**PUBLIC DISCLOSURE COPY**

Form 990-T

Exempt Organization Business Income Tax Return (and proxy tax under section 6033(e))

For calendar year 2018 or other tax year beginning JUL 1, 2018, and ending JUN 30, 2019

Go to www.irs.gov/Form990T for instructions and the latest information.

Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3).

OMB No. 1545-0087

**2018**

Exemt Organization Business Income Tax Return

<table>
<thead>
<tr>
<th>Name of organization</th>
<th>CRISTA Ministries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer identification number</td>
<td>91-6012289</td>
</tr>
<tr>
<td>Unrelated business activity code (See instructions.)</td>
<td></td>
</tr>
</tbody>
</table>

501(c) (3) Organization at end of year

| Number, street, and room or suite no. If a P.O. box, see instructions. |
| 19303 Fremont Ave N |
| City or town, state or province, country, and ZIP or foreign postal code | Seattle, WA 98133-3800 |
| C Book value of all assets at end of year | $143,997,062. |

| G Group exemption number (See instructions.) |
| 1 |

| H Enter the number of the organization's unrelated trades or businesses | 1 |
| Describe the only (or first) unrelated trade or business here | See Statement 1 |

J The books are in care of: Tami Turcott

| Telephone number | 206-289-7717 |

**Part I**

Unrelated Trade or Business Income

<table>
<thead>
<tr>
<th>(A) Income</th>
<th>(B) Expenses</th>
<th>(C) Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Gross receipts or sales</td>
<td>6,148,597.</td>
<td>6,148,597.</td>
</tr>
<tr>
<td>(b) Less returns and allowances</td>
<td>Balance</td>
<td>1c</td>
</tr>
<tr>
<td>2 Cost of goods sold (Schedule A, line 7)</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>3 Gross profit. Subtract line 2 from line 1c</td>
<td>3</td>
<td>6,148,597.</td>
</tr>
<tr>
<td>4a Capital gain net income (attach Schedule D)</td>
<td>4a</td>
<td></td>
</tr>
<tr>
<td>4b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)</td>
<td>4b</td>
<td></td>
</tr>
<tr>
<td>4c Capital loss deduction for trusts</td>
<td>4c</td>
<td></td>
</tr>
<tr>
<td>5 Income (loss) from a partnership or an S corporation (attach statement)</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>6 Rent income (Schedule C)</td>
<td>6</td>
<td>200,493.</td>
</tr>
<tr>
<td>7 Unrelated debt-financed income (Schedule E)</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>8 Interest, annuities, royalties, and rents from a controlled organization (Schedule F)</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>9 Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>10 Exploited exempt activity income (Schedule I)</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>11 Advertising income (Schedule J)</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>12 Other income (See instructions; attach schedule)</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>Total. Combine lines 3 through 12</td>
<td>13</td>
<td>6,394,090.</td>
</tr>
</tbody>
</table>

**Part II**

Deductions Not Taken Elsewhere (See instructions for limitations on deductions.)

<table>
<thead>
<tr>
<th>(A) Income</th>
<th>(B) Expenses</th>
<th>(C) Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>14 Compensation of officers, directors, and trustees (Schedule K)</td>
<td>14</td>
<td>60,856.</td>
</tr>
<tr>
<td>15 Salaries and wages</td>
<td>15</td>
<td>2,699,945.</td>
</tr>
<tr>
<td>16 Repairs and maintenance</td>
<td>16</td>
<td>9,571.</td>
</tr>
<tr>
<td>17 Bad debts</td>
<td>17</td>
<td>65,670.</td>
</tr>
<tr>
<td>18 Interest (attach schedule) (see instructions)</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>19 Taxes and licenses</td>
<td>19</td>
<td>24,022.</td>
</tr>
<tr>
<td>20 Charitable contributions (See instructions for limitation rules) See Statement 4</td>
<td>20</td>
<td>0.</td>
</tr>
<tr>
<td>21 Depreciation (attach Form 4562)</td>
<td>21</td>
<td>159,185.</td>
</tr>
<tr>
<td>22 Less depreciation claimed on Schedule A and elsewhere on return See Statement 3</td>
<td>22a</td>
<td>159,185.</td>
</tr>
<tr>
<td>23 Depletion</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>24 Contributions to deferred compensation plans</td>
<td>24</td>
<td>45,300.</td>
</tr>
<tr>
<td>25 Employee benefit programs</td>
<td>25</td>
<td>250,912.</td>
</tr>
<tr>
<td>26 Excess exempt expenses (Schedule I)</td>
<td>26</td>
<td></td>
</tr>
<tr>
<td>27 Excess readership costs (Schedule J)</td>
<td>27</td>
<td></td>
</tr>
<tr>
<td>28 Other deductions (attach schedule) See Statement 3</td>
<td>28</td>
<td>3,558,149.</td>
</tr>
<tr>
<td>Total deductions. Add lines 14 through 28</td>
<td>29</td>
<td>6,782,710.</td>
</tr>
<tr>
<td>30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13</td>
<td>30</td>
<td>-433,620.</td>
</tr>
<tr>
<td>31 Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions)</td>
<td>31</td>
<td></td>
</tr>
<tr>
<td>32 Unrelated business taxable income. Subtract line 31 from line 30</td>
<td>32</td>
<td>-433,620.</td>
</tr>
</tbody>
</table>
Part III | Total Unrelated Business Taxable Income

33 Total of unrelated business taxable income computed from all unrelated trades or businesses (see instructions) 33 -433,620.
34 Amounts paid for disallowed fringes 34
35 Deduction for net operating loss arising in tax years beginning before January 1, 2018 (see instructions) Stat 6 35 0.
36 Total of unrelated business taxable income before specific deduction. Subtract line 35 from the sum of lines 33 and 34 36 -433,620.
37 Specific deduction (Generally $1,000, but see line 37 instructions for exceptions) 37 1,000.
38 Unrelated business taxable income. Subtract line 37 from line 36. If line 37 is greater than line 36, enter the smaller of zero or line 36 38 -433,620.

