

PROFIT (OR LOSS) FROM BUSINESS OR PROFESSION
(For Computation of Self-Employment Tax, see Page 2)
PARTNERSHIPS AND JOINT VENTURES SHOULD FILE ON FORM 1065

1954

For Calendar Year 1954 or other taxable year beginning

1954, and ending

195

Owner's Name and Address (from Form 1040)

MARK E. SCHLUDE - 459 BEVERLY DRIVE - OMAHA, NEBRASKA

Item (see instructions—page 2)

A. Principal business activity

BALLROOM DANCING

INSTRUCTION

(Retail trade, wholesale trade, lawyer, etc.)

(Principal product or service)

B. Business name APTHUR MURRAY DANCE STUDIO

C. Number of places of business 6

D. Did you pay social security taxes for any employees for any quarter of 1954? ☒ Yes ☐ No

E. Enter your employer identification number, if any 470354832

F. Business address: 100 South 11th Street Omaha
(Street and number or rural route) (City, town, post office)

G. How many months in the year did you own this business?

Did you own this business on December 31, 1954? ☒ Yes ☐ No

Was this a seasonal business which was closed for more than two months during the year? ☐ Yes ☒ No

Douglas Nebraska
(County) (State)

Line (see instructions—page 2)

1. Total receipts \$..... less allowances, rebates, and returns \$.....

2. Inventory at beginning of year \$.....

3. Merchandise purchased \$..... less any items withdrawn from business for personal use \$.....

4. Cost of labor (do not include salary paid to yourself)

5. Material and supplies

6. Other costs (explain in Schedule C-2)

7. Cost of goods manufactured or purchased (total of lines 3, 4, 5, and 6)

8. Total of line 2 plus line 7

9. Enter inventory at end of year

10. Cost of goods sold (line 8 less line 9)

11. Gross profit (line 1 less line 10)

OTHER BUSINESS DEDUCTIONS

12. Salaries and wages not included in line 4 (except any paid to yourself)

13. Rent on business property

14. Interest on business indebtedness

15. Taxes on business and business property

16. Losses of business property (attach statement)

17. Bad debts arising from sales or services

18. Depreciation and obsolescence (explain in Schedule C-1)

19. Repairs (explain in Schedule C-2)

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

21. Amortization of emergency and grain storage facilities (attach statement)

22. Other business expenses (explain in Schedule C-2)

23. Total of lines 12 to 22

24. Enter net profit (or loss) (line 11 less line 23). Also enter on line 25, page 3 of this schedule, and on line 1, Schedule C Summary, Form 1040.

Schedule C-1. EXPLANATION OF DEDUCTIONS FOR DEPRECIATION CLAIMED ON LINE 18

1. Kind of property (if buildings, state material of which constructed. Exclude land and other nondepreciable property)	2. Date acquired	3. Cost or other basis	4. Depreciation allowed (or allowable) in prior years	5. Method	6. Rate (%) or life (years)	7. Depreciation for this year

Schedule C-2. EXPLANATION OF LINES 6, 19, AND 22

Line No.	Explanation	Amount	Line No.	Explanation	Amount

NAME OF SELF-EMPLOYED PERSON (If separate schedules must be filed for each self-employed person)

MARK E. SCHLUDE

STATE BUSINESS ACTIVITIES, IF ANY, SUBJECT TO SELF-EMPLOYMENT TAX (for example: Restaurant, Building Contractor)

BALLROOM DANCING INSTRUCTION

Line (See instructions—Page 4)

