

Audited by _____

INCOME TAX.

Collection District _____

THE PENALTY

FOR FAILURE TO HAVE THIS RETURN IN THE HANDS OF THE COLLECTOR OF INTERNAL REVENUE WITHIN THE TIME REQUIRED BY LAW IS NOT MORE THAN \$10,000 AND THE ASSESSMENT IS INCREASED FIFTY PER CENT.

Assessment List 23-A _____, 191

(Month.)

Page _____ Line _____

RETURN OF ANNUAL NET INCOME.

(Section 2, Act of October 3, 1913.)

IMPORTANT.
Read this form and all instructions carefully and fill in supplementary statement before making entries in return proper. Totals in supplementary statement must agree with totals in return.

CORPORATIONS.

(OTHER THAN INSURANCE COMPANIES.)

Above space to be stamped by Collector, showing district and date filed.

RETURN OF NET INCOME for the Calendar year ended Dec 31, 1915

by National Water Company (Name of corporation, joint-stock company, or association.) Water fishing and sale of (Kind of business.)

and located at 333 Commercial St (Street and number.) Providence (City or town.) Rhode Island (State.)

If no figures are to be extended opposite any item in the return, the word "None" should be inserted.

1. Total amount of paid-up capital stock outstanding at the close of the year or, if no capital stock, the capital employed in the business	\$	800000				
2. Total amount of bonded and other interest-bearing indebtedness outstanding at close of year, exclusive of indebtedness wholly secured by collateral, the subject of sale in ordinary business of the corporation	\$	None				
3. GROSS INCOME:		Dollars.	Cts.	DEDUCTIONS.		
(a) From operations	\$	18874	31	(a) Expenses, general	\$	128360
(b) From rentals		None		(b) Payments in lieu of rent		None
(c) From interest		None		5. (a) Losses sustained		None
(d) From dividends received		None		(b) Depreciation		None
(e) From other sources		4208		(c) Depletion (natural deposits)		None
Total gross income	\$	18916	31	6. (a) Interest paid (see Note 6a)		308
Total deductions		1286308		(b) Interest paid by banks on deposits		None
8. Net income	\$	6053	31	7. (a) Taxes, domestic paid		2640
9. Tax assessable	\$	6053		(b) Taxes, foreign paid		None
10. 50 per cent additional	\$	None		Total deductions	\$	1286308
Total	\$	6053				

We, Daniel F. Quail, President, and Joseph A. Dyer, Treasurer, of the above-named company, whose return of net income is herein set forth, being severally duly sworn, each for himself, deposes and says that the items entered in the foregoing report and in the supplementary statement and in any additional list or lists attached to or accompanying this return are, to his best knowledge and belief and from such information as he has been able to obtain, true and correct in each and every particular.

Sworn to and subscribed before me this _____ day of _____, 1915
Seal of officer taking affidavit. _____
(Official capacity.) _____
President. _____
Treasurer. _____

GENERAL INSTRUCTIONS.

Time of filing returns.—Returns made on the basis of a calendar year must be filed on or before March 1 with the Collector of Internal Revenue of the district in which is located the principal place of business of the corporation; if made on the basis of a FISCAL YEAR* they must be filed within 60 days after the close of such year.
***Fiscal year.**—Corporations desiring to make returns of annual net income on the basis of a fiscal year other than the calendar year, must, not less than 30 days prior to March 1, file with the collector a notice in writing designating the last day of some month as the close of such fiscal year. A return for that portion of the calendar year preceding the last day of the 60-day period next following the closing date of the fiscal year.
Extension of time.—In the case of neglect to file the return within the prescribed time, the collector is authorized to grant an extension of the filing period not exceeding 30 days, provided such neglect was due to absence or sickness of an officer required to sign the return, and provided an application in writing is made prior to the expiration of the period for which extension may be granted.
Signatures and verification.—Returns must be signed and verified by two officers of the corporation, that is, by the president, vice president, or other principal officer, and the treasurer or other financial officer, and must be sworn to before an officer authorized to administer oaths and the seal of the attesting officer, if he is required to have a seal, must be impressed on the return in the space provided for that purpose.
Subsidiary companies.—The corporation making this return should attach hereto a list of all its subsidiary companies, if any, with the location of the principal place of business of each. Each subsidiary company must make a separate and distinct return.
Foreign corporations.—Foreign corporations subject to the law are required to make returns to the collector of the district in which the principal place of business in the United States is located. The gross income to be returned is that received from business transacted and capital invested in the United States. The deductions allowable are those losses and disbursements incident and necessary to the transaction of the business in this country, all as specifically set out in the act. Foreign taxes are not deductible from the gross income arising and accruing to a foreign corporation from business done or capital invested in the United States.
Penalties.—Corporations refusing or neglecting to file returns within the time prescribed by law or rendering false or fraudulent returns shall be liable to a penalty of not exceeding \$10,000, and an additional tax of 50 per cent in case of neglect to file the return within the time prescribed by law, and 100 per cent in the case of a false or fraudulent return shall be added to the assessment.
Any officer of any corporation required by law to make, render, sign, or verify any return, who makes any false or fraudulent return or statement with intent to defeat or evade the assessment required to be made shall be guilty of a misdemeanor, and shall be fined not exceeding \$2,000 or be imprisoned not exceeding one year, or both, at the discretion of the court, with the costs of prosecution.

