

INCOME TAX: LAW AND ACCOUNTING

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Income Tax: Law and Accounting by Godfrey N. Nelson

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GODFREY N. NELSON

**INCOME TAX: LAW
AND ACCOUNTING**

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LAW AND ACCOUNTING**

—BY—

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UNIV. OF
CALIFORNIA

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TO THE
AMERICAN

PREFACE

Since the enactment of the Corporation Excise Tax of 1909, and the Federal Income Tax Law, applicable to both individuals and corporations, effective March 1, 1913, the writer has prepared, and advised with regard to, many income tax returns of corporations and individuals. The preparation of returns almost invariably necessitated the analysis and subdivision of book accounts as commonly kept in order to conform them to the classification prescribed by these laws. To obviate the necessity of analyzing and rearranging accounts and to facilitate the preparation of returns was the first thought that actuated the writing of this book. To make it more helpful there have been included rulings of the Treasury Department and court decisions on the most important items of income and expenses.

The writer makes no pretence at having produced a law book and at no time had that aim in view. This is intended merely to serve the purpose of a practical guide to those who, either for themselves or others, are called upon to prepare returns. Statements contained herein are predicated: first, upon the Income Tax Law enacted September 8, 1916, which was retroactive and took effect as of January 1, 1916; second, upon rulings by the Treasury Department thereon; and third, upon such rulings and court decisions under the Excise Tax of 1909 and the Income Tax Law of 1913, which are consistent and not in conflict with the requirements of the present law.

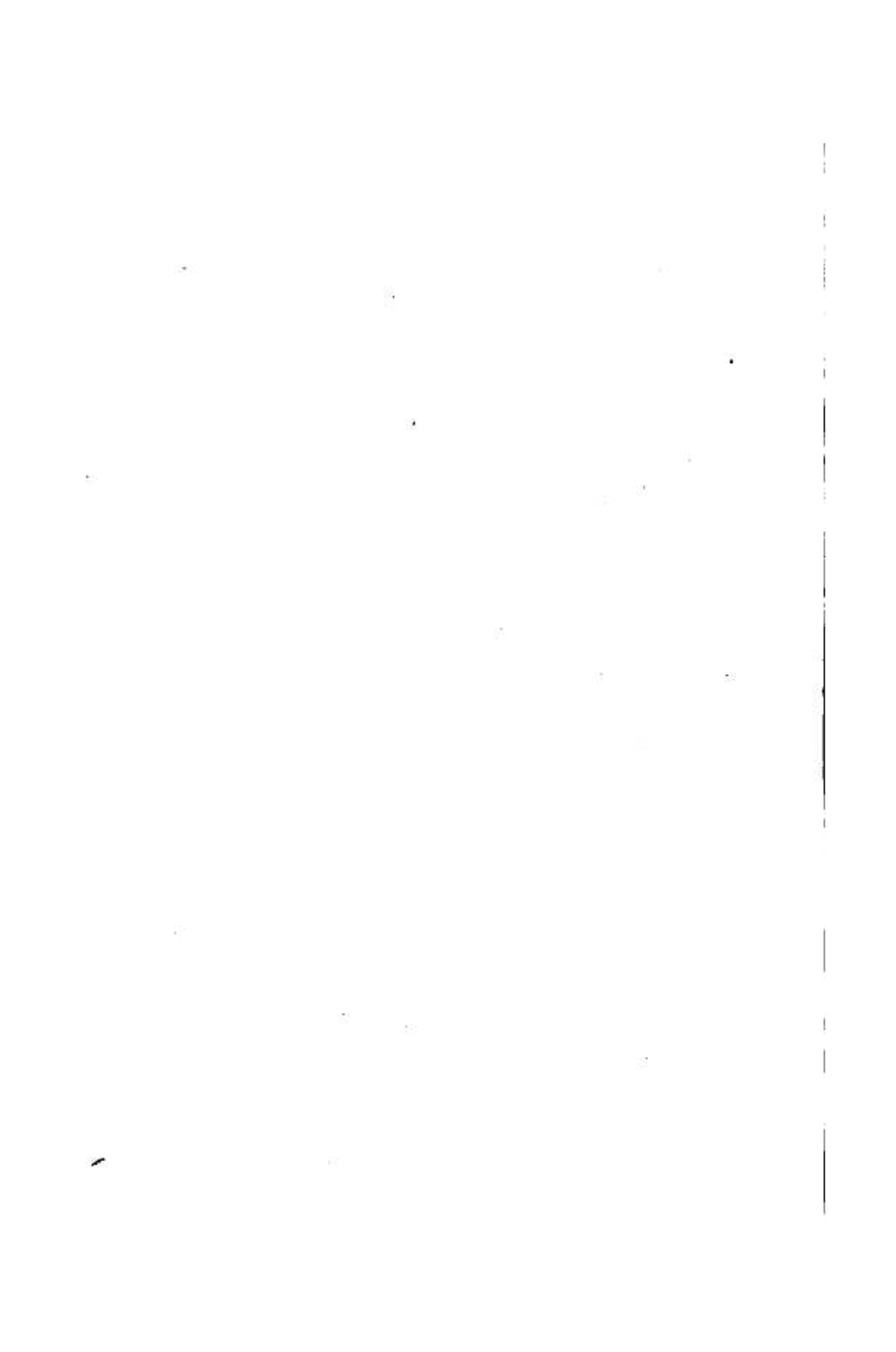
An expression of gratitude is due to various officials and officers of Internal Revenue of the Treasury Department at Washington and New York for the courtesies shown to the writer in matters submitted to them, but this acknowledgment should not be construed as an endorsement by them of the contents of this book. The writer also acknowledges the helpfulness of the Income Tax Service of the Corporation Trust Company, the index to which was especially useful as a ready reference to Treasury Decisions. Mention should also be made of Mr. Henry Campbell Black's treatise on the law of "Income Taxation" under Federal and State laws, to which the writer has referred.

The arrangement of subjects is not co-ordinate throughout, but the order of the statute and the returns of net income have been followed as nearly as practicable.

GODFREY N. NELSON.

New York City,
December 16th, 1916.

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