

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

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

2017

For calendar year 2017 or tax year beginning _____, 2017, and ending _____, 20

TYPE OR PRINT	Name FESTIVAL HOMEOWNERS ASSOCIATION	Employer identification number 86-0728320
	Number, street, and room or suite no. If a P.O. box, see instructions. P.O. BOX 25466	Date association formed
	City or town, state or province, country, and ZIP or foreign postal code TEMPE, ARIZONA 85285-5466	COPY

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

A Check type of homeowners association: Condominium management association Residential real estate association Timeshare association

B Total exempt function income. Must meet 60% gross income test. See instructions	B	121997	99
C Total expenditures made for purposes described in 90% expenditure test. See instructions	C	77202	68
D Association's total expenditures for the tax year. See instructions	D	79073	68
E Tax-exempt interest received or accrued during the tax year	E		

Gross Income (excluding exempt function income)			
1	Dividends		
2	Taxable interest	201	16
3	Gross rents		
4	Gross royalties		
5	Capital gain net income (attach Schedule D (Form 1120))		
6	Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)		
7	Other income (excluding exempt function income) (attach statement)		
8	Gross income (excluding exempt function income). Add lines 1 through 7	201	16

Deductions (directly connected to the production of gross income, excluding exempt function income)			
9	Salaries and wages		
10	Repairs and maintenance		
11	Rents		
12	Taxes and licenses	50	00
13	Interest		
14	Depreciation (attach Form 4562)		
15	Other deductions (attach statement)		
16	Total deductions. Add lines 9 through 15	1871	00
17	Taxable income before specific deduction of \$100. Subtract line 16 from line 8	1921	00
18	Specific deduction of \$100	-1719	84
		\$100	00

Tax and Payments			
19	Taxable income. Subtract line 18 from line 17	-1819	84
20	Enter 30% (0.30) of line 19. (Timeshare associations, enter 32% (0.32) of line 19.)	0	00
21	Tax credits (see instructions)	0	00
22	Total tax. Subtract line 21 from line 20. See instructions for recapture of certain credits	0	00
23	a 2016 overpayment credited to 2017 23a _____		
	b 2017 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 _____	0	00
24	Amount owed. Subtract line 23g from line 22. See instructions	0	00
25	Overpayment. Subtract line 22 from line 23g		
26	Enter amount of line 25 you want: Credited to 2018 estimated tax ▶ _____ Refunded ▶ _____		

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.

Signature of officer: *[Signature]* Date: 2018/03/21 Title: HOA President

May the IRS discuss this return with the preparer shown below? See instructions. Yes No

Paid Preparer Use Only	Print/Type preparer's name JOANNE OSHEEL	Preparer's signature <i>[Signature]</i>	Date 3/9/18	Check <input type="checkbox"/> if self-employed	PTIN P01292917	
	Firm's name ▶ KINNEY MANAGEMENT SERVICES	Firm's EIN ▶ 86-0524675				
	Firm's address ▶ P.O. BOX 25466 TEMPE, AZ 85285-5466	Phone no. 480-820-3451				

2017 US INCOME TAX RETURN

1120-H

1903

DETAIL SHEET

DEDUCTIONS

15. Other Deductions	
Management/Accounting Fees	1,596.00
Tax Preparation	<u>275.00</u>
	1,871.00

For the calendar year 2017 or fiscal year beginning _____, 2017 and ending _____, 2017.

Business Telephone Number (with area code) (480) 820-3451	Name FESTIVAL HOMEOWNERS ASSOCIATION	Employer Identification Number (EIN) 86-0728320
Business Activity Code (from federal Form 1120) 813990	Address – number and street or PO Box P.O. BOX 25466	City, Town or Post Office TEMPE
	State AZ	ZIP Code 85285-5466

IMPORTANT: Do not use Form 120A to file an Arizona combined or consolidated return. Use Form 120.