Part IV | Tax Computation

39 Organizations Taxable as Corporations. Multiply line 38 by 21% (0.21) 39 0.
40 Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 38 from: Tax rate schedule or Schedule D (Form 1041) 40
41 Proxy tax. See instructions 41
42 Alternative minimum tax (trusts only) 42
43 Tax on Noncompliant Facility Income. See instructions 43
44 Total. Add lines 41, 42 and 43 to line 39 or 40, whichever applies 44 0.

Part V | Tax and Payments

45a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116) 45a
45b Other credits (see instructions) 45b
45c General business credit. Attach Form 3800 45c
45d Credit for prior year minimum tax (attach Form 8801 or 8827) 45d
45e Total credits. Add lines 45a through 45d 45e
46 Subtract line 45e from line 44 46 0.
47 Other taxes. Check if from: Form 4255 47 Form 6657 47 Form 8611 47 Form 8697 47 Form 8866 47 Other (see instructions) 47
48 Total tax. Add lines 46 and 47 (see instructions) 48 0.
49 2018 net 965 tax liability paid from Form 965-A or Form 965-B, Part II, column (k), line 2 49 0.
50a Payments: A 2017 overpayment credited to 2018 50a 0.
50b 2018 estimated tax payments 50b
50c Tax deposited with Form 8868 50c
50d Foreign organizations: Tax paid or withheld at source (see instructions) 50d
50e Backup withholding (see instructions) 50e
50f Credit for small employer health insurance premiums (attach Form 9431) 50f
50g Other credits, adjustments, and payments: Form 2439 50g
51 Total payments. Add lines 50a through 50g 51 3,372.
52 Estimated tax penalty (see instructions). Check if Form 2220 is attached 52
53 Tax due. If line 51 is less than the total of lines 48, 49, and 52, enter amount owed 53
54 Overpayment. If line 51 is larger than the total of lines 48, 49, and 52, enter amount overpaid 54 3,372.
55 Enter the amount of line 54 you want. Credited to 2019 estimated tax 55 3,372.

Part VI | Statements Regarding Certain Activities and Other Information (see instructions)

56 At any time during the 2018 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If "Yes," the organization may have to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts. If "Yes," enter the name of the foreign country here 56 X See Statement 5

57 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? 57 X

X Enter the amount of tax exempt interest received or accrued during the tax year 58 $
Schedule A - Cost of Goods Sold. Enter method of inventory valuation ▶ N/A

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventory at beginning year</td>
<td>1</td>
</tr>
<tr>
<td>Purchases</td>
<td>2</td>
</tr>
<tr>
<td>Cost of labor</td>
<td>3</td>
</tr>
<tr>
<td>Additional section 263A costs</td>
<td>4a ▶</td>
</tr>
<tr>
<td>Other costs (attach schedule)</td>
<td>4b ▶</td>
</tr>
<tr>
<td>Total (Add lines 1 through 4)</td>
<td>5</td>
</tr>
</tbody>
</table>

8 Inventory at end of year
7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I.
8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? Yes No

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property) (see instructions)

1. Description of property

(1) Broadcast Tower
(2) Broadcast Tower - 481(a) Adjustment Y1
(3) 
(4) 

2. Rent received or accrued

(4a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)
(4b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)

<table>
<thead>
<tr>
<th>(4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>170,954</td>
</tr>
<tr>
<td>29,539</td>
</tr>
</tbody>
</table>

Total 200,493

(b) Total deductions.

(2) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) 200,493.

Schedule E - Unrelated Debt-Financed Income (see instructions)

1. Description of debt-financed property

2. Gross income from or allocable to debt-financed property

3. Deductions directly connected with or allocable to debt-financed property

(a) Straight line depreciation

(b) Other deductions

4. Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)

5. Average adjusted basis of or allocable to debt-financed property (attach schedule)

6. Column 4 divided by column 5

7. Gross income reportable (column 2 x column 6)

8. Allocable deductions (column 6 x total of column 3a and 3b)

Enter here and on page 1, Part I, line 7, column (A).

Enter here and on page 1, Part I, line 7, column (B).

<table>
<thead>
<tr>
<th>(1)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>(2)</td>
<td>%</td>
</tr>
<tr>
<td>(3)</td>
<td>%</td>
</tr>
<tr>
<td>(4)</td>
<td>%</td>
</tr>
</tbody>
</table>

Totals

Total dividends-received deductions included in column 8

0.

