dues and subscriptions.....	98.50
Insurance expense.....	316.58
Professional services.....	2,258.70
Miscellaneous expense.....	1,571.22
Personal property tax expense.....	144.18
Payroll tax expense.....	1,299.85
Janitor service.....	1,200.00
Redecorating expense.....	739.00
Office stationery & supplies.....	1,453.93
Telephone and telegraph.....	1,626.91
Records	800.19
Heat, light and water.....	1,108.73
Club Dues and entertainment.....	1,858.74
Travel and convention expense.....	1,275.00
Cost of removing partitions and fixtures to new location	200.00
Loss on equipment disposed of.....	203.99
Total	<u>\$37,630.26</u>

Schedule H.—BALANCE SHEETS

	Beginning of taxable year		End of taxable year	
	Amount	Total	Amount	Total
ASSETS				
1. Cash		10,989 97		3,822 18
2. Notes and accounts receivable (less reserve)		4,785 00		8,007 13
3. Inventories				
4. Investments				
5. Depreciable assets	11,654 81		19,280 96	
Less: Reserve for depreciation	3,503 66	8,151 15	7,428 52	11,852 44
6. Land		1,102 11		290 23
7. Other assets		6,306 51		25,101 60
8. Total assets		31,334 74		54,074 84
LIABILITIES				
9. Accounts payable		1,647 28		1,502 23
10. Notes and mortgages payable		1,028 02		36 00
11. Accrued expenses		1,165 51		1,558 09
12. Other liabilities - Deferred		32,899 81		35,204 04
13. Partners' capital accounts:				
(a)				
(b) Mark E. Schlude	(2,702 94)		7,887 24	
(c)				
(d) Marzalie Schlude	(2,702 94)		7,887 24	
(e)				
(f)		(5,405 88)		15,774 48
14. Total liabilities		31,334 74		54,074 84

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

1. Name and address of each partner (Designate nonresident alien, if any) Where return of partner or member is filed in another collection district, specify district	2. Percentage of time devoted to business	3. Ordinary net income (from 28, page 1) less any partially tax-exempt interest included in item 7, page 1	4. Partially tax-exempt interest included in item 7, page 1
(a) Mark E. Schlude Omaha	100%	16,845 44	
(b) Marzalie Schlude Omaha	100%	16,845 45	
(c)			
(d)			
(e)			
(f) Total		33,690 89	

CONTINUATION OF SCHEDULE I

1. Net short-term gain (or loss) from sale or exchange of capital assets (from item 27, page 1)	2. Net long-term gain (or loss) from sale or exchange of capital assets (from item 28, page 1)	3. Charitable contributions (from Schedule F)	4. Federal income tax paid at source (2 percent of item 3, page 1)	5. Income and profits taxes paid to a foreign country or United States possession
(a)				
(b)		21 40		
(c)				
(d)		21 40		
(e)				
(f) Total		42 80		

AFFIDAVIT (See instruction D)

I swear (or affirm) 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.

Clifton Ryan 2/15/49 *Marzalie Schlude* 2/15/49
(Signature of person (other than partner or member) preparing return) (Date) (Partner or member) (Date)

(Name or firm or employer, if any)
Subscribed and sworn to before me this

(Address of partner or member)
Subscribed and sworn to before me this

15 day of Jan, 1949

15 day of Jan, 1949

Clifton Ryan
(Signature of officer administering oath)

Clifton Ryan
(Signature of officer administering oath)

PARTNERSHIP RETURN OF INCOME

Page 1
1949

(To Be Filed Also by Syndicates, Pools, Joint Ventures, Etc.)

For Calendar Year 1949

or fiscal year beginning April 1, 1949, and ending March 31, 1950

(File this return with the Collector of Internal Revenue not later than the 15th day of the 3d month following the close of the taxable year)

(PRINT PLAINLY NAME AND BUSINESS ADDRESS OF THE ORGANIZATION)

ARTHUR MURRAY DANCE STUDIO

(Name)

309 SOUTH 19th STREET

(Street and number)

OMAHA

DOUGLAS

NEBRASKA

(City, town, or post office)

(Postal zone number)

(State)

Business or Profession Instruction of Ballroom Dancing

Do Not Use These Spaces
File No.
Serial No. 8251544
District
(Date Received)

