



U. S. TREASURY DEPARTMENT
INTERNAL REVENUE SERVICE

DISTRICT DIRECTOR

905 SECOND AVENUE BUILDING

SEATTLE 4, WASHINGTON

SEP 2 1958

IN REPLY REFER TO

A:O:Gp 2

Yoshio & Masaye Urakawa



Taxable year 1956

Marianne H.

(Names of Dependents)

In your income tax return you claimed deductions for the exemptions of persons named above as dependents of yours. This office needs additional information to determine whether, under the law, you are entitled to exemptions for the above-listed dependents. The requirements of the law are contained in the instructions which accompanied your return, and are also summarized on the back of this letter for your convenience.

Please furnish the necessary information as indicated in item 2 on each of the enclosed Forms 2038 and return the completed forms within 15 days in the enclosed envelope. A separate form must be used for each dependent listed above. If the Form 2038 is not completed and returned on time, this office will take steps to disallow the exemption claimed.

If you decide that you are not entitled to an exemption for the person whose name is shown on the form, please sign the withdrawal agreement at the end of the form on which the person's name appears. If a withdrawal agreement is signed, you need not answer any of the questions on the form.

Please return the Forms 2038 to this office, after which any appropriate adjustment will be made in your tax return, and you will be notified of the resulting tax change, if any.

Very truly yours,

WILLIAM E. FRANK

District Director

By *W. Larson*

Auditor

Encl: Form(s) 2038
Self-addressed envelope

U.S. TREASURY DEPARTMENT
INTERNAL REVENUE SERVICE
INFORMATION ON DEPENDENCY REQUIREMENTS

Each dependent must meet all of the five requirements listed below:

1. Received more than one-half of his or her support from you (or from your wife or husband if a joint return was filed).

2. Received less than \$600 gross income. This test does not apply to your children or stepchildren who are under 19 at the end of the taxable year or who are students.

3. Did not file a joint return with her husband (or his wife).

4. Was either a citizen or resident of the United States or a resident of Canada, Mexico, the Republic of Panama, or the Canal Zone.

5. EITHER (1) had as his principal place of abode your home and was a member of your household for the entire taxable year; OR (2) was related to you (or to your husband or wife if a joint return is filed) in one of the following ways:

Child	Mother-in-law
Stepchild	Father-in-law
Mother	Brother-in-law
Father	Sister-in-law
Grandparent	Son-in-law
Brother	Daughter-in-law
Sister	The following if related by blood:
Grandchild	Uncle
Stepbrother	Aunt
Stepsister	Nephew
Stepmother	Niece
Stepfather	

The law defines a student as an individual who is engaged in full-time study at a recognized educational institution for at least five months of the year, or who is pursuing a full-time course of institutional on-farm training under the supervision of an accredited agent of an educational institution or of a State, or a political subdivision of a State.

In figuring whether you provide more than one-half of the support of a student, you may disregard amounts received by him as scholarships.

The foregoing relationships are not ended for income tax purposes by divorce or the death of the taxpayer's wife or husband. For example, a taxpayer may continue to claim an exemption for supporting his mother-in-law after death or divorce has dissolved his marriage, provided she satisfies the other requirements of dependency.

The amounts spent for support of a dependent should include all outlays in money, goods, or other benefits whether made from taxable income such as wages, interest, profits, rents, etc.; or from nontaxable income such as Social Security benefits, veterans benefits, gifts, etc.; or from capital items such as savings, insurance, bonds, etc.

An apportionment of certain expenditures must be made in order to determine the amount of support furnished a dependent. For example: household expenses such as food, taxes, interest, utilities, etc.; or rental expense if renting a home, should be totaled and divided by the number of persons residing in the dwelling.

WILLIAM E. FRANK

District Director

By *[Signature]*

Auditor

Each Form 2038
Self-addressed envelope