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Volume Title: Measurement of Business Inventories

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Volume Publisher: U.S. Census Bureau

Volume ISBN: 3024029227

Volume URL: <http://www.nber.org/books/foss81-1>

Publication Date: 1981

Chapter Title: Appendixes

Chapter Author: Murray F. Foss, Gary Fromm, Irving Rottenberg

Chapter URL: <http://www.nber.org/chapters/c11093>

Chapter pages in book: (p. 163 - 208)

APPENDIX A

LIFO Questionnaire

The past few years have seen a large increase in LIFO accounting by business firms. Since LIFO firms may use many different options, it is important for the Census Bureau to determine how the method is used in practice in order that LIFO inventory statistics can be properly interpreted.

PART I. GENERAL INFORMATION

1. For financial reporting, in what year did this company first adopt the LIFO method of inventory valuation for the company as a whole or for any part of it? If only part of the company was covered initially, indicate which part.
2. Indicate any year, or years, in which the LIFO method was extended to additional parts of the company, and the parts of the company covered by the extension(s).
3. Identify the specific LIFO method presently used by checking the appropriate box.
 - Dollar Value Method
 - Unit (specific goods) Method
 - Both
4. Indicate by checking the appropriate box or boxes the kind of price or price index presently used to value a new LIFO layer.
 - Earliest purchases of the year
 - Latest purchases of the year
 - Average costs of the year
 - Other (please describe in remarks)

PART II. FOR FIRMS USING THE UNIT METHOD

5. A. Please list the main materials or merchandise valued by the Unit Method of LIFO
- B. For Manufacturing firms only. Please check the appropriate box.
 - Materials on LIFO only while a raw material.
 - Materials on LIFO while a raw material and in process of production.

- Materials on LIFO while a raw material, in process of production and in finished goods inventory.

PART III. FOR FIRMS USING THE DOLLAR VALUE METHOD

6. List the name of each LIFO pool (and each natural business unit). (Use the remarks section if more space is required.)

For each pool listed by a manufacturing firm, specify whether it includes materials, labor, and overhead (burden). Use the letters M, L, and O.
7. Please specify the preLIFO method of inventory valuation from which the LIFO reserve is subtracted to determine the LIFO value. PreLIFO methods refer to average cost, FIFO, standard cost etc.
8. Do you provide a breakdown of LIFO inventory values by stage of fabrication (materials, work in process and finished goods) in your reports to stockholders or M3 reports?

Please check appropriate box or boxes

Reports to stockholders			Census monthly M-3 reports		
End of year	yes <input type="checkbox"/>	no <input type="checkbox"/>	End of year	yes <input type="checkbox"/>	no <input type="checkbox"/>
End of quarter	yes <input type="checkbox"/>	no <input type="checkbox"/>	End of month	yes <input type="checkbox"/>	no <input type="checkbox"/>

Whenever the answer is yes, please describe in remarks section how you obtain this breakdown.

9. Do plants and other establishments in your company report LIFO inventory values in the annual survey of manufactures (Census form MA100)?
10. If the answer to 9 is "yes" please indicate below how LIFO values for establishments are obtained.
 - LIFO is actually calculated for each establishment
 - LIFO is calculated at a broader organization level and allocations are made down to the establishment
 - Other (describe under remarks)

APPENDIX B

Monthly Wholesale Trade

NOTICE OF SAMPLE REVISION

The survey panels and processing and estimation techniques used in the development of monthly data on sales and inventories of merchant wholesalers were revised effective with the June 1974 data month. The new sample was selected from employer firms included in the 1971 County Business Patterns (CBP) file and a sample of firms starting business subsequent to 1971. (CBP data on employment and payroll are developed primarily from administrative records of the Social Security Administration and supplemented with a survey by the Bureau of the Census.) The industry classification and type of operation were taken from the 1967 Census of Business. (The former sample was based on the 1963 Census of Business.) The measure of size of each business concern in the new sample is based on information from the 1971 County Business Patterns file and the 1967 Census of Business.

Concurrent with the revision of the wholesale survey panels to reflect census benchmark information, a monthly match against the most current file of firms covered by the Federal Insurance Contribution Act (FICA) was introduced to assure that all firms selected for canvass are currently in business. By this method, firms which go out of business and subsequently resume operations are correctly included in the summary statistics derived.

Statistics for the 4-month period of March through June 1974 were derived concurrently for the new and old series. Table A shows the relationship between the new and old sample data averaged over the 4-month period. (A more detailed comparison is available upon request.)

For all merchant wholesalers combined during the March-June period, estimated sales levels derived from the new sample were virtually unchanged from the old sample. Inventory data for the new sample, however, average about 3-percent higher than the old. As shown in table A, this relationship varies by kind of business.

In general, records of inventory values are not available as frequently nor maintained as precisely as those of sales and they are more subject to reporting errors. The differences in the overall dollar level of inventories between the old and new series, based upon analysis of the two sets of data, are judged to be due to: (1) the tendency of some respondents in the old sample to report unchanging inventories and for some firms in the old sample to be erroneously shown as not carrying inventories; (2) the firms added to the new sample, on the average, maintaining a higher stock-sales ratio than the firms they replaced.

For purposes of developing a long-term series comparable with the new sample results, previously published estimates have been revised for the period of January 1964 through May 1974 by applying the table A ratios separately by kind of business as follows:

Table A. COMPARISON OF SALES AND INVENTORY ESTIMATES FROM NEW AND OLD SAMPLE

Kind of business	Percent change between new and old sample	
	Sales	Inventories
Merchant wholesalers, total	-0.3	+3.1
Total (except farm products) .	+0.2	+2.7
Durable goods, total	+0.4	+3.1
Motor vehicles, automotive equipment . .	-4.4	-3.9
Electrical goods	+6.7	+13.5
Furniture, home furnishings	-3.5	-13.3
Hardware, plumbing, heating equipment, supplies	-0.4	+2.9
Lumber, construction materials	+0.3	+15.0
Machinery, equipment, supplies	-3.8	+0.8
Metals, metalwork (except scrap)	+10.0	+10.2
Scrap, waste materials	+1.1	+3.3
Jewelry	+0.7	-0.2
Nondurable goods, total	-0.6	+3.0
Total (except farm products) . . .	0.0	+2.0
Groceries and related products	+2.6	+2.2
Beer, wine, distilled alcoholic beverages . .	+4.5	+7.6
Drugs, chemicals, allied products	-3.1	-12.2
Tobacco, tobacco products	-3.3	+1.3
Dry goods, apparel	+2.2	-8.3
Paper, paper products, excluding wallpaper	+6.1	+3.5
Farm-product raw materials	-3.0	+7.7
Other nondurable goods	-6.0	+12.8

For the period January 1972 through May 1974, the ratios were applied on a 100-percent basis to previously published data. For the remaining months the ratios were applied on a diminishing basis back to January 1964. For example, the previously published December 1971 estimates were adjusted by 96/97ths of the ratio; November 1971 was adjusted by 95/97ths of the ratio, etc. This procedure has been followed

since it appears that influences contributing to the differences between the two samples occurred gradually over that period.

Along with revisions of the historic data, seasonal factors for adjusting the sales and inventories data have been updated.

APPENDIX C

Monthly Inventory Report

Form Approved: O.M.B. No. 41-R1785

<p>FORM BUS-11(L) (8-17-76)</p> <p style="text-align: center;">U.S. DEPARTMENT OF COMMERCE BUREAU OF THE CENSUS</p> <p style="text-align: center;">MONTHLY INVENTORY REPORT RETAIL INVENTORY SURVEY</p>	<p>NOTICE - Your report to the Census Bureau is confidential by law (Title 13, U.S. Code). It may be seen only by sworn Census employees and may be used only for statistical purposes. The law also provides that copies retained in your files are immune from legal process.</p> <p style="text-align: center;"><i>(Please correct any error in name and address including ZIP code)</i></p>			
<p style="text-align: center;">GENERAL INSTRUCTIONS</p> <p>Please mail on or before the 10th of the month immediately following the period covered by this report to the Bureau of the Census Regional Office.</p>	<p>YOUR FILE COPY</p>			
<p>Month _____</p>				
<p>1. Total cost value of merchandise on hand at the end of the month. (For all establishments reporting payroll under the Employer Identification (EI) Number shown in the address box)</p>	<p>Amount</p> <p><i>Dollars only - OMIT CENTS</i></p> <p>\$ _____</p>	<p>Remarks</p>		
<p>2. Source of inventory <i>(Mark (X) one box)</i></p> <p>1 <input type="checkbox"/> Physical or perpetual inventory records</p> <p>2 <input type="checkbox"/> Estimate based on other records (profit and loss statement, etc.)</p> <p>3 <input type="checkbox"/> Estimate, not based on records</p> <p>4 <input type="checkbox"/> Derived by use of purchases/sales formula <i>(See reverse side)</i></p>				
<p>PERSON FURNISHING INFORMATION</p>	<p>Name _____</p>	<p>Telephone</p>		
	<p>Title _____</p>	<p>Area code _____</p>	<p>Number _____</p>	<p>Extension _____</p>

NOTE — This worksheet is provided as an aid to you in preparing an estimate of the cost value of the merchandise on hand at the end of the month. **Do not send this copy to the Bureau of the Census.**

	Amount
A. Beginning inventory (Ending inventory of last report) ¹	\$
B. Purchases including transportation charges but excluding returns and allowances since last report ¹	
C. TOTAL goods available for sale (Sum of lines A and B) →	
D. Cost of goods sold	
1. <u>Gross sales less returns and allowances</u>	
2. <u>Nonmerchandise receipts for services, sales taxes, credit charges, etc.</u>	
3. <u>Net sales of merchandise</u> (Subtract 2 from 1)	
4. <u>Estimated cost to you of merchandise sold</u> (as shown in item 3) ²	
E. Estimated gross ending inventory (Subtract D 4 from C)	
F. Adjustment for shrinkage (pilferage, spoilage, etc.)	
G. Estimated ending inventory (Subtract F from E) (Transcribe entry to item 1 of report form)	\$

¹ If a physical count of your inventory has been taken since your last report —
 a. Use that total as the beginning inventory.
 b. Add only the purchases made since the physical count.
 c. Subtract the cost of goods sold since the physical count.

² The purchase price cost of the merchandise only, without the addition of payroll and other operating and overhead expenses.

APPENDIX D

Turnover Period Price Weights

Industry	Number of WPI codes used ¹	Number of months and their turnover period price weights ²											
		Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
MANUFACTURING													
Durable goods industries:													
Primary metals	15	—	—	—	—	—	—	0.09	0.12	0.19	0.19	0.19	0.22
Fabricated metals	13	—	—	—	—	—	—	.07	.08	.20	.21	.22	.22
Electrical machinery	11	—	—	—	—	—	.05	.07	.17	.17	.18	.18	.18
Nonelectrical machinery	7	—	—	—	—	—	.07	.13	.16	.16	.16	.16	.16
Motor vehicles	11	—	—	—	—	—	—	.05	.06	.08	.25	.28	.28
Other transportation equipment	10	—	—	—	.07	.09	.09	.11	.12	.13	.13	.13	.13
Lumber	1	—	—	—	—	—	—	—	.11	.14	.25	.25	.25
Furniture and fixtures	10	—	—	—	—	—	—	—	.09	.16	.25	.25	.25
Stone, clay and glass	12	—	—	—	—	—	—	.08	.12	.14	.22	.22	.22
Other durable goods	10	—	—	—	—	—	—	.09	.16	.18	.19	.19	.19
Nondurable goods industries:													
Food (except beverages)	16	—	—	—	—	—	—	—	.05	.09	.18	.29	.39
Beverages: ³													
Beer (0.14)	3	—	—	—	—	—	—	.05	.08	.09	.18	.30	.30
Liquor (0.58)	1	—	—	—	—	—	—	—	—	—	—	—	(⁴)
Wine (0.08)	1	—	—	—	.05	.07	.08	.12	.12	.14	.14	.14	.14
Nonalcoholic (0.02)	1	—	—	—	—	—	—	.05	.08	.09	.18	.30	.30
Tobacco: ³													
Leaf tobacco (0.98)	1	—	—	—	—	—	—	—	—	—	—	—	(⁵)
Finished tobacco products (0.02)	1	—	—	—	—	—	—	—	—	—	.10	.20	.70
Textiles	8	—	—	—	—	—	—	.07	.09	.19	.22	.22	.22
Apparel	6	—	—	—	—	—	—	.08	.09	.17	.22	.22	.22
Paper products	7	—	—	—	—	—	—	.06	.13	.15	.22	.22	.22
Leather products	7	—	—	—	—	—	—	.06	.06	.22	.22	.22	.22
Printing and publishing	5	—	—	—	—	—	—	.06	.08	.09	.15	.31	.31
Chemicals	13	—	—	—	—	—	.06	.09	.13	.18	.18	.18	.18
Petroleum	5	—	—	—	—	—	—	—	—	.06	.15	.32	.47
Rubber Products	6	—	—	—	—	—	.06	.11	.13	.16	.18	.18	.18

See footnotes at end of table.

Turnover Period Price Weights—Continued

Industry	Number of WPI codes used ¹	Number of months and their turnover period price weights ²											
		Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
MERCHANT WHOLESALE													
Durable goods:													
Motor vehicles and equipment	1	—	—	—	—	—	—	.08	.09	.09	.22	.26	.26
Electrical goods	2	—	—	—	—	—	—	—	.05	.05	.20	.35	.35
Furniture and home furnishings	1	—	—	—	—	—	—	—	.06	.06	.22	.33	.33
Hardware, plumbing and heating	1	—	—	—	—	—	—	.06	.08	.08	.23	.27	.28
Lumber and construction materials	2	—	—	—	—	—	—	—	.05	.06	.07	.34	.48
Machinery, equipment and supplies	1	—	—	—	—	—	—	—	.07	.09	.24	.30	.30
Metals, except scrap	1	—	—	—	—	—	—	.05	.11	.14	.22	.24	.24
Scrap	3	—	—	—	—	—	—	—	.06	.06	.07	.25	.56
Jewelry	2	—	—	—	—	—	—	.04	.05	.17	.24	.25	.25
Nondurable goods:													
Groceries	2	—	—	—	—	—	—	—	—	0.08	0.09	0.09	0.74
Alcoholic beverages	1	—	—	—	—	—	—	—	.06	.06	.06	.24	.58
Drugs and chemicals	1	—	—	—	—	—	—	—	.06	.06	.09	.30	.49
Tobacco	1	—	—	—	—	—	—	—	—	.10	.10	.10	.70
Dry goods, apparel	1	—	—	—	—	—	—	—	.06	.09	.15	.35	.35
Paper and paper products	1	—	—	—	—	—	—	—	.06	.06	.06	.19	.63
Farm products	3	—	—	—	—	—	—	—	—	—	.07	.15	.78
Other nondurable	1	—	—	—	—	—	—	.07	.07	.07	.17	.30	.34
NONMERCHANT WHOLESALE													
Manufacturers' sales branches, durable ⁶	—	—	—	—	—	—	—	—	—	—	—	—	—
Petroleum bulk plants ⁷	—	—	—	—	—	—	—	—	—	—	—	—	—
Manufacturers' sales branches, other nondurable ⁶	—	—	—	—	—	—	—	—	—	—	—	—	—
Agents and brokers ⁸	—	—	—	—	—	—	—	—	—	—	—	—	—
Assemblers of farm products ⁸	—	—	—	—	—	—	—	—	—	—	—	—	—
RETAIL TRADE													
Durables:													
Auto dealers	3	—	—	—	—	—	—	.06	.06	.17	.23	.24	.24
Furniture and appliances	1	—	—	—	—	—	—	.06	.07	.12	.25	.25	.25
Lumber and hardware: ³													
Hardware (0.20)	1	—	—	—	—	—	—	.05	.05	.18	.18	.18	.18
Lumber (0.80)	(⁹)	—	—	—	—	—	—	—	.05	.05	.30	.30	.30
Other durables: ³													
Agricultural machinery and equipment (0.36)	1	—	—	—	—	—	.05	.05	.15	.18	.19	.19	.19
Toys and sporting goods (0.13)	1	—	—	—	—	—	—	.07	.13	.14	.22	.22	.22
Photographic equipment and supplies and miscellaneous (0.51)	2	—	—	.05	.06	.06	.07	.11	.12	.12	.13	.14	.14

See footnotes at end of table.