Check box if return filed under FEDERAL extension:
 82 **82F** Do not check if using Arizona Extension

REVENUE USE ONLY. DO NOT MARK IN THIS AREA.

88	81 PM	66 RCVD
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68 Check box if:

- This is a first return Name change Address change
- A Is FEDERAL return filed on a consolidated basis? Yes No
If "Yes", list EIN of common parent from consolidated return
- B Is this the corporation's final ARIZONA return under this EIN? Yes No
If "Yes", check one:
 Dissolved Withdrawn Merged/Reorganized
List EIN of the successor corporation, if any

Arizona Taxable Income Computation

1 Taxable income per federal return	1	-1,820	00
2 Additions to taxable income from page 2, Schedule A, line A8.....	2	150	00
3 Total taxable income: Add lines 1 and 2	3	-1,670	00
4 Subtractions from taxable income from page 2, Schedule B, line B10.....	4	0	00
5 Adjusted income: Subtract line 4 from line 3	5	-1,670	00
6 Arizona basis net operating loss carryover: Include computation schedule	6	0	00
7 Arizona taxable income: Subtract line 6 from line 5.....	7	-1,670	00

Arizona Tax Liability Computation

8 Enter tax: Tax is 4.9 percent of line 7 or fifty dollars (\$50), whichever is greater.....	8	50	00
9 Tax from recapture of tax credits from Arizona Form 300, Part 2, line 31.....	9	0	00
10 Subtotal: Add lines 8 and 9	10	50	00
11 Nonrefundable tax credits from Arizona Form 300, Part 2, line 56.....	11	0	00
12 Credit type: Enter form number for each nonrefundable credit used: 12 3 3 3 3			
13 Tax liability: Subtract line 11 from line 10.....	13	50	00

Tax Payments

14 Refundable tax credits: Check box(es) and enter amount: 14 <input type="checkbox"/> 308 <input type="checkbox"/> 342 <input type="checkbox"/> 349.....	14	0	00
15 Extension payment made with Form 120EXT or online: See instructions.....	15	50	00
16 Estimated tax payments: 16a 00 Claim of Right: 16b 00 Add 16a and 16b ...	16c	0	00
17 Total payments: Add lines 14, 15, and 16c. Enter the total.....	17	0	00

Computation of Total Due or Overpayment

18 Balance of tax due: If line 13 is larger than line 17, subtract line 17 from line 13. Enter the difference. Skip line 19..	18	50	00
19 Overpayment of tax: If line 17 is larger than line 13, subtract line 13 from line 17. Enter the difference.....	19	0	00
20 Penalty and interest	20	0	00
21 Estimated tax underpayment penalty: If Form 220 is included, check box..... 21A <input type="checkbox"/>	21	0	00
22 TOTAL DUE: See instructions	22	50	00
23 OVERPAYMENT: See instructions	23	0	00
24 Amount of line 23 to be applied to 2018 estimated tax..... 24 00			
25 Amount to be refunded: Subtract line 24 from line 23	25	0	00

Continued on page 2 →

Name (as shown on page 1) FESTIVAL HOMEOWNERS ASSOCIATION	EIN 86-0728320
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SCHEDULE A Additions to Taxable Income

A1 Total federal depreciation.....	A1	00
A2 Taxes based on income paid to any state (INCLUDING ARIZONA), local governments or foreign governments	A2	50 00
A3 Interest on obligations of other states, foreign countries, or political subdivisions	A3	00
A4 Special deductions claimed on federal return.....	A4	100 00
A5 Federal net operating loss deduction claimed on federal return.....	A5	00
A6 Additions related to Arizona tax credits: Include detailed schedule	A6	00
A7 Other additions to federal taxable income: Include detailed schedule.....	A7	00
A8 Total: Add lines A1 through A7. Enter the total here and on page 1, line 2.....	A8	150 00