SUPPLEMENTARY STATEMENT.

The following information must be furnished by every corporation, joint-stock company, or association, without which the return will not be accepted as complete. The items herein relate to the items listed above and bear corresponding numbers, and the totals must agree with the totals set out in the above return.

1. PAID-UP CAPITAL STOCK:		2. INDEBTEDNESS:		
Unissued or treasury stock should not be included in this item, but only such stock as has been actually issued and is outstanding at the close of the year and for which payment has been received. Where the stock issued is payable in installments or assessments, only so much of it as has been actually paid in upon such installments or assessments should be reported. In case no stock is issued there should be reported the amount of capital actually employed in the business and property of the corporation at the close of the year.		All interest-bearing indebtedness, for the payment of which the corporation or its property is bound, should be reported below. In the case of banking corporations and like financial institutions deposits should not be reported as indebtedness. Indebtedness wholly secured by collateral, the subject of sale in the ordinary business of the corporation, should be reported here, but such indebtedness must not be entered under Item 2 above nor be considered in determining the amount of interest deductible under Item 6 (a).		
(a) Paid-up "common stock"	\$	None	None	
(b) Paid-up "preferred stock"	\$	800000	None	
Total paid-up stock	\$	800000	None	
or (c) Capital employed in business	\$	800000	None	
		Total indebtedness	\$	None

SUPPLEMENTARY STATEMENT—Continued.

3. GROSS INCOME:

All manufacturing, mercantile, and other corporations which determine their annual gain or loss by inventory are required to state the same in the form indicated below. If the annual income or loss is determined otherwise, the methods employed must be stated in the space provided.

The profit or income to be returned in the event of the sale of capital assets should be determined upon the basis of the difference between the cost and selling price of such assets. If the assets were acquired prior to January 1, 1909, the profit resulting from their sale may be prorated, in which case the amount apportioned to the years subsequent to January 1, 1909, will be included as income of the year in which sold.

(a) FROM OPERATIONS:

Per inventory—

Sales during year	\$	18,874.31
Stock on hand at close of year		None
Total	\$	18,874.31
Purchases during year	\$	None
Stock on hand at beginning of year		None
Total	\$	None
Total gain or loss [3 (a), first page]	\$	18,874.31

In the case of manufacturing corporations "Purchases during the year" will include so much of the cost of goods, finished or unfinished, sold or unsold, as has not been separately deducted under any item of the return.

Overhead charges should not be included in inventory (see Item 4).

(If inventory shows loss, make entry in red ink or strike out gain.)

If inventory is not used, state below method of determining gain or loss from operations:

From gross amount received from cash and sales of fish, expenses are deducted.

(b) FROM RENTALS:

Rentals to be reported as income will include all payments received in cash or its equivalent as rent on buildings or other property owned by the corporation making the return, as well as all royalties received.

(c) FROM INTEREST:

Interest to be reported as income includes all interest received on bonds or securities owned by the corporation with the exception of interest on obligations of a State or political subdivision thereof or interest upon the obligations of the United States or its possessions, which latter interest for the purpose of information should be extended below:

U. S., STATE, AND OTHER OBLIGATIONS.

Name of obligation.	Amount of principal.	Rate.	Amount of interest received.
<i>Interest on deposits bank</i>	<i>None</i>		<i>None</i>
	<i>None</i>		<i>None</i>
Total	\$ <i>None</i>		\$ <i>None</i>

(d) FROM DIVIDENDS RECEIVED:

Dividends received upon the stock of other corporations must be included in the gross income of the corporation receiving the same and are not deductible from gross income in ascertaining the net income upon which the tax is computed.