Turnover Period Price Weights—Continued

Industry	Number of WPI codes used ¹	Number of months and their turnover period price weights ²											
		Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
RETAIL TRADE—Continued													
Nondurables:													
Apparel: ³													
Apparel (0.80)	1	—	—	—	—	—	.05	.11	.11	.16	.19	.19	.19
Footwear (0.20)	1	—	—	—	—	.07	.09	.09	.12	.15	.16	.16	.16
Food products	1	—	—	—	—	—	—	.06	.06	.06	.06	.23	.59
General merchandise: ³													
Apparel (0.38)	1	—	—	—	—	—	.05	.12	.13	.16	.18	.18	.18
Textile house furnishings (0.02)	1	—	—	—	.08	.08	.08	.11	.13	.13	.13	.13	.13
Footwear (0.10)	1	—	—	—	—	.08	.10	.10	.12	.15	.15	.15	.15
Cosmetics and toilet preparations (0.03)	0.1	—	—	—	—	—	—	0.08	0.14	0.15	0.21	0.21	0.21
Tires and tubes (0.02)	1	—	—	—	—	—	—	—	.05	.16	.21	.29	.29
Furniture and household durables (0.43)	1	—	—	—	—	—	—	.13	.14	.16	.19	.19	.19
Tobacco products (0.03)	1	—	—	—	—	—	—	—	—	.08	.21	.34	.37
Other nondurables:													
Beverage and related (0.21)	1	—	—	—	—	—	—	—	.07	.07	.24	.31	.31
Feed and fuels (0.20)	2	—	—	—	—	—	—	.06	.07	.07	.24	.31	.31
Petroleum products (0.17)	1	—	—	—	—	—	—	—	.06	.10	.13	.14	.57
Drugs, pharmaceuticals, cosmetics and related products (0.28)	2	—	—	—	—	—	—	.06	.07	.09	.26	.26	.26
Tires and tubes (0.06)	1	—	—	—	—	—	—	.05	.05	.09	.15	.33	.33
Tobacco products (0.08)	1	—	—	—	—	—	—	—	.07	.07	.12	.27	.47
OTHER INDUSTRIES													
Construction	(²)	—	—	—	—	—	—	—	.20	.20	.20	.20	.20
Mining	6	—	—	—	—	—	—	—	—	—	—	.50	.50
Public utilities	5	—	—	—	—	—	—	—	.11	.12	.24	.26	.27
Transportation	4	—	—	—	—	—	—	—	—	—	.33	.33	.33
Services	3	—	—	—	—	—	—	—	—	—	.33	.33	.33
Communication	2	—	—	—	—	—	—	—	—	—	—	.50	.50

Source: Unpublished data provided by Bureau of Economic Analysis.

¹ The entries in this column are the number of wholesale price indexes (WPI or other indexes) used in deflation. This number is roughly equal to the number of commodity items. However, some price indexes relate to very broad groupings and others to narrow groupings. Price indexes from sources other than the WPI are uncommon.

² For each line the turnover period price weights add to 1.00. The weight patterns are presented for deflation of the December 31 inventory.

³ For these industries separate turnover period price weights are used for two or more parts of the industry. Parts are combined through the use of fixed weights, which are shown in parentheses following the title of each part.

⁴ The deflator for liquor is lagged back many years with weights based on actual quantities in bond. These quantities are from Treasury data and are, in effect, changing weights.

⁵ Leaf tobacco is deflated with turnover period price weights that extend back for three years. The average price for the current year is weighted 0.47; for the prior year, 0.36; and the year before that, 0.17.

⁶ The deflators for these lines are composite price indexes compiled by BEA from selected price indexes derived to deflate manufacturing industries listed above. The product composition of sales by sales branches in the latest Census was taken into account in developing the weights. Inventory book values, which are not available either monthly or annually, are assumed to move in the same proportion as the counterpart manufacturing industries.

⁷ The inventory values are compiled from physical inventory data available from the Bureau of Mines, U.S. Department of the Interior. Physical change in inventories is multiplied by the average price for the period. Hence, turnover price period weights are not needed.

⁸ No inventory book values are available either quarterly or annually. The change in inventory is assumed to be zero between quinquennial censuses.

⁹ A special monthly composite price index for lumber and construction materials compiled by BLS from a number of detailed price indexes is used for deflation.

APPENDIX E

Form 970 (Rev. April 1977) Department of the Treasury Internal Revenue Service

Application to Use LIFO Inventory Method

Attach to your tax return.

Name Identifying number (See instruction B)

Address (Number, street, city, State and ZIP code)

The taxpayer named above hereby applies to adopt and use the LIFO inventory method provided by section 472. This method is to be applied for the first time as of the close of the taxable year ending ... to the following specified goods (see instruction C; use additional sheets if necessary):

The taxpayer agrees to make any adjustments incident to the change to or from the LIFO method, or incident to its use, in the inventories of prior taxable years or otherwise, as the District Director of Internal Revenue upon the examination of the taxpayer's return deems necessary to clearly reflect income for the years involved. See also 3(a) and 3(b) below.

1. Nature of business

2. (a) Inventory method used up to this time

(b) Will inventory be taken at actual cost regardless of market value? If "No," attach explanation. Yes No

3. (a) Was the closing inventory of the specified goods at the end of the immediately preceding taxable year valued at cost, as required by section 472(d)? If "No," attach explanation. Yes No

(b) Were the adjustments resulting from the change to LIFO taken into income of the prior year by filing an amended return? See Rev. Proc. 76-6, 1976-1, C.B. 545. If "No," attach explanation. Yes No

4. (a) List goods subject to inventory but which are not to be inventoried under the LIFO method

(b) Were the goods of the specified type included in opening inventory considered as having been acquired at the same time and at a unit cost equal to the actual cost of the aggregate divided by the number of units on hand? If "No," attach explanation. Yes No

5. (a) Did you issue credit statements, or reports to shareholders, partners, other proprietors, or beneficiaries, covering the first taxable year to which this application refers? Yes No

(b) If "Yes," state to whom, and on what dates

(c) Show the inventory method used in determining income, profit, or loss in those statements

6. Method used to determine the cost of the goods in the closing inventory in excess of those in the opening inventory. (See section 1.472-2, of the regulations.)

Most recent purchases Earliest acquisitions during the year Average cost of purchases during the year Other—Attach explanation

7. Method used in valuing LIFO inventories

Unit method Dollar-value method

8. (a) If pools are used, list and describe contents of each pool

(b) Describe briefly the cost system used

(c) Method used in computing LIFO value of dollar-value pools

Double extension method Other method (If other, describe and justify—see last paragraph of instruction F.)

9. Did you change your method of valuing inventories with the permission of the Commissioner for this taxable year? If "Yes," attach a copy of the National Office's "grant letter" to this Form 970. Yes No

10. Were you ever on LIFO before? If "Yes," please attach information and explanation indicating which taxable years and the reason LIFO was discontinued. Yes No

Under penalties of perjury, I declare that I have examined this application, including any accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete.

Date Signature of taxpayer Date Signature of officer Title

Instructions

(References are to the Internal Revenue Code.)

A. LIFO inventory method.—The LIFO inventory method, as described in section 472, may be adopted and used only if the taxpayer makes an election with his income tax return. This election must be made for the taxable year as of the close of which the LIFO method is first to be used. The election must be made on Form 970 or in a statement that contains the information required by Form 970. (See section 1.472-3(a) of the regulations.)

B. Identifying number.—The identifying number for an individual is his social security number. For all others, it is their employer identification number.

C. Analysis of inventory.—Enter the taxable year you will first use the LIFO method and specify in detail the goods to which it is to be applied.

Attach a detailed analysis of all inventories as of the beginning and end of the taxable year for which you first propose to use the LIFO method and as of the beginning of the preceding taxable year. Also include the ending inventory as reported on your return for the preceding taxable year. Prepare this analysis in accordance with sections 1.472-2 and 1.472-3 of the regulations.

D. Change to LIFO method.—You may not change to the LIFO method unless you agree to and make any adjustments incident to the change to or from that method, or incident to its use, in the inventories of prior taxable years or otherwise, as Internal Revenue deems necessary to clearly reflect income for the years involved. See Revenue Procedure 76-6, 1976-1, C.B. 545 for further information.

E. Change from LIFO method.—The LIFO inventory method, once adopted, is irrevocable and must be used

in all subsequent years unless the Commissioner requires or permits you to change to another method.

F. Dollar-value method.—You may elect to determine the cost of your LIFO inventories under the so-called “dollar-value” LIFO method, provided you use that method consistently and that it clearly reflects income in accordance with section 1.472-8 of the regulations.

Section 1.472-8(b) of the regulations tells how manufacturers and processors may establish dollar-value LIFO pools. Subject to the provisions of that section, you may use natural business unit pools, multiple pools, or raw materials content pools.

Section 1.472-8(c) of the regulations tells how wholesalers, retailers, jobbers, and distributors may establish dollar-value LIFO pools.

Section 1.472-8(e) of the regulations describes the methods for computing the LIFO value of a dollar-value pool. If you do not use the “double-extension” or “index” method, as described in section 1.472-8(e)(2) of the regulations, to compute the value of the dollar-value pool, furnish a detailed statement describing the method used. Also provide an analysis as to how your use of a method other than “double extension” is justified under section 1.472-8(e)(1) of the regulations. For example, if the “link-chain” method is used, attach a statement explaining in detail why the “double extension” method and the “index” method is impractical or unsuitable in view of the nature of a particular pool.

G. Signature.—If the application is filed by a corporation, it must be signed by the president, vice president, treasurer, assistant treasurer or chief accounting officer, or by a corporate officer (such as a tax officer) authorized to sign.

APPENDIX F

Revenue Procedure 76-36

26 CFR 601.204: Changes in accounting periods and in methods of accounting. (Also Part I, Section 472; 1.472-1.)

Rev. Proc. 76-36

SECTION 1. PURPOSE

The purpose of this Revenue Procedure is to modify the provisions of Rev. Proc. 75-36, 1975-2 C.B. 565, relating to the furnishing of financial data to the Bureau of Census (Census) and the Bureau of Economic Analysis (BEA), which are agencies within and under the jurisdiction of the United States Department of Commerce.

SEC. 2. SCOPE.

The scope of this Revenue Procedure is limited to those taxpayers who provide Census with information concerning inventory, for which the taxpayers employ the last-in, first-out (LIFO) inventory method, as described in section 472 of the Internal Revenue Code of 1954.

SEC. 3. BACKGROUND.

.01 Rev. Proc. 75-36 sets forth the procedure to be used by the Internal Revenue Service in the examination of Federal income tax returns involving the LIFO inventory requirements of section 472(c) of the Code for the taxable year in which the taxpayer elects or reelects to use the LIFO inventory method, or extends an existing LIFO election to cover all or a greater portion of its inventories, and Census or BEA requests that the taxpayer furnish certain financial information to the appropriate agency.

.02 Section 472(e) (2) of the Code and the regulations issued thereunder provide, in part, that once the LIFO method is elected, it must be used in all subsequent taxable years, unless the Secretary of the Treasury or the Secretary's delegate determines that the taxpayer has used some procedure other than the LIFO method for any such subsequent taxable year in order to ascertain the income, profit, or loss of such subsequent taxable year, for the purpose of a report or statement covering such taxable year to shareholders, partners, or other proprietors, or beneficiaries, or for credit purposes.

.03 Census collects data on inventories of manufacturing and wholesale firms in the economic census conducted every five years. Similar data are also collected in monthly and/or annual

surveys for manufacturing, wholesale, and retail firms. These data are collected under the authority of title 13, United States Code, 13 U.S.C.A. section 9 (Supp. 1975) (title 13). Section 9 of title 13 states that the information collected may not be used "for any purpose other than the statistical purposes for which it is supplied" and further prohibits "any publication whereby the data furnished by any particular establishment or individual under this title can be identified." This section also does not permit "anyone other than the sworn officers and employees of the Department or bureau or agency thereof to examine the individual reports."

.04 Under the provisions of title 13, data collected in Census surveys are exempt from disclosures under the Freedom of Information Act. Data on individual firms may not be released because (1) they are "specifically exempted by statute," and (2) they are "commercial or financial information obtained from a person and privileged or confidential." (Section 552(b) (3) and (b) (4) of title 5, United States Code, 5 U.S.C.A. section 552 (Supp. 1975).)

.05 Census requires taxpayers to submit financial information in the year of the LIFO election, reelection, or extension, as well as in subsequent taxable years. Certain of the required information is not available on a LIFO basis (for example, inventory on a location basis) and some taxpayers have been reluctant to submit the required information because Rev. Proc. 75-36 is limited to the year of the LIFO election, reelection, or extension.

.06 The information to be furnished to Census will not be furnished by the taxpayer to any other persons nor will it be furnished to other government agencies unless otherwise authorized by the Service.

SEC. 4. APPLICATION.

In the examination of returns, a taxpayer's LIFO election will not be terminated for Federal income tax purposes solely because the taxpayer has furnished financial information required by Census to Census on a non-LIFO basis, for the year of the LIFO election, reelection, or extension, as well as for subsequent taxable years. This Revenue Procedure applies to all financial information collected by Census under the authority of title 13, and exempted from disclosure under the Freedom of Information Act, under the authority of title 5, United States Code, 5 U.S.C.A. section 552 (Supp. 1975).

SEC. 6. EFFECT ON OTHER DOCUMENTS

To the extent provided herein, Rev. Proc. 75-36 is modified.

SEC. 7. INQUIRIES.

Inquiries in regard to this Revenue Procedure should refer to its number and be addressed to the Commissioner of Internal Revenue, Attention T:C:C, 1111 Constitution Avenue, N.W., Washington, D.C. 20224.

26 CFR 601.105: Examination of returns and claims for refund, credit or abatement; determinations of correct tax liability. (Also Part I, Section 167; 1.167(a)-11.)