Form 990-T (2018)
### Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions)

<table>
<thead>
<tr>
<th>1. Name of controlled organization</th>
<th>2. Employer identification number</th>
<th>3. Net unrelated income (loss) (see instructions)</th>
<th>4. Total of specified payments made</th>
<th>5. Part of column 4 that is included in the controlling organization's gross income</th>
<th>6. Deductions directly connected with income in column 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2)</td>
<td></td>
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<tr>
<td>(3)</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>(4)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Nonexempt Controlled Organizations

<table>
<thead>
<tr>
<th>7. Taxable Income</th>
<th>8. Net unrelated income (loss) (see instructions)</th>
<th>9. Total of specified payments made</th>
<th>10. Part of column 9 that is included in the controlling organization's gross income</th>
<th>11. Deductions directly connected with income in column 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2)</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>(3)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(4)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Add columns 5 and 10. Enter here and on page 1, Part I, line 6, column (A).

Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B).

### Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization (see instructions)

<table>
<thead>
<tr>
<th>1. Description of income</th>
<th>2. Amount of income</th>
<th>3. Deductions directly connected (attach schedule)</th>
<th>4. Set-aside (attach schedule)</th>
<th>5. Total deductions and set-aside (col. 3 plus col. 4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(3)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(4)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Enter here and on page 1, Part I, line 8, column (A).

Enter here and on page 1, Part I, line 8, column (B).

### Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income

<table>
<thead>
<tr>
<th>1. Description of exploited activity</th>
<th>2. Gross unrelated business income from trade or business</th>
<th>3. Expense directly connected with production of unrelated business income</th>
<th>4. Net income (loss) from unrelated trade or business (column 2 minus column 3), if a gain, compute costs, 5 through 7</th>
<th>5. Gross income from activity that is not unrelated business income</th>
<th>6. Expenses attributable to column 5</th>
<th>7. Excess exempt expenses (column 6 minus column 5, but not more than column 4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2)</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>(3)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(4)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Enter here and on page 1, Part I, line 10, col. (A).

Enter here and on page 1, Part I, line 10, col. (B).

Enter here and on page 1, Part I, line 26.

### Schedule J - Advertising Income (see instructions)

#### Part I - Income From Periodicals Reported on a Consolidated Basis

<table>
<thead>
<tr>
<th>1. Name of periodical</th>
<th>2. Gross advertising income</th>
<th>3. Direct advertising costs</th>
<th>4. Advertising gain or (loss) (col. 2 minus col. 3), if a gain, compute costs, 5 through 7</th>
<th>5. Circulation income</th>
<th>6. Readership costs</th>
<th>7. Excess readership costs (column 6 minus column 5, but not more than column 4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2)</td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>(3)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(4)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Totals (carry to Part II, line (6))

0

0

0

Form 990-T (2018)
### Part II Income From Periodicals Reported on a Separate Basis

(For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(3)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(4)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Totals from Part I**

Enter here and on page 1, Part I, line 11, col. (A).

Enter here and on page 1, Part I, line 11, col. (B).

Enter here and on page 1, Part I, line 27.

**Totals, Part II (lines 1-5)**

<table>
<thead>
<tr>
<th></th>
<th>1. Name</th>
<th>2. Title</th>
<th>3. Percent of time devoted to business</th>
<th>4. Compensation attributable to unrelated business</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>Robert Lonac</td>
<td>President &amp; CEO</td>
<td>6.00%</td>
<td>13,698.</td>
</tr>
<tr>
<td>(2)</td>
<td>Deborah Limb</td>
<td>Chief Operating Officer</td>
<td>6.00%</td>
<td>9,922.</td>
</tr>
<tr>
<td>(3)</td>
<td>Doug Sutter</td>
<td>Chief Financial Officer</td>
<td>6.00%</td>
<td>14,828.</td>
</tr>
<tr>
<td>(4)</td>
<td>Jacinta Tegman</td>
<td>Chief Executive Officer</td>
<td>6.00%</td>
<td>16,408.</td>
</tr>
</tbody>
</table>

**Total. Enter here and on page 1, Part II, line 14**

60,856.
Radio advertising purchased by commercial businesses and broadcasted on exempt Christian stations plus rental income.

**Form 990-T, Page 1**

<table>
<thead>
<tr>
<th>Description/Kind of Property</th>
<th>Method Used to Determine FMV</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>World Concern Development Organization 91-1155150</td>
<td>N/A</td>
<td>266,168.</td>
</tr>
</tbody>
</table>

**Total to Form 990-T, Page 1, line 20**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Materials/supplies</td>
<td>132,689.</td>
</tr>
<tr>
<td>Utilities &amp; telephone</td>
<td>144,493.</td>
</tr>
<tr>
<td>Travel</td>
<td>20,760.</td>
</tr>
<tr>
<td>Insurance</td>
<td>70,370.</td>
</tr>
<tr>
<td>Dues, fees, subscriptions, licenses</td>
<td>168,437.</td>
</tr>
<tr>
<td>Accounting, HR, Legal and Management Services</td>
<td>811,900.</td>
</tr>
<tr>
<td>Conferences &amp; seminars</td>
<td>55,598.</td>
</tr>
<tr>
<td>Leases/rent</td>
<td>333,110.</td>
</tr>
<tr>
<td>Professional services</td>
<td>352,352.</td>
</tr>
<tr>
<td>Advertising and promotions</td>
<td>179,778.</td>
</tr>
<tr>
<td>Agency commission</td>
<td>466,513.</td>
</tr>
<tr>
<td>Purchased services</td>
<td>480,165.</td>
</tr>
<tr>
<td>Foreign Exchange Gain/Loss</td>
<td>-3,978.</td>
</tr>
<tr>
<td>Amortization</td>
<td>278,538.</td>
</tr>
<tr>
<td>President's Office Allocation</td>
<td>61,083.</td>
</tr>
<tr>
<td>Donated Goods</td>
<td>6,841.</td>
</tr>
</tbody>
</table>

