

**Cornerstone Accounting & Tax Service LLC
2 S Market St Ste 102
Elizabethtown, PA 17022-2004
717-367-1132**

June 17, 2019

CONFIDENTIAL

WOODS EDGE OF ELIZABETHTOWN
HOMEOWNERS ASSOCIATION, INC.
C/O JAMES REEB, ONE ALPHA DRIVE
ELIZABETHTOWN, PA 17022

Dear Woods Edge of Elizabethtown HOA:

We have prepared the following returns from information provided by you without verification or audit:

U.S. Income Tax Return for Homeowners Associations (Form 1120-H)

We suggest that you examine these returns carefully to fully acquaint yourself with all items contained therein to ensure that there are no omissions or misstatements. Attached are instructions for signing and filing each return. Please follow those instructions carefully.

Also enclosed is any material you furnished for use in preparing the returns. If the returns are examined, requests may be made for supporting documentation. Therefore, we recommend that you retain all pertinent records for at least seven years.

In order that we may properly advise you of tax considerations, please keep us informed of any significant changes in your financial affairs or of any correspondence received from taxing authorities.

If you have any questions, or if we can be of assistance in any way, please call.

Sincerely,

Cornerstone Accounting & Tax Service LLC

Filing Instructions

WOODS EDGE OF ELIZABETHTOWN

Corporation Tax Return

Taxable Year Ended December 31, 2018

Federal Filing Instructions

Your 2018 Form 1120-H shows no balance due.

An authorized officer of the corporation should sign and date the return and mail by April 15, 2019 to:

Department of the Treasury
Internal Revenue Service Center
Cincinnati, OH 45999-0012

Form **1120-H**

Department of the Treasury
Internal Revenue Service

**U.S. Income Tax Return
for Homeowners Associations**

◆ Go to www.irs.gov/Form1120H for instructions and the latest information.

OMB No. 1545-0123

2018

For calendar year 2018 or tax year beginning _____, and ending _____

TYPE OR PRINT	Name WOODS EDGE OF ELIZABETHTOWN HOMEOWNERS ASSOCIATION, INC.	Employer identification number 26-1300386
	Number, street, and room or suite no. If a P.O. box, see instructions. C/O JAMES REEB, ONE ALPHA DRIVE	Date association formed 02/16/2007
	City or town, state or province, country, and ZIP or foreign postal code ELIZABETHTOWN PA 17022	

Check if: (1) Final return (2) Name change (3) Address change (4) Amended return

A Check type of homeowners association:	<input type="checkbox"/> Condominium management association	<input checked="" type="checkbox"/> Residential real estate association	<input type="checkbox"/> Timeshare association
B Total exempt function income. Must meet 60% gross income test. See instructions			42,438
C Total expenditures made for purposes described in 90% expenditure test. See instructions			34,226
D Association's total expenditures for the tax year. See instructions			34,226
E Tax-exempt interest received or accrued during the tax year			

Gross Income (excluding exempt function income)

1 Dividends	1
2 Taxable interest	2
3 Gross rents	3
4 Gross royalties	4
5 Capital gain net income (attach Schedule D (Form 1120))	5
6 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	6
7 Other income (excluding exempt function income) (attach statement)	7
8 Gross income (excluding exempt function income). Add lines 1 through 7	0

Deductions (directly connected to the production of gross income, excluding exempt function income)

9 Salaries and wages	9
10 Repairs and maintenance	10
11 Rents	11
12 Taxes and licenses	12
13 Interest	13
14 Depreciation (attach Form 4562)	14
15 Other deductions (attach statement)	15
16 Total deductions. Add lines 9 through 15	0
17 Taxable income before specific deduction of \$100. Subtract line 16 from line 8	0
18 Specific deduction of \$100	100

Tax and Payments

19 Taxable income. Subtract line 18 from line 17	19	-100
20 Enter 30% (0.30) of line 19. (Timeshare associations, enter 32% (0.32) of line 19.)	20	0
21 Tax credits (see instructions)	21	
22 Total tax. Subtract line 21 from line 20. See instructions for recapture of certain credits	22	0
23 a 2017 overpayment credited to 2018	23a	
b 2018 estimated tax payments	23b	
c Total ◆	23c	
d Tax deposited with Form 7004	23d	
e Credit for tax paid on undistributed capital gains (attach Form 2439)	23e	
f Credit for federal tax paid on fuels (attach Form 4136)	23f	
g Add lines 23c through 23f	23g	
24 Amount owed. Subtract line 23g from line 22. See instructions	24	0
25 Overpayment. Subtract line 22 from line 23g	25	
26 Enter amount of line 25 you want: Credited to 2019 estimated tax ◆ Refunded ◆	26	

Sign Here Under penalties of perjury, I declare that I have examined this return, 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. May the IRS discuss this return with the preparer shown below? See instr. Yes No

Signature of officer _____ Date _____ Title _____

Paid	Print/Type preparer's name CHRIS MAGWOOD	Preparer's signature CHRIS MAGWOOD	Date 06/17/19	Check <input checked="" type="checkbox"/> if self-employed	PTIN P01010974
	Preparer	Firm's name ◆ CORNERSTONE ACCOUNTING & TAX SERVICE LLC			Firm's EIN ◆ 83-2132874
Use Only	Firm's address ◆ 2 S MARKET ST STE 102 ELIZABETHTOWN, PA 17022-2004			Phone no. 717-367-1132	

For Paperwork Reduction Act Notice, see separate instructions.

Form **1120-H** (2018)

26-1300386

Federal Statements

FYE: 12/31/2018

Form 1120-H, Line B - Total Exempt Function Income

<u>Description</u>	<u>Amount</u>
HOMEOWNERS ASSOCIATION FEES	\$ <u>42,438</u>
TOTAL	\$ <u><u>42,438</u></u>

Form 1120-H, Line C - Total Expenditures For 90% Expenditure Test

<u>Description</u>	<u>Amount</u>
INSURANCE	\$ 865
LANDSCAPING/GROUNDSKEEPING	26,725
LEGAL & PROFESSIONAL	3,807
OFFICE EXPENSE	534
SNOW REMOVAL	<u>2,295</u>
TOTAL	\$ <u><u>34,226</u></u>