

132

3332 Giles Avenue

[fol. 100]

Mark and Marzalie Schlade

Year 1954

Income	\$438.77
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Expenses	
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Real Estate Taxes	\$ 69.04
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Plastering & Decorating	50.00
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Depreciation	111.39
	<hr/> 230.43

Profit	<hr/> \$408.34
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Depreciation

Date acquired	1941
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Estimated Life	15 yrs.
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Remaining Life	3 yrs.
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Cost	\$807.57
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Depreciation 1954	\$111.39
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Depreciation accumulated to Dec. 31, 1953	<hr/> \$536.40
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7801 South Shore Drive.

Mark and Marzalie Schlude.

Year 1954.

Income

\$ 800.00

Expense

Management\$ 35.00

Water 3.60

Insurance 45.75

Plumbing and Heating 110.00

Real Estate Taxes 691.72

886.07

Net Loss

(\$ 86.07)

Taxpayers Share 50%

(\$ 43.01)

Depreciation

404.69

Net Loss

(\$ 447.70)

Taxpayers Depreciation

Date acquired

Dec. 31, 1949

Estimated Life

15 years

Cost

\$ 6,067.35

Depreciation 1954

\$ 404.69

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1305 Chicago Avenue

(fol. 102)

Mark and Marzalie Schlude

Year 1954

Income \$ 780.00

Expense

Management \$ 39.00

Insurance 114.75

Roof, Gutter and Brick 34.00

Real Estate Taxes 138.14

Sewer and Boiler 48.50

Depreciation 134.88 509.27

Net Profit \$ 270.73

Taxpayers Share 50% \$ 135.37

Depreciation :

Date acquired Sept. 18, 1947

Estimated Life 20 Years

Remaining Life 14½ Years

Cost \$ 2,250.33

Depreciation 1954 \$ 134.88

4702 Cass Company—Omaha Nebraska.

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Mark and Ma Schlude.

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Year

Income Oct. 1, 1954 to Dec. 31, 1954 \$ 4,669.25

Expenses Oct. 1, 1954 to Dec. 31, 1954

Heat	\$ 204.96	
Electricity	77.49	
Gas and Water	90.70	
Custodian Expense	59.00	
Depreciation—Building	1,395.78	
Depreciation—Furniture & Fixtures	355.98	
Real Estate Taxes	846.00	
Building Repairs	119.46	
Interest	800.21	
Mortgage Expenses	56.32	
Collection Expense	45.00	4,050.90

Net Profit \$ 618.35

Depreciation—Building
Sum of Digits Method

Date acquired	Oct. 1, 1954
Life	34 Yrs.
Cost	\$97,704.80
Depreciation 10/1/54 to 12/31/54	\$ 1,395.78
$(34/595 \times 97704.80 = 5583.14)$	
$34 \text{ of } 5583.14$	

Depreciation—Furniture and Fixtures
Straight line method

Date acquired	Cost	Life	Depreciation 10/1/54 to 12/31/54
Heating Plant	\$7,530.61	10 yrs.	\$188.26
Refrigerators	1,167.16	3 yrs.	97.26
Ranges	636.63	3 yrs.	53.05
Carpets/Miscellaneous	139.26	2 yrs.	17.41
			\$355.98

Sale of Lot 297 in the Berwyn Subdivision—
Chicago.

[fol. 104]

Mark and Marzalie Schlude,

Year 1954.

Kreen and Dato Lots

Date Acquired	1939
Date Sold	1954
Sales Price	\$500.00
Cost Price	\$158.72

Long term capital gain	\$341.28
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Taxpayers Share of Gain 50%	\$170.64
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Additional Information.