**Total to Form 990-T, Page 1, line 28**

3,558,149.
Qualified Contributions Subject to 100% Limit

<table>
<thead>
<tr>
<th>Carryover of Prior Years Unused Contributions</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>For Tax Year 2013</td>
<td>328,749</td>
</tr>
<tr>
<td>For Tax Year 2014</td>
<td>507,791</td>
</tr>
<tr>
<td>For Tax Year 2015</td>
<td>580,573</td>
</tr>
<tr>
<td>For Tax Year 2016</td>
<td>854,145</td>
</tr>
<tr>
<td>For Tax Year 2017</td>
<td>608,932</td>
</tr>
</tbody>
</table>

Total Carryover: 2,880,190
Total Current Year 10% Contributions: 266,168

Total Contributions Available: 3,146,358
Taxable Income Limitation as Adjusted: 0
Excess 10% Contributions: 3,146,358
Excess 100% Contributions: 0
Total Excess Contributions: 3,146,358

Allowable Contributions Deduction: 0
Total Contribution Deduction: 0
Name of Country

Kenya
Uganda
Chad
Laos
Burma
Thailand
Sri Lanka
Vietnam
Bangladesh
Haiti
Canada

<table>
<thead>
<tr>
<th>Tax Year</th>
<th>Loss Sustained</th>
<th>Loss Previously Applied</th>
<th>Loss Remaining</th>
<th>Available This Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>06/30/17</td>
<td>665,310.</td>
<td>535,552.</td>
<td>129,758.</td>
<td>129,758.</td>
</tr>
<tr>
<td>06/30/18</td>
<td>649,527.</td>
<td>0.</td>
<td>649,527.</td>
<td>649,527.</td>
</tr>
</tbody>
</table>

NOL Carryover Available This Year

Credit for Federal Tax Paid on Fuels

Caution: Claimant has the name and address of the person who sold the fuel to the claimant and the dates of purchase. For claims on lines 1c and 2b (type of use 13 or 14), 3d, 4c, and 5, claimant has not waived the right to make the claim. For claims on lines 1c and 2b (type of use 13 or 14), claimant certifies that a certificate has not been provided to the credit card issuer.

1 Nontaxable Use of Gasoline

<table>
<thead>
<tr>
<th>Type of use</th>
<th>Rate</th>
<th>Gallons</th>
<th>Amount of credit</th>
<th>CRN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Off-highway business use</td>
<td>.183</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Use on a farm for farming purposes</td>
<td>.183</td>
<td></td>
<td></td>
<td>362</td>
</tr>
<tr>
<td>Other nontaxable use (see Caution above line 1)</td>
<td>.183</td>
<td>4,550</td>
<td>832</td>
<td>65</td>
</tr>
<tr>
<td>Exported</td>
<td>.184</td>
<td></td>
<td></td>
<td>411</td>
</tr>
</tbody>
</table>

2 Nontaxable Use of Aviation Gasoline

<table>
<thead>
<tr>
<th>Type of use</th>
<th>Rate</th>
<th>Gallons</th>
<th>Amount of credit</th>
<th>CRN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Use in commercial aviation (other than foreign trade)</td>
<td>.15</td>
<td></td>
<td></td>
<td>354</td>
</tr>
<tr>
<td>Other nontaxable use (see Caution above line 1)</td>
<td>.193</td>
<td></td>
<td></td>
<td>324</td>
</tr>
<tr>
<td>Exported</td>
<td>.194</td>
<td></td>
<td></td>
<td>412</td>
</tr>
<tr>
<td>LUST tax on aviation fuels used in foreign trade</td>
<td>.001</td>
<td></td>
<td></td>
<td>433</td>
</tr>
</tbody>
</table>

3 Nontaxable Use of Undyed Diesel Fuel

Claimant certifies that the diesel fuel did not contain visible evidence of dye. **Exception.** If any of the diesel fuel included in this claim did contain visible evidence of dye, attach an explanation and check here □

<table>
<thead>
<tr>
<th>Type of use</th>
<th>Rate</th>
<th>Gallons</th>
<th>Amount of credit</th>
<th>CRN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nontaxable use</td>
<td>.243</td>
<td>10,450</td>
<td>2,539</td>
<td>360</td>
</tr>
<tr>
<td>Use on a farm for farming purposes</td>
<td>.243</td>
<td></td>
<td></td>
<td>353</td>
</tr>
<tr>
<td>Use in trains</td>
<td>.243</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Use in certain intercity and local buses (see Caution above line 1)</td>
<td>.17</td>
<td></td>
<td></td>
<td>350</td>
</tr>
<tr>
<td>Exported</td>
<td>.244</td>
<td></td>
<td></td>
<td>413</td>
</tr>
</tbody>
</table>

