

Federal Diagnostics

PREPARED BY: LORI A. MILES, CPA
09/02/2011 02:01 PM
LORI MILES

CRITICAL MESSAGES

NONE

ELECTRONIC FILING

NONE

INFORMATIONAL MESSAGES

- ☐ IF THE EXTENSION HAS NOT PREVIOUSLY BEEN ELECTRONICALLY FILED, IT CAN ONLY BE FILED FOR THE FIRST TIME AFTER THE TAX YEAR END AND BEFORE THE DUE DATE
- ☐ PREPARER 'LORI A. MILES, CPA', STAFF 'L. MILES'
- ☐ FORCE FIELD ENTERED WITH DATA "365.00" ON SCREEN LETTER
- ☐ FORCE FIELD ENTERED WITH DATA "2" ON SCREEN H

Form 1120-H Return Summary

For calendar year 2010 or tax year beginning , ending
PINE FOREST COUNTRY CLUB ASSOC INC 57-0925311

Exempt Function Income

Total exempt function income	78,012
Total expenditures made for the expenditure test	61,673
Association's total expenditures	
Tax-exempt interest received or accrued	

Taxable Income

Gross income	79	
Total deductions		
Taxable income before specific deduction of \$100	79	
Specific deduction of \$100	100	
Taxable income		-21

Tax Computation

Income tax		
Tax credits		
Total tax		

Payments / Penalties

Estimated tax payments		
Extension payment		
Other payments / credits		
Penalties and interest		
Total payments / penalties		
Tax due		0

Overpayment credited to next year's estimated tax

Refund

Taylor, Miles & Associates, P.A.
1940 Trolley Rd Ste A
Summerville, SC 29485
843-875-1774

September 2, 2011

CONFIDENTIAL

Pine Forest Country Club Assoc Inc
PO Box 2134
Summerville, SC 29484

Dear Board of Directors:

We have prepared the enclosed returns from information provided by you without verification or audit. 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.

Federal Filing Instructions

Your 2010 Form 1120-H shows no balance due.

An authorized officer of the corporation should sign and date the return and mail by September 15, 2011 to:

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

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 do not hesitate to call.

Sincerely,

Taylor, Miles & Associates, P.A.

_____PERSONAL BUSINESS PROPERTY TAX: _____

SIGN, TITLE AND DATE RETURN AND MAIL IN ATTACHED ENVELOPE BY

2010 CLIENT DISCLAIMER

I have reviewed the above referenced tax return(s) and am in agreement that the information contained thereon is correct to the best of my knowledge and belief. I have supplied you with all of the information contained on the return(s) and I further understand that I am responsible for the correctness of the return(s).

I have read the declaration on the return(s) and understand the meaning of this affirmation.

SIGNED_____

TITLE_____

DATE_____

Pine Forest Country Club Assoc Inc
PO Box 2134
Summerville, SC 29484

Taylor, Miles & Associates, P.A.
1940 Trolley Rd Ste A
Summerville. SC 29485

Dear Pine Forest Country Club Assoc Inc:

This letter is to confirm and specify the terms of our engagement for the year ended 2010 and to clarify the nature and extent of the services we will provide. Also, by you signing this letter, we are assuming that you are the persons responsible for the tax matters of the business. If this is not a correct assumption, please furnish us with the name of the tax matters person.

Our engagement will be designed to perform the following services:

1. Prepare the federal, state, and local income tax returns with supporting schedules.
2. Perform any bookkeeping necessary for preparation of the income tax returns.

Our work in connection with the preparation of your income tax returns does not include any procedures designed to discover defalcations or other irregularities, should any exist.

We will use our judgment in resolving questions where the tax law is unclear or where there may be conflicts between the taxing authorities' interpretations of the law and other supportable positions. Unless otherwise instructed by you, we will resolve such questions in your favor, whenever possible.

The law provides various penalties that may be imposed when taxpayers understate their tax liability. If you would like information on the amount or circumstances of these penalties, please contact us. Because a partnership is an entity whose tax attributes flow through to its partners, the penalty for substantial understatement of tax relating to partnership items may be imposed on the partners.

