

QUARTERLY FEDERAL EXCISE TAX RETURN

1. Total tax. Before making entries 1 to 5, fill in applicable lines below
2. Credits (See instructions)
3. Net tax due (Item 1 minus Item 2)
4. This item is for the use of those taxpayers who make deposits of Federal Excise Taxes. (See instructions.) **Credit for deposits will not be allowed unless depository receipts on Form 537 are enclosed.**

Serial No. of Form 537	Date of Deposit	Amount
		\$
5. Balance of tax to be paid with this return (Item 3 minus item 4)

\$ _____	For District Director's use
\$ _____	
\$ _____	T \$ _____ P _____ D _____ I _____ Total. \$ _____
\$ _____	Make check or money order payable to Internal Revenue Service.
\$ _____	

Under penalties of perjury, I declare 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.

Signature _____ Title _____ Date _____
(Owner, president, partner, etc.)

IMPORTANT.—If the items on which you previously paid excise taxes are no longer included below, please write "Final Return" here and return the form to your District Director.

FACILITIES AND SERVICES	Rate	TAX	IRS No.	MANUFACTURERS (Continued)	Rate	TAX	IRS No.
Admissions	(1)	\$	16	Fishing rods, etc., and artificial lures, etc.	10%	\$	41
Ticket brokers	(1)		17	Electric light bulbs and tubes	10%		45
Leases, etc.	(1)		18	Firearms, shells, and cartridges	11%		46
Roof gardens, cabarets, etc.	(1)		19	PRODUCTS AND COMMODITIES			
Box office sales—excess over regular prices	50%		20	Coconut oil	2¢ lb.		53
Club dues, initiation fees, life memberships	20%		21	Combinations of coconut oil & other substances	2¢ lb.		54
Telegraph, toll telephone, etc., messages	(1)		22	Sugar	(1)		60
Wire mileage service, wire and equipment service, etc.	(1)		23	Diesel fuel and special motor fuels	(1)		61
General telephone services	10%		24	Gasoline	4¢ gal.		62
Transportation of persons by air	5%		26	Lubricating oil, cutting oils	(1)		64
MANUFACTURERS				Tires { highway vehicle type	10¢ lb.		66
Pistols and revolvers	10%		32		laminated		
Truck, bus and trailer chassis and bodies; tractors	10%		33	other	5¢ lb.		67
Other auto chassis and bodies, etc.	7%		34	Inner tubes	10¢ lb.		68
Parts or accessories for autos, trucks, etc.	8%		35	Tread rubber (camelback)	5¢ lb.		
				TOTAL TAX (Enter in Item 1 above) \$			

¹See instructions.

U.S. TREASURY DEPARTMENT
District Director of Internal Revenue

POSTAGE AND FEES PAID
OFFICIAL BUSINESS

Your name, address, employer identification number and calendar quarter of return. (If not correctly printed please change)

Quarter ending

Employer Identification No.

Postmaster: If undeliverable treat in accordance with Section 355.56 of Postal Manual.

PLEASE RETURN THIS FORM TO YOUR DISTRICT DIRECTOR

Instructions for Use of Form 720—Quarterly Federal Excise Tax Return

Taxpayer's name, address, and employer identification number.—After you have once filed a return, your District Director of Internal Revenue will mail you a preaddressed Form 720 every 3 months. This form should be used in filing your return. If a preaddressed form is lost, request another. If you must use a non-preaddressed form, type or print your name and employer identification number exactly as shown on previous returns. Do not use an employer identification number assigned to a prior owner. If filing for the first time, consult your District Director.

Payment of tax—monthly deposits.—All taxes are due and payable without assessment or notice. If you are liable in any month (except the third month of a quarter) for more than \$100 of the taxes listed on Form 720, you are required to deposit such taxes in an authorized local bank or a Federal Reserve bank on or before the last day of the next month. Deposits for the third month of any quarter, and deposits of \$100 or less for the first or second month of a quarter, are permissible but not required. If you choose to make a deposit for the last month of a quarter, do so in sufficient time to enable the Federal Reserve bank to return the validated receipt to you so that it can be attached to and filed with your quarterly return.

