Form **1120-H**
Department of the Treasury
Internal Revenue Service

U.S. Income Tax Return for Homeowners Associations

► See separate instructions.

OMB No. 1545-0127

2011

For calendar year 2011 or tax year beginning , 2011, and ending ,

TYPE OR PRINT		Employer identification number
	TOWNE PARK HOMEOWNERS ASSOCIATION C/O SENTRY MANAGEMENT 4121 EUBANK BLVD., NE ALBUQUERQUE, NM 87111	85-0324123 Date association formed 3/21/1984

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

A	Check type of homeowner's association: ☐ Condominium management association ☒ Residential real estate association ☐ Timeshare association		
B	Total exempt function income. Must meet 60% gross income test (see instructions)	B	1,230,396.
C	Total expenditures made for purposes described in 90% expenditure test (see instructions)	C	1,314,374.
D	Association's total expenditures for the tax year (see instructions)	D	
E	Tax-exempt interest received or accrued during the tax year	E	1,250.

Gross Income (excluding exempt function income)

1	Dividends	1	393.
2	Taxable interest	2	731.
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 schedule) SEE STATEMENT 1	7	2,939.
8	**Gross income** (excluding exempt function income). Add lines 1 through 7	8	4,063.

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 schedule)	15	
16	**Total deductions.** Add lines 9 through 15	16	0.
17	Taxable income before specific deduction of $100. Subtract line 16 from line 8	17	4,063.
18	Specific deduction of $100	18	$100.

Tax and Payments

19	**Taxable income.** Subtract line 18 from line 17					19	3,963.
20	Enter 30% of line 19. (Timeshare associations, enter 32% of line 19.)					20	1,189.
21	Tax credits (see instructions)					21	
22	**Total tax.** Subtract line 21 from line 20. See instructions for recapture of certain credits					22	1,189.
23	a 2010 overpayment credited to 2011	23a					
	b 2011 estimated tax payments	23b		c Total ►	23c	0.	
	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.
24	**Amount owed.** Subtract line 23g from line 22 (see instructions)					24	1,189.
25	**Overpayment.** Subtract line 22 from line 23g					25	
26	Enter amount of line 25 you want: **Credited to 2012 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.

► Signature of officer CLIENT'S COPY Date ► Title

May the IRS discuss this return with the preparer shown below (see instrs)? ☒ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
CATHERINE K. GUTIERREZ, CPA				P00305588

Firm's name ► TOOLEY & GUTIERREZ CPA'S & CONSULTANTS — Firm's EIN ► 85-0410051

Firm's address ► 1000 EUBANK BLVD NE SUITE A ALBUQUERQUE, NM 87112 — Phone no. 505-296-5201

SCHEDULE D (Form 1120)

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

► Attach to Form 1120, 1120-C, 1120-F, 1120-FSC, 1120-H, 1120-IC-DISC, 1120-L, 1120-ND, 1120-PC, 1120-POL, 1120-REIT, 1120-RIC, 1120-SF, or certain Forms 990-T.

► See separate instructions.

OMB No. 1545-0123

2011

Name: TOWNE PARK HOMEOWNERS ASSOCIATION

Employer identification number: 85-0324123

Part I Short-Term Capital Gains and Losses – Assets Held One Year or Less

(a) Description of property (Example: 100 shares of Z Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) (Subtract (e) from (d))
1 1 BANK OF CHINA CD	11/14/11	4/19/11	22,000.	22,000.	0.
1 BANK OF HAPALIM CD	8/11/10	2/18/11	40,000.	40,000.	0.
1 GE MONEY BANK CD	1/18/11	4/21/11	22,000.	22,000.	0.
1 BANK OF CHINA	1/14/11	4/19/11	30,000.	30,000.	0.
1 CITIZENS NATIONAL BANK	1/18/11	4/28/11	30,000.	30,000.	0.

2 Short-term capital gain from installment sales from Form 6252, line 26 or 37	2	
3 Short-term gain or (loss) from like-kind exchanges from Form 8824	3	
4 Unused capital loss carryover (attach computation)	4	
5 Net short-term capital gain or (loss). Combine lines 1 through 4	5	

Part II Long-Term Capital Gains and Losses – Assets Held More Than One Year

6 1 GE CAPITAL CORP	5/05/03	5/16/11	10,000.	10,000.	0.

7 Enter gain from Form 4797, line 7 or 9	7	
8 Long-term capital gain from installment sales from Form 6252, line 26 or 37	8	
9 Long-term gain or (loss) from like-kind exchanges from Form 8824	9	
10 Capital gain distributions (see instructions)	10	
11 Net long-term capital gain or (loss). Combine lines 6 through 10	11	

Part III Summary of Parts I and II

12 Enter excess of net short-term capital gain (line 5) over net long-term capital loss (line 11)	12	
13 Net capital gain. Enter excess of net long-term capital gain (line 11) over net short-term capital loss (line 5)	13	
14 Add lines 12 and 13. Enter here and on Form 1120, page 1, line 8, or the proper line on other returns	14	0.

Note. *If losses exceed gains, see* ***Capital losses*** *in the instructions.*

STATEMENT 1
FORM 1120-H, LINE 7
OTHER INCOME

BANK OF OKLAHOMA	$	934.
NATIONWIDE ADVANTAGE MORTGAGE		2,005.
TOTAL	$	2,939.

TOWNE PARK HOMEOWNERS ASSOCIATION 85-0324123

	2011	2010	DIFF
EXEMPT FUNCTION INCOME AND EXPENDITURES			
TOTAL EXEMPT FUNCTION INCOME	1,230,396	1,199,787	30,609
EXPENDITURES DESCRIBED IN 90% TEST	1,314,374	1,125,862	188,512
TAX EXEMPT INTEREST	1,250	1,250	0
GROSS INCOME (NON-EXEMPT FUNCTION INCOME)			
DIVIDENDS	393	1,317	-924
TAXABLE INTEREST	731	1,307	-576
OTHER INCOME	2,939	1,124	1,815
GROSS INCOME	4,063	3,748	315
DEDUCTIONS			
TOTAL DEDUCTIONS	0	0	0
TAXABLE INCOME			
TAXABLE INCOME BEFORE SPECIFIC DED	4,063	3,748	315
SPECIFIC DEDUCTION OF $100	100	100	0
TAXABLE INCOME	3,963	3,648	315
TAX COMPUTATION			
TAX (30% OF TAXABLE INCOME)	1,189	1,094	95
NET TAX	1,189	1,094	95
PAYMENTS AND CREDITS			
TOTAL PAYMENTS AND CREDITS	0	0	0
REFUND OR AMOUNT DUE			
OVERPAYMENT	0	0	0
TAX DUE	1,189	1,094	95
TAX RATES			
MARGINAL TAX RATE	30.0%	30.0%	0.0%
EFFECTIVE TAX RATE	30.0%	30.0%	0.0%

TOWNE PARK HOMEOWNERS ASSOCIATION 85-0324123

FORMS NEEDED FOR THIS RETURN

FEDERAL: 1120-H, SCH D

TAX RATES

	MARGINAL	EFFECTIVE
FEDERAL	30%	30%

CARRYOVERS TO 2012

FEDERAL CARRYOVERS

ACCUMULATED POSITIVE ACE ADJUSTMENTS	1,876.