October 6, 2023

Whetstone Industrial Park Lot Owners Ass
P. O. Box 836
Crested Butte, CO 81224
Attention: Bill Lacy

Dear Bill:

We have prepared and enclosed your 2022 Homeowners Association income tax return for the year ended December 31, 2022. The return should be signed, dated and mailed.

The federal Form 1120-H should be mailed on or before October 16, 2023 to:

Department of the Treasury
Internal Revenue Service Center
Ogden, UT 84201-0012

No payment is required.

A copy of the return is enclosed for your files. We suggest that you retain this copy indefinitely.

We appreciate the opportunity to serve you. If you have any questions, please do not hesitate to call.

Sincerely,

James B. Files

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

2022

For calendar year 2022 or tax year beginning , and ending

TYPE OR PRINT

Name: WHETSTONE INDUSTRIAL PARK LOT OWNERS ASS

Number, street, and room or suite no. If a P.O. box, see instructions.: P. O. BOX 836

City or town, state or province, country, and ZIP or foreign postal code: CRESTED BUTTE, CO 81224

Employer identification number: 88-1769369

Date association formed: 06/01/2017

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 STATEMENT 1	B	40,018.
C	Total expenditures made for purposes described in 90% expenditure test ..... SEE STATEMENT 2	C	14,925.
D	Association's total expenditures for the tax year	D	14,925.
E	Tax-exempt interest received or accrued during the tax year	E	0.

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	8	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	16	0.
17	Taxable income before specific deduction of $100. Subtract line 16 from line 8	17	0.
18	Specific deduction of $100	18	$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				21		
22	**Total tax.** Subtract line 21 from line 20. See instructions for recapture of certain credits				22		0.
23	a 2021 overpayment credited to 2022	23a					
	b 2022 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		
25	**Overpayment.** Subtract line 22 from line 23g				25		
26	Enter amount of line 25 you want: **Credited to 2023 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 | Date | PRESIDENT Title

May the IRS discuss this return with the preparer shown below? See instr. ☒ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check if self-employed	PTIN
JAMES B. FILES		10/06/23	☐	P00368343

Firm's name HOWARD, LLP — Firm's EIN 20-2257536

Firm's address 7557 RAMBLER ROAD, SUITE 600 DALLAS, TX 75231 — Phone no. (214) 346-0750

FORM 1120-H EXEMPT FUNCTION INCOME STATEMENT 1

DESCRIPTION	AMOUNT
HOA MEMBERSHIP DUES	40,018.
TOTAL TO FORM 1120-H, ITEM B	40,018.

FORM 1120-H EXPENDITURES DESCRIBED IN 90% TEST STATEMENT 2

DESCRIPTION	AMOUNT
BANK SERVICE CHARGES	106.
ELECTRICITY	6,454.
GROUNDS MAINTENANCE & REPAIRS	338.
INSURANCE EXPENSE	2,837.
LEGAL EXPENSES	690.
MANAGEMENT FEES	4,500.
TOTAL TO FORM 1120-H, ITEM C	14,925.