25. Net profit (or loss) shown on line 24, page 1 (Enter aggregate amount if more than one business).....	\$		
26. Losses of business property shown on line 16, page 1.....	\$		
27. Total of lines 25 and 26.....	\$		
28. Less: Net income (or loss) from excluded services or sources included in line 27..... Specify excluded services or sources.....	\$		
29. Net earnings from self-employment (line 27 less line 28).....	\$		
30. Net earnings (or loss) from self-employment from partnerships, joint ventures, etc. (from column 11, Schedule K, Form 1065).....	\$	34546	57
31. Total net earnings (or loss) from self-employment (line 29 plus line 30)..... (If total of net earnings is under \$400, do not make any entries below)	\$	34546	57
32. Maximum amount subject to self-employment tax.....	\$	3,600	00
33. Less: Wages paid to you during the taxable year which were subject to withholding for old-age and survivors insurance. (If such wages exceed \$3,600, enter \$3,600).....	\$	None	
34. Maximum amount subject to self-employment tax after adjustment for wages.....	\$	3600	00
35. Self-employment income subject to tax—Line 31 or 34, whichever is smaller.....	\$	3600	00
36. Self-employment tax—3 percent of amount on line 35. Enter here and on line 10, page 1, Form 1040.....	\$	108	00

IMPORTANT—FILL IN ITEMS BELOW COMPLETELY BUT DO NOT SIGN

ITEMIZED DEDUCTIONS FOR PERSONS NOT USING TAX TABLE OR STANDARD DEDUCTION.
If Husband and Wife (Not Legally Separated) File Separate Returns and One Itemizes Deductions, the Other Must Also Itemize.
 Describe deductions and state to whom paid. If more space is needed, attach additional sheets.

Contributions			\$
	Total Contributions (not to exceed 20 percent of item 6, page 1, except where contributions to churches, schools, and hospitals are included). (See instructions)		\$
Interest			\$
	Total Interest		\$
Taxes			\$
	Total Taxes		\$
Medical and dental expense (If over 65, see instructions)	Do not enter any expense compensated by insurance or otherwise		
	1. Net Expenses (Attach itemized list)	A. Medicine and Drugs	B. Other
	2. Enter in Column A, 1 percent of item 6, page 1	\$	\$
	3. Enter in Column B, excess of Column A, line 1 over line 2		
	4. Total of Column B, lines 1 and 3		\$
	5. Enter 3 percent of item 6, page 1		
6. Allowable amount (excess of line 4 over line 5). (See instructions for limitations)			\$
Child Care	Expenses for care of children and certain other dependents (see instructions). Not to exceed \$600. (Attach statement)		
Losses from fire, storm, or other casualty, or theft			\$
	Total Allowable Losses (not compensated by insurance or otherwise)		\$
Miscellaneous			\$
	Total Miscellaneous Deductions		\$

TOTAL DEDUCTIONS (Enter on line 2 of Tax Computation, below)

TAX COMPUTATION		
1. Enter Adjusted Gross Income as shown in line 6, page 1		\$ 70,484 97
2. If deductions are itemized above, enter total of such deductions. If deductions are not itemized and line 1, above, is \$5,000 or more: (a) married persons filing separately enter \$500; (b) all others enter 10 percent of line 1, but not more than \$1,000		1000 00
3. Subtract line 2 from line 1. Enter the difference here		\$ 69,484 97
4. Multiply \$600 by total number of exemptions claimed in item 1E, page 1. Enter result here		1200 00
5. Subtract line 4 from line 3. Enter the difference here. This is your Taxable Income.		\$ 68,284 97
6. If you are a single person, a married person filing separately, or a head of household— Single persons and married persons filing separately use Tax Rate Schedule I in the instructions to figure tax on amount on line 5; heads of household use Tax Rate Schedule II.		
7. If this is a joint return, or if you qualify to file as a surviving widow or widower— (a) Enter one-half of amount on line 5 (b) Use Tax Rate Schedule I in the instructions to figure tax on amount on line 7 (a) (c) Multiply amount on line 7 (b) by 2		\$ 3,412 49 15,852 62
8. If alternative tax is applicable, enter the tax from separate Schedule D.		\$ 3,170 52
Disregard lines 9 through 12, and copy on line 13 the same figure you entered on line 6, 7 (c), or 8, unless you used itemized deductions.		\$ 3,169 24
9. Enter here income tax payments to a foreign country or U.S. possession (Attach Form 1116)		
10. Enter here any income tax paid at source on tax-free covenant bond interest		
11. Enter here credit for partially tax-exempt interest (See instructions for limitations)		
12. Add the figures on lines 9, 10, and 11. Enter the total here		
13. Subtract line 12 from line 6, 7 (c), or 8, whichever is applicable. Enter difference here and as item 7, page 1.		\$ 3,169 24