Management is responsible for the proper recording of transactions in the books of accounts, for the safeguarding of assets, and for the substantial accuracy of the financial records. You have the final responsibility for the income tax returns and, therefore, you should review them carefully before you sign and file them.

Your returns may be selected for review by the taxing authorities. Any proposed adjustments by the examining agent are subject to certain rights of appeal. In the event of such government tax examination, we will be available upon request to represent you and will render additional invoices for the time and expenses incurred.

Our fees for these services will be based upon the amount of time required at our standard billing rates, plus out-of-pocket expenses. All invoices are due and payable upon presentation. A service charge of 1.5% per month, an annual percentage rate of 18%, will be added to all amounts not paid within 30 days of billing. Any account that is past due is subject to work being suspended and/or terminated. If work is suspended or terminated, we will no longer be responsible for informing you of any required filings and/or dates when such filings are due. If it is necessary to incur any legal or other expenses in connection with the collection of the fee, you will be responsible for these expenses and fees.

If the foregoing fairly sets forth your understanding, please sign the enclosed copy of this letter in the space indicated and return it to our office. However, if there are any additional returns you expect us to prepare, please note this at the end of the returned copy of this letter, just below your signature.

We want to express our appreciation for this opportunity to work with you.

Very truly yours,

Taylor, Miles & Associates, PA

Accepted by: _____

Title: _____

Date: _____

Pine Forest Country Club Assoc Inc

Taylor, Miles & Associates, P.A.
1940 Trolley Rd Ste A
Summerville, SC 29485
843-875-1774

September 2, 2011

CONFIDENTIAL

Pine Forest Country Club Assoc Inc
PO Box 2134
Summerville, SC 29484

For professional services rendered in connection with the preparation of your 2010 corporate tax return:

Amount due \$ 365.00

Form 1120-H Department of the Treasury Internal Revenue Service	U.S. Income Tax Return for Homeowners Associations <u>u See separate instructions.</u>	OMB No. 1545-0127 <div style="font-size: 2em; font-weight: bold;">2010</div>
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For calendar year 2010 or tax year beginning , and ending

Use IRS label. Other- wise, print or type.	Name PINE FOREST COUNTRY CLUB ASSOC INC	Employer identification number 57-0925311
	Number, street, and room or suite no. If a P.O. box, see instructions. PO BOX 2134	Date association formed
	City or town, state, and ZIP code SUMMERVILLE SC 29484	12/28/1990

Check if: (1) <input type="checkbox"/> Final return (2) <input type="checkbox"/> Name change (3) <input type="checkbox"/> Address change (4) <input type="checkbox"/> 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) B 78,012
C Total expenditures made for purposes described in 90% expenditure test (see instructions) C 61,673
D Association's total expenditures for the tax year (see instructions) D
E Tax-exempt interest received or accrued during the tax year E

Gross Income (excluding exempt function income)

1 Dividends	1
2 Taxable interest	2 79
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)	7
8 Gross income (excluding exempt function income). Add lines 1 through 7	8 79

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 79
18 Specific deduction of \$100	18 100

Tax and Payments

19 Taxable income. Subtract line 18 from line 17	19 -21				
20 Enter 30% of line 19. (Timeshare associations, enter 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 2009 overpayment credited to 2010 23a					
b 2010 estimated tax payments 23b					
c Total u 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 2011 estimated tax u	26	Refunded u			

**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

Paid	Print/Type preparer's name LORI A. MILES, CPA	Preparer's signature	Date 09/02/11	Check <input type="checkbox"/> if self-employed	PTIN P00303811
	Firm's name u TAYLOR, MILES & ASSOCIATES, P.A.				Firm's EIN u 57-1036627
Preparer	Firm's address u 1940 TROLLEY RD STE A SUMMERVILLE, SC 29485				Phone no. 843-875-1774
Use Only					

For Paperwork Reduction Act Notice, see separate instructions.

Form **1120-H** (2010)