Asset depreciation range system; aircraft and air transportation assets. Asset guideline classes, asset guideline depreciation periods and ranges, and annual asset guideline repair allowance percentages are set forth for aircraft and air transportation assets first placed in service after April 15, 1976; Rev. Proc. 72-10 modified.

APPENDIX G

REMINDER FORM

O.M.B. No. 41-S74083; Approval Expires June 30, 1975

THIS REPORT WAS DUE NOVEMBER 15, 1974. IF IT HAS NOT BEEN MAILED, PLEASE COMPLETE AND RETURN PROMPTLY.	FORM BE-800 (9-19-74)
	U.S. DEPARTMENT OF COMMERCE SOCIAL AND ECONOMIC STATISTICS ADMINISTRATION BUREAU OF ECONOMIC ANALYSIS
Your report is accorded confidential treatment and will not be used for purposes of taxation, investigation or regulation.	SURVEY OF INVENTORY VALUATION METHODS AND RELATED INFORMATION 1973
(Please indicate any change in name and address including ZIP code)	
	RETURN TO U.S. Department of Commerce Bureau of Economic Analysis ATTN: Business Outlook Div. (52) Washington, D.C. 20230

GENERAL INSTRUCTIONS

1. Each company should complete column (a) for items 1 and 2. Complete column (b) if you report in the Federal Trade Commission quarterly financial report. If you report in any of the Bureau of the Census surveys specified in the headings of columns (c) through (g), complete the appropriate columns.

Entries should relate to reports filed in 1973. If only one method of inventory valuation was used, enter 100 percent.

If more than one method was used, enter the percentage of your inventory covered by each method. These percentages may be approximations as of December 31, 1973 or approximations which are roughly representative of 1973.

2. Your entries for methods of valuing inventories (items 1, 2, and 3) should relate only to inventories held in the United States. The value of inventories reported in item 7 should also exclude inventories held abroad and may be an approximation.
3. Industrial activities, referred to below, may be defined rather broadly. In manufacturing for instance, an industrial activity may be textiles, apparel, paper, chemicals, primary metals, or machinery. In retail trade, an activity may be food stores, automobile dealers, department stores, etc. In wholesale trade, an activity may be drugs and related goods, clothing, groceries, automobiles and parts, furniture, etc.

PROBLEMS OF CONSOLIDATION

Column (a) - Most firms will need to complete only one column (a). In this group are: (1) all firms submitting one tax return to the Internal Revenue Service and (2) all firms submitting more than one tax return, each of which would be included in the same industrial activity or uses similar inventory valuation methods. If separately reported tax units are engaged in different industrial activities and also use different inventory valuation methods, a separate column (a) should be completed for each industrial activity. Please attach a sheet to report additional column (a)'s and identify the industrial activity and the name of the subsidiary of each column (a).

Column (c) - Most firms will need to complete only one column (c). In this group are: (1) all firms submitting one report in the Annual Survey of Manufactures and (2) all firms submitting more than one report, each of which would be classified in the same industrial activity or uses similar inventory valuation methods. If separately reported establishments are engaged in different industrial activities and also use different inventory valuation methods, column (c) should be completed for each industrial activity. For this purpose, establishments engaged in the same industrial activity may be combined. Please attach a sheet to report additional column (c)'s and identify the industrial activity of each column (c).

Columns (d), (e), (f) and (g) - If you submit one report in any of these surveys, complete the appropriate column for items 1, 2, and 3. If you have more than one reporting unit in any of these surveys, you may submit deconsolidated information, using additional sheets appropriately labeled. However, if you have more than one reporting unit in a survey and they are engaged in different industrial activities and use different inventory valuation methods, please submit separate reports for the reporting units, attaching sheets appropriately labeled.

SPECIFIC INSTRUCTIONS

Coverage - If there is substantially different coverage in columns (c) through (g) as compared with column (a), explain in Remarks. (Example: A firm may include activities in the construction or utilities industries in the entry in column (a) which are not included in the surveys specified in columns (c) through (g).)

Columns (a) and (b) - In reporting in column (a) for items 1 and 2, and column (b) for items 1, 2, and 3, enter the methods of valuing inventories for income determination. If the value of inventories on your balance sheet differs from that used for income determination, describe the difference in the Remarks section if you wish.

Column (b) - The Federal Trade Commission quarterly financial survey was conducted on Form MG-1, 2, 3 for the first, second and third quarters of 1973. For the fourth quarter two reports were required: the regular Form MG-4 which included foreign activities and the MG-4 which excluded foreign activities. In this survey, we are concerned only with the methods of valuing domestic inventories. Please complete column (b) only for domestic inventories, and enter the appropriate information in item 3 if different methods are employed for the terminal quarter as compared with earlier quarters.

Columns (d), (f) and (g) - If the same method of inventory valuation is used for interim months and terminal months (end of year or end of quarter) report the percentages in items 1 and 2, and enter "same" for item 3 in the appropriate column. If different methods are used in terminal months, report the method for most months in items 1 and 2, and the method for the terminal months in item 3.

Estimates of Monthly Inventories (columns (d), (f) and (g)) - If you estimate your monthly inventories in reporting in these Census surveys, you should complete these columns in terms of the method of valuation you are attempting to estimate. Do not describe your method of valuation as "estimates."

Fiscal year respondents - Firms on a fiscal year basis should note that where reference is made to December as the terminal month, an appropriate substitution should be made. If a firm has a fiscal year ending January 31, January is the terminal month. Similar differences relate to the terminal months of quarters and the terminal quarter of the year. Similar adjustments should be taken into account where quarters consist of three periods of four weeks, four weeks, and five weeks.

INVENTORY VALUATION METHODS AND RELATED INFORMATION - 1973		REPORT PERCENTAGES BELOW						
		U.S. Income Tax Returns (Forms 1120, 1120S, 1065, 1040C) (a)	FTC Quarterly Financial Report (Forms MG-1 - MG-4) (b)	Annual Survey of Manufacturers (Census Form MA-100) (c)	Monthly Survey of Wholesalers, Inventories, and Orders (Census Form M-3) (d)	Annual Retail Trade Survey (Census Forms BUS-024, BUS-024C, and BUS-294) (e)	Monthly Retail Trade Survey (Census Forms BUS-10, BUS-11, BUS-207) (f)	Monthly Wholesale-Current Trade Report (Census Forms BUS-990M or BUS-993M) (g)
1. INVENTORY VALUATION BASES	1.1 Lower of cost or market							
	1.2 Cost							
	1.3 Market							
	1.4 Retail method							
	1.5 Other - Describe							
	TOTAL	100%	100%	100%	100%	100%	100%	100%
2. METHODS OF COST DETERMINATION	2.1 First in, first out							
	2.2 Average cost							
	2.3 Last in, first out							
	2.4 Specific or actual cost							
	2.5 Retail method, cost							
	2.6 Retail method, approximating lower of cost or market							
	2.7 Retail method, LIFO							
	2.8 Standard cost							
	2.8.1 As interim method							
2.8.2 As final method								
2.9 Other - Describe								
	TOTAL	100%	100%	100%	100%	100%	100%	100%
3. METHODS OF VALUING INVENTORIES FOR TERMINAL MONTH	(Applies to columns (b), (d), (f), and (g) only.)							
	If accounting methods used for terminal periods (final months or final quarter) differ from methods reported in items 1 and 2 above, specify the terminal period, and the applicable method and percentages, e.g., December: LIFO - 100%.							
	TOTAL							

Continue on reverse

25	<p>▶ 4. Information for column (a) relates to:</p> <p style="margin-left: 40px;"><input type="checkbox"/> Calendar year</p> <p style="margin-left: 40px;"><input type="checkbox"/> Fiscal year ending _____</p>								
26	<p>STANDARD COST – For respondents in the monthly survey on Census Form M-3 using a standard cost system of accounting in reporting on Form M-3 or for internal purposes</p> <p>▶ 5. Would it be feasible for you to report both the opening and closing inventories of each month in the Monthly Survey of Manufacturers' Shipments, Inventories and Orders (Form M-3) on the same standard cost basis so that the opening and closing inventories in any given month will be in the same prices?</p> <p>5.1 In months where cost standards are unchanged?</p> <p style="margin-left: 40px;"><input type="checkbox"/> Yes</p> <p style="margin-left: 40px;"><input type="checkbox"/> No</p>								
27	<p>5.2 In months where cost standards are changed?</p> <p style="margin-left: 40px;"><input type="checkbox"/> Yes</p> <p style="margin-left: 40px;"><input type="checkbox"/> No</p>								
28	<p>▶ 6. With respect to question 5, in about how many months of the year would there be no changes in standards?</p> <p style="margin-left: 40px;">_____ Months</p>								
29	<p>▶ 7. Value of inventories on December 31, 1973 (or end of fiscal year) <i>(Report in thousands)</i></p> <p style="margin-left: 40px;">\$ _____,000.00</p>								
30	<p>▶ 8. CHANGES IN METHODS OF INVENTORY VALUATION</p> <p>8.1 Did you change your methods of inventory valuation in reports for 1973 to the public or to the government?</p> <p style="margin-left: 40px;"><input type="checkbox"/> Yes</p> <p style="margin-left: 40px;"><input type="checkbox"/> No</p>								
31	<p>8.2 Did you change or do you plan to change your methods of inventory valuation in reports for 1974 to the public or to the government?</p> <p style="margin-left: 40px;"><input type="checkbox"/> Yes</p> <p style="margin-left: 40px;"><input type="checkbox"/> No</p>								
<p>Remarks – Explanations of any entries may be made in this section.</p>									
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td rowspan="2" style="width: 50%; vertical-align: top;">Name and title of person to contact regarding this report</td> <td colspan="3" style="text-align: center;">Telephone number</td> <td rowspan="2" style="width: 10%; vertical-align: top;">Date</td> </tr> <tr> <td style="width: 15%;">Area code</td> <td style="width: 20%;">Number</td> <td style="width: 15%;">Ext.</td> </tr> </table>		Name and title of person to contact regarding this report	Telephone number			Date	Area code	Number	Ext.
Name and title of person to contact regarding this report	Telephone number			Date					
	Area code	Number	Ext.						

APPENDIX H

Survey of Firms Changing Methods of Inventory Valuation

Form BE-900-M

O.M.B. No. 041-S74101
Approval Expires December 31, 1975

SURVEY OF FIRMS CHANGING METHODS OF INVENTORY VALUATION

1. CHANGE IN METHODS OF INVENTORY VALUATION USED FOR INCOME DETERMINATION PURPOSES

Have you changed or do you intend to change your methods of inventory valuation to the last-in, first-out (LIFO) method or to increase the use of LIFO for any of the following periods?

- a. Fiscal 1973 Yes No
b. Fiscal 1974 Yes No
c. Fiscal 1975 Yes No

If you checked "No" for all lines, skip to Item 5. If you checked "Yes" for either line a, b, or c, complete all other items. If you checked "Yes" for more than one year, complete a separate form for each year. Please make copies of this form as required.

2. PERCENTAGE OF DOMESTIC INVENTORIES ON LIFO (consolidated company basis)

Report the percentage of your domestic inventory valued on a LIFO basis before and after the change. Estimates are acceptable.

Before the Change _____%

After the Change _____%

3. RESTATEMENT OF NET INCOME BEFORE TAX WITHIN FISCAL YEAR OF CHANGE

Do you report to the Federal Trade Commission on quarterly report Form MG?

- Yes - Complete this item. No - Skip to Item 4.

In completing column (c), restate the net income of each quarter to what it would have been if the new method had been used since the beginning of the fiscal year. If you have not yet changed, enter your best estimate of the effect of the anticipated change.

Ending dates of quarters within fiscal year of the change	Net income before tax reported on Form MG (\$ thousands)	Restated net income before tax using LIFO or increased use of LIFO (\$ thousands)
(a)	(b)	(c)
First, _____, 197__ month	_____	_____
Second, _____, 197__ month	_____	_____
Third, _____, 197__ month	_____	_____
Fourth, _____, 197__ month	_____	_____

4. REPORTING OF INVENTORIES TO THE BUREAU OF THE CENSUS

a. Form M3, "Monthly Survey of Manufacturers' Shipments, Inventories and Orders"

- (1) Do you report in this monthly survey? Yes No - Skip to Item 4b.
(2) Has the change in method of inventory valuation been introduced in reporting inventories in this survey?
 Yes - Enter month and year _____, 197__. Skip to Item 4b. No
(3) Do you expect to use the new method of inventory valuation in this survey?
 Yes - Will begin _____, 197__.
(month and year) No Have not decided.

b. Form MA-100, "Annual Survey of Manufactures"

- (1) Do you report in this annual survey? Yes No - Skip to Item 5.
(2) Did you report inventories as of the end of 1973 on Form MA-100 on the new method?
 Yes - Skip to Item 5. No
(3) Do you expect to report inventories as of the end of 1974 on Form MA-100 on the new method?
 Yes No Have not decided.

5. PERSON TO CONTACT REGARDING THIS REPORT

Name _____ Title _____

Address _____ Phone number _____

APPENDIX I

Form M-3, 1978 Instruction Manual

Current Industrial Reports



U.S. DEPARTMENT OF COMMERCE
BUREAU OF THE CENSUS

INSTRUCTION MANUAL
FOR REPORTING ON FORM M-3 FOR 1978
MANUFACTURERS' SHIPMENTS, INVENTORIES,
AND ORDERS
MONTHLY REPORT

M-3 (1-10-78)

PURPOSE OF SURVEY

The manufacturers' shipments, inventories, and orders survey is currently the only survey which provides broad-based monthly statistical data on the economic conditions in the domestic manufacturing sector. It is designed to measure current industrial activity and to provide an indication of future production commitments. The published value of shipments measures the value of goods delivered during the month by domestic manufacturing operations. New orders figures serve as an indicator of future production commitments and represent the current sales value of new orders received during the month, net of cancellations. Substantial accumulation or depletion of backlog of unfilled orders are used as measures of excesses (or deficiencies) in demand for manufactured products. The level of inventories, especially in relation to shipments, are frequently used in monitoring business cycle developments.

The survey panel includes nearly all manufacturing companies with 1,000 or more manufacturing employees and a sample of smaller firms. Data are compiled and published for shipments, new orders, unfilled orders, and inventories for the entire manufacturing sector with approximately 40 industry categories. The monthly estimates are prepared by using the month-to-month percent change of the reporting panel to bring forward the industry estimates. It is, therefore, important that the data reported in consecutive months be comparable.

Sample copies of publications are available free of charge to survey respondents.

Contents of this manual – Along with your general instructions, this reissue of the instruction manual includes your file copy and definitions of the industry groups used in this survey. Please read the instruction manual carefully before completing your form. If you have any questions or need additional information, do not hesitate to call Mr. William C. Menth on (301) 763-2502.