GROSS INCOME		
1. Gross receipts from business or profession	\$ 125,599	44
2. Less cost of goods sold:		
(a) Inventory at beginning of year	\$	
(b) Merchandise bought for sale		
(c) Cost of labor, supplies, etc.		
(d) Total of lines (a), (b), and (c)	\$	
(e) Less inventory at end of year		
3. Gross profit (or loss) from business or profession (item 1 less item 2)	\$ 125,599	44
4. Income (or loss) from other partnerships, syndicates, pools, etc. (State separately name, address, and amount)		
5. Interest on bank deposits, notes, corporation bonds, etc. (except interest to be reported in item 6)	760	90
6. Interest on tax-free covenant bonds upon which a Federal tax was paid at source		
7. Interest on Government obligations, etc., unless wholly exempt from tax		
8. Pensions		
9. Annuities		
10. Net gain (or loss) from sale or exchange of property other than capital assets (from line 2, Schedule A)		
11. Dividends		
12. Other income (state nature of income)		
13. Total income in items 3 to 12	\$ 126,360	36
DEDUCTIONS		
14. Salaries and wages (do not include compensation for partners)	\$ 12,722	34
15. Rent	8,065	30
16. Interest on indebtedness (explain in Schedule E; do not include interest on capital invested in the business by any partner)	9	00
17. Taxes (explain in Schedule B)	1,870	42
18. Losses by fire, storm, shipwreck, or other casualty, or theft		
19. Bad debts (explain in Schedule C) Cash Advances to employees	107	37
20. Depreciation (explain in Schedule D)	5,239	96
21. Repairs	617	54
22. Amortization of emergency facilities (attach statement)		
23. Depletion of mines, oil and gas wells, timber, etc. (attach statement)		
24. Other deductions authorized by law (explain in Schedule E)	47,611	97
25. Total deductions in items 14 to 24	106,543	90
26. Ordinary income (item 13 less item 25)	\$ 19,816	44
27. Net short term capital gain (or loss) (from line 4, Schedule G)	\$ 554	42
28. Net long term capital gain (or loss) (from line 8, Schedule G)	\$	

Exhibit 2-B NO STIPULATION OF FACTS

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Schedule A.—GAINS AND LOSSES FROM SALES OR EXCHANGES OF PROPERTY OTHER THAN CAPITAL ASSETS.
(See Instruction 10)

1. Kind of property	2. Date acquired <i>Mo. Day Year</i>	3. Date sold <i>Mo. Day Year</i>	4. Gross sales price (contract price)	5. Depreciation allowed (or allowable) after acquisition or March 1, 1913 (emphasis in Schedule D)	6. Cost or other basis and cost of subsequent improvements (if not purchased attach explanation)	7. Expenses of sale
			\$	\$	\$	\$
1. Totals			\$	\$	\$	\$
2. Total net gain or loss (columns 4 plus 5 minus the sum of columns 6 and 7). Enter as item 10, page 1.						\$

Schedule B.—TAXES. (See Instruction 17)

Nature	Amount	Nature (continued)	Amount (continued)
Payroll Taxes	1,737 57		
Personal Property Taxes	132 85		
	1,870 42		
		Total (enter as item 18, page 1)	

Schedule C.—BAD DEBTS. (See instruction 19)

1. Taxable year	2. Net income reported		3. Sales on account		4. Bad debts of organization if no reserve is carried on books	If organization carried a reserve--			
						5. Gross amount added to reserve		6. Amount charged against reserve	
1946	\$		\$		\$		\$		
1947									
1948									
1949									

NOTE.—Check whether deduction claimed represents debts which have become worthless ☐ or is an addition to a reserve ☐

Schedule D.—DEPRECIATION. (See Instruction 20)

1. Kind of property (if buildings, state material of which constructed)	2. Date acquired	3. Cost or other basis (do not include land or other nondepreciable property)	4. Assets fully depreciated in use at end 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 allowed this year
Music Equipment	Various	1,910 67	\$	\$ 809 25	1,101 42	2 yrs		\$ 548 46
Automobile		5,989 40		1,115 10	4,874 30	3 yrs		1,473 16
Furniture & Fixtures		12,349 40		2,672 29	9,677 11	5 yrs		2,257 87
Leasehold Improvements		4,011 52		2,831 88	1,179 64	Period of Leases	or	960 47
Total (enter as item 21, page 1). (* See Attached schedule)								\$5,239 96