4 Nontaxable Use of Undyed Kerosene (Other Than Kerosene Used in Aviation)

Claimant certifies that the kerosene did not contain visible evidence of dye. **Exception.** If any of the kerosene included in this claim did contain visible evidence of dye, attach an explanation and check here □

<table>
<thead>
<tr>
<th>Type of use</th>
<th>Rate</th>
<th>Gallons</th>
<th>Amount of credit</th>
<th>CRN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nontaxable use taxed at $.244</td>
<td>.243</td>
<td></td>
<td></td>
<td>346</td>
</tr>
<tr>
<td>Use on a farm for farming purposes</td>
<td>.243</td>
<td></td>
<td></td>
<td>347</td>
</tr>
<tr>
<td>Use in certain intercity and local buses (see Caution above line 1)</td>
<td>.244</td>
<td></td>
<td></td>
<td>414</td>
</tr>
<tr>
<td>Exported</td>
<td>.244</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nontaxable use taxed at $.044</td>
<td>.043</td>
<td></td>
<td></td>
<td>377</td>
</tr>
<tr>
<td>Nontaxable use taxed at $.219</td>
<td>.218</td>
<td></td>
<td></td>
<td>369</td>
</tr>
</tbody>
</table>

For Paperwork Reduction Act Notice, see the separate instructions.
5 Kerosene Used in Aviation  (see Caution above line 1)

<table>
<thead>
<tr>
<th></th>
<th>(a) Type of use</th>
<th>(b) Rate</th>
<th>(c) Gallons</th>
<th>(d) Amount of credit</th>
<th>(e) CRN</th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td>Kerosene used in commercial aviation (other than foreign trade) taxed at $ .244</td>
<td>$ .200</td>
<td>$</td>
<td></td>
<td>417</td>
</tr>
<tr>
<td>b</td>
<td>Kerosene used in commercial aviation (other than foreign trade) taxed at $ .219</td>
<td>$.175</td>
<td></td>
<td></td>
<td>355</td>
</tr>
<tr>
<td>c</td>
<td>Nontaxable use (other than use by state or local government) taxed at $ .244</td>
<td>$.243</td>
<td></td>
<td></td>
<td>346</td>
</tr>
<tr>
<td>d</td>
<td>Nontaxable use (other than use by state or local government) taxed at $ .219</td>
<td>$.218</td>
<td></td>
<td></td>
<td>369</td>
</tr>
<tr>
<td>e</td>
<td>LUST tax on aviation fuels used in foreign trade</td>
<td>$.001</td>
<td></td>
<td></td>
<td>433</td>
</tr>
</tbody>
</table>

6 Sales by Registered Ultimate Vendors of Undyed Diesel Fuel

Claimant certifies that it sold the diesel fuel at a tax-excluded price, repaid the amount of tax to the buyer, or has obtained the written consent of the buyer to make the claim. Claimant certifies that the diesel fuel did not contain visible evidence of dye.

Exception. If any of the diesel fuel included in this claim did contain visible evidence of dye, attach an explanation and check here ▶

<table>
<thead>
<tr>
<th></th>
<th>(b) Rate</th>
<th>(c) Gallons</th>
<th>(d) Amount of credit</th>
<th>(e) CRN</th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td>Use by a state or local government</td>
<td>$.243</td>
<td>$</td>
<td>360</td>
</tr>
<tr>
<td>b</td>
<td>Use in certain intercity and local buses</td>
<td>.17</td>
<td></td>
<td>350</td>
</tr>
</tbody>
</table>

7 Sales by Registered Ultimate Vendors of Undyed Kerosene (Other Than Kerosene For Use in Aviation)

Claimant certifies that it sold the kerosene at a tax-excluded price, repaid the amount of tax to the buyer, or has obtained the written consent of the buyer to make the claim. Claimant certifies that the kerosene did not contain visible evidence of dye.

Exception. If any of the kerosene included in this claim did contain visible evidence of dye, attach an explanation and check here ▶

<table>
<thead>
<tr>
<th></th>
<th>(b) Rate</th>
<th>(c) Gallons</th>
<th>(d) Amount of credit</th>
<th>(e) CRN</th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td>Use by a state or local government</td>
<td>$.243</td>
<td>$</td>
<td>346</td>
</tr>
<tr>
<td>b</td>
<td>Sales from a blocked pump</td>
<td>.243</td>
<td></td>
<td>346</td>
</tr>
<tr>
<td>c</td>
<td>Use in certain intercity and local buses</td>
<td>.17</td>
<td></td>
<td>347</td>
</tr>
</tbody>
</table>

8 Sales by Registered Ultimate Vendors of Kerosene For Use in Aviation

Claimant sold the kerosene for use in aviation at a tax-excluded price and has not collected the amount of tax from the buyer, or has obtained the written consent of the buyer to make the claim. See the instructions for additional information to be submitted.