- Part A – Gives general instructions
- Part B – Explains the general format of your report form
- Part C – Provides specific definitions of the data to be reported
- Part D – Appendix – Contains definitions of the industry groups used in this survey as related to the Standard Industrial Classifications (SIC)
- Part E – Contains your file copy of all the items covered in this survey

Part A – GENERAL INSTRUCTIONS

► 1. Filing Your Report

Since the first results of this survey are published about 20 days after the end of the survey period, we are grateful to those companies who file reports by the 15th of the month. In order to make these initial results more reliable and to meet the increasing need for timely economic information, we suggest that you consider some of the following reporting arrangements if your company does not file a report by the 15th day of the month.

a. Split mailing – Some companies have informed us that shipments and orders data are available much earlier than inventory data. For these companies, separate forms are mailed. If your company would be interested in changing the format of the monthly form, please notify us.

b. Preparing the form – While typed responses generally facilitate more rapid processing of the survey form, handwritten responses are acceptable.

c. Use of estimates – It has been our experience that many companies can make accurate estimates of their figures several days in advance of the availability of the actual data. Under such conditions, early estimates are generally submitted by telephone or on a photo copy of the survey form with the revised (actual) data being submitted as soon as it is available. If your company is not generally able to provide actual figures by the 17th day of the month, we would appreciate your providing estimates.

If you misplace the return envelope the mailing address for submitting your form is:

Bureau of the Census
ATTN: Industry Division
Room 2232, FB 4
Washington, D.C. 20233

YOUR FILE COPY IS INCLUDED IN THIS MANUAL

Part A – GENERAL INSTRUCTIONS – Continued**▶ 2. Confidentiality of Data**

This report is authorized by law (title 13, United States Code). Although you are not required to respond, your cooperation in this voluntary survey is needed to make the results of this survey comprehensive, accurate, and timely. By section 9 of the same law, your report to the Census Bureau is confidential. It may be seen only by sworn Census employees and may be used only for statistical purposes. The law also provides that copies retained in your files are immune from legal process.

▶ 3. Publication of the Survey Results

The first release of the survey results is generally about 20 days after the end of the month covered in the survey (e.g., January figures are released on or about February 20th). A second release, based on more complete survey response, follows about 10 days later. Responding companies are entitled to receive complimentary copies of the monthly publications. If you or your marketing department would be interested in knowing more about the manufacturing statistics prepared, please call or write us.

▶ 4. Information Collected in this Survey

A complete listing of the information requested in this survey is given in Part E of this manual. Your form will only have preprinted items for the information you have reported in the past. Please review this list and include any additional responses that may be applicable to your company. Specifically:

a. Inventory Valuation Methods

(1) If your company reports any portion of its inventories on the last-in-first-out (LIFO) method, you should be completing item codes 9010, 9020, and 9030* where applicable. The change in the book value of inventories is used by the Bureau of Economic Analysis of the Commerce Department in the computation of GNP. This procedure requires reducing inventory book values to constant dollars. LIFO inventories require different deflating procedures from inventories valued on other methods.

(2) If your company reports any portion of its inventories on the standard cost method, you should be completing item codes 9040, 9050, and, when applicable, 9060*. When standards are revised, the monthly inventory movements are a combination of physical and valuation changes. To be most useful, these data must be deflated when standards are revised so that inventory movements reflect physical changes.

(3) If your company reports inventories on both the LIFO and standard cost methods, you should be completing item codes 9020, 9050, 9070, 9030, and, when applicable, 9060*.

If your inventories are reported on LIFO, standard cost, or both, and the proper item codes do not appear on your report form, please indicate this fact in the "REMARKS" section of your report form or call Mr. William C. Menth on (301) 763-2502.

b. Unfilled Orders

If you have unfilled orders as of the end of the month and are not reporting in item code 3000, please attempt to supply this information.

*Refer to page 6 for item code descriptions

Part B – HOW TO REPORT**► 1. Person to Contact**

Enter the name and telephone number of the person to contact at your company regarding this report, if it is not preprinted on the form. If the preprinted name or telephone number is incorrect, cross it out and enter the correct information. Because of the lag involved in processing these forms, it usually takes two reporting periods for the correction to appear on your report form.

► 2. Revisions to Previous Data

Please review all of the figures in your previous reporting periods (columns (e) and (f) of your report form). If any of these figures have been revised, please make the necessary corrections. If revisions should be made to figures for periods which do not appear on the report form, please indicate the necessary revisions in the "REMARKS" section of your report form. It is important that the Census Bureau be aware of the revisions which have been made to previously reported data.

► 3. Special Uses of the "REMARKS" Section

If there are significant changes (large increases or decreases) in the reported figures from month-to-month, please use the "REMARKS" section of your report form to explain these differences.

If these differences are the result of (1) unusual fiscal months; (2) strikes or plant shutdown; (3) unusual seasonal patterns; (4) changes in the scope of the activities covered by this report; and/or (5) changes in the basis for reporting, please note this in the "REMARKS" section of your report form.

► 4. Reporting Period

Although this survey is designed to cover a calendar month's activity, you may be reporting your figures for a different period of time. In part I of the report form, mark the box which best describes the period for which you are reporting (one calendar month, 4-weeks, or 5-weeks). If your records are for thirteen 4-week periods, please enter in the "REMARKS" section of the report form the exact dates covered by your report.

► 5. Standard Industrial Classification of Industry Groups

Each company report has been classified into one of 79 separate industry categories which are groupings of the Standard Industrial Classification (SIC) codes. These groups and their respective codes are identified in the Appendix of this manual. A description of the industry group and the 4-digit SIC codes in which your report is currently classified is printed on the front of your report form (see part B, paragraph 6). It should be noted that the industry group descriptions were designed to include a variety of related manufacturing activities and will not necessarily describe the specific product manufactured by your reporting unit.

We ask that you carefully review both your industry group description and SIC code to determine the accuracy of our classification of your report. If you feel that another industry group would better identify your reporting unit's primary manufacturing activity, please list it (them) in the "REMARKS" section on the back of your report form.

See Illustration for Reporting of Data on Page 4 and 5

Part B – HOW TO REPORT – Continued

6. Reporting of data – The following illustration has been included to assist you in completing your report form. If you have any questions or need additional information, please call Mr. William C. Menth on (301) 763–2502.

RETURN THIS FORM WITHIN _____ DAYS AFTER RECEIPT O.M.B. No. _____ Approval Expires _____

REPORT FOR
 U.S. DEPARTMENT OF COMMERCE
 BUREAU OF THE CENSUS
 FORM M-3
CURRENT INDUSTRIAL REPORTS
 MANUFACTURERS SHIPMENTS,
 INVENTORIES, AND ORDERS

Your report to the Census Bureau is confidential by law (Title 13, U.S. Code). The law also provides that copies retained in your files are immune from legal process. See Instruction Manual for specific provisions relating to this survey.

In correspondence pertaining to this establishment's report, please refer to the file number above your name

1000 0000 2441 01 555
 123456 3333 0 00 01 00100
 YOUR COMPANY
 ATTN (COMPANY CONTACT)
 200 INDUSTRIAL STREET
 YOUR CITY YOUR STATE 12345

INSTRUCTIONS – Please refer to the Instruction Manual before filing this form. Complete and return this form in the envelope provided to: Bureau of the Census, 1201 East Tenth Street, Jeffersonville, Indiana 47130

(Please correct any error in name and address including ZIP code)

EMPLOYER IDENTIFICATION (EI) NUMBER
 Identification number used on Employer's Quarterly Federal Tax Return (U.S. Treasury Department Form 941) (Enter if not shown)

PERSON TO BE CONTACTED
 (Enter name and telephone number if not shown – Correct if wrong)

Name _____
 Area code _____ Number _____

PART I Section A **CURRENT REPORT** Section B **PREVIOUS REPORTS**

For each item listed below, enter figure for current period or mark "None" in column (d). (Enter figure or mark None)

Mark box which best describes CURRENT reporting period

Reporting period: 1 Calendar month, 4 Weeks, 5 Weeks

Reporting period: _____

Reporting period: _____

Product code	Item (a) Description	Unit of measure (b)	Item code (c)	Amount for this period in unit of measure shown in column (b) (Enter figure or mark None) (d)	THE FIGURES SHOWN BELOW WERE REPORTED FOR THE PREVIOUS TWO PERIODS (e)	(f)
	OUR RECORDS SHOW THAT THIS REPORT IS CLASSIFIED IN THE FOLLOWING MANUFACTURING CATEGORY:					
	WOODEN CONTAINERS					
	IF THE PRIMARY ACTIVITIES OF THIS REPORT ARE NOT IN THIS CATEGORY, PLEASE CHANGE THE DESCRIPTION OR CALL MR. WILLIAM MENTH (301) 763–2502.					
	SHIPMENTS OR NET SALES	\$1,000	1000			
	NET NEW ORDERS RECEIVED	\$1,000	2000			
	UNFILLED ORDERS END OF MONTH	\$1,000	3000			
	VERIFICATION TOTAL (SUM OF CODES 1000, 2000, AND 3000)	\$1,000	6000			
	TOTAL INVENTORIES (SUM OF CODES 9001, 9002, AND 9003)	\$1,000	9000			
	MATERIALS AND SUPPLIES	\$1,000	9001			
	GOODS IN PROCESS	\$1,000	9002			
	FINISHED GOODS	\$1,000	9003			

Part C – DEFINITIONS AND INSTRUCTIONS

NOTE: The instructions below apply to Forms M3, "Manufacturers' Shipments, Inventories, and Orders," M-3-1, "Manufacturers' Shipments and Orders," and M3-2, "Manufacturers' Inventories."

► **1. Scope of the Survey**

This survey has been designed to cover the manufacturing activities of companies engaging in significant amounts of manufacturing. Some activities not normally considered manufacturing, such as printing and publishing, apparel jobbers and fertilizer mixing, are considered to be manufacturing activities. Furthermore, whenever possible, you should **exclude** such nonmanufacturing activities as mining, wholesale and retail activities (except sales branches), and research and development. Manufacturing activity which takes place outside the United States should also be excluded. Whenever possible, divisional reporting rather than consolidated reporting is preferable if divisions of your company are engaged in diverse activities.

► **2. Definitions**

Item code 1000 – Shipments or Net Sales – Include total company billings net after discounts and allowances exclusive of nonmanufacturing activities. Include sales of products and services to other companies, individuals, U.S. Government agencies, and foreign customers. Sales by foreign subsidiaries should be excluded. Transfers within the reporting unit should also be excluded. Transfers to other reporting units should be included.

Item Code 2000 – Net New Orders Received (New Orders Received Less Cancellations) – Include (a) the sales value of orders received during the reporting period for products and services to be delivered at some future date; (b) the sales value of orders for immediate delivery which have resulted in sales or shipments during the reporting period; (c) the net sales value of contract change documents which increase or decrease the sales value of the orders to which they are related when the parties concerned are in substantial agreement as to the amount involved. Include as orders only those orders that are supported by binding legal documents, such as signed contracts, or letter contracts. In the case of letter contracts the full amount of sales value should be included if the parties concerned are in substantial agreement on this amount; otherwise, only the funds specifically authorized to be expended should be included. Deduct the sales value of partial or completed cancellations of existing orders.

_____ Standard Industrial Classification Code (see Appendix)

_____ Census Bureau identification number

NOTE: The return address on this standard Census report form does not apply to all M-3 report forms. To assure that your completed form arrives on time, please use the preaddressed return envelope. If you misplace the preaddressed envelope, return your form to the Washington, D.C. address in Part A, section C.

_____ Name and telephone number of person to contact at your company regarding this report

_____ Mark the box which best describes current reporting period (See section B.4.)

_____ Compare figures for current and previous periods. Correct previous periods if wrong. Explain substantial differences in "REMARKS" (See section B.2 and B.3)

_____ Industry group description (See appendix)

_____ For each item listed in column (a), enter the figure in thousands of dollars in column (d)

NOTE: Asterisks will appear in column (e) and/or (f) if figures were not received when this form was printed. Please enter figures for both current and previous periods if now available and not previously submitted.

Part C – DEFINITIONS AND INSTRUCTIONS – Continued

Item code 3000 – Unfilled Orders, End of Month – Include orders that have not yet passed through the sales account. Generally, unfilled orders at the end of a reporting period are equal to unfilled orders at the beginning of the period, plus new orders net of cancellations received during the period, less net sales.

Item code 9000 – Total inventory, End of Month – Include the book value – by whatever method derived – as carried on your books of all goods owned by you, wherever located in the U.S. and at all stages of fabrication. Do not include inventories of foreign subsidiaries. The inventories should include goods held at sales branches. Do not include goods for which the title does not lie with you such as Government or customer-owned goods. Goods-in-transit should be included only if you have taken title. Inventories should be reported gross of progress or partial payments. Where possible, a notation of the amount of such payment should be made in the "REMARKS" section (also see Part C, paragraph 3).

• **Item code 9001 – Materials and Supplies** – Include all raw and semifabricated commodities and supplies, the titles to which have passed to you but which have not yet undergone any processing by you.

• **Item code 9002 – Goods in Process** – Include all commodities undergoing fabrication within your plants.

• **Item code 9003 – Finished Goods** – Include all products on which your processing has been completed and which are ready for shipment to customers. Also include all stocks of goods bought for resale without further processing.

Companies reporting inventories on the last-in-first-out (LIFO) method:

• **Item code 9010** – Dollar value of the non-LIFO portion of total inventories reported in item code 9000.

• **Item code 9020** – Dollar value of the LIFO portion of total inventories reported in item code 9000.

NOTE: Item 9010 plus 9020 should equal 9000.

• **Item code 9030** – LIFO reserve associated with LIFO portion of inventories (item 9020).

Companies reporting inventories on the standard cost method:

• **Item code 9040** – Dollar value of total inventories (item code 9000) valued by any method other than the standard cost method.

• **Item code 9050** – Dollar value of total inventories (item code 9000) valued by the standard cost method.

NOTE: Item 9040 plus 9050 should equal 9000.

Has one or more of the standards used to value inventories on standard cost (item code 9050) changed since last month?

YES

NO

• **Item code 9060** – If yes, please revalue the units in the (current month) inventory with the standards used for the (previous month) valuation

Companies reporting inventories on the LIFO and standard cost methods:

• **Item code 9020** – Dollar value of the LIFO portion of total inventories reported in item code 9000.

• **Item code 9050** – Dollar value of total inventories (item code 9000) valued by the standard cost method.

• **Item code 9070** – Dollar value of total inventories (item code 9000) valued by any method other than LIFO and standard cost.

NOTE: Item 9020 plus 9050 plus 9070 should equal item 9000.

• **Item code 9030** – LIFO reserve associated with LIFO portion of inventories (item 9020).

Has one or more of the standards used to value inventories on standard cost (item code 9050) changed since last month?

YES

NO

• **Item code 9060** – If yes, please revalue the units in the (current month) inventory with the standards used for the (previous month) valuation.

Item code 9005 – Inventories Held at Petroleum Bulk Terminals – Include in item code 9005 the book value of inventories of petroleum products of your company held at bulk terminals. These inventories should be excluded from the value of inventories reported by the refineries in item code 9000.

Part C – DEFINITIONS AND INSTRUCTIONS – Continued

► 3. Special Reporting Instructions for Shipbuilding and Aircraft and Aerospace Industries

a. Shipbuilding and Repairing

Value of shipments (Item code 1000)

For ships (under construction) report value of work done during the month in item code 1000. For vessels begun earlier than the month or not completed during the month, report only the value of work done during the month. Value of work done this month may be based on (a) multiplying the estimated percentage of work completed during the month by the contract price of the vessel, or (b) net billings for work done during the month.

