FORM **1120**

U. S. Treasury Department
Internal Revenue Service

U. S. CORPORATION INCOME TAX RETURN

FOR CALENDAR YEAR 1958

or other taxable year beginning MARCH 1, 1958,
and ending FEBRUARY 28, 1959

1958

Do not write in space below

PLEASE TYPE OR PRINT PLAINLY

Name: SMITH-KANZLER CORPORATION

Number and street: EAST LINDEN AVENUE

City or town, postal zone number, State: LINDEN NEW JERSEY

TAXPAYER'S COPY

TAXPAYER'S COPY

A. Date incorporated 3/1/51

B. Place incorporated N.J.

C. Enter your employer's identification number. VY-1498029

D. Business group code number and principal business activity (See new code on page 8 of Instructions)
MANUF. ASBESTOS PROD.

E. Did the corporation at any time during the taxable year own directly or indirectly 50 percent or more of the voting stock of a domestic corporation? ☐ Yes ☒ No
Did any corporation, individual, partnership, trust, or association at any time during the taxable year own directly or indirectly 50 percent or more of the corporation's voting stock? ☐ Yes ☐ No
If either answer is "Yes," attach separate schedule showing:
(1) name and address;
(2) percentage of stock owned;
(3) date stock was acquired; and
(4) the District Director's office in which the income tax return of such corporation, individual, partnership, trust, or association for the last taxable year was filed.

F. Check if taxpayer is a sole proprietorship ☐ or partnership ☐ electing under section 1361 to be taxed as a corporation.

G. If corporation is a cooperative association, check whether:
(1) ☐ farmers' marketing or a farmers' purchasing cooperative association;
(2) ☐ consumers' cooperative association; or
(3) ☐ other cooperative association.

H. Did the corporation, during the taxable year, have any contracts or subcontracts subject to the Renegotiation Act of 1951? ☐ Yes ☒ 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 Instruction G-(4))

I. Did the corporation at any time during the taxable year own directly or indirectly any stock of a foreign corporation? ☐ Yes ☒ No
If answer is "Yes," attach statement as required by Instruction K.

J. If this form is filed after the due date, has an extension of time for filing been applied for? ☐ Yes ☐ No
If "Yes," attach copy of application to this return.

K. Enter amount of income (or deficit) from:
(a) line 32, page 3, Form 1120, 1956 12858.16
(b) line 32, page 3, Form 1120, 1957 3792.81

L. Did the corporation make a return of information on Forms 1096 and 1099 for the calendar year 1958 in connection with:
Taxable dividends ☐ Yes ☒ No
Other payments ☐ Yes ☐ No
(See Instruction G-(1).)

M. Is this a consolidated return of an affiliated group of corporations? (See Instruction I) ☐ Yes ☒ No
If answer is "Yes," Form 1122 must be attached for each subsidiary.

N. Is taxpayer a personal holding company? ☐ Yes ☒ No
If answer is "Yes," Schedule 1120 PH must be attached.

O. Is taxpayer a resident foreign corporation? (See Instruction H) ☐ Yes ☒ No

FILL IN REMAINDER OF THIS PAGE AFTER COMPLETING PAGES 2 AND 3

▷ Enter amounts shown on page 2, (if "None" write "None") line 1, 1051201.65 line 4, NONE line 15, 28[illegible]

COMPUTATION OF TAX DUE OR REFUND

1. Total income tax (line 50, page 3)		1634.39
2. Credits for amounts paid on 1958 income tax:		
A. Tax paid with application for extension of time in which to file	–	–
B. Payments and credits on 1958 Declaration of Estimated Tax	–	
3. If tax (line 1) is larger than payments (line 2), the balance is TAX DUE. Enter such balance here (For installment payments see Instruction D.)		1634.39
4. If payments (line 2) are larger than tax (line 1) Enter the OVERPAYMENT here		
5. Enter amount of line 4 you want: Credited on 1959 estimated tax		
Refunded		

SIGNATURE AND VERIFICATION (See Instruction E)

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.