Each deposit is to be accompanied by Form 537, Depository Receipt for Federal Excise Taxes, which will be validated by the Federal Reserve bank and returned to you. The validated receipts are to be listed in Item 4 of Form 720 and submitted with such return, together with a remittance to pay the balance of tax shown in Item 5. Form 537 to accompany the initial deposit may be obtained from your District Director. Thereafter, the form will be mailed to you by the Federal Reserve bank receiving your deposit.

Any tax due which is not deposited must be remitted with the return.

Quarterly returns and due dates.—A return must be filed for each quarter of the calendar year as follows:

Quarter covered	Due on or before
January, February, March.....	April 30
April, May, June.....	July 31
July, August, September.....	October 31
October, November, December.....	January 31

However, if your return is accompanied by depository receipts, Form 537, showing timely deposits in full payment of the taxes due for each month of the quarter, you are allowed an additional 10 days for filing your return.

Unless already shown on the form received from the District Director, enter at the right of the space provided for the taxpayer's name the months and year of the quarter for which the return is filed.

A return must be filed for each quarter whether or not liability is incurred. If you have no tax to report, enter "None" in Item 5. If you no longer have a business operation subject to tax reportable on Form 720, write "Final Return" at the top of your last return.

Where to file.—Form 720 is printed in duplicate. Send the original to the District Director for the Internal Revenue district in which your principal place of business is located and keep the duplicate. If your business is located in Puerto Rico, file this return with the U.S. District Director of Internal Revenue, 1105 Fernandez Juncos Avenue, Stop 17, Santurce, P.R. If you have no principal place of business in an Internal Revenue district of the United States, file your return with the Director of International Operations, Internal Revenue Service, Washington, D.C., 20225.

Credits.—Where more than the correct amount of tax has been paid on any previous return, the overpayment may be taken either as a credit on any subsequent Form 720 or may be made the subject of a separate claim for refund (in which case ask your District Director for Form 843). Generally, a credit may be taken with respect to all the taxes reported on Form 720 to correct mathematical errors or to adjust payments of tax on transactions, charges, or processing which are entitled to be made tax free. Information and instructions covering credits and the evidence required to support such credits may be obtained by consulting your District Director or the regulations covering the specific tax involved.

The total of all credits taken should be entered in Item 2 of Form 720. Where a credit is taken there should be submitted with the return a statement explaining the basis for the credit and that the required supporting evidence is in your possession.

Refunds may be claimed as provided by law (but credit may not be taken) to recover tax paid with respect to sugar exported, or used as livestock feed, or in the distillation of alcohol, or to recover tax paid with respect to the first domestic processing of oils subsequently exported.

Exemptions.—Some transactions involving sales of taxable articles, payment for services and facilities, and the sale, processing, or use of products or commodities are exempt from tax. As an illustration, certain exemptions are provided for export transactions and for transactions involving States, political subdivisions, and certain nonprofit educational organizations. For information and instructions relating to transactions exempt from tax, the procedure to be followed, and the type of evidence required to support such exemptions, consult your District Director or the regulations applicable to the tax involved.

Records.—Keep on file at your principal place of business or some other convenient location, duplicate copies of your return and accurate records and accounts of all transactions containing sufficient information to indicate whether the correct amount of tax has been computed and paid. Records and information in support of all credits taken and all exemptions and adjustments must also be kept. All records shall be maintained for a period of at least 3 years from the date the tax was paid. Such records shall be available for inspection by the Internal Revenue Service.

Penalties and interest.—Avoid penalties and interest by filing correct returns on time, making timely deposits of tax, and by paying the correct tax due with the returns. The law provides a penalty of from 5 percent to 25 percent of the tax for late filing unless reasonable cause is shown for the delay. In the event you are late in filing a return or in making a deposit of tax, send a full explanation with the return. Penalties are also imposed by law for willful failure to collect tax, pay tax, keep records, file returns, and for the filing of false or fraudulent returns.