Please indicate in the "REMARKS" section of this form the method chosen to report these data.

Inventories (Item codes 9000, 9001, 9002, 9003)

Inventories should be reported at approximate current costs, if feasible; otherwise at book values. In addition, work-in-process inventories should reflect value of work done but which has not been reported as a shipment by any of the methods listed in the paragraph above.

b. For Producers of Complete Aircraft and Missiles

Value of Shipments (Item code 1000)

Producers of these items should report the value of shipments during the month on complete aircraft, missiles, space vehicles and missile or space vehicle engines in item code 1000. This figure should reflect shipments based on delivery for work being done on a fixed price contract.

Work done on a cost-plus contract should reflect cost incurred (value of work done) during the month. Value of work done this month may be based on (a) multiplying the estimated percentage of work completed during the month by the contract price of the aircraft or missile,

or (b) net billings for work done during the month.

Please indicate in the "REMARKS" section of this form the method chosen to report these data.

Inventories (Item codes 9000, 9001, 9002, 9003)

Inventories should be reported at approximate current cost, if feasible; otherwise at book value. Additionally, in order to determine the levels of raw materials, work-in-process and finished goods inventories supporting aircraft production, aircraft producers are requested to report as follows:

- Aircraft missiles, etc. produced under fixed price contract should be reported as work-in-process inventories as the work is performed. Upon completion of the contract and/or shipment of the item, the amount of the contract or item would be deducted from work-in-process inventory account.
- For aircraft missiles, etc. produced under a cost-type contract, only relatively small values should be reported in work-in-process inventories since most of the costs incurred have been reimbursed by the customer.

► 4. Special Reporting Instructions for Defense Industries

Reports received for five of the 79 industry groups in this survey are tabulated as either defense or nondefense. These groups are Ordnance, Communication Equipment, Complete Aircraft, Aircraft Parts, and Shipbuilding and Military Tank Vehicles (see Appendix). If the industry description printed on the front of your form is one of the above, please be sure that it is also properly classified as either defense or nondefense. To be classified as defense; your manufacturing activities should be predominately for shipments to or for work done for the Department of Defense (either as a prime or subcontractor). NASA, ERDA, or any other Federal agencies are considered as nondefense. If the description preprinted on your form does not properly describe your report, please state this in the "REMARKS" section on the back of the form.

APPENDIX I—Continued

Part D – APPENDIX

- Each company report has been classified into one of 79 separate industry categories which are groupings of the Standard Industrial Classification (SIC) codes.
- For a more detailed description of the SIC codes, refer to the **Numerical List of Manufactured Products, (New (1972) SIC Basis)**, published by the United States Department of Commerce and issued in May, 1973
- This APPENDIX has been compiled by major groups (2-digit SIC codes).
- The 20 major groups and their respective page references are listed below:

2 digit SIC code	Major group title	Page No.
20	Food and Kindred Products	9
21	Tobacco Manufactures	9
22	Textile Mill Products	9
23	Apparel and Related Products	10
24	Lumber and Wood Products	10
25	Furniture and Fixtures	10
26	Paper and Allied Products	10
27	Printing, Publishing, and Allied Products	11
28	Chemicals	11
29	Petroleum and Coal Products	11
30	Rubber and Plastic Products	11
31	Leather and Leather Products	11
32	Stone, Clay, and Glass Products	12
33	Primary Metals Industries	12
34	Fabricated Metal Products	12
35	Machinery, Except Electrical	13
36	Electrical Machinery, Total	13
37	Transportation Equipment	14
38	Instruments and Related Products	15
39	Other Durable Goods	15

NOTE If you have any questions concerning a specific major group, do not hesitate to call the Census contact listed under the respective major group.

Part D – APPENDIX			
SIC code	Industry group	SIC code	Industry group
	FOOD AND KINDERED PRODUCTS (Census telephone contact – Pam Powell (301) 763–2605)		Food and Kindred products, except meat and dairy products, beverages, fats and oils – Continued
	Meat Products	2092	Fresh or frozen packaged fish
2011	Meat packing plants	2095	Roasted coffee
2013	Sausages and other prepared meats	2097	Manufactured ice
2016	Poultry dressing plants	2098	Macaroni and spaghetti
2017	Poultry and egg processing	2099	Food preparations, n.e.c.
	Dairy products		TOBACCO MANUFACTURES (Census telephone contact – Pam Powell (301) 763–2605)
2021	Creamery butter		Cigarettes, cigars, and chewing and smoking tobacco
2022	Cheese, natural and processed	2111	Cigarettes
2023	Condensed and evaporated milk	2121	Cigars
2024	Ice cream and frozen desserts	2131	Chewing and smoking tobacco
2026	Fluid milk	2141	Tobacco stemming and redrying
	Beverages		TEXTILE MILL PRODUCTS (Census telephone contact – Laurie McKenna (301) 763–1748)
2082	Malt beverages		Broadwoven fabrics and textiles, except those from knitting and floor covering mills
2083	Malt	2211	Weaving mills, cotton
2084	Wines, brandy, and brandy spirits	2221	Weaving mills, synthetics
2085	Distilled liquor, except brandy	2231	Weaving and finishing mills, wool
2086	Bottled and canned soft drinks	2241	Narrow fabric mills
2087	Flavoring extracts and syrups, n.e.c.	2261	Finishing plants, cotton
	Fats and oils	2262	Finishing plants, synthetics
2074	Cottonseed oil mills	2269	Finishing plants, n.e.c.
2075	Soybean oil mills	2281	Yarn mills, except wool
2076	Vegetable oil mills, n.e.c.	2282	Throwing and winding mills
2077	Animal and marine fats and oils	2283	Wool yarn mills
2079	Shortening and cooking oils	2284	Thread mills
	Food and Kindred Products, except meat and dairy products, beverages, fats and oils	2291	Felt goods, except woven felts and hats
2032	Canned specialties	2292	Lace goods
2033	Canned fruits and vegetables	2293	Paddings and upholstery filling
2034	Dehydrated fruits, vegetables, soups	2294	Processed textile waste
2035	Pickles, sauces, and salad dressings	2295	Coated fabrics, not rubberized
2037	Frozen fruits and vegetables	2296	Tire cord and fabric
2038	Frozen specialties	2297	Nonwoven fabrics
2041	Flour and other grain mill products	2298	Cordage and twine
2043	Cereal breakfast foods	2299	Textile goods, n.e.c.
2044	Rice milling		The products of knitting mills
2045	Blended and prepared flour	2251	Women's hosiery, except socks
2046	Wet corn milling	2252	Hosiery, n.e.c.
2047	Dog, cat, and other pet food	2253	Knit outerwear mills
2048	Prepared feeds, n.e.c.	2254	Knit underwear mills
2051	Bread, cake, and related products	2257	Circular knit fabric mills
2052	Cookies and crackers	2258	Warp knit fabric mills
2061	Raw cane sugar	2259	Knitting mills, n.e.c.
2062	Cane sugar refining		The products of floor covering mills
2063	Beet sugar	2271	Woven carpets and rugs
2065	Confectionery products	2272	Tufted carpets and rugs
2066	Chocolate and cocoa products	2279	Carpets and rugs, n.e.c.
2067	Chewing gum		
2091	Canned and cured seafoods		

Part D – APPENDIX – Continued			
SIC code	Industry group	SIC code	Industry group
	APPAREL AND ALLIED PRODUCTS (Census telephone contact – Laurie McKenna (301) 763-1748)		Wood products, except containers, buildings and mobile homes – Continued
	Apparel and related products	2431	Millwork
2311	Men's and boys' suits and coats	2434	Wood kitchen cabinets
2321	Men's and boys' shirts and nightwear	2435	Hardwood veneer and plywood
2322	Men's and boys' underwear	2436	Softwood veneer and plywood
2323	Men's and boys' neckwear	2439	Structural wood members, n.e.c.
2327	Men's and boys' separate trousers	2448	Wood pallets and skids
2328	Men's and boys' work clothing	2491	Wood preserving
2329	Men's and boys' clothing, n.e.c.	2492	Particleboard
2331	Women's and misses' blouses and waists	2499	Wood products, n.e.c.
2335	Women's and misses' dresses		
2337	Women's and misses' suits and coats		FURNITURE AND FIXTURES
2339	Women's and misses' outerwear, n.e.c.		(Census telephone contact – Ron Danna (301) 763-2512)
2341	Women's and children's underwear		Household furniture
2342	Brassieres and allied garments	2511	Wood household furniture
2351	Millinery	2512	Upholstered household furniture
2352	Hats and caps, except millinery	2514	Metal household furniture
2361	Children's dresses and blouses	2515	Mattresses and bedsprings
2363	Children's coat and suits	2517	Wood TV and radio cabinets
2369	Children's outerwear, n.e.c.	2519	Household furniture, n.e.c.
2371	Fur goods		Furniture, except household
2381	Fabric dress and work gloves	2521	Wood office furniture
2384	Robes and dressing gowns	2522	Metal office furniture
2385	Waterproof outer garments	2531	Public building and related furniture
2386	Leather and sheep lined clothing	2541	Wood partitions and fixtures
2387	Apparel belts	2542	Metal partitions and fixtures
2389	Apparel and accessories, n.e.c.	2591	Drapery hardware and blinds and shades
2391	Curtains and draperies	2599	Furniture and fixtures, n.e.c.
2392	House furnishings, n.e.c.		
2393	Textile bags		PAPER AND ALLIED PRODUCTS
2394	Canvas and related products		(Census telephone contact – Laurie McKenna (301) 763-1748)
2395	Pleating and stitching		The products of pulp and paperboard mills, except building paper
2396	Automotive and apparel trimmings		
2397	Schiffli machine embroideries		
2399	Fabricated textile products, n.e.c.		
	LUMBER AND WOOD PRODUCTS (Census telephone contact – Ron Danna (301) 763-2512)	2611	Pulp mills
	Wood containers	2621	Paper mills, except building paper
2441	Nailed wood boxes and shooks	2631	Paperboard mills
2449	Wood containers		Building paper
	Wood buildings and mobile homes	2661	Building paper and board mills
2451	Mobile homes	2651	Paperboard containers
2452	Prefabricated wood buildings	2652	Folding paperboard boxes
	Wood products, except containers, buildings, and mobile homes	2653	Set-up paperboard boxes
2411	Logging camps and logging contractors	2654	Corrugated and solid fiber boxes
2421	Sawmills and planing mills, general	2655	Sanitary food containers
2426	Hardware dimension and flooring		Fiber cans drums and similar products
2429	Special product sawmills, n.e.c.	2645	Die-cut paper and board
		2646	Die-cut paper and board
			Pressed and molded pulp goods

Part D – APPENDIX – Continued			
SIC code	Industry group	SIC code	Industry group
	PAPER AND ALLIED PRODUCTS – Continued (Census telephone contact – Laurie McKenna (301) 763–1748) Paper products, except those related to pulp and paperboard mills, building paper, paperboard containers, and die-cut paper and board		Drugs, soap and toiletries – Continued Pharmaceutical preparations Soap and other detergents Polishes and sanitation goods Surface active agents Toilet preparations
2641	Paper coating and glazing	2834	
2642	Envelopes	2841	
2643	Bags, except textile bags	2842	
2647	Sanitary paper products	2843	
2648	Stationery products	2844	
2649	Converted paper products, n.e.c.		Fertilizers Nitrogenous fertilizers Phosphatic fertilizers Fertilizers, mixing only Agricultural chemicals, n.e.c.
	PRINTING, PUBLISHING, AND ALLIED PRODUCTS (Census telephone contact – Laurie McKenna (301) 763–1748) Newspapers, books and periodicals		Chemical products, except industrial chemicals, paints, drugs, soap, toiletries, and fertilizers Plastics materials and resins Synthetic rubber Cellulosic man-made fibers Organic fibers, noncellulosic Gum and wood chemicals Adhesives and sealants Explosives Printing ink Carbon black Chemical preparations, n.e.c.
2711	Newspapers	2821	
2721	Periodicals	2822	
2731	Book publishing	2823	
2732	Book printing	2824	
	Products from publishing and printing, except newspapers, books, and periodicals	2861	
2741	Miscellaneous publishing	2891	
2751	Commercial printing, letterpress	2892	
2752	Commercial printing, lithographic	2893	
2753	Engraving and plate printing	2895	
2754	Commercial printing, gravure	2899	
2761	Manifold business forms		PETROLEUM AND COAL PRODUCTS (Census telephone contact – Valerie Tinker (301) 763–7609) Paving and roofing materials Paving mixtures and blocks Asphalt felts and coatings
2771	Greeting card publishings	2951	
2782	Blankbooks and looseleaf binders	2952	
2789	Bookbinding and related work		The products of petroleum refining, except paving and roofing materials Petroleum refining Lubricating oils and greases Petroleum and coal products, n.e.c.
2791	Typesetting	2911	
2793	Photoengraving	2992	
2794	Electrotyping and stereotyping	2999	
2795	Lithographic platemaking services		RUBBER AND PLASTICS PRODUCTS, n.e.c. (Census telephone contact – Clive Richmond (301) 763–7224) Tires and tubes Tires and inner tubes
	CHEMICALS (Census telephone contact – Valerie Tinker (301) 763–7609) Industrial chemicals except pigments	3011	
2812	Alkalies and chlorine		Rubber and plastics products, except tires and tubes Rubber and plastics footwear Reclaimed rubber Rubber and plastics hose and belting Fabricated rubber products Miscellaneous plastics products
2813	Industrial gases	3021	
2819	Industrial inorganic chemicals, n.e.c.	3031	
2865	Cyclic crudes and intermediates	3041	
2869	Industrial organic chemicals, n.e.c.	3069	
	Paints and related products	3079	
2816	Inorganic pigments		LEATHER AND LEATHER PRODUCTS (Census telephone contact – Clive Richmond (301) 763–7224) Leather, industrial products and cut stock Leather tanning and finishing Boat and shoe cut stock and findings
2851	Paints and allied products		
	Drugs, soap and toiletries	3111	
2831	Biological products	3131	
2833	Medicinals and botanicals		