TAXPAYER'S COPY

(Date) (Signature of officer) (Title)

CORPORATE SEAL

I declare under the penalties of perjury that I prepared this return for the taxpayer 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 relating to the matters required to be reported in this return of which I have any knowledge.

(Date) (Individual or firm signature)

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FORM 1120—1958

DANA-053

Instruction and Line No.

GROSS INCOME

1. Gross sales (where inventories are an income-determining factor) ..... Less: Returns and allowances		1051201.85
2. Less: Cost of goods sold (Schedule A)		767901.95
3. Gross profit from sales		283299.90
4. Gross receipts (where inventories are not an income-determining factor)		
5. Less: Cost of operations (Schedule B)		
6. Gross profit where inventories are not an income-determining factor		
7. Dividends (Schedule C)		
8. Interest on loans, notes, mortgages, bonds, bank deposits, etc.		765.09
	Gross Amount of Interest / Less: Amortizable Bond Premium	
9. Interest on corporation bonds, etc.		
10. Interest on obligations of the United States, etc.:		
(a) Issued prior to March 1, 1941—(1) U. S. savings bonds and Treasury bonds owned in excess of the principal amount of $5,000, and (2) obligations of an instrumentality of the U. S.		
(b) Obligations issued on or after March 1, 1941, by the U. S. or any agency or instrumentality thereof.		
11. Rents		
12. Royalties		
13. Gains and losses (from separate Schedule D):		
(a) Net short-term capital gain reduced by any net long-term capital loss		
(b) Net long-term capital gain reduced by any net short-term capital loss		
(c) Net gain (or loss) from sale or exchange of property other than capital assets		
14. Other income (itemize):		
15. Total income in lines 3, and 6 to 14, inclusive		284064.99

DEDUCTIONS

16. Compensation of officers (Schedule E)	52000.00
17. Salaries and wages (not deducted elsewhere)	63416.03
18. Rents	2490.44
19. Repairs (Do not include cost of improvements or capital expenditures)	852.46
20. Bad debts (Schedule F)	-
21. Interest	17.73
22. Taxes (Schedule G)	2751.90
23. Contributions or gifts paid (Schedule H)	286.73
24. Losses by fire, storm, shipwreck, or other casualty, or theft (Attach schedule) TELEPHONE + TELEGRAPH	454

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25. Amortization (Schedule I)	—	
26. Depreciation (Schedule J)	45,514.50	
27. Depletion of mines, oil and gas wells, timber, etc. (Attach schedule)	—	
28. Advertising (Attach schedule)	10707.07	
29. Amounts contributed under:		
(a) Pension, annuity, stock bonus, or profit-sharing plans (Attach schedule)		
(b) Other employee benefit plans (Attach schedule)		
30. Other deductions (Schedule K)	93039.21	
31. Total deductions in lines 16 to 30, inclusive		279617.0
32. Taxable income before net operating loss deduction and special deductions		1447.9
33. Less: Net operating loss deduction (Attach schedule)		—
34. Taxable income before special deductions		1447.9
SPECIAL DEDUCTIONS		
35. Deduction for partially tax-exempt interest (net amount entered on line 10 (a))	None	
36. Dividends-received deductions (See Instructions):		
(a) 85% of column 2, Schedule C		
(b) 62.115% of column 3, Schedule C		
(c) 85% of dividends received from certain foreign corporations		
37. Total dividends-received deductions (sum of lines 36 (a), (b), and (c) but not to exceed 85 percent of the excess of line 32 over the sum of lines 35 and 39) (See instructions in case of net operating loss or if the corporation is a small business investment company)		
38. Deduction for dividends paid on certain preferred stock of public utilities (See Instructions in case of net operating loss)		
39. Deduction for Western Hemisphere trade corporations (See Instructions in case of net operating loss)		
40. Total special deductions		None
41. Line 34 less line 40 (Enter income or loss here and on line 42(b))		1447.95

TAX COMPUTATION FOR CALENDAR YEAR 1958 AND TAXABLE YEARS ENDING ON OR BEFORE JUNE 30, 1959
For other taxable years attach Schedule 1120 FY (See tax computation instructions)