<table>
<thead>
<tr>
<th></th>
<th>(a) Type of use</th>
<th>(b) Rate</th>
<th>(c) Gallons</th>
<th>(d) Amount of credit</th>
<th>(e) CRN</th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td>Use in commercial aviation (other than foreign trade) taxed at $ .219</td>
<td>$.175</td>
<td>$</td>
<td></td>
<td>355</td>
</tr>
<tr>
<td>b</td>
<td>Use in commercial aviation (other than foreign trade) taxed at $ .244</td>
<td>.200</td>
<td></td>
<td></td>
<td>417</td>
</tr>
<tr>
<td>c</td>
<td>Nonexempt use in noncommercial aviation</td>
<td>$.025</td>
<td></td>
<td></td>
<td>418</td>
</tr>
<tr>
<td>d</td>
<td>Other nontaxable uses taxed at $.244</td>
<td>.243</td>
<td></td>
<td></td>
<td>346</td>
</tr>
<tr>
<td>e</td>
<td>Other nontaxable uses taxed at $.219</td>
<td>.218</td>
<td></td>
<td></td>
<td>369</td>
</tr>
<tr>
<td>f</td>
<td>LUST tax on aviation fuels used in foreign trade</td>
<td>$.001</td>
<td></td>
<td></td>
<td>433</td>
</tr>
</tbody>
</table>
9  Reserved for future use

<table>
<thead>
<tr>
<th>Registration No. ▶</th>
</tr>
</thead>
<tbody>
<tr>
<td>(b) Rate</td>
</tr>
<tr>
<td>-------------</td>
</tr>
<tr>
<td>a Reserved for future use</td>
</tr>
<tr>
<td>b Reserved for future use</td>
</tr>
</tbody>
</table>

10 Reserved for future use

<table>
<thead>
<tr>
<th>Registration No. ▶</th>
</tr>
</thead>
<tbody>
<tr>
<td>(b) Rate</td>
</tr>
<tr>
<td>-------------</td>
</tr>
<tr>
<td>a Reserved for future use</td>
</tr>
<tr>
<td>b Reserved for future use</td>
</tr>
<tr>
<td>c Reserved for future use</td>
</tr>
</tbody>
</table>

11 Nontaxable Use of Alternative Fuel

Caution: There is a reduced credit rate for use in certain intercity and local buses (type of use 5) (see instructions).

<table>
<thead>
<tr>
<th>(a) Type of use</th>
<th>(b) Rate</th>
<th>(c) Gallons, or gasoline or diesel gallon equivalents</th>
<th>(d) Amount of credit</th>
<th>(e) CRN</th>
</tr>
</thead>
<tbody>
<tr>
<td>a Liquefied petroleum gas (LPG) (see instructions)</td>
<td>$ .183</td>
<td>$</td>
<td></td>
<td>419</td>
</tr>
<tr>
<td>b “P Series” fuels</td>
<td>.183</td>
<td></td>
<td></td>
<td>420</td>
</tr>
<tr>
<td>c Compressed natural gas (CNG) (see instructions)</td>
<td>.183</td>
<td></td>
<td></td>
<td>421</td>
</tr>
<tr>
<td>d Liquefied hydrogen</td>
<td>.183</td>
<td></td>
<td></td>
<td>422</td>
</tr>
<tr>
<td>e Fischer-Tropsch process liquid fuel from coal (including peat)</td>
<td>.243</td>
<td></td>
<td></td>
<td>423</td>
</tr>
<tr>
<td>f Liquid fuel derived from biomass</td>
<td>.243</td>
<td></td>
<td></td>
<td>424</td>
</tr>
<tr>
<td>g Liquefied natural gas (LNG) (see instructions)</td>
<td>.243</td>
<td></td>
<td></td>
<td>425</td>
</tr>
<tr>
<td>h Liquefied gas derived from biomass</td>
<td>.183</td>
<td></td>
<td></td>
<td>435</td>
</tr>
</tbody>
</table>

12 Reserved for future use

<table>
<thead>
<tr>
<th>Registration No. ▶</th>
</tr>
</thead>
<tbody>
<tr>
<td>(b) Rate</td>
</tr>
<tr>
<td>-------------</td>
</tr>
<tr>
<td>a Reserved for future use</td>
</tr>
<tr>
<td>b Reserved for future use</td>
</tr>
<tr>
<td>c Reserved for future use</td>
</tr>
<tr>
<td>d Reserved for future use</td>
</tr>
<tr>
<td>e Reserved for future use</td>
</tr>
<tr>
<td>f Reserved for future use</td>
</tr>
<tr>
<td>g Reserved for future use</td>
</tr>
<tr>
<td>h Reserved for future use</td>
</tr>
<tr>
<td>i Reserved for future use</td>
</tr>
</tbody>
</table>
13 **Registered Credit Card Issuers**

<table>
<thead>
<tr>
<th>(b) Rate</th>
<th>(c) Gallons</th>
<th>(d) Amount of credit</th>
<th>(e) CRN</th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td>Diesel fuel sold for the exclusive use of a state or local government</td>
<td>$.243</td>
<td>$</td>
</tr>
<tr>
<td>b</td>
<td>Kerosene sold for the exclusive use of a state or local government</td>
<td>.243</td>
<td>$</td>
</tr>
<tr>
<td>c</td>
<td>Kerosene for use in aviation sold for the exclusive use of a state or local government taxed at $.219</td>
<td>.216</td>
<td>$</td>
</tr>
</tbody>
</table>

14 **Nontaxable Use of a Diesel-Water Fuel Emulsion**

**Caution:** There is a reduced credit rate for use in certain intercity and local buses (type of use 5) (see instructions).