(e) FROM OTHER SOURCES:

All other sources from which income has been received, and the amount thereof, should be itemized below:

<i>None</i>	\$	<i>None</i>
<i>Interest on bank balances</i>		<i>47.08</i>
Total	\$	<i>47.08</i>

DEDUCTIONS.

4. EXPENSES, GENERAL:

The items below should only include the ordinary and necessary expenses paid within the year in the maintenance and operation of the business and properties of the corporation, not including interest payments (which are to be reported under Item 6 (a)), except interest paid on indebtedness wholly secured by collateral the subject of sale in the ordinary business of the corporation, which interest may be reported under this item as an expense.

All expenses for material, labor, fuel, and other items entering into the cost of the goods produced, sold, or inventoried are deductible under this head as expense, provided such items have not been considered in determining the income derived from operations under Item 3 (a), Inventory.

Expenditures for incidental repairs which do not add to the value of the property are deductible as expenses, but expenditures for additions and betterments which add to the value of the property are not deductible under this or any other item of the return. Expenditures for renewals and replacements are not, as such, deductible as expenses, but should be charged to depreciation reserve account.

Salaries of officers in order to constitute an allowable deduction must be reasonable compensation for the services rendered and must not be based upon the stock holdings nor comprehend any compensation for capital invested in the business.

Payments in lieu of rent should be reported separately under Item 4 (b).

(a) 1. Labor, wages, commissions, etc.	\$	<i>9,228.78</i>
2. Fuel, light, power, etc.		<i>None</i>
3. Rentals (ordinary)		<i>10,000</i>
4. Repairs, ordinary and incidental		<i>None</i>
5. Interest on indebtedness wholly secured by collateral the subject of sale, etc.		<i>None</i>
6. Salaries of officers		<i>88.68</i>
7. Other expenditures—Classify		<i>714.64</i>
		<i>2,701.50</i>
Total expenses	\$	<i>12,833.60</i>

4. (a) 8. Names of officers and employees to whom salaries of \$3,000 or more were paid during the year and amount paid to each. (If the space below is not adequate, a list marked "Item 4 (a)" containing this information should be attached to this form.)

Name.	Amount.
<i>None</i>	\$ <i>None</i>
Total	\$ <i>None</i>

(b) PAYMENTS IN LIEU OF RENT:

This item should include all royalties, as well as interest paid in lieu of rent on mortgages secured by property which the corporation occupies but which it does not own and in which it has no equity. See Note 6 (a).

5. (a) LOSSES:

Losses deductible under this item must be distinguished from depreciation or allowances for wear and tear, exhaustion, or obsolescence of property. The losses must be absolute, complete, actually sustained during the year, and charged off on the books of the corporation, and if the loss results from the sale of assets acquired prior to January 1, 1909, such loss shall be prorated and the amount apportioned to the years subsequent to January 1, 1909, may be deducted under this item.

Losses compensated by insurance or otherwise are not deductible.

Kind of asset.	Original amount.	Date charged off.	Amount charged off.
<i>None</i>	\$ <i>None</i>	<i>None</i>	\$ <i>None</i>
Total	\$		\$ <i>None</i>

When were the deducted losses ascertained to be such?

How were they so ascertained?

(b) DEPRECIATION:

The amount deductible on account of depreciation is an amount which fairly measures the deterioration during the year in the value of physical property by reason of use, wear and tear, and such amount should be determined upon the basis of the cost of the property and the probable number of years constituting its life. Stocks, bonds, and like securities are not subject to wear and tear within the meaning of the law, and any shrinkage in their value due to fluctuations in the market is not deductible either as depreciation or loss.

Depreciation computed on total invoice value of merchandise in stock is not an allowable deduction. However, the extent of shrinkage in value below invoice cost of certain articles of merchandise in stock, determined upon the individual articles affected, may be taken and should be reflected in the value of merchandise inventory shown in the supplementary statement 3 (a).