42. (a) Amount of line 35 None (b) plus amount of line 41 1447.95 Enter total here ⇒		1447.95
43. If amount of line 42 is:		
(a) Not over $25,000—		
Enter 30 percent of line 42 (32 percent if a consolidated return)		434.39
(b) Over $25,000—		
Enter 52 percent of line 42 (54 percent if a consolidated return)		—
Subtract $5,500, and enter difference	5,500.00	—
44. Adjustment for partially tax-exempt interest. Enter 30 percent of line 35, but not in excess of 30 percent of line 42		—
45. Normal tax and surtax (line 43 less line 44)		434.39
46. Income tax (line 45, or line 20 of separate Schedule D)	1634.39	
47. Credit allowed a domestic corporation for income taxes paid to a foreign country or United States possession (submit Form 1118)	—	
48. Balance of income tax (line 46 less line 47)		1634.39
49. Tax under section 541 of the Internal Revenue Code (from Schedule 1120 PH)		—
50. Total income tax (line 48 plus line 49). Enter here and on line 1, page 1		1634.39

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Form 1120–1958 • Schedule L.—[illegible]

ASSETS	Beginning of Taxable Year Amount	Beginning of Taxable Year Total	End of Taxable Year Amount	End of Taxable Year Total
1. Cash		80867.67		131197.44
2. Notes and accounts receivable	83472.06		105897.44	
(a) *Less: Reserve for bad debts*	3246.87	79825.71	3246.87	102650.87
3. Inventories: (a) Other than last-in, first-out				
(b) Last-in, first-out		45617.85		53914.30
4. Prepaid expenses and supplies		324.16		1205.14
5. Investments in governmental obligations: (a) Obligations of a State, Territory, or a possession of the United States, or any political subdivision of any of the foregoing, or of the District of Columbia				
(b) Obligations of the United States and its instrumentalities		70000.00		20000.00
6. Mortgage and real estate loans				
7. Other investments (Attach schedule)				
8. Buildings and other fixed depreciable assets	47992.53		47992.53	
(a) Less: Accumulated amortization and depreciation	32678.52	15314.01	37378.52	10614.01
9. Depletable assets				
(a) Less: Accumulated depletion				
10. Land (net of any amortization)				
11. Intangible assets (amortizable only)				
(a) Less: Accumulated amortization				
12. Other assets (Attach schedule)		250.00		200.00
13. Total Assets		341913.90		419348.16
LIABILITIES AND CAPITAL				
14. Accounts payable		21649.61		10817.05
15. Deposits and withdrawable shares				
16. Bonds, notes, and mortgages payable (maturing less than one year from date of balance sheet)				
17. Accrued expenses (Attach schedule)				
18. Bonds, notes, and mortgages payable (maturing one year or more from date of balance sheet)				
19. Other liabilities (Attach schedule)		7339.02		7925.67
20. Capital stock: (a) Preferred stock	150000.00		150000.00	
(b) Common stock	10000.00	110000.00	10000.00	110000.00
21. Paid-in or capital surplus				
22. Surplus reserves (Attach schedule)				
23. Earned surplus and undivided profits		193973.17		195605.46
24. Total Liabilities and Capital		341913.90		419348.16