Schedule J.—EXCLUSION AND CREDIT FOR DIVIDENDS RECEIVED FROM QUALIFYING DOMESTIC (U.S.) CORPORATIONS. (See instructions)

1. Name of corporation declaring dividend:

Seattle Gas

CO. Calif. WATER COMPANY

A		B
Amount received before 8/1/54		Amount received after 7/31/54
\$	60.00	\$
\$	32.50	\$
\$		\$
\$	92.50	\$
\$	100.00	\$
\$	00.00	\$

2. Total

3. Less: Exclusion of \$50. Apply exclusion first to Col. A and excess, if any, to Col. B

4. Balance

5. Enter in Column B, the amount from Column A, line 4

6. Total dividends to be entered on line 1, Schedule A, page 2 (total of Column B, lines 4 and 5)

CREDIT COMPUTATION

7. (a) 4% of amount on line 4, Column B, above

(b) Tax shown on line 6, 7 (c), or 8, page 3, less the amount, if any, on line 9, page 3; or, if Tax Table is used, the tax in Item 7, page 1

(c) 2% of taxable income—line 5, page 3; if alternative tax is applicable, line 20, Schedule D (twice line 20 in the case of a joint return)

(Taxable income, for those using the Tax Table to compute tax, is the amount shown in Item 6, page 1, less 10% thereof and less the deduction for exemptions (Item 1E, page 1, multiplied by \$600))

8. Enter here and as item 8A, page 1, the smallest of the amounts on lines 7 (a), 7 (b), or 7 (c), above

NOTE: If both husband and wife have qualifying dividends, an exclusion shall be allowed to each on line 3 to the extent of the dividends received but not to exceed \$50 each.

Schedule K.—CREDIT FOR RETIREMENT INCOME. (See instructions for definitions and other details)

If separate return, use Column B only. If joint return, use one column for husband and one for wife.

Did you receive earned income in excess of \$600 in each of any 10 calendar years before the taxable year 1954?

If answer above is "Yes" in either column, furnish all information below in that column.

1. Retirement income for taxable year:

(a) For taxpayers under 65 years of age:

Enter only income received from pensions and annuities under public retirement systems. (Do not enter pensions, annuities, and retirement pay from Armed Forces.)

(b) For taxpayers 65 years of age and older:

Enter total of pensions and annuities, retirement pay from Armed Forces, interest, rents, and dividends included in gross income in this return

Limitation on Retirement Income

2. Enter here amount shown in line 1 or \$1,200, whichever is lesser

3. Deduct:

(a) Amounts received in taxable year as pensions or annuities under the Social Security Act, the Railroad Retirement Acts, and certain other exclusions from gross income. (See instructions)

(b) Compensation for personal services received in the taxable year 1954 in excess of \$900. (Line 3 (b) does not apply to persons 75 years of age or over.)

4. Total of lines 3 (a) and 3 (b)

5. Balance (line 2 minus line 4)

6. Tentative credit (20 percent of line 5)

7. Total tentative credit on this return (total of columns A and B, line 6)

Limitation on Retirement Credit

8. Amount of tax shown as item 7, page 1

Less: Credit for dividends from line 8, Schedule J, above

9. Balance of line 8

10. Retirement income credit. Enter here and as item 8B, page 1, the amount on line 7 or line 9, whichever is smaller

Statement of Person (other than taxpayer) Preparing Return

I declare under the penalties of perjury that I prepared this return for the person(s) named herein; and that this return (including any accompanying schedules and statements) is, to the best of my knowledge and belief, a true, correct, and complete return based on all the information required to be reported in this return of which I have any knowledge.