FACILITIES AND SERVICES

These taxes apply to the sale or lease of admissions, boxes, or seats, and payments received for (1) public performance for profit by roof gardens, cabarets, or other similar places, (2) club dues, (3) telephone, telegraph, and radio facilities, and (4) transportation of persons by air. The rates of tax not shown on the face of the form follow:

Subject	Rate
a. Admissions (except horse or dog races).....	1¢ for each 10¢ or major fraction thereof in excess of \$1
b. Admissions to horse or dog races.....	1¢ for each 5¢ or major fraction thereof
*c. Roof gardens, cabarets, etc., including admission, service, etc., charges.....	10%
d. Ticket brokers—excess charges—except horse or dog races.....	10%
Ticket brokers—excess charges—horse or dog races.....	20%
e. Leases, etc.—boxes and seats—except horse or dog races.....	10%
Leases, etc.—boxes and seats—horse or dog races.....	20%
f. General telephone service.....	10%
**g. Toll telephone or radiotelephone message or conversation for which there is a toll charge.....	10%
**h. Telegraph, cable, or radio dispatches or messages.....	10%
i. Wire mileage service, teletypewriter exchange service and any other telephone service for which no tax is payable under classifications f, g, h, and j.....	10%
j. Wire and equipment service (including stock quotations and information service, burglar or fire-alarm services, and all similar services).....	8%

*A proprietor is responsible for collection of the tax from the concessionaire and payment to the District Director of Internal Revenue.

The cabaret tax does not apply to "milk bars" which sell light refreshments and provide space for dancing. To be entitled to this exemption, the following conditions must be met: (1) No alcoholic beverage is served or permitted to be consumed; (2) only light refreshments are served; (3) no charge is made for dancing; and (4) any music provided or permitted is either instrumental or other music supplied without any charge to the operator of the establishment, or mechanical music.

**Where payment is made and tax collected by inserting coins in a telephone, tax should be computed to the nearest multiple of 5 cents. One-half or a greater fraction of 5 cents shall be treated as 5 cents and a smaller fraction shall be ignored.

(Continued on reverse of duplicate)

QUARTERLY FEDERAL EXCISE TAX RETURN

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5. Balance of tax to be paid with this return (Item 3 minus item 4).....	\$ _____																					

FACILITIES AND SERVICES	Rate	\$ TAX	IRS No.	MANUFACTURERS (Continued)	Rate	\$ TAX	IRS No.	
Admissions	(1)	-----	16	Fishing rods, etc., and artificial lures, etc...	10%	-----	41	
Ticket brokers	(1)	-----	17	Electric light bulbs and tubes	10%	-----	45	
Leases, etc.....	(1)	-----	18	Firearms, shells, and cartridges	11%	-----	46	
Roof gardens, cabarets, etc.....	(1)	-----	19	PRODUCTS AND COMMODITIES				
Box office sales—excess over regular prices ..	50%	-----	20	Coconut oil.....	2¢ lb.	-----	53	
Club dues, initiation fees, life memberships ..	20%	-----	21	Combinations of coconut oil & other substances.....	2¢ lb.	-----	54	
Telegraph, toll telephone, etc., messages ...	(1)	-----	22	Sugar.....	(1)	-----	60	
Wire mileage service, wire and equipment service, etc.....	(1)	-----	23	Diesel fuel and special motor fuels	(1)	-----	61	
General telephone services	10%	-----	24	Gasoline	4¢ gal.	-----	62	
Transportation of persons by air.....	5%	-----	26	Lubricating oil, cutting oils.....	(1)	-----	64	
MANUFACTURERS				Tires { highway vehicle type.....	10¢ lb.	-----	66	
Pistols and revolvers	10%	-----	32		laminated.....			1¢ lb.
Truck, bus and trailer chassis and bodies; tractors	10%	-----	33	other	5¢ lb.	-----	67	
Other auto chassis and bodies, etc.....	7%	-----	34	Inner tubes	10¢ lb.	-----	68	
Parts or accessories for autos, trucks, etc.....	8%	-----	35	Tread rubber (camelback)	5¢ lb.	-----	68	
				TOTAL TAX (Enter in Item 1 above)				\$ _____
				¹ See instructions.				