Schedule E.—EXPLANATION OF DEDUCTIONS CLAIMED IN ITEMS 16 AND 20

1. Item No.	2. Explanation	3. Amount	1. Item No. (continued)	2. Explanation (continued)	3. Amount (continued)
16	Interest on discount paper defaulted by maker.	9 00			

Schedule F.—CONTRIBUTIONS OR GIFTS PAID. (See instruction for Schedule I)

Name and address of organization	Amount	Name and address of organization (continued)	Amount (continued)
The Disabled American Vet	5 00		
Omaha Community Chest	25 00		
Nebraska T. B. Assn.	5 00		
March of Dimes	10 00		
Nebraska Society for crippled children	4 00		
		Total (enter in column 7, Schedule I)	49 00

[fol. 45]

Other Deductions—Line 24—Page 1.
Arthur Murray Dance Studio—Omaha,
Lincoln and Sioux City.
For the Year Ended March 31, 1950.

Description	Amount
Royalties to Arthur Murray	\$14,108.70
Advertising	11,839.66
Records	1,139.08
Instructors supplies.....	168.16
Office stationery and supplies.....	1,765.03
Insurance	414.88
Maintenance	1,200.00
Heat, light and power.....	1,168.58
Telephone and telegraph.....	2,439.36
Professional services.....	2,621.00
Automobile expense	617.33
Travel and convention costs.....	2,295.00
Club dues and entertainment.....	1,523.09
Contests, party and ball entertainment for the students	797.46
Dues and subscriptions.....	152.18
Miscellaneous	2,140.15
Tuition paid other schools.....	592.00
Cost of training instructors.....	1,204.72
Cost of aid received from Denver, Colorado, Arthur Murray Dance Studio.....	1,240.59
Loss on special class courses.....	185.00
	<u>\$47,611.97</u>

Schedule of Depreciation—Automobiles.

Description	Cost	Depreciation Allowed Prior Years	Remaining Cost	Depreciation Allowable This Year
Cadillac*	\$4,014.40	\$1,115.10	\$2,899.30	\$1,253.72
Ford	1,975.00	-0-	1,975.00	219.44
	<u>\$5,989.40</u>	<u>\$1,115.10</u>	<u>\$4,874.30</u>	<u>\$1,473.16</u>

* Note—Auto sold November 1949.

LONG-TERM CAPITAL GAINS AND LOSSES—ASSETS HELD FOR MORE THAN 9 MONTHS

QUESTIONS

1. Date of organization June 18, 1946
2. 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)
- If successor to previously existing business, give name and address of the previous business organization
3. Nature of organization (partnership, syndicate, pool, joint venture, etc.) Partnership
4. Was a return of income filed for preceding year? Yes If so, to which collector's office was it sent? Omaha
5. Check whether this return was prepared on the cash ☐ or accrual ☒ basis.
6. 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
7. Is any member of the partnership the spouse, son, or daughter of any other member? (Answer "Yes" or "No") Yes
8. 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.
9. Was return of information on Forms 1096 and 1099, or Form W-2a, filed for the calendar year 1949? Yes (See Instruction H.)

Schedule H - BALANCE SHEETS

ASSETS	Beginning of taxable year		End of taxable year	
	Amount	Total	Amount	Total
1. Cash		\$ 8,822 78		\$ 21,926 96
2. Notes and accounts receivable (less reserve)		8,007 79		19,099 17
3. Inventories				
4. Investments				
5. Depreciable assets	\$ 19,280 96		\$ 20,246 59	
Less: Reserve for depreciation	7,428 52	11,852 44	10,299 66	9,946 93
6. Int. Deferred Charges		290 23		337 39
7. Other assets		25,101 60		32,739 79
8. Total assets		\$ 54,074 84		\$ 84,050 24
LIABILITIES				
9. Accounts payable		\$ 1,502 23		\$ 575 90
10. Notes and mortgages payable		36 00		
11. Accrued expenses		1,558 09		3,463 03
12. Unrealized Deferred Income		35,204 04		61,711 82
13. Partners' capital accounts:				
(a)				
(b) Mark E. Schlude	\$ 7,887 24		\$ 8,984 55	
(c)				
(d) Marzalie Schlude	7,887 24		9,314 89	
(e)				
(f)		15,774 48		18,299 44
14. Total liabilities		\$ 54,074 84		\$ 84,050 24