[Signature] P.P.A.

[Signature] P.P.A.

3/29/55

**Schedule Reflecting Contract Amount of Deferred Income
and Amount of Deferred Income Collected and
Uncollected at End of Each Fiscal Year.**

Arthur Murray Dance Studio—A Partnership.

	March 31, 1950	March 31, 1951	March 31, 1952	March 31, 1953	March 31, 1954
Contract Amount of Deferred Income					
Ending Balance	\$ 72,611.87	\$106,541.70	\$131,143.92	\$235,942.23	\$248,740.30
Beginning Balance	37,844.04	72,611.87	106,541.70	131,143.92	235,942.23
Increase	\$ 34,767.83	\$ 33,929.83	\$ 24,602.22	\$104,798.41	\$ 12,797.97
Students Accounts Receivable (Installment Con- tracts Carried by Studio, Notes Not Yet Processed Through the Bank, and Unpaid Balances on Planned Cash Courses)					
Ending Balance	\$ 29,999.17	\$ 55,241.99	\$ 63,627.23	\$ 86,698.33	\$ 85,177.16
Beginning Balance	10,565.42	29,999.17	55,241.99	63,627.23	86,698.33
Increase or Decrease	\$ 19,433.75	\$ 25,242.82	\$ 8,385.24	\$ 23,071.10	\$ (1,521.23)
Reserve Fund Held by Bank on Students Notes Financed					
Ending Balance	\$ 13,835.78	\$ 8,112.28	\$ 7,943.74	\$ 37,747.61	\$ 34,533.22
Beginning Balance	13,404.09	13,835.78	8,112.28	7,943.74	37,747.61
Increase or Decrease	\$ 431.69	\$ (5,723.50)	\$ (168.54)	\$ 29,803.87	\$ (3,214.39)
Deferred Income Collected—(Considering Re- serve Fund Held by Bank as Collected)					
Ending Balance	\$ 42,612.70	\$ 51,299.71	\$ 67,516.69	\$149,244.00	\$163,563.20
Beginning Balance	27,278.62	42,612.70	51,299.71	67,516.69	149,244.00
Increase	\$ 15,334.08	\$ 8,687.01	\$ 16,216.98	\$ 81,727.31	\$ 14,319.20
Deferred Income Collected—(Considering Re- serve Fund Held by Bank as Not Collected Until Funds Are Released and Made Avail- able for Withdrawal by Bank)					
Ending Balance	\$ 28,776.92	\$ 43,187.43	\$ 59,572.95	\$111,496.39	\$129,029.92
Beginning Balance	13,874.53	28,776.92	43,187.43	59,572.95	111,496.39
Increase	\$ 14,902.39	\$ 14,410.51	\$ 16,385.52	\$ 51,923.44	\$ 17,533.59

[col. 107] EXHIBIT 14-N TO STIPULATION OF FACTS

1408

MICRO CARD 22
TRADE MARK ®



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ENROLLMENT AGREEMENT AND CONTRACT WITH STUDENT FOR INSTRUCTION,

_____ of _____ Phone No. _____

Hours	Tuition	Cash Discount	Net	Down Payment
_____	_____	_____	_____	_____

agree to take a course of _____

I agree to pay _____ dollars at the time of signing this agreement and I agree to pay the balance as follows: _____

The Arthur Murray School of Dancing agrees that it will give the above mentioned _____ lessons within the period covered by this contract.

It is further agreed and understood that I shall not be relieved of my obligation to pay said tuition herein agreed upon, and that no deduction allowance or refunds for any tuition paid and due under this agreement shall be made by reason of my absence or withdrawal. I UNDERSTAND THAT NO REFUNDS WILL BE MADE UNDER THE TERMS OF THIS CONTRACT.

It is further agreed that all lessons shall be arranged for a definite time, and that in the event I wish to cancel any appointment, I agree to notify the Arthur Murray School of Dancing at least 24 hours in advance of my appointment in order to make arrangements for taking the lesson at a later date, proof of illness excepted. I understand that if I do not cancel my appointment 24 hours in advance as stated above, I shall be considered absent and the lesson will be forfeited.

