Form **1120-H**

Department of the Treasury
Internal Revenue Service

U.S. Income Tax Return for Homeowners Associations

► Information about Form 1120-H and its separate instructions is at *www.irs.gov/form1120h.*

OMB No. 1545-0127

2012

For calendar year 2012 or tax year beginning , 2012, and ending ,

TYPE OR PRINT		Employer identification number
	TOWNE PARK HOMEOWNERS ASSOCIATION C/O SENTRY MANAGEMENT 2180 W SR 434 STE 5000 LONGWOOD, FL 32779	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	1,261,566.
C	Total expenditures made for purposes described in 90% expenditure test (see instructions)	C	1,176,383.
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	1,914.
2	Taxable interest	2	827.
3	Gross rents	3	
4	Gross royalties	4	
5	Capital gain net income (attach Schedule D (Form 1120))	5	15.
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	8	2,756.

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	16	0.
17	Taxable income before specific deduction of $100. Subtract line 16 from line 8	17	2,756.
18	Specific deduction of $100	18	$100.

Tax and Payments

19	**Taxable income.** Subtract line 18 from line 17					19	2,656.
20	Enter 30% of line 19. (Timeshare associations, enter 32% of line 19.)					20	797.
21	Tax credits (see instructions)					21	
22	**Total tax.** Subtract line 21 from line 20. See instructions for recapture of certain credits					22	797.
a	2011 overpayment credited to 2012	23a					
b	2012 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	797.
25	**Overpayment.** Subtract line 22 from line 23g					25	
26	Enter amount of line 25 you want: **Credited to 2013 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

Form **2220**

Department of the Treasury
Internal Revenue Service

Underpayment of Estimated Tax by Corporations

► Attach to the corporation's tax return.

► Information about Form 2220 and its separate instructions is at *www.irs.gov/form2220.*

OMB No. 1545-0142

2012

Name	Employer identification number
TOWNE PARK HOMEOWNERS ASSOCIATION	85-0324123

Note: *Generally, the corporation is not required to file Form 2220 (see Part II below for exceptions) because the IRS will figure any penalty owed and bill the corporation. However, the corporation may still use Form 2220 to figure the penalty. If so, enter the amount from page 2, line 38 on the estimated tax penalty line of the corporation's income tax return, but* ***do not*** *attach Form 2220.*

Part I Required Annual Payment

1	Total tax (see instructions)		1	797.
2a	Personal holding company tax (Schedule PH (Form 1120), line 26) included on line 1	2a		
b	Look-back interest included on line 1 under section 460(b)(2) for completed long-term contracts or section 167(g) for depreciation under the income forecast method	2b		
c	Credit for federal tax paid on fuels (see instructions)	2c		
d	**Total.** Add lines 2a through 2c		2d	
3	Subtract line 2d from line 1. If the result is less than $500, **do not** complete or file this form. The corporation does not owe the penalty		3	797.
4	Enter the tax shown on the corporation's 2011 income tax return (see instructions). **Caution:** ***If the tax is zero or the tax year was for less than 12 months, skip this line and enter the amount from line 3 on line 5***		4	1,189.
5	**Required annual payment.** Enter the **smaller** of line 3 or line 4. If the corporation is required to skip line 4, enter the amount from line 3		5	797.

Part II Reasons for Filing – Check the boxes below that apply. If any boxes are checked, the corporation **must** file Form 2220 even if it does not owe a penalty (see instructions).

6 ☐ The corporation is using the adjusted seasonal installment method.

7 ☐ The corporation is using the annualized income installment method.

8 ☒ The corporation is a 'large corporation' figuring its first required installment based on the prior year's tax.

Part III Figuring the Underpayment

		(a)	(b)	(c)	(d)
9	**Installment due dates.** Enter in columns (a) through (d) the 15th day of the 4th (***Form 990-PF filers:*** Use 5th month), 6th, 9th, and 12th months of the corporation's tax year	4/15/12	6/15/12	9/15/12	12/15/12
10	**Required installments.** If the box on line 6 and/or line 7 above is checked, enter the amounts from Schedule A, line 38. If the box on line 8 (but not 6 or 7) is checked, see instructions for the amounts to enter. If none of these boxes are checked, enter 25% of line 5 above in each column	0.	0.	0.	0.
11	Estimated tax paid or credited for each period (see instructions). For column (a) only, enter the amount from line 11 on line 15				
	Complete lines 12 through 18 of one column before going to the next column.				
12	Enter amount, if any, from line 18 of the preceding column				
13	Add lines 11 and 12				
14	Add amounts on lines 16 and 17 of the preceding column				
15	Subtract line 14 from line 13. If zero or less, enter -0-	0.	0.	0.	0.
16	If the amount on line 15 is zero, subtract line 13 from line 14. Otherwise, enter -0-		0.	0.	
17	**Underpayment.** If line 15 is less than or equal to line 10, subtract line 15 from line 10. Then go to line 12 of the next column. Otherwise, go to line 18				
18	**Overpayment.** If line 10 is less than line 15, subtract line 10 from line 15. Then go to line 12 of the next column				

Go to Part IV on page 2 to figure the penalty. Do not go to Part IV if there are no entries on line 17 – no penalty is owed.