On October 1, 1954 Mark and Marzalie Schlude of 309 South 19th Street, Omaha, Nebraska purchased all of the outstanding stock of the corporation from R. W. Dillon and immediately thereafter on October 1, 1954, dissolved the corporation. The stock was purchased by Mark and Marzalie Schlude in order to acquire the assets of the corporation. The total purchase price of the stock amounted to \$64,641.12 and the assets and liabilities of the company were taken into account October 1, 1954 in the books of account of Mark and Marzalie Schlude, as shown by the separate attached balance sheet. Mark and Marzalie Schlude paid \$64,641.12 for the net assets of the company whereas the net assets carried on the corporations books amounted only \$36,043.34, or an increase of \$28,597.78. A reconciliation of the total purchase price to the capital account is presented below:

Total Purchase Price	\$64,641.12
Less Borrowed Funds	15,536.52
	\$49,104.60
Cash Advanced For:	
Mortgage Escrow Deposit....	\$811.05
Mortgage Expense	36.35
	847.40
Capital—Mark and Marzalie Schlude...	\$49,952.00

Balance Sheet
4702 Cass Company
Mark and Marzalie Schlude,
Owners
October 1, 1954.

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Assets

Cash	\$ 5,059.35
Escrow Fund	811.05
Deferred Mortgage Financing Expense	56.32
Real Estate and Other Fixed Assets	

	Per Corpora- tion	Increase in Valuation	Total
Land	\$ 4,750.00	\$ 1,601.48	\$ 6,351.48
Building	73,093.56	24,611.24	97,704.80
Other Fixtures & Equipment	7,088.66	2,385.06	9,473.66
	<u>\$84,932.16</u>	<u>\$28,597.78</u>	<u>\$113,529.94</u>

113,529.94

\$119,456.66

Liabilities

Mortgage Payable	\$ 65,000.00
Security Deposits	1,383.50
Accrued Taxes Payable	2,415.00
Federal Income Tax Payable	706.16
Capital—Mark and Marzalie Schlude	49,952.00
	<u>\$119,456.66</u>

Computation of Mortgage Increase

Original amount of mortgage	\$ 50,166.97
Less Escrow Deposit applied in reduction of mortgage	723.46
	<u>\$ 49,443.51</u>
Additional amount borrowed by Mark and Marzalie Schlude	15,536.52
	<u>\$ 64,980.03</u>
Mortgage Expense Incurred	19.97
Amount of New Mortgage	<u>\$ 65,000.00</u>

Other Changes

New Escrow Fund established by cash—outlay	\$ 811.05
Deferred Mortgage Financing Expense:	
Incurred on mortgage per above	\$19.97
Established by cash—outlay	36.35
	<u>\$ 56.32</u>

GAINS AND LOSSES FROM SALES OR EXCHANGES OF PROPERTY **1954**
USE WITH INDIVIDUAL, FIDUCIARY, OR PARTNERSHIP RETURNS
 For Calendar Year 1954, or other taxable year beginning 1954, and ending 1954

Name and Address _____ Check type of return filed
☐ Form 1040 ☐ Form 1041 ☐ Form 1065

(I) PROPERTY OTHER THAN CAPITAL ASSETS

a. Kind of property (if necessary, attach statement of descriptive details not shown below)	b. Date acquired (mo., day, yr.)	c. Date sold (mo., day, yr.)	d. Gross sales price (contract price)	e. Depreciation allowed (if allowable) since acquisition or March 1, 1913 (attach schedule)	f. Cost or other basis and cost of subsequent improvements (if not purchased, attach explanation)	g. Expenses of sale	h. Gain or loss (column d plus column e less sum of columns f and g)
1. _____	_____	_____	_____	_____	_____	_____	_____
2. Net gain (or loss). Enter here and on line 1, Schedule D, Form 1040, or as item 8 (a), page 1, Form 1041, or as item 11, page 1, Form 1065.							8

(II) CAPITAL ASSETS

Short-Term Capital Gains and Losses—Assets Held Not More Than 6 Months

3. _____	_____	_____	_____	_____	_____	_____	_____
4. Enter your share of net short-term gain (or loss) from partnerships and fiduciaries.							_____
5. Enter unused capital loss carryover from 5 preceding taxable years (Attach statement).							_____
6. Net short-term gain (or loss) from lines 3, 4, and 5. Enter here and in Schedule D, Form 1041, or as item 26, page 1, Form 1065.							8

Long-Term Capital Gains and Losses—Assets Held More Than 6 Months

7. _____	_____	_____	_____	_____	_____	_____	_____
8. Enter the full amount of your share of net long-term gain (or loss) from partnerships and fiduciaries.							_____
9. Net long-term gain (or loss) from lines 7 and 8. Enter here and in Schedule D, Form 1041, or as item 27, page 1, Form 1065.							8 170.64