Kind of property.	Its cost.	Probable life after acquirement.	Amount of depreciation.	
			This year.	Previous years.
<i>None</i>	\$		\$ <i>None</i>	\$ <i>None</i>
Totals	\$		\$ <i>None</i>	\$ <i>None</i>

If buildings, state kind of construction.

(c) Depletion applies to the wasting of natural deposits and contemplates a deduction to return to the corporation the cost of or capital invested in such deposits, provided such deduction must not exceed 5 per cent of the gross value at the mine (or well) of the output of the year.

"DEPLETION."

* Kind of property.	† Its cost.	Gross value at mine of output for year.	Amount of depletion.	
			This year.	All years to date.
<i>None</i>	\$ <i>None</i>	\$ <i>None</i>	\$ <i>None</i>	\$ <i>None</i>

* Coal, iron ore, copper, oil, or gas.

† Cost to include only initial purchase price plus all carrying charges not deducted from gross income for purpose of special excise and income tax.

6. (a) INTEREST DEDUCTIBLE:

The amount of interest which may be deducted under this item is the amount actually accrued (due and payable) and paid within the year on an amount of bonded or other indebtedness not in excess of the paid-up capital stock outstanding at the close of the year plus one-half of the interest-bearing indebtedness also then outstanding. Where there is no capital stock the amount of interest deductible is the amount actually paid on an amount of indebtedness not in excess, at any time during the year, of the capital employed in the business at the close of the year.

Interest paid on mortgage indebtedness, assumed or unassumed, on property to which the corporation has taken or is taking title, or in which it has an equity, or in the acquirement of which the mortgage was considered a part of the purchase price, should be reported under this item, as such indebtedness is held to be the debt of the corporation.

Interest paid in lieu of rent on mortgage indebtedness secured by property which the corporation occupies, but does not own, or have an equity in, should be reported under Item 4 (a). Such debt is the debt of the property and not of the corporation.

Interest paid on indebtedness wholly secured by collateral the subject of sale in the ordinary business of the corporation should be reported under Item 4 (a).

INTEREST PAYMENTS ACTUALLY MADE DURING YEAR.

All forms of indebtedness upon which interest was paid should be listed here.

Name or kind of obligation.	Amount of principal.	Rate of interest.	Amount of interest paid.
<i>Note</i>	\$ <i>50,000</i>	<i>6</i>	\$ <i>3,080</i>
Total	\$ <i>50,000</i>		\$ <i>3,080</i>

(b) INTEREST PAID ON DEPOSITS:

Interest paid on deposits is a proper deduction from gross income under this item in case of banks and banking institutions only.

7. (a) TAXES—FEDERAL AND STATE:

(b) TAXES—FOREIGN:

Taxes deductible under these items are such taxes actually paid within the year as are imposed by either the United States or any State or Territory thereof, or by the Government of any foreign country, not including taxes for local benefits, nor taxes paid by corporations pursuant to covenants guaranteeing their bonds to be tax free.

A reserve for taxes, as such, is not deductible.

Banks paying taxes assessed on the value of their capital stock outstanding and in the hands of their stockholders can not deduct the same. Such taxes are a liability of the stockholders, deductible from the dividends of such stockholders.

Nat. Weir Co. Report Dec 31. 1915.

Receipts Fresh of Dec 31. 1914 to Jan 27. 1915 442.09
 Jan 27. to Dec 31. 1915. 18,432.22
18,874.31

Interest - 2.07
40.01 42.08

Meat Generals. 88.22
 " " 988.40 1076.62

Expense 409.66
2727.17 3136.83

Item fr - 335.95
8530.65 8866.80

Taxes paid -
 Prod Cold Storage Co. 3.08

Out paid. Taxes paid .
 Mt. Mart - 26.40
 Producers - 170.25
 Truro - 50.00
 246.65

Salaries of officers 88.68

	Meat Generals.	1076.62
	Out paid	3.08
	Item acct.	8866.80
	Expense.	3136.83
Expense		3136.83
Less out.	3.08	
" Taxes.	<u>246.65</u>	<u>249.73</u>
		17833.60

over

Labor re
Rentals.
Salaries.

8866.80
1000.
188.68

Labor - wages re
H. F. Baker car.

8866.80 ✓
361.98 ✓ 9.228.78

Great Genl.
Lm H. F. Baker.

1076.62
361.98 7.14.64