Schedule M.—RECONCILIATION OF TAXABLE INCOME AND ANALYSIS OF EARNED SURPLUS AND UNDIVIDED PROFITS

1. Earned surplus and undivided profits at end of preceding taxable year (Schedule L)	191973.17	9. Total distributions to stockholders charged to earned surplus during the taxable year: (a) Cash	
2. Taxable income before net operating loss deduction and special deductions (line 32, page 3)	1447.90	(b) Stock of the corporation	
3. Nontaxable interest on: (a) Obligations of a State, Territory, or a possession of the United States, or any political subdivision of any of the foregoing, or of the District of Columbia		(c) Other property (Attach schedule)	
		10. Contributions in excess of 5% limitation	1814.37
(b) Obligations of the United States issued on or before Sept. 1, 1917; all postal savings bonds		11. Federal income and excess profits taxes	1534.29
4. Other nontaxable income (Attach schedule)		12. Income taxes of foreign countries or United States possessions if claimed as a credit in whole or in part on line 47, page 3	
5. Charges against surplus reserves deducted from income in this return (Attach schedule)		13. Insurance premiums paid on the life of any officer or employee where the corporation is directly or indirectly a beneficiary	
6. Adjustments for tax purposes not recorded on books (Attach schedule)		14. Unallowable interest incurred to purchase or carry tax-exempt interest obligations	
7. Sundry credits to earned surplus (Attach schedule)		15. Excess of capital losses over capital gains	
8. Total of lines 1 to 7	193421.07	16. Additions to surplus reserves (Attach schedule)	
		17. Other unallowable deductions (Attach schedule)	
		18. Adjustments for tax purposes not recorded on books (Attach schedule)	
		19. Sundry debits to earned surplus (Attach schedule)	
		20. Total of lines 9 to 19	3348.66
		21. Earned surplus and undivided profits at end of the taxable year (Schedule L) (Line 8 less line 20 of Schedule M)	190072.41

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The information required in Schedules A through K on pages 5 and 6 may be furnished on separate attachments provided that the attachments conform to the format of the printed schedules and the necessary figures are carried forward to the appropriate lines on pages 2 and 3. Where acceptable attachments are used, detach and discard pages 5 and 6.

Name and Address (Number, street, city, postal zone, State)

Smith-Kamler Corporation Enterprises Inc Linden N.J.

Schedule A.—COST OF GOODS SOLD. (See Instruction 2) (Where inventories are an income-determining factor)		Schedule B.—COST OF OPERATIONS (Where inventories are not an income-determining factor)	
1. Inventory at beginning of year	45 567.85	1. Salaries and wages	
2. Merchandise bought for manufacture or sale	545 584.93	2. Other costs (to be detailed):	
3. Salaries and wages	179 344.07	(a)	
4. Other costs per books (Attach schedule)	51 389.95	(b)	
5. Total	821 886.75	(c)	
6. Less: Inventory at end of year	53 994.10	(d)	
7. Cost of goods sold (Enter here and on line 2, page 2)	767901.95	(e)	
		3. Total (Enter here and on line 5, page 2)	

Schedule C.—INCOME FROM DIVIDENDS. (See Instruction 36)

1. Name of Declaring Corporation	2. Domestic Corporations Taxable Under Chapter 1, Internal Revenue Code*	3. Certain Preferred Stock of Public Utilities Taxable Under Chapter 1, Internal Revenue Code	4. Foreign Corporations	5. Other Corporations
Totals				
Total of columns 2, 3, 4, and 5 (Enter here and on line 7, page 2)				

*Except (a) dividends on certain preferred stock of public utilities, which should be entered in column 3; and (b) dividends, which should be entered in column 5, received from China Trade Act corporations, from corporations to which section 931 applies, and from corporations exempt from tax under sections 501 and 521.

Schedule D.—Separate Schedule D (Form 1120) should be used in reporting sales or exchanges of property and filed with this return (See Instruction 13)

Schedule E.—COMPENSATION OF OFFICERS

1. Name and Address of Officer	2. Official Title	3. Time Devoted to Business	Percentage of Corporation's Stock Owned: 4. Common	5. Preferred	6. Amount of Compensation
Leonard Diener Ele N.J.	Pres		50%		26,000.00
Judd Diener " "	Treas		50%		26,000.00
Total compensation of officers (Enter here and on line 16, page 2)					52,000.00

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

1. Taxable Year	Amount of Notes and Accounts Receivable Outstanding at— 2. Beginning of Year	3. End of Year	4. Taxable Income Reported	5. Sales on Account	6. Bad Debts of Corporation if No Reserve is Carried on Books	If Corporation Carries a Reserve: 7. Gross Amount Added to Reserve	8. Amount Charged Against Reserve
1955							
1956							
1957							
1958							

NOTE: Securities which are capital assets and which became worthless within the taxable year should be reported in sep