• LINES 10 THROUGH 25 NOT APPLICABLE TO FIDUCIARIES AND PARTNERSHIPS

Gain or Loss To Be Taken Into Account

	a. Gain	b. Loss
10. Enter net short-term gain (or loss) from line 6.	8 170.64	8
11. Enter net long-term gain (or loss) from line 9.	8	8
Use lines 12 through 18 only if gains exceed losses in lines 10 and 11.		
12. Enter short-term gain (line 10, col. a) reduced by any long-term loss (line 11, col. b).	8 170.64	8
13. Enter long-term gain (line 11, col. a) reduced by any short-term loss (line 10, col. b).	8 85.32	8
14. Enter 50 percent of line 13.	8 85.32	8
15. Enter here and on line 2, Schedule D, Form 1040, the sum of lines 12 and 14.	8	8
Use lines 16 and 17 only if losses exceed gains in lines 10 and 11.		
16. Enter the excess of losses over gains on lines 10 and 11.	8	8
17. Enter here and on line 2, Schedule D, Form 1040, the smallest of the following: (a) the amount on line 16; (b) taxable income computed without regard to capital gains and losses and the deduction for exemptions; or (c) \$1,000.	8	8

COMPUTATION OF ALTERNATIVE TAX FOR INDIVIDUALS (Form 1040)

(See instructions on other side as to when the alternative tax applies)

18. Enter from page 3, Form 1040, the income from line 5 if separate return or line 7 (a) if joint return.	8 34142.49
19. Enter amount from line 14, column a, above, if separate return, or half of such amount if joint return.	8 42.66
20. Balance (line 18 less line 19).	8 34099.83
21. Enter tax on amount on line 20 (Use applicable Tax Rate Schedule in Form 1040 instructions).	8 15824.89
22. If joint return, multiply amount on line 21 by two.	8 31649.78
23. Enter 50 percent of line 19.	8 21.33
24. If joint return, multiply amount on line 23 by two.	8 42.66
25. Alternative tax (line 21 plus line 23 if separate return; line 22 plus line 24 if joint return). If smaller than amount on line 6 or line 7(c), page 3, Form 1040, enter this alternative tax on line 8, page 3, Form 1040.	8 31692.44

NOTE—In lines 18 to 25 the treatment in the case of a joint return is also applicable to a return of a surviving widow or widower.

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PROFIT (OR LOSS) FROM BUSINESS OR PROFESSION
(For Computation of Self-Employment Tax, see Page 3)
PARTNERSHIPS AND JOINT VENTURES SHOULD FILE ON FORM 1085

1954

For Calendar Year 1954 or other taxable year beginning

1954, and ending

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Owner's Name and Address (from Form 1040)

MARZALIE 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

ARTHUR 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 **47 035 4832**

F. Business address **309 So. 19th Street**

Omaha

Douglas

Nebraska

(Street and number or rural route)

(City, town, post office)

(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 DEDUCTION FOR DEPRECIATION CLAIMED ON LINE 18

Kind of property (if building, state material of which constructed). (Include land and other nondepreciable property)	2. Rate claimed	3. Cost or other basis	4. Depreciation claimed (or allowable) in prior years	5. Method	6. Rate (%) or life (years)	7. Depreciation for this year
		\$	\$			\$

Schedule C-2. EXPLANATION OF LINES 6, 10, AND 22

Line No.	Explanation	Amount	Line No.	Explanation	Amount
		\$			\$

OCCUPATION OF SELF-EMPLOYMENT TAX
(For old-age and survivors insurance)

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

MARZALLI SCHULDE

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).....

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)

32. Maximum amount subject to self-employment tax.....

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).....

34. Maximum amount subject to self-employment tax after adjustment for wages.....

35. Self-employment income subject to tax—Line 31 or 34, whichever is smaller.....

36. Self-employment tax—3 percent of amount on line 35. Enter here and on item 10, page 1, Form 1040.....

IMPORTANT—FILL IN ITEMS BELOW COMPLETELY BUT DO NOT SIGN

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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

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

INSTRUCTION

(Principal product or service)

B. Business name **ARTHUR 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)

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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, 10, AND 22

Line No.	Explanation	Amount	Line No.	Explanation	Amount