I acknowledge that I have received a copy of this contract at the time of execution and I UNDERSTAND THAT THIS COURSE OF _____ HOURS OF DANCING LESSONS EXPIRES ON _____

Signed this _____ day of _____ 19 _____

ARTHUR MURRAY SCHOOL OF DANCING

Execution and delivery of copy

PUPIL _____

verified by _____

Registrar _____

EXHIBIT 15-0

NON CANCELLABLE CONTRACT

BABCO 1147.7

PRINTED U. S. A.

EXTENSION AGREEMENT AND CONTRACT WITH STUDENT FOR INSTRUCTION

I, _____ of _____ hereby agree to extend my course of _____ hours to _____ hours and I further agree to pay total tuition for said lessons in the amount of \$ _____

I have paid \$ _____ on my original course.

I have paid \$ _____ today and agree to pay the balance as follows: _____

The Arthur Murray School of Dancing agrees that it will give the above mentioned _____ lessons within the period covered by this contract.

It is further agreed and understood that I shall not be relieved of my obligation to pay said tuition herein agreed upon, and that no deduction allowance or refunds for any tuition paid and due under this agreement shall be made by reason of my absence or withdrawal. I UNDERSTAND THAT NO REFUNDS WILL BE MADE UNDER THE TERMS OF THIS CONTRACT.

It is further agreed that all lessons shall be arranged for a definite time, and that in the event I wish to cancel any appointment, I agree to notify the Arthur Murray School of Dancing at least 24 hours in advance of my appointment in order to make arrangements for taking the lesson at a later date, proof of illness excepted. I understand that if I do not cancel my appointment 24 hours in advance as stated above, I shall be considered absent and the lesson will be forfeited.

I acknowledge that I have received a copy of this contract at the time of execution and I UNDERSTAND THAT THIS COURSE OF _____ HOURS OF DANCING LESSONS EXPIRES ON _____

Signed this _____ day of _____ 19 _____

ARTHUR MURRAY SCHOOL OF DANCING

Execution and delivery of copy

PUPIL _____

verified by _____

Registrar _____

EXHIBIT 16-P

NON CANCELLABLE CONTRACT

BABCO 1147.7 A

PRINTED U. S. A.

EXHIBIT 16-P TO STIPULATION OF FACTS

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P

hereby enroll and agree to take a course of _____ private lessons, and I further agree to pay tuition for said lessons in the amount of _____ Dollars.

I agree to pay _____ Dollars at the time of signing this agreement, and I agree to pay the balance as follows _____

The Arthur Murray School of Dancing agrees that it will give the above mentioned lessons within the period covered by this contract.

It is further agreed and understood that I shall not be relieved of my obligation to pay said tuition herein agreed upon, and that no deduction allowance or refunds for any tuition paid and due under this agreement shall be made by reason of my absence or withdrawal. I UNDERSTAND THAT NO REFUNDS WILL BE MADE UNDER THE TERMS OF THIS CONTRACT.

It is further agreed that all lessons shall be arranged for a definite time and that in the event I wish to cancel any appointment, I agree to notify the Arthur Murray School of Dancing at least 24 hours in advance of my appointment in order to make arrangements for taking the lesson at a later date, proof of illness excepted. I understand that if I do not cancel my appointment 24 hours in advance as stated above, I shall be considered absent and the lesson will be forfeited.

I acknowledge that I have received a copy of this contract at the time of execution and I UNDERSTAND THAT THIS

COURSE OF _____ HOURS OF DANCING LESSONS EXPIRES ON _____

Signed this _____ day of _____, 19____

ARTHUR MURRAY SCHOOL OF DANCING

Pupil _____

Verified by _____

Registrar _____

EXHIBIT 17-Q

NON CANCELLABLE CONTRACT

DEFERRED PAYMENT ENROLLMENT AGREEMENT AND CONTRACT WITH STUDENT FOR INSTRUCTION

I, _____ of _____ Phone No. _____

agree to take a course of _____

Hours	Tuition

I agree to pay _____ at the time of signing this agreement, and I agree to pay the balance of the down payment as follows _____

and the balance of _____ Dollars in the manner set forth in "negotiable note given for tuition" numbered _____ and secured at the time of signing this agreement.