Part IV Figuring the Penalty

		(a)	(b)	(c)	(d)
19 Enter the date of payment or the 15th day of the 3rd month after the close of the tax year, whichever is earlier (see instructions). ***(Form 990-PF and Form 990-T filers:*** Use 5th month instead of 3rd month.)	19				
20 Number of days from due date of installment on line 9 to the date shown on line 19	20				
21 Number of days on line 20 after 4/15/2012 and before 7/1/2012	21				
22 Underpayment on line 17 X Number of days on line 21 / 366 X 3%	22				
23 Number of days on line 20 after 6/30/2012 and before 10/1/2012	23				
24 Underpayment on line 17 X Number of days on line 23 / 366 X 3%	24				
25 Number of days on line 20 after 9/30/2012 and before 1/1/2013	25				
26 Underpayment on line 17 X Number of days on line 25 / 366 X 3%	26				
27 Number of days on line 20 after 12/31/2012 and before 4/1/2013	27				
28 Underpayment on line 17 X Number of days on line 27 / 365 X 3%	28				
29 Number of days on line 20 after 3/31/2013 and before 7/1/2013	29				
30 Underpayment on line 17 X Number of days on line 29 / 365 X ____*%	30				
31 Number of days on line 20 after 6/30/2013 and before 10/1/2013	31				
32 Underpayment on line 17 X Number of days on line 31 / 365 X ____*%	32				
33 Number of days on line 20 after 9/30/2013 and before 1/1/2014	33				
34 Underpayment on line 17 X Number of days on line 33 / 365 X ____*%	34				
35 Number of days on line 20 after 12/31/2013 and before 2/16/2014	35				
36 Underpayment on line 17 X Number of days on line 35 / 365 X ____*%	36				
37 Add lines 22, 24, 26, 28, 30, 32, 34, and 36	37				

38 **Penalty.** Add columns (a) through (d) of line 37. Enter the total here and on Form 1120, line 33; or the comparable line for other income tax returns. **38** 0.

*Use the penalty interest rate for each calendar quarter, which the IRS will determine during the first month in the preceding quarter. These rates are published quarterly in an IRS News Release and in a revenue ruling in the Internal Revenue Bulletin. To obtain this information on the Internet, access the IRS website at **www.irs.gov.** You can also call 1-800-829-4933 to get interest rate information.

TOWNE PARK HOMEOWNERS ASSOCIATION 85-0324123

	2012	2011	DIFF
EXEMPT FUNCTION INCOME AND EXPENDITURES			
TOTAL EXEMPT FUNCTION INCOME	1,261,566	1,230,396	31,170
EXPENDITURES DESCRIBED IN 90% TEST	1,176,383	1,314,374	-137,991
TAX EXEMPT INTEREST	1,250	1,250	0
GROSS INCOME (NON-EXEMPT FUNCTION INCOME)			
DIVIDENDS	1,914	393	1,521
TAXABLE INTEREST	827	731	96
CAPITAL GAIN NET INCOME FROM SCHED. D	15	0	15
OTHER INCOME	0	2,939	-2,939
GROSS INCOME	2,756	4,063	-1,307
DEDUCTIONS			
TOTAL DEDUCTIONS	0	0	0
TAXABLE INCOME			
TAXABLE INCOME BEFORE SPECIFIC DED	2,756	4,063	-1,307
SPECIFIC DEDUCTION OF $100	100	100	0
TAXABLE INCOME	2,656	3,963	-1,307
TAX COMPUTATION			
TAX (30% OF TAXABLE INCOME)	797	1,189	-392
NET TAX	797	1,189	-392
PAYMENTS AND CREDITS			
TOTAL PAYMENTS AND CREDITS	0	0	0
REFUND OR AMOUNT DUE			
OVERPAYMENT	0	0	0
TAX DUE	797	1,189	-392
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, 2220

TAX RATES

	MARGINAL	EFFECTIVE
FEDERAL	30%	30%

CARRYOVERS TO 2013

FEDERAL CARRYOVERS

ACCUMULATED POSITIVE ACE ADJUSTMENTS	1,876.