Part D – APPENDIX – Continued			
SIC code	Industry group	SIC code	Industry group
	LEATHER AND LEATHER PRODUCTS – Continued		The products of blast furnaces and steel mills – Continued
	Leather products, except industrial products and cut stock	3315	Steel wire and related products
3142	House slippers	3316	Cold finishing of steel shapes
3143	Men's footwear, except athletic	3317	Steel pipe and tubes
3144	Women's footwear, except athletic		The products of iron and steel foundries
3149	Footwear, except rubber, n.e.c.	3321	Gray iron foundries
3151	Leather gloves and mittens	3322	Malleable iron foundries
3161	Luggage	3324	Steel investment foundries
3171	Women's handbags and purses	3325	Steel foundries, n.e.c.
3172	Personal leather goods, n.e.c.		Nonferrous and other primary metal products
3199	Leather goods, n.e.c.	3331	Primary copper
	STONE, CLAY, AND GLASS PRODUCTS	3332	Primary lead
	(Census telephone contact – Ron Danna (301) 763-2512)	3333	Primary zinc
	Glass containers	3334	Primary aluminum
3221	Glass containers	3339	Primary nonferrous metals, n.e.c.
	Kitchen articles and pottery	3341	Secondary nonferrous metals
3262	Vitreous china food utensils	3351	Cooper rolling and drawing
3263	Fine earthenware food utensils	3353	Aluminum sheet, plate, and foil
3269	Pottery products, n.e.c.	3354	Aluminum extruded products
	Stone, clay, and glass products except glass containers, kitchen articles, and pottery	3355	Aluminum rolling and drawing, n.e.c.
3211	Flat glass	3356	Nonferrous rolling and drawing, n.e.c.
3229	Pressed and blown glass, n.e.c.	3357	Nonferrous wire drawing and insulating
3231	Products of purchased glass	3361	Aluminum foundries
3241	Cement, hydraulic	3362	Brass, bronze, and copper foundries
3251	Brick and structural clay tile	3369	Nonferrous foundries, n.e.c.
3253	Ceramic wall and floor tile	3398	Metal heat treating
3255	Clay refractories	3399	Primary metal products, n.e.c.
3259	Structural clay products, n.e.c.		FABRICATED METAL PRODUCTS
3261	Vitreous plumbing fixtures		(Census telephone contact – Jesse Havard (301) 763-2585)
3264	Porcelain electrical supplies		Metal cans, barrels and drums
3271	Concrete block and brick	3411	Metal cans
3272	Concrete block products, n.e.c.	3412	Metal barrels, drums, and pails
3273	Ready-mixed concrete		Cutlery, handtools, and hardware
3274	Lime	3421	Cutlery
3275	Gypsum products	3423	Hand and edge tools, n.e.c.
3281	Cut stone and stone products	3425	Hand saws and saw blades
3291	Abrasive products		Building materials and wire products
3292	Asbestos products	3429	Hardware, n.e.c.
3293	Gaskets, packing and sealing devices	3431	Metal sanitary ware
3295	Minerals, ground or treated	3432	Plumbing fittings and brass goods
3296	Mineral wool	3433	Heating equipment, except electric
3297	Nonclay refractories	3441	Fabricated structural metal
3299	Nonmetallic mineral products, n.e.c.	3442	Metal doors, sash, and trim
	PRIMARY METALS INDUSTRIES	3443	Fabricated plate work (boiler shops)
	(Census telephone contact – Valerie Tinker (301) 763-7609)	3444	Sheet metal work
	The products of blast furnaces and steel mills	3446	Architectural metal work
3312	Blast furnaces and steel mills	3448	Prefabricated metal buildings
3313	Electrometallurgical products	3449	Miscellaneous metal work
		3495	Wire springs
		3496	Misc. fabricated wire products

Part D – APPENDIX – Continued			
SIC code	Industry group	SIC code	Industry group
	FABRICATED METAL PRODUCTS – Continued (Census telephone contact – Jesse Havard (301) 763–2585)		Metalworking machinery
	Non-defense – Ordnance and accessories, except tanks, missiles, and sighting and fire control instruments, sold as a part of a non-defense contract	3541	Machine tools, metal cutting types
		3542	Machine tools, metal forming types
		3546	Power driven hand tools
		3547	Rolling mill machinery
		3549	Metalworking machinery, n.e.c.
3482	Small arms ammunition		Tools, dies, fixtures, bearings, patterns, gears, and accessories
3483	Ammunition, except for small arms, n.e.c.	3544	Special dies, tools, jigs and fixtures
3484	Small arms	3545	Machine tool accessories
3489	Ordnance and accessories, n.e.c.	3562	Ball and roller bearings
	Defense – Ordnance and accessories, except tanks, missiles, and sighting and fire control instruments, sold as a part of a defense contract	3565	Industrial patterns
		3566	Speed changers, drives, and gears
3482	Small arms ammunition	3568	Power transmission equipment, n.e.c.
3483	Ammunition, except for small arms, n.e.c.		Carburetors, pistons, rings, valves, and other machine shop products
3484	Small arms	3592	Carburetors, pistons, rings, valves
3489	Ordnance and accessories, n.e.c.	3599	Machinery, except electrical, n.e.c.
	Forgings, stampings, valves and fittings, platings, and fasteners		Machinery used in the food, textile, wood-working, paper, and printing industries
3451	Screw machine products	3551	Food products machinery
3452	Bolts, nuts, rivets, and washers	3552	Textile machinery
3462	Iron and steel forgings	3553	Woodworking machinery
3463	Nonferrous forgings	3554	Paper industries machinery
3465	Automotive stampings	3555	Printing trades machinery
3466	Crowns and closures	3559	Special industry machinery, n.e.c.
3469	Metal stampings, n.e.c.		Pumps, compressors, blowers, fans, industrial ovens and furnaces, and related products
3471	Plating and polishing	3561	Pumps and pumping equipment
3479	Metal coating and allied services	3563	Air and gas compressors
3493	Steel springs, except wire	3564	Blowers and fans
3494	Valves and pipe fittings	3567	Industrial furnaces and ovens
3497	Metal foil and leaf	3569	General industrial machinery, n.e.c.
3498	Fabricated pipe and fittings		Office and store machines, including computers and computer hardware
3499	Fabricated metal products, n.e.c.		Typewriters
	MACHINERY, EXCEPT ELECTRICAL (Census telephone contact – Craig Chason (301) 763–1749)	3572	Electronic computing equipment
	Steam engines and turbines (including nuclear)	3574	Calculating and accounting machines
3511	Turbines and turbine generator sets	3576	Scales and balances, except laboratory
	Internal combustion engines	3579	Office machines, n.e.c.
3519	Internal combustion engines, n.e.c.		Service industry machinery
	Farm machinery and equipment	3581	Automatic merchandising machines
3523	Farm machinery and equipment	3582	Commercial laundry equipment
3524	Lawn and garden equipment	3585	Refrigeration and heating equipment
	Construction, mining, and material handling machinery	3586	Measuring and dispensing pumps
3531	Construction machinery	3589	Service industry machinery, n.e.c.
3532	Mining machinery		ELECTRICAL MACHINERY, TOTAL (Census telephone contact Joe Haurand (301) 763–7459)
3533	Oil field machinery		Electrical transmission and distribution equipment
3534	Elevators and moving stairways		Transformers
3535	Conveyors and conveying equipment	3612	Switchgear and switchboard apparatus
3536	Hoists, cranes, and monorails	3613	
3537	Industrial trucks and tractors		

Part D - APPENDIX - Continued			
SIC code	Industry group	SIC code	Industry group
	ELECTRICAL MACHINERY, TOTAL - Continued (Census telephone contact - Joe Haurand (301) 763-7459)		Lamps, wiring devices, lighting fixtures, batteries, X-ray apparatus, engine electrical equipment and supplies - Continued
	Electrical industrial apparatus	3694	Engine electrical equipment
3621	Motors and generators	3699	Electrical equipment and supplies, n.e.c.
3622	Industrial controls		
3623	Welding apparatus, electric		
3624	Carbon and graphite products		
3629	Electrical industrial apparatus, n.e.c.		
	Household appliances		TRANSPORTATION EQUIPMENT (Census telephone contact - Bill Freeman (301) 763-7719)
3631	Household cooking equipment	3713	Motor vehicle parts
3632	Household refrigerators and freezers	3714	Truck and bus bodies
3633	Household laundry equipment	3715	Motor vehicle parts and accessories
3634	Electric housewares and fans		Truck trailers
3635	Household vacuum cleaners	3711	Motor vehicles and car bodies
3636	Sewing machines		Motor vehicles and car bodies
3639	Household appliances, n.e.c.		Non-defense - Complete aircraft, sold as a part of a non-defense contract
	Radio and TV sets	3721	Aircraft
3651	Radio and TV receiving sets	3761	Guided missiles and space vehicles
3652	Phonograph records		Defense - Complete aircraft, sold as a part of a defense contract
	Non-defense - Communication Equipment, sold as a part of a non-defense contract	3721	Aircraft
3661	Telephone and telegraph apparatus	3761	Guided missiles and space vehicles
3662	Radio and TV communication equipment		Non-defense - Aircraft parts, sold as a part of a non-defense contract
	Defense - Communication Equipment, sold as a part of a defense contract	3724	Aircraft engines and engine parts
3661	Telephone and telegraph apparatus	3728	Aircraft equipment, n.e.c.
3662	Radio and TV communication equipment	3764	Space propulsion units and parts
	Electronic components	3769	Space vehicle equipment, n.e.c.
3671	Electron tubes, receiving type		Defense - Aircraft parts, sold as a part of a defense contract
3672	Cathode ray television picture tubes	3724	Aircraft engines and engine parts
3673	Electron tubes, transmitting	3728	Aircraft equipment, n.e.c.
3674	Semiconductors and related devices	3764	Space propulsion units and parts
3675	Electronic capacitors	3769	Space vehicle equipment, n.e.c.
3676	Electronic resistors		Non-defense - Ships and military tank vehicles, sold as a part of a non-defense contract
3677	Electronic coils and transformers	3731	Shipbuilding and repairing
3678	Electronic connectors	3795	Tanks and tank components
3679	Electronic components, n.e.c.		Defense - Ships and military tank vehicles, sold as a part of a defense contract
	Lamps, wiring devices, lighting fixtures, batteries, X-ray apparatus, engine electrical equipment and supplies	3731	Shipbuilding and repairing
3641	Electric lamps	3795	Tanks and tank components
3643	Current-carrying wiring devices		Railroad equipment
3644	Noncurrent-carrying wiring devices	3743	Railroad equipment
3645	Residential lighting fixtures		Boats, motorcycles, bicycles, travel trailers, and campers
3646	Commercial lighting fixtures	3732	Boat building and repairing
3647	Vehicular lighting equipment	3751	Motorcycles, bicycles, and parts
3648	Lighting equipment, n.e.c.	3792	Travel trailers and campers
3691	Storage batteries	3799	Transportation equipment, n.e.c.
3692	Primary batteries, dry and wet		
3693	X-ray apparatus and tubes		

Part D – APPENDIX – Continued			
SIC code	Industry group	SIC code	Industry group
	INSTRUMENTS AND RELATED PRODUCTS		OTHER DURABLE GOODS
	(Census telephone contact – Mattie Norwood (301) 763–2513)		(Census telephone contact – Mattie Norwood (301) 763–2513)
	Scientific and engineering instruments for professional and technical uses		Jewelry, silverware, toys and games, sporting goods, musical instruments, and fasteners
3811	Engineering and scientific instruments	3911	Jewelry, precious metal
3822	Environmental controls	3914	Silverware and plated ware
3823	Process control instruments	3915	Jewelers' materials and lapidary work
3824	Fluid meters and counting devices	3931	Musical instruments
3825	Instruments to measure electricity	3942	Dolls
3829	Measuring and controlling devices, n.e.c.	3944	Games, toys, and children's vehicles
3832	Optical instruments and lenses	3949	Sporting and athletic goods, n.e.c.
3841	Surgical and medical instruments	3961	Costume jewelry
3842	Surgical appliances and supplies	3962	Artificial flowers
3843	Dental equipment and supplies	3963	Buttons
	Ophthalmic goods, watches, and clocks	3964	Needles, pins, and fasteners
3851	Ophthalmic goods	3991	Brooms and brushes
3873	Watches, clocks and watch cases	3996	Hard surface floor coverings
	Photographic goods		Marking devices, signs and advertising displays, and burial caskets
3861	Photographic equipment and supplies	3951	Pens and mechanical pencils
		3952	Lead pencils and art goods
		3953	Marking devices
		3955	Carbon paper and inked ribbons
		3993	Signs and advertising displays
		3995	Burial caskets
		3999	Manufacturing industries, n.e.c.

Part E — REFERENCE LIST (FILE COPY)

FORM M-3 (1-10-78)		MANUFACTURERS' SHIPMENTS, INVENTORIES AND ORDERS				
Item	Item code	DEC. 1977	JANUARY	FEBRUARY	MARCH	APRIL
		NOTE →				
		1 Cal. Mo.	1 Cal. Mo.	1 Cal. Mo.	1 Cal. Mo.	1 Cal. Mo.
		4 Weeks	4 Weeks	4 Weeks	4 Weeks	4 Weeks
		5 Weeks	5 Weeks	5 Weeks	5 Weeks	
Shipments or net sales	1000					
Net new orders received	2000					
Unfilled orders end of month	3000					
VERIFICATION TOTAL (<i>Sum of codes 1000, 2000, and 3000</i>) →	6000					
Total inventories	9000					
Materials and supplies	9001					
Goods in process	9002					
Finished goods	9003					
Inventories held at petroleum bulk terminals ¹	9005					
Companies reporting inventories on LIFO method:						
Dollar value of the non-LIFO portion of total inventories	9010					
Dollar value of the LIFO portion of total inventories	9020					
NOTE: Item 9010 plus 9020 should equal item 9000						
LIFO reserve associated with total inventories	9030					
Remarks						

¹This item is to be completed only by companies with reporting units classified in the industry category "the products of petroleum refining, except paving and roofing materials."