The Arthur Murray School of Dancing agrees that it will give the above mentioned lessons within the period covered by this contract.

It is further agreed and understood that I shall not be relieved of my obligation to pay said tuition herein agreed upon, and that no deduction allowance or refunds for any tuition paid and due under this agreement shall be made by reason of my absence or withdrawal. I UNDERSTAND THAT NO REFUNDS WILL BE MADE UNDER THE TERMS OF THIS CONTRACT.

It is further agreed that all lessons shall be arranged for a definite time and that in the event I wish to cancel any appointment, I agree to notify the Arthur Murray School of Dancing at least 24 hours in advance of my appointment in order to make arrangements for taking the lesson at a later date, proof of illness excepted. I understand that if I do not cancel my appointment 24 hours in advance as stated above, I shall be considered absent and the lesson will be forfeited.

I acknowledge that I have received a copy of this contract and the "negotiable note given for tuition" at the time of their execution.

I FURTHER UNDERSTAND THAT THE LESSONS CALLED FOR UNDER THIS CONTRACT ARE TO BE TAKEN BY ME PERSONALLY AND THAT THIS CONTRACT OR THE LESSONS CALLED FOR THEREIN CANNOT BE BY ME ASSIGNED. I UNDERSTAND THAT THIS COURSE OF _____ HOURS OF DANCING LESSONS

EXPIRES ON _____

Signed this _____ day of _____

ARTHUR MURRAY SCHOOL OF DANCING
Execution and delivery of copy

Pupil _____

Verified by _____

Registrar _____

EXHIBIT 18-R

NON-ASSIGNABLE - NON-CANCELLABLE CONTRACT

ACME NO 2

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EXHIBIT 17-Q TO STIPULATION OF FACTS

[fol. 109] EXHIBIT 17-Q TO STIPULATION OF FACTS

DEFERRED PAYMENT EXTENSION AGREEMENT AND CONTRACT
WITH STUDENT FOR INSTRUCTION

I, _____ of _____
hereby agree to extend my class _____ hours to _____ hours and I further agree to
pay total tuition for said lessons in the amount of \$ _____

I have paid \$ _____ on my original course.

Today I agree to pay the balance of the down-payment as follows,

_____ and the remainder of \$ _____ dollars in the manner

by "note" or "check" numbered _____ and executed at the time of _____

_____ School of Dancing agrees that it will give the above mentioned _____
covered by this contract.

I understand that I shall not be relieved of my obligation to pay said tuition herein agreed
and no refund or refund for any tuition paid and due under this agreement shall be made by
_____ I UNDERSTAND THAT NO REFUND WILL BE MADE UNDER THE TERMS OF

_____ all lessons shall be arranged for _____ time, and that in the event I wish to cancel any
_____ School of Dancing at least _____ hours in advance of my appointment to
_____ the lesson at a later date, _____ of _____ accepted. I understand that if I do not
_____ as stated above, I shall be considered absent and the lesson will be forfeited.

I have received a copy of this contract and _____ "negotiable note given for tuition"

_____ THAT THE LESSONS CALLED FOR UNDER THIS CONTRACT ARE TO BE TAKEN BY
_____ CONTRACT OR THE LESSONS CALLED FOR HEREIN CANNOT BE BY ME
_____ THAT THIS COURSE OF _____ OF DANCING LESSONS

_____ day of _____
_____ SCHOOL OF DANCING

Pupil _____

Registrar _____

NON ASSIGNABLE - NON-CANCELLABLE CONTRACT

EXHIBIT 19-S

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[fol. 110] EXHIBIT 19-S TO STIPULATION OF FACTS

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