<table>
<thead>
<tr>
<th>(a) Type of use</th>
<th>(b) Rate</th>
<th>(c) Gallons</th>
<th>(d) Amount of credit</th>
<th>(e) CRN</th>
</tr>
</thead>
<tbody>
<tr>
<td>a Nontaxable use</td>
<td>$.197</td>
<td>$</td>
<td></td>
<td>309</td>
</tr>
<tr>
<td>b Exported</td>
<td>.198</td>
<td>$</td>
<td></td>
<td>306</td>
</tr>
</tbody>
</table>

15 **Diesel-Water Fuel Emulsion Blending**

<table>
<thead>
<tr>
<th>Blender credit</th>
<th>(b) Rate</th>
<th>(c) Gallons</th>
<th>(d) Amount of credit</th>
<th>(e) CRN</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$.046</td>
<td>$</td>
<td></td>
<td>310</td>
</tr>
</tbody>
</table>

16 **Exported Dyed Fuels and Exported Gasoline Blendstocks**

<table>
<thead>
<tr>
<th>(b) Rate</th>
<th>(c) Gallons</th>
<th>(d) Amount of credit</th>
<th>(e) CRN</th>
</tr>
</thead>
<tbody>
<tr>
<td>a Exported dyed diesel fuel and exported gasoline blendstocks taxed at $.001</td>
<td>$.001</td>
<td>$</td>
<td>415</td>
</tr>
<tr>
<td>b Exported dyed kerosene</td>
<td>.001</td>
<td></td>
<td>416</td>
</tr>
</tbody>
</table>

17 **Total income tax credit claimed.** Add lines 1 through 16, column (d). Enter here and on Schedule 5 (Form 1040), line 73; Form 1120, Schedule J, line 20b; Form 1120S, line 23c; Form 1041, line 25h; or the proper line of other returns.

| 17 $ | 3,372.00 |
## Part I: Election To Expense Certain Property Under Section 179

**Note:** If you have any listed property, complete Part V before you complete Part I.

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Maximum amount (see instructions)</td>
<td>1,000,000</td>
</tr>
<tr>
<td>2</td>
<td>Total cost of section 179 property placed in service (see instructions)</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Threshold cost of section 179 property before reduction in limitation (see instructions)</td>
<td>2,500,000</td>
</tr>
<tr>
<td>4</td>
<td>Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions</td>
<td>1,000,000</td>
</tr>
</tbody>
</table>

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>(a) Description of property</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>(b) Cost (business use only)</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>(c) Elected cost</td>
<td></td>
</tr>
</tbody>
</table>

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>Listed property. Enter the amount from line 29</td>
</tr>
<tr>
<td>8</td>
<td>Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7</td>
</tr>
<tr>
<td>9</td>
<td>Tentative deduction. Enter the smaller of line 5 or line 8</td>
</tr>
<tr>
<td>10</td>
<td>Carryover of disallowed deduction from line 13 of your 2017 Form 4562</td>
</tr>
<tr>
<td>11</td>
<td>Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instructions</td>
</tr>
<tr>
<td>12</td>
<td>Section 179 expense deduction. Add lines 9 and 10, but don’t enter more than line 11</td>
</tr>
<tr>
<td>13</td>
<td>Carryover of disallowed deduction to 2019. Add lines 9 and 10, less line 12</td>
</tr>
</tbody>
</table>

**Note:** Don’t use Part II or Part III below for listed property. Instead, use Part V.

## Part II: Special Depreciation Allowance and Other Depreciation (Don’t include listed property. See instructions.)

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>14</td>
<td>Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year. See instructions</td>
</tr>
<tr>
<td>15</td>
<td>Property subject to section 168(f)(1) election</td>
</tr>
<tr>
<td>16</td>
<td>Other depreciation (including ACRS)</td>
</tr>
</tbody>
</table>

## Part III: MACRS Depreciation (Don’t include listed property. See instructions.)

### Section A

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>17</td>
<td>MACRS deductions for assets placed in service in tax years beginning before 2018</td>
</tr>
<tr>
<td>18</td>
<td>If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here</td>
</tr>
</tbody>
</table>

### Section B—Assets Placed in Service During 2018 Tax Year Using the General Depreciation System

<p>| | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Classification of property</td>
<td>(b) Month and year placed in service</td>
<td>(c) Basis for depreciation (business/investment use only—see instructions)</td>
<td>(d) Recovery period</td>
<td>(e) Convention</td>
<td>(f) Method</td>
</tr>
<tr>
<td>19a</td>
<td>3-year property</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b</td>
<td>5-year property</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c</td>
<td>7-year property</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d</td>
<td>10-year property</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>e</td>
<td>15-year property</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>f</td>
<td>20-year property</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>g</td>
<td>25-year property</td>
<td>25 yrs.</td>
<td>S/L</td>
<td></td>
<td></td>
</tr>
<tr>
<td>h</td>
<td>Residential rental property</td>
<td>27.5 yrs.</td>
<td>MM</td>
<td>S/L</td>
<td></td>
</tr>
<tr>
<td>i</td>
<td>Nonresidential real property</td>
<td>39 yrs.</td>
<td>MM</td>
<td>S/L</td>
<td></td>
</tr>
</tbody>
</table>