Schedule I - PARTNERS' SHARES OF INCOME AND CREDITS. (See Instruction for Schedule I)

1. Name and address of each partner (Designate nonresident alien, if any) Where return of partner or member is filed in another collection district, specify district	2. Percentage of time devoted to business	3. Ordinary net income (item 28, page 1) less any partially tax-exempt interest included in item 7, page 1	4. Partially tax-exempt interest (item 7, page 1)
(a)			
(b) Mark E. Schlude - Omaha	100%	9,908 22	
(c)			
(d) Marzalie Schlude - Omaha	100%	9,908 22	
(e)			
(f)			
Total		19,816 44	

CONTINUATION OF SCHEDULE I

1. Net short-term gain (or loss) from sale or exchange of capital assets (from item 27, page 1)	2. Net long-term gain (or loss) from sale or exchange of capital assets (from item 28, page 1)	3. Charitable contributions (from Schedule F)	4. Federal income tax paid at source (2 percent of item 6, page 1)	5. Income and profits taxes paid to a foreign country or United States possession
(a)				
(b)	277 21	24 50		
(c)				
(d)	277 21	24 50		
(e)				
(f)				
Total	554 42	49 00		

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.

W. Albert J. Brown
(Signature of person (other than partner or member) preparing return)

7/3/50
(Date)

Mark E. Schlude 7/3/50
(Partner or member), (Date)

(Name of firm or employer, if any)

120 N. 36th St. Apt 11
(Address of partner or member)

PARTNERSHIP RETURN OF INCOME

Page 1
1950

(To Be Filed Also by Syndicates, Pools, Joint Ventures, Etc.)
For Calendar Year 1950 or other taxable years ending
after Sept. 30, 1950, but before Dec. 31, 1951
or fiscal year beginning April 1, 1950, and ending March 31, 1951

(File this return with the Collector of Internal Revenue not later than the 15th day of
the 3d month following the close of the taxable year)

(PRINT PLAINLY NAME AND BUSINESS ADDRESS OF THE ORGANIZATION)

ARTHUR MURRAY DANCE STUDIO

(Name)

309 South 19th Street.

(Street and number)

OMAHA

(City, town or post office)

NEBRASKA

(Postal zone number)

(State)

Principal business activity (see Instruction J) **Instruction of Ballroom Dancing**

Do Not Use These Spaces

File Code

Serial No.

District

(Date Received)

Item and
Instruction No.

GROSS INCOME

1. Gross receipts from business or profession

147,589 15

2. Less cost of goods sold

(a) Inventory at beginning of year

(b) Merchandise bought for sale

(c) Cost of labor, supplies, etc.

(d) Total of lines (a), (b), and (c)

(e) Less inventory at end of year

3. Gross profit (or loss) from business or profession (item 1 less item 2)

147,589 15

4. Income (or loss) from other partnerships, syndicates, pools, etc. (State separately name, address, and amount)

5. Interest on bank deposits, notes, corporation bonds, etc. (except interest to be reported in item 6)

888 69

6. Interest on tax-free covenant bonds upon which a Federal tax was paid at source

7. Interest on Government obligations, etc., unless wholly exempt from tax

8. Rents

9. Royalties

10. Net gain (or loss) from sale or exchange of property other than capital assets (from line 2, Schedule A)

11. Dividends

12. Other income (state nature of income):

Cash Overage

91 32

13. Total income in items 3 to 12

148,583 15

DEDUCTIONS

14. Salaries and wages (do not include compensation for partners)

50,308 82

15. Rent

9,990 07

16. Interest on indebtedness (explain in Schedule E; do not include interest on capital invested in the business by any partner)

17. Taxes (explain in Schedule D)

2,294 97

18. Losses by fire, storm, shipwreck, or other casualty, or theft (attach schedule)

19. Bad debts (explain in Schedule C) **Employee Cash Advances**

35 00

20. Depreciation (explain in Schedule D)

4,761 77

21. Repairs

884 81

22. Amortization of emergency facilities (attach statement)

23. Depletion of mines, oil and gas wells, timber, etc. (attach schedule)

65,082 17

24. Other deductions authorized by law (explain in Schedule E)

25. Total deductions in items 14 to 24

123,351 31

26. Ordinary net income (item 13 less item 25)

25,231 84

27. Net short-term capital gain (or loss) (from line 4, Schedule C)

28. Net long-term capital gain (or loss) (from line 4, Schedule C)