SCHEDULE B Subtractions From Taxable Income

B1 Recalculated Arizona depreciation: See instructions	B1	00
B2 Basis adjustment for property sold or otherwise disposed of during the taxable year: See instructions	B2	00
B3 Dividends received from 50% or more controlled domestic corporations	B3	00
B4 Foreign dividend gross-up	B4	00
B5 Dividends received from foreign corporations	B5	00
B6 Interest on U.S. obligations.....	B6	00
B7 Agricultural crops charitable contribution.....	B7	00
B8 Expenses related to certain federal tax credits listed in the instructions: Include detailed schedule.....	B8	00
B9 Other subtractions from federal taxable income: Include detailed schedule	B9	00
B10 Total: Add lines B1 through B9. Enter the total here and on page 1, line 4	B10	00

SCHEDULE C Additional Information

C1 Date business began in Arizona:

C2 Address at which tax records are located for audit purposes: Number/Street: c/o Kinney Management Services - 6303 S Rural Rd
City: Tempe State: AZ ZIP Code: 85283

C3 The taxpayer designates the individual listed below as the person to contact to schedule an audit of this return and authorizes the disclosure of confidential information to this individual. (See instructions.)
Name: Joanne Osheel Phone Number: (480) 820-3451
Title: Management Agent (Area Code)

C4 List prior taxable years for which a federal examination has been finalized:
N/A

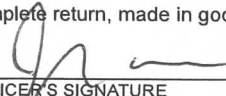
NOTE: A.R.S. § 43-327 requires the taxpayer, within ninety days after final determination, to report these changes under separate cover to the Arizona Department of Revenue or to file amended returns reporting these changes. (See instructions.)

C5 Indicate tax accounting method: Cash Accrual Other (Specify method.)

The following declaration must be signed by one or more of the following officers: president, treasurer, or any other principal officer.


Declaration Under penalties of perjury, I(we), the undersigned officer(s) authorized to sign this return, declare that I(we) have examined this return, including the accompanying schedules and statements, and to the best of my(our) knowledge and belief, it is a true, correct and complete return, made in good faith, for the taxable year stated pursuant to the income tax laws of the State of Arizona.

Please Sign Here

OFFICER'S SIGNATURE  DATE 2018/03/21 TITLE HOA President

OFFICER'S SIGNATURE _____ DATE _____ TITLE _____

Paid Preparer's Use Only

PAID PREPARER'S SIGNATURE  DATE 3/9/18 P01292917 PAID PREPARER'S PTIN
KINNEY MANAGEMENT SERVICES 86-0524675 FIRM'S EIN OR SSN
 FIRM'S NAME (OR PAID PREPARER'S NAME, IF SELF-EMPLOYED)
 P.O. BOX 25466 (480) 820-3451 FIRM'S TELEPHONE NUMBER
 FIRM'S STREET ADDRESS
 TEMPE AZ 85285 FIRM'S CITY STATE ZIP CODE
 CITY STATE ZIP CODE

Mail to: Arizona Department of Revenue, PO Box 29079, Phoenix, AZ 85038-9079

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

2017

Department of the Treasury
Internal Revenue Service

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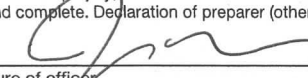
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**Sign
Here**

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Signature of officer:  Date: 2018/03/01 Title: MOA President

May the IRS discuss this return with the preparer shown below? See instructions. Yes No

Paid Preparer Use Only	Print/Type preparer's name JOANNE OSHEEL	Preparer's signature 	Date 3/9/18	Check <input type="checkbox"/> if self-employed	PTIN P01292917
	Firm's name ▶ KINNEY MANAGEMENT SERVICES	Firm's EIN ▶ 86-0524675			
	Firm's address ▶ P.O. BOX 25466 TEMPE, AZ 85285-5466	Phone no. 480-820-3451			

2017 US INCOME TAX RETURN

1120-H

DETAIL SHEET

DEDUCTIONS

15. Other Deductions	
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Tax Preparation	<u>275.00</u>
	1,871.00