Part E — REFERENCE LIST (FILE COPY) — Continued

FORM M-3
1-10-78

MANUFACTURERS' SHIPMENTS, INVENTORIES AND ORDERS

Item	Item code	DEC. 1977	JANUARY	FEBRUARY	MARCH	APRIL	MAY
Companies reporting inventories on the Standard Cost method:							
Dollar value of the non-Standard Cost portion of total inventories	9040						
Dollar value of the Standard Cost portion of total inventories	9050						
NOTE: Item 9040 plus 9050 should equal item 9000							
Have any of the standards used to value inventories changed since last month?							
If yes, please revalue current inventory with previous months standards	9060						
Companies reporting inventories on the LIFO and Standard Cost method:							
Dollar value of the LIFO portion of total inventories	9020						
Dollar value of the Standard Cost portion of total inventories	9050						
Dollar value of total inventories valued by any other method	9070						
NOTE: Item 9020 plus 9050 plus 9070 should equal item 9000							
LIFO reserve associated with total inventories	9030						
Have any of the standards used to value inventories changed since last month?							
If yes, please revalue current inventory with previous months standards	9060						

Remarks

NOTES

APPENDIX J

Form 3115
(Rev. Dec. 1977)
Department of the Treasury
Internal Revenue Service

Application for Change in Accounting Method

(See instructions on page 4)

CHECK ONE

- Individual
- Partnership
- Corporation
- Cooperative (Sec. 1381(a))
- Insurance co. (Secs. 801, 821, or 831)
- Other (Specify)

Name of taxpayer (if joint return is filed, show names of you and your spouse)	Identifying Number (See instructions)
Address (Number and street)	
City or town, State, and ZIP code	

Section A. Applicable To All Taxpayers

- 1 The following change in accounting method is requested (check and complete appropriate spaces):
 - (a) Overall method of accounting: from _____ to _____
 - (b) The accounting treatment of (identify item) ► _____ to (new method) ► _____
 - (c) Number of taxable years present method has been used ► _____
 - (d) If change of accounting method is granted, will this method be used for financial reporting purposes? . . . Yes No
If "No," please explain ► _____
 - 2 (a) If a change is requested under 1(b) above, check the present overall method of accounting:
 Accrual Cash Hybrid (if a hybrid method is used, explain treatment of material items in detail in section J)
 - (b) If a change to the Reserve Method is requested, is it being made under Rev. Proc. 64-51? Yes No
(See instructions for section D on page 4.)
 - (c) If a change in depreciation method is requested, is it being made under Rev. Proc. 74-11? Yes No
(See instructions for section I on page 4.)
If "Yes," block is checked for line 2(c), file with appropriate Service Center.
 - (d) Are you a manufacturer to whom section 1.471-11 of the Regulations applies? Yes No
 - (e) If "Yes," block is checked for line 2(d), are the items involved in this request properly inventoriable in accordance with section 1.471-11 of the Regulations? Yes No
If "Yes," report the items and amounts in section J or on a separate sheet.
- 3 Taxable year of change begins (mo., day, year) ► _____ and ends (mo., day, year) ► _____
 - 4 (a) Nature of business and principal source of income ► _____
(b) Taxpayer's area code and telephone number ► _____ (c) District Director's office having jurisdiction ► _____
 - 5 If engaged in business or profession: (a) Enter your taxable income or (loss)* from operations for tax purposes for the five (5) taxable years preceding the year of change:

1st preceding year ended 19	2d preceding year ended 19	3d preceding year ended 19	4th preceding year ended 19	5th preceding year ended 19
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
(b) Enter the amount of net operating loss to be carried over to the year of change, if any \$ _____				
(c) Amount of investment credit carryover to year of change, if any \$ _____				
(d) Other credit carryover, if any. (Identify) ► _____ \$ _____				

* Individuals enter net profit or (loss) from business; partnerships enter ordinary income or (loss).
 - 6 Within the last 10 years, have you changed, or requested permission to change your accounting period, your overall method of accounting or the accounting treatment of any item? Yes No
If "Yes," attach copy of ruling letter(s), if available. If copy of ruling letter(s) is not available, explain in section J and give date permission was granted.
 - 7 (a) Is taxpayer a corporation which is a member of an affiliated group filing consolidated returns? Yes No
If "Yes," state parent corporation's name, identifying number, address, taxable year, and Service Center where return is filed ► _____
 - (b) Is the affiliated group filing a consolidated return for the taxable year of change? Yes No
If "Yes," do all other members of the affiliated group employ the method of accounting for which the change is requested? Yes No. If "No," explain ► _____
 - 8 Is there an issue involving an overall change in accounting method or a change in the treatment of a material item pending before a field office of the Service or any Federal court? Yes No
If "Yes," explain ► _____
 - 9 Does the adjustment under section 481(a) include a pre-1954 amount? Yes No
 - 10 Enter section 481(a) adjustments that would have been required if the requested change had been made for each taxable year of the 3-year period preceding the year of change (see instructions for section A on page 4)

1st preceding year ended 19	2d preceding year ended 19	3d preceding year ended 19
\$ _____	\$ _____	\$ _____

Under penalties of perjury, I declare that I have examined this application, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Taxpayer's name	Signature and title	Date
Signature of individual or firm preparing the Application (see General Instructions on page 4)		Date

Section B. Change in Overall Method of Accounting

- 1 If change is from the cash to the accrual method, check method to be employed for treating bad debts: Specific charge-off Reserve
If reserve method is to be adopted, complete item 2 under Section D below.
- 2 The following amounts should be stated as of the end of the taxable year preceding the year of change. If none, state "None." (Although some of the items listed below may not have been required in the computation of your taxable income due to your present method of accounting, it is necessary that they be entered here, in order for this form to be complete. Show amounts attributable to long-term contracts on page 3, Section F.)

	Amount	Indicate by (/) how treated on last year's return	
		Included in income or deducted as expense	Excluded from income or not deducted as expense
(a) Income accrued but not received	\$		
(b) Income received in advance of date on which it was earned. State nature of income and if discount on installment loans, see section C below.....			
(c) Expenses accrued but not paid			
(d) Other (specify).....			
(e) Prepaid expense previously deducted			
(f) Supplies on hand previously deducted			
(g) Inventory Enter the amount of ending inventory reported on your return for the taxable year preceding the year of change. \$			
(h) Reserve for bad debts			
Net adjustment			\$

- 3 Nature of inventory ▶ 4 Method used for valuing inventories ▶
- 5 If the change is from the accrual to the cash method, have any receivables been sold in the past three years? Yes No
If "Yes," enter the amounts sold for each of the three years in section J or on a separate statement.
- 6 Attach Copies of Profit And Loss Statement (Schedule F (Form 1040) in the case of Farmers) and Balance Sheet, if applicable, as of the close of the taxable year preceding year of change. State accounting method used when preparing balance sheet. If books of account are not kept, attach copy of the business schedule submitted with your Federal income tax return or return of income for that period. If amounts in (2) above do not agree with those shown on profit and loss statement and balance sheet, explain in Section J.

Section C. Change in Method of Reporting Interest (Discount) on Installment and Other Loans

- 1 Change with respect to interest on Installment loans, Commercial loans, and Other loans (Explain) ▶
- 2 Amount of earned or realized interest that has not been reported on your return as of the end of the taxable year preceding the year of change \$.....
- 3 Amount of unearned or unrealized interest that has been reported on your return as of the end of the taxable year preceding the year of change \$.....
- 4 Method of rebating in event of prepayment of loans ▶

Section D. Change in Method of Reporting Bad Debts

- 1 If a change to the Reserve Method is requested and taxpayer has installment sales, are such sales reported on the installment method? Yes No
If "Yes," indicate whether change relates to: Installment sales, Sales other than installment sales, or Both.
- 2 If a change to the Reserve Method is requested, submit the following information for the five taxable years preceding year of change:

	1st preceding year	2d preceding year	3d preceding year	4th preceding year	5th preceding year
Total sales					
Deductions for specific bad debts charged off ¹ .					
Recoveries of bad debts deducted in prior years					
Year-end balances:					
Trade accounts receivable					
Trade notes receivable ²					
Installment accounts receivable ³					
Other receivables (explain in detail in Section J)					

- 3 If a change to the Method Of Deducting Specific Bad Debt Items is requested, enter the amount in reserve for bad debts at end of year preceding year of change \$

¹ If your return was audited, enter amount allowed as a result of the audit.
² If loan company, enter only capital portion.
³ Applicable only to receivables attributable to sales reported on installment method. Enter only capital portion of such receivables.

Section E. Change in Method of Valuing Inventories

- 1 Nature of all inventories ▶
- 2 Method of identifying goods in inventory Specific identification FIFO LIFO.
If "LIFO," attach copy of Form 970 adopting that method and copies of any Forms 970 filed to extend the use of the method.
- 3 Indicate method and value of all inventories at the end of the taxable year preceding the year of change under:
 - (a) Present method ▶ \$
 - (b) New method ▶ \$
 - (c) If pre-1954 adjustment is involved furnish only those amounts that can be substantiated \$

Note: See instruction for Section E on page 4 for all inventory changes.

Section F. Change in Method of Reporting Income from Contracts

- 1 Are your contracts long-term contracts as defined in section 1.451-3 of the Income Tax Regulations? . . Yes No
- 2 Method used for reporting long-term contracts . . Completed Percentage completion Accrual Other (Explain)
- 3 Method used for reporting short-term contracts Accrual Other (Explain)
- 4 Adjustment required under section 481(a) \$

Section G. Change in Method of Treating Vacation Pay

- 1 Is the plan(s) fully-vested as of the end of the taxable year preceding the year of the change? Yes No
- 2 If "Yes," enter the amount of accrued vacation pay as of the end of the taxable year preceding the year of change \$
- 3 Number of taxable years plan(s) has been vested ▶

Section H. Change in Overall Method of Reporting Income of Farmers to Cash Receipts and Disbursements Method

Note: Also complete Section B.

	1st preceding year	2d preceding year	3d preceding year	4th preceding year	5th preceding year
1 Total income from all sources					
2 Net farm profit or (loss)					
3 Inventory:					
Crops and other farm products					
Livestock held for sale:					
Purchased					
Raised					
Livestock held for draft, breeding, sport, or dairy purposes:					
Purchased					
Raised					
Total inventory					

Method used to value inventory (check appropriate block):
 Cost Cost or market, whichever is lower Farm price Unit livestock price Other (explain in Section J)

Section I. Change in Method of Accounting for Depreciation

Taxpayers desiring to change their method of accounting for depreciation must complete this section. This information must be supplied for each account for which a change is requested. Note: Certain changes in methods of accounting for depreciation may be filed with the Service Center where your return will be filed. See Rev. Proc. 74-11 for the methods covered.

- 1 Date of acquisition ▶
- 2 Are you the original owner or the first user of the property? Yes No
- 3 Is depreciation claimed under Reg. sec. 1.167(a)-11 (Class Life (ADR) System)? Yes No
If "Yes," the only changes permitted are under section 1.167(a)-11(c)(1)(iii) of the Regulations. Identify these changes on the tax return for the year of change.
- 4 Is the property public utility property? Yes No
- 5 Location of the property (city and State) ▶
- 6 Type or character of the property ▶
- 7 Cost or other basis of the property and adjustments thereto (exclude land) \$
- 8 Depreciation reserve \$
- 9 Estimated salvage value \$
- 10 Estimated remaining useful life of the property ▶
- 11 If the declining balance method is requested, indicate percentage of straight line rate ▶
- 12 Other information, if any ▶

Section J.—Change in Method of Accounting Not Listed Above (See instructions)

.....
.....
.....

Form 3115 (Rev. 12-77)

General Instructions

This form is for use by those taxpayers requesting a change in their method of accounting, including the accounting treatment of any item. **All applicants must complete section A.** In addition, complete the appropriate section (B through J) for which a change is desired.

You must set forth all relevant facts, including a detailed description of your present and proposed methods. You must also state the reason(s) you believe consent to make the requested change should be granted.

Use section J or attach additional sheets if more space is needed for explanations. Each statement should show your name, address and identifying number.

State whether you desire a conference in the National Office if the Service proposes to disapprove your application.

Note: If you are applying for a change in accounting period, use Form 1128.

Time and Place for Filing

If this form is being used in accordance with Rev. Proc. 74-11 (see section I below), it should be filed with the Service Center where your return will be filed within the first 180 days of the taxable year in which it is desired to make the change.

If the application is timely filed and the taxpayer complies with the provisions of Rev. Proc. 74-11, it may be assumed that permission to make the change has been granted. Attach a copy of the application to the income tax return filed for the taxable year of the change.

Taxpayers making changes other than those covered by Rev. Proc. 74-11, must file with the Commissioner of Internal Revenue, Washington, D.C. 20224, within the first 180 days of the taxable year in which it is desired to make the change.

Identifying Number

Individuals.—Individual taxpayers should enter their social security number in this block. If the application is made on behalf of a husband and wife who file their income tax return jointly, enter the social security numbers of both. However, if an individual is engaged in a trade or business, enter the employer identification number in lieu of the social security number.

Other.—Applicants other than an individual should enter their employer identification number in this block.

Signature

Individuals.—An individual desiring the change should sign the application. If the application pertains to a husband and wife, the names of both should appear in the heading and both should sign.

Partnerships.—The form should be signed with the partnership name followed by the signature of one of the partners and the designation "Member of Partnership."

Corporations, Cooperatives, and Insurance Companies.—This application should show the name of the corporation, cooperative, or insurance company and the signature of the president, vice president, treasurer, assistant treasurer, or chief accounting officer (such as tax officer) duly authorized to sign, and their official title. Receivers, trustees, or assignees must sign any application they are required to file.

Fiduciaries.—The application should show the name of the estate or trust and be signed by the fiduciary, executor, execu-

trix, administrator, administratrix, or other person having legal authority to sign, and their title.

Preparer other than partner, officer, etc.—The signature of the individual or firm preparing the application for the taxpayer should appear in the space provided on page 1. An application made by an agent on behalf of a taxpayer must be accompanied by a power of attorney authorizing the agent to sign for the taxpayer. If the agent is also authorized to represent the taxpayer before the Service, receive a copy of the requested ruling, or perform any other act(s) on behalf of the taxpayer, the power of attorney must reflect such authorization(s).

Specific Instructions

Section A.—(Item 10, page 1)—If furnishing the requested information causes you financial hardship or other serious inconvenience, you may do the following:

- (1) Enter your best estimate of the percent of the section 481(a) adjustment that belongs to each year; and
- (2) Explain in detail why you cannot furnish the requested information.

You can make this explanation in section J or attach separate sheets to Form 3115. If we later examine your return for the year of the change or for later years, we have the right to verify your statement at that time.

Section B.—(Item 2(b), page 2)—Include any amounts reported as income in a prior year although such income had not been accrued (earned) or received in the prior year; for example, discount on installment loans reported as income for the year in which the loans were made instead of for the year or years in which the income was received or earned.

Section D.—(Item 2, page 2)—Taxpayers complying with the provisions of Rev. Proc. 64-51, 1964-2 C.B. 1,003, as modified by Rev. Rul. 65-92, 1965-1 C.B. 112, and Rev. Proc. 77-39, 1977-43, I.R.B. 24, and amplified by Rev. Proc. 70-15, 1970-1 C.B. 441, may change their method of accounting for bad debts from the specific charge-off method to the reserve method in a more expeditious manner.

Rev. Proc. 64-51, as modified and amplified does not apply to taxpayers whose trade receivables include items of unrealized income for Federal income tax purposes.

The Bad Debt Reserve shall be determined in the following manner:

- (1) Add together the net losses on bad debts for 5 years preceding the taxable year of change.
- (2) Divide this total by the sum of the amounts of outstanding trade receivables at the close of each of the 5 years.
- (3) Multiply the amount of outstanding trade receivables at the close of the taxable year of change by the resulting decimal in (2). This amount is the Bad Debt Reserve, the deduction for which is to be prorated over a period of 10 years.

Section E.—Applicants requesting changes involving the methods of inventory pricing should read the following instructions before completing this section.

Complete detail should be furnished with respect to the old method of valuing

inventory and the proposed method, specific attention being made as to whether all inventories are involved in the change or only a portion thereof is involved.

Inventories of retail merchants.—The retail method of pricing inventories does not contemplate valuation of goods at the retail selling price. The retail selling prices of goods on hand must be reduced to approximate cost or cost or market, whichever is lower, by the adjustments, required in section 1.471-8 of the Regulations.

Inventories of manufacturers and processors.—Taxpayers requesting to change to the full absorption method of inventory costing must attach a schedule showing the treatment, under both their present and proposed methods, of all costs listed in Reg. sections 1.471-11(b)(2), (c)(2)(i) and (c)(2)(ii) for Federal income tax purposes, and all costs listed in or subject to section 1.471-11(c)(2)(iii) for tax and financial report purposes. Taxpayers proposing to omit one or more costs listed in section 1.471-11(c)(2)(iii) from their computation of the amount of inventoriable costs under the full absorption method must also attach the data required by either section 5.02 or 5.03 (whichever is appropriate) of Rev. Proc. 75-40, 1975-2 C.B. 571.