YOUR COPY

Life membership.—A life member can either pay tax equal to the tax paid by members having privileges similar to his or he may elect to pay a one-time tax on the cost of the life membership. Where the first payment for life membership is made on or after July 1, 1959, election must be made no later than the day of the first payment for the life membership. Consult your District Director for information as to how election may be made.

MANUFACTURERS

These taxes apply to the sale by the manufacturer, producer, or importer of the articles listed.

Basis for tax and adjustments.—Generally the tax is computed on the price for which the taxable article is sold or leased. Where a taxable article is leased or is sold under a conditional sales contract, installment payment contract, or chattel mortgage arrangement, tax must be computed and paid on each payment received during the quarter covered by the return. For exclusion of: (1) finance charges, and (2) local advertising charges from the sale price, consult your District Director. Special rules apply to the lease of any article; for further information, consult your District Director.

Where charges for transportation, delivery, insurance, and installation are included in the manufacturer's sale price, the price may be adjusted by deducting the actual amount paid or incurred for such expenses. The circumstances under which adjustments may be made and the evidence required to support such adjustments may be ascertained by consulting your District Director or the applicable regulations. Adjustment of the manufacturer's sale price may also be made in the case of discounts, rebates, and other similar allowances granted to the purchaser. However, such discounts, etc., may not be anticipated. Adjustments may only be made if the purchaser has taken advantage of the discount, etc., before the return is required to be filed.

Where the adjustments are made subsequent to the time the return is filed or if the required evidence is obtained subsequent to that time, the amount of tax involved may be considered an overpayment and you may then take a credit for that amount on a subsequent return or you may file a refund claim.

Tax shall be computed on a price established by the Commissioner of Internal Revenue where (1) an article is sold by the manufacturer or producer at retail, on consignment, or otherwise than through an arm's-length transaction at less than the fair market price, or (2) an article is subject to tax when used by the manufacturer. A special rule is also provided for establishing constructive sales

price where an article is sold at retail, to a retailer, or to a "special dealer" if certain conditions are met. A request for determination as to application of the special rule should be made to the Commissioner.

PRODUCTS AND COMMODITIES

These taxes apply to the first domestic processing of coconut oil, etc.; the manufacture of manufactured sugar; the retail sale or use of diesel fuel and special motor fuels; the sale of gasoline, tread rubber, or the sale or lease of tires or inner tubes, by the manufacturer, producer, or importer thereof; and the sale of cutting oils and other lubricating oils by the manufacturer or producer thereof. The rates of tax not shown on the face of the form follow:

Manufactured sugar:

On all manufactured sugar, 0.53 cent per pound of the total sugars therein.

Diesel fuel and special motor fuels:

(a) Four cents per gallon sold for use or used as a fuel in a highway vehicle, except that the tax is 2 cents per gallon sold for use or used in a highway vehicle (A) which, at the time of such sale or use, is not registered, and is not required to be registered, for highway use under the laws of any State or foreign country, or (B) which, in the case of a highway vehicle owned by the United States, is not used on the highway.

(b) If fuel is sold subject to tax at the 2 cents per gallon rate, an additional tax of 2 cents per gallon is imposed on the user if such fuel is used in a highway vehicle (A) which, at the time of such use, is registered, or is required to be registered, for highway use under the laws of any State or foreign country, or (B) which, in the case of a highway vehicle owned by the United States, is used on the highway.

(c) Special motor fuels sold for use or used as a fuel for the propulsion of a motorboat, airplane, or motor vehicle other than a highway vehicle, 2 cents per gallon.

Lubricating oil: Six cents per gallon.

Cutting oil: Three cents per gallon.

Laminated tires: Laminated tires (not of the type used on highway vehicles) which consist wholly of scrap rubber from used tire casings with an internal metal fastening agent.