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Schedule G.—TAXES. (See Instruction 22)

Explanation	Amount
Est. of Franchise	2047.25
State of N.Y.	703.75
Total (Enter here and on line 22, page 2)	2751.00

Schedule H.—CONTRIBUTIONS OR GIFTS PAID (See Instruction 23)

Name and Address of Organization	Amount
Federal Hospital	100.00
U.J.A.	50.00
[illegible]	200.00
[illegible]	50.00
[illegible]	25.00
[illegible]	73.00
Contributions carryover (See instructions)	
Total contributions (Enter here and on line 23, page 2, subject to 5 percent limitation)	498.00 / 291.73

Schedule I.—AMORTIZATION. (See Instruction 25)

1. Describe Facilities or Expenditures Being Amortized	2. Date Acquired, Completed, or Expended	3. Amount Being Amortized	4. Amortization Deducted in Prior Years	5. Amortization Period (Number of months)	6. Amortization This Year

1. Total
2. Less: Amount of amortization claimed in Schedules A and B and elsewhere on return
3. Balance—Enter here and on line 25, page 3

Schedule J.—DEPRECIATION. (See Instruction 26)

1. Kind of Property (If buildings, state material of which constructed). Exclude Land and Other Nondepreciable Property. List Assets in Groups by Depreciation Method	2. Date Acquired	3. Cost or Other Basis	4. Depreciation Allowed (or allowable) in Prior Years	5. Method of Computing Depreciation	6. Rate (%) or Life (years)	7. Depreciation This Year
Mach. & Equip.	Various	[illegible]	31105.19	S.L.	[illegible]	4544.48
" "	"	1456.46	291.69	S.L.	[illegible]	145.84
" "	"	1130.16	339.04	S.L.	[illegible]	162.38
" "	"	1429.00	Lost of D.B.	D.B.	[illegible]	1612.23
Office Equip.	"	1390.00	418.12	S.L.	[illegible]	139.00
Auto #10	4/5/57	2442.00	2113.92	S.L. 60%	[illegible]	328.08
Auto #11	7/19/57	3273.26	2801.32	D.B.	[illegible]	[illegible]
1. Total						4954.50
2. Less: Amount of depreciation claimed in Schedules A and B and elsewhere on return						
3. Balance—Enter here and on line 26, page 3						4954.50

SUMMARY OF SCHEDULES I AND J

Part A.—DEPRECIATION		Part B.—AMORTIZATION	
1. Straight line method	46378.34	8. Emergency facilities	
2. Declining balance method	2192.16	9. Grain storage facilities	
3. Sum of the years-digits method		10. Research or experimental expenditures	
4. Based on units of production		11. Exploration and development expenditures	
5. Additional first year (Section 179)		12. Organizational expenditures	
6. Other methods		13. Trademark and trade name expenditures	
7. Total depreciation claimed	48570.50	14. Total amortization claimed	

Schedule K.—OTHER DEDUCTIONS. (See Instruction 30)

		Total (Enter here and on line 30, page 3)	93039.21

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Other Costs - Line 4 Schedule G

Outside Work	117.03
Supplies	22486.13
Coal - Oil - Heat	11774.73
Light - Power	17011.58
	51389.45

Other Deductions - Schedule K

Freight Out	43228.15
Discounts	9787.45
Truck Rentals - Maint	1867.60
Gas - Oil	3234.44
Traveling & Entertaining	15070.07
Group Insurance & Hospitals	2380.69
Telephone & Telegraph - [illegible]	1444.95
Office Supplies	1555.50
Professional	2791.00
Insurance	4446.00
Dues & Subscriptions	303.00
State & Federal Payroll Taxes	1961.35
	93039.21

Schedule L - Other Liabilities - Line 19

	215[illegible]	[illegible]
Payroll Taxes Accrued	2275.17	2[illegible]
Withholding Taxes	2426.00	3723.00
Salaries Commissions Accrued	1500.00	
Federal Income Taxes	1137.85	1634.39
Total	7339.05	7925.67

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