LIFO inventory changes.—A schedule showing the complete computation to be made must be submitted by an applicant desiring to change the method of computing LIFO inventories, such as a change from a single pool to multiple pools. If the change involves the discontinuance of the use of the LIFO inventory method, the application should be accompanied by statements showing, in addition to the information required by Sections A and E of this form, the following information:

- (1) The specific types and classes of goods in the LIFO inventories involved in the proposed change and the comparative values of such inventories as of the end of the taxable year preceding the year of change determined by (a) the LIFO method and (b) the proposed method and basis (such as cost or lower of cost or market).
- (2) Whether the proposed method and basis conforms to the inventory method currently used with respect to non-LIFO inventories, if any, or that such method is otherwise consistent with the provisions of section 1.472-6 of the Regulations.

Section F.—Section 1.451-3(b)(1) of Regulations provides that, except as provided in section 1.451-3(b)(1)(ii), the term "long-term contract" means a building, installation, construction, or manufacturing contract which is not completed within the taxable year in which it is entered into.

Section I.—This section should be used to request a change in method of accounting for depreciation. Rev. Proc. 74-11, 1974-1 C.B. 420, provides a procedure whereby taxpayers complying with the provisions of this Revenue Procedure and filing Form 3115 with the Service Center where their return will be filed, will be deemed to have obtained the consent of the Commissioner to change their method of accounting for depreciation.

Section J.—This section should be used for requesting changes in a method of accounting for which provision has not been made elsewhere on this form, and also for submitting additional information. If more space is needed, attach additional sheets.

APPENDIX K

Proposed Survey, Treatment of Overhead, Indirect Costs, and Cost Absorption by Manufacturing Companies

The purpose of this survey is to determine what kinds of overhead and indirect costs manufacturers include in (or exclude from) their reported inventories and whether their reported inventories have been affected by IRS regulations relating to full cost absorption.

PART I. TYPES OF COSTS INCLUDED IN INVENTORIES

For each item of overhead or indirect cost indicated below please indicate by a check mark whether the item is included or excluded from inventories.

Item	Included	Excluded
Maintenance costs		
Repair expense		
Utilities (heat, light, power, etc.)		
Rent		
Indirect labor and supervision including supplements		
Indirect materials and supplies		
Tools and equipment not capitalized		
Taxes (other than State, local and foreign income)		
Depreciation and amortization under Federal income tax purposes in excess of depreciation shown in financial reports		
Depreciation and depletion		
Employee benefits (current service costs)		
Pension contributions (past services)		
Insurance costs		
Marketing expense		
Advertising expense		
Selling expense		
Other distribution expense		
Interest		
Research and experimental expense		
General and administrative expense (company)		
Factory administrative expense incident to plant only		
Officers' salaries (company)		
Officers' salaries incident to plant only		

PART II. FULL COST ABSORPTION

1. Did IRS Regulation 1.471-11 on full cost absorption result in any changes in any values reported on SEC 10K returns or in census surveys.

- Yes, please continue
- No. skip succeeding questions, sign form and return it.

2. Inventory values.

A. If the full cost absorption regulation resulted in any inventory valuation changes in the reports specified, check the year in which full cost absorption was first adopted.

Year	SEC 10K	Census form M3
1973		
1974		
1975		
1976		

B. Indicate the approximate amount of the change in inventory valuation on the following scale:

- A = \$5 million or less;
- B = over \$5 million.
- + = Means an increase in inventories and
- = a decrease in inventories caused by adoption of full cost absorption, Answer by entering checkmarks as appropriate.

Scale	SEC 10K	Census form M3
A	+	
	-	
B	+	
	-	

APPENDIX L

O.M.B. No. 41-R2965: Approval Expires December 1979

<p>FORM MA-300 (6-1-77)</p> <p style="text-align: center;">U.S. DEPARTMENT OF COMMERCE BUREAU OF THE CENSUS</p> <p style="text-align: center;">ANNUAL SURVEY OF MANUFACTURES</p> <p style="text-align: center;">UNFILLED ORDERS - SALES SUPPLEMENT</p>	<p>NOTICE - Response to this inquiry is required by law (title 13, U.S. Code). By the same law, your report to the Census Bureau is confidential. It may be seen only by sworn Census employees and may be used only for statistical purposes. The law also provides that copies retained in your files are immune from legal process.</p> <p>In correspondence pertaining to this report, please refer to this Census File Number</p> <p style="text-align: center;">↓</p> <p style="text-align: center; font-size: 2em;">YOUR FILE COPY</p> <p style="text-align: center; font-size: 0.8em;">(Please correct any error in name and address including ZIP code)</p>
<p>Please complete this form and RETURN TO</p>	<p>BUREAU OF THE CENSUS 1201 East Tenth Street Jeffersonville, Indiana 47132</p>
<p>Important - Please read the instructions on the reverse side of this form; then complete all items below.</p>	

Part I - COMPANY SALES SUMMARY		Report in thousands of dollars			
Line No.		Amount			
		Billions	Millions	Thou.	Dol.
1	Total company annual sales for the 12-month period ending December 31, 1976 <i>(Should be equal to the sum of lines 2, 3, and 4, minus line 5)</i>	\$			
2	Total sales by foreign subsidiaries (including interdivisional sales)				
3	Total sales by domestic manufacturing divisions (including interdivisional sales)				
4	Total sales by domestic nonmanufacturing divisions (including interdivisional sales)				
5	Total interdivisional sales (included in lines 2, 3, and 4)				

Part II - REPORT FOR MANUFACTURING DIVISIONS			Report in thousands of dollars							
Line No.	Name of domestic manufacturing division (A)	Industry code (B)	Annual sales in 1976 (C)				Unfilled orders as of Dec. 31, 1976 (D)			
			Billions	Millions	Thou.	Dol.	Billions	Millions	Thou.	Dol.
1			\$				\$			
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										
21	TOTAL SALES AND UNFILLED ORDERS by domestic manufacturing divisions (Column C should equal the total sales by domestic manufacturing divisions reported in part I on line 3. If these are not equal explain in the "Remarks" section.)		\$				\$			

Remarks

CERTIFICATION - This report is substantially accurate and has been prepared in accordance with instructions.											
Period covered by data (if other than calendar year)						Name of person to be contacted regarding this report			Telephone		
From: Month	Day	Year	To: Month	Day	Year				Area code	Number	Extension
Signature of authorized person						Title			Date		

GENERAL INSTRUCTIONS

Purpose of survey — This form is designed to collect data on annual sales and end-of-year unfilled orders for the operating divisions of your company. It will be used to provide improved benchmark totals for use in preparing monthly estimates of these items. The instructions have been prepared after discussions with a number of companies and are oriented toward the kind of records normally maintained by industry.

Filing the report — Return your completed form to the Bureau of the Census, 1201 East Tenth Street, Jeffersonville, Indiana 47132, within 30 days after receipt. Please use the preaddressed return envelope that is sent with each report. If you have any questions regarding the completion of this form, please contact Mr. William C. Menth on Area Code (301) 763-2502.

Correspondence about your report — In any correspondence with the Census Bureau about your report, please include the title of the survey and the 11-digit file number shown in the address box of your report form.

Confidentiality of data — Response to this inquiry is required by law (title 13, United States Code, sections 182, 224, and 225). By section 9 of the same law, your report to the Census Bureau is confidential. It may be seen only by sworn Census employees and may be used only for statistical purposes. The law also provides that copies retained in your files are immune from legal process.

HOW TO REPORT

What period should this report cover? — Report sales data for the calendar year and unfilled orders as of the end of the calendar year. If calendar year book figures are not available, reasonable estimates are acceptable. If reasonable estimates are difficult to compute, report figures for your fiscal year and indicate the period covered in the "Certification" section. All data should be reported on a consistent basis — either calendar year or fiscal year.

▶ Part I — COMPANY SALES SUMMARY

This section is designed to account for all sales of your total company.

- **Line 1** — Report the value of your total company sales for the 12-month period ending December 31, 1976.
- **Line 2** — Enter the value of all sales (manufacturing and nonmanufacturing) made by foreign subsidiaries (divisions) of your company including interdivisional sales.
- **Line 3** — Enter the total value of sales by your company's domestic manufacturing divisions including interdivisional sales.
- **Line 4** — Report the total value of sales (or receipts) by all domestic nonmanufacturing divisions of your company including interdivisional sales.
- **Line 5** — Enter the total value of interdivisional sales by your company that was included in lines 2, 3, and 4. If none, please enter zero.

NOTE ▶ The sum of lines 2, 3, and 4 minus line 5 should equal line 1.

▶ Part II — REPORT FOR DOMESTIC MANUFACTURING DIVISIONS

Column A — Name of Domestic Manufacturing Division

The basic reporting unit for this survey is the manufacturing division as defined by your company for financial reporting. The division should be an operating unit within the company for which separate financial records are maintained. Subsidiary companies should be considered as divisions for purposes of this report. Foreign divisions should be excluded.

Generally, each division should be reported separately. However, divisions may be combined if they are primarily in the same industry category as defined in the "Industry Codes and Categories" enclosure.

Column B — Industry Code

From the "Industry Codes and Categories" enclosure, determine the classification for each listed division's manufacturing activity based on the primary activity of the division and enter the three character industry code. For divisions which have significant amounts of sales in two or more industry categories, please describe the activities of these divisions in the "Remarks" section.

Column C — Annual Sales

For each listed manufacturing division, enter the value of sales for the 12-month period ending December 31, 1976.

Include:

- Sales to other companies, individuals, government agencies, and customers in foreign countries. The data should be reported net after discounts and allowances.
- Transfers to other divisions of your company including sales to foreign subsidiaries

Exclude:

- Sales by foreign subsidiaries or divisions
- Orders which remain unfilled at the end of the year
- Transfers within divisions

Column D — Unfilled Orders

For each division listed, enter the value of the division's backlog of unfilled orders as of December 31, 1976. If there are no unfilled orders for a division, enter zero.

Include:

- All goods on order which have not been shipped as of December 31, 1976, including any adjustments or changes to the original contract.
- Commitments to deliver under long-standing agreements or other formal or informal agreements
- Interdivisional unfilled orders

Exclude:

- Contract options or optional extensions to existing contracts which have not been exercised by the customer
- Intradivisional unfilled orders

Manufactures having defense contracts, producers of complete aircraft and missiles, and companies engaged in shipbuilding and repairing should refer to the special reporting instructions below.

Line 21 — Total Domestic Annual Sales and Unfilled Orders

This line should be the sum of all of your domestic manufacturing division's unfilled orders and sales. As a check, column C sales should equal the sales reported in part I, line 3.

SPECIAL REPORTING INSTRUCTIONS

Defense contracts — Unfilled orders figures should only include those orders which have already been authorized and funded.

For producers of complete aircraft and missiles —

- For **fixed price contracts**, sales should be based on deliveries during the year. Unfilled orders should reflect the full value of the contract less actual shipments.
- For **cost-plus contracts**, sales should reflect cost incurred (value of work done) during the year. Unfilled orders should reflect the full contract value less the accumulated value of work done. Value of work done this year may be based on (a) multiplying the estimated percentage of work completed during the year by the contract price of the aircraft or missile, or (b) net billings for work done during the year.

Please indicate in the "Remarks" section of this form the method chosen to report these data.

Shipbuilding and repairing — For ships under construction, report the value of work done during the year. For vessels begun earlier than the beginning of the year or not completed during the year, report only the value of work done during the year. Value of work done this year may be based on (a) multiplying the estimated percentage of work completed during the year by the contract price of the vessel, or (b) net billings for work done during the year. Please indicate in the "Remarks" section of this form the method chosen to report these data. Unfilled orders should reflect the full contract value, less the accumulated value of work done.

Remarks

APPENDIX M

Officers and Directors, National Bureau of Economic Research (NBER) and Relation of the Directors to Work and Publications of the NBER

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	Arnold Zellner, <i>Chicago</i>

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Robert C. Holland, <i>Committee for Economic Development</i>	Joel Popkin, <i>American Statistical Association</i>
Stephan F. Kaliski, <i>Canadian Economics Association</i>	G. Edward Schuh, <i>American Agricultural Economics Association</i>
Albert G. Matamoros, <i>National Associa- tion of Business Economists</i>	James C. Van Horne, <i>American Finance Association</i>
Douglass C. North, <i>Economic History Association</i>	Charles A. Walworth, <i>American Institute of Certified Public Accountants</i>

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Gottfried Haberler		

RELATION OF THE DIRECTORS TO THE
WORK AND PUBLICATIONS OF THE
NATIONAL BUREAU OF ECONOMIC RESEARCH

1. The object of the National Bureau of Economic Research is to ascertain and to present to the public important economic facts and their interpretation in a scientific and impartial manner. The Board of Directors is charged with the responsibility of ensuring that the work of the National Bureau is carried on in strict conformity with this object.

2. The President of the National Bureau shall submit to the Board of Directors, or to its Executive Committee, for their formal adoption all specific proposals for research to be instituted.

3. No research report shall be published by the National Bureau until the President has sent each member of the Board a notice that a manuscript is recommended for publication and that in the President's opinion it is suitable for publication in accordance with the principles of the National Bureau. Such notification will include an abstract or summary of the manuscript's content and a response form for use by those Directors who desire a copy of the manuscript for review. Each manuscript shall contain a summary drawing attention to the nature and treatment of the problem studied, the character of the data and their utilization in the report, and the main conclusions reached.

4. For each manuscript so submitted, a special committee of the Directors (including Directors Emeriti) shall be appointed by majority agreement of the President and Vice Presidents (or by the Executive Committee in case of inability to decide on the part of the President and Vice Presidents), consisting of three Directors selected as nearly as may be one from each general division of the Board. The names of the special manuscript committee shall be stated to each Director when notice of the proposed publication is submitted to him. It shall be the duty of each member of the special manuscript committee to read the manuscript. If each member of the manuscript committee signifies his approval within thirty days of the transmittal of the manuscript, the report may be published. If at the end of that period any member of the manuscript committee withholds his approval, the President shall then notify each member of the Board, requesting approval or disapproval of publication, and thirty days additional shall be granted for this purpose. The manuscript shall then not be published unless at least a majority of the entire Board who shall have voted on the proposal within the time fixed for the receipt of votes shall have approved.

5. No manuscript may be published, though approved by each member of the special manuscript committee, until forty-five days have elapsed from the transmittal of the report in manuscript form. The interval is allowed for the receipt of any memorandum of dissent or reservation, together with a brief statement of his reasons, that any member may wish to express; and such memorandum of dissent or reservation shall be published with the manuscript if he so desires. Publication does not, however, imply that each member of the Board has read the manuscript, or that either members of the Board in general or the special committee have passed on its validity in every detail.

6. Publications of the National Bureau issued for informational purposes concerning the work of the Bureau and its staff, or issued to inform the public of activities of Bureau staff, and volumes issued as a result of various conferences involving the National Bureau shall contain a specific disclaimer noting that such publication has not passed through the normal review procedures required in this resolution. The Executive Committee of the Board is charged with review of all such publications from time to time to ensure that they do not take on the character of formal research reports of the National Bureau, requiring formal Board approval.

7. Unless otherwise determined by the Board or exempted by the terms of paragraph 6, a copy of this resolution shall be printed in each National Bureau publication.

(Resolution adopted October 25, 1926, as revised through September 30, 1974)