### Section C—Assets Placed in Service During 2018 Tax Year Using the Alternative Depreciation System

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>20a</td>
<td>Class life</td>
<td></td>
</tr>
<tr>
<td>b</td>
<td>12-year</td>
<td>12 yrs.</td>
</tr>
<tr>
<td>c</td>
<td>30-year</td>
<td>50 yrs.</td>
</tr>
<tr>
<td>d</td>
<td>40-year</td>
<td>40 yrs.</td>
</tr>
</tbody>
</table>

## Part IV: Summary (See instructions.)

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>21</td>
<td>Listed property. Enter amount from line 28</td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions</td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs</td>
<td></td>
</tr>
</tbody>
</table>

---

For Paperwork Reduction Act Notice, see separate instructions.
### Part V  Listed Property  (include automobiles, certain other vehicles, certain aircraft, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

#### Section A—Depreciation and Other Information  (Caution: See the instructions for limits for passenger automobiles.)

<p>| | | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>24a</td>
<td>Do you have evidence to support the business/investment use claimed?</td>
<td>☐ Yes</td>
<td>☐ No</td>
<td>24b</td>
<td>If “Yes,” is the evidence written?</td>
<td>☐ Yes</td>
</tr>
</tbody>
</table>

<p>| | | | | | | |</p>
<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>25</td>
<td>Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use. See instructions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

26 Property used more than 50% in a qualified business use:

%  
%
%
%
%
%
%

27 Property used 50% or less in a qualified business use:

%  
%
%
%
%
%
%

28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1

28

29 Add amounts in column (i), line 26. Enter here and on line 7, page 1

29

### Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

<table>
<thead>
<tr>
<th></th>
<th>Vehicle 1</th>
<th>Vehicle 2</th>
<th>Vehicle 3</th>
<th>Vehicle 4</th>
<th>Vehicle 5</th>
<th>Vehicle 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total business/investment miles driven during the year (don’t include commuting miles)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total commuting miles driven during the year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total other personal (noncommuting) miles driven</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total miles driven during the year. Add lines 30 through 32</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Was the vehicle available for personal use during off-duty hours?</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Was the vehicle used primarily by a more than 5% owner or related person?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Is another vehicle available for personal use?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who aren't more than 5% owners or related persons. See instructions.

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>37</td>
<td>Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?</td>
<td>Yes</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>38</td>
<td>Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>39</td>
<td>Do you treat all use of vehicles by employees as personal use?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>40</td>
<td>Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>41</td>
<td>Do you meet the requirements concerning qualified automobile demonstration use? See instructions</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," don’t complete Section B for the covered vehicles.

### Part VI Amortization

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>42</td>
<td>Amortization of costs that begins during your 2018 tax year (see instructions):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>43</td>
<td>Amortization of costs that began before your 2018 tax year</td>
<td></td>
<td></td>
<td>43</td>
</tr>
<tr>
<td>44</td>
<td>Total. Add amounts in column (f). See the instructions for where to report</td>
<td></td>
<td></td>
<td>44</td>
</tr>
</tbody>
</table>
If the applicant is a member of a consolidated group, check this box □
If Form 2848, Power of Attorney and Declaration of Representative, is attached (see instructions for when Form 2848 is required), check this box □
Check the appropriate box to indicate the type of accounting method change being requested. See instructions.
- □ Depreciation or Amortization
- □ Financial Products and/or Financial Activities of Financial Institutions
- □ Other (specify) □ Rental Income

Caution: To be eligible for approval of the requested change in method of accounting, the taxpayer must provide all information that is relevant to the taxpayer or to the taxpayer's requested change in method of accounting. This includes (1) all relevant information requested on this Form 3115 (including its instructions), and (2) any other relevant information, even if not specifically requested on Form 3115.
The taxpayer must attach all applicable statements requested throughout this form.

Part I Information for Automatic Change Request
1. Enter the applicable designated automatic accounting method change number ("DCN") for the requested automatic change. Enter only one DCN, except as provided for in guidance published by the IRS. If the requested change has no DCN, check "Other," and provide both a description of the change and a citation of the IRS guidance providing the automatic change. See instructions.
   a. (1) DCN: □ 124 (2) DCN: □ (3) DCN: □ (4) DCN: □ (5) DCN: □ (6) DCN: □
   b. Other □ Description □
   2. Do any of the eligibility rules restrict the applicant from filing the requested change using the automatic change procedures (see instructions)? If "Yes," attach an explanation. □
   3. Has the filer provided all the information and statements required (a) on this form and (b) by the List of Automatic Changes under which the applicant is requesting a change? See instructions. □

Note: Complete Part II and Part IV of this form, and, Schedules A through E, if applicable.

Part II Information for All Requests
4. During the tax year of change, did or will the applicant (a) cease to engage in the trade or business to which the requested change relates, or (b) terminate its existence? See instructions. □
   5. Is the applicant requesting to change to the principal method in the tax year of change under Regulations section 1.381(c)(4)-1(d)(1) or 1.381(c)(5)-1(d)(1)? □

   If "No," go to line 6a.
   If "Yes," the applicant cannot file a Form 3115 for this change. See instructions.

Sign Here
Signature of filer (and spouse, if joint return) □ Date □

Preparer
Print/Type preparer's name □ Preparer's signature □ Date □
(Preparer may be a firm of professionals, partner, or other entity.)
Preparer (other than filer/applicant) □ Firm's name □
Preparer's signature □ Date □
(Preparer other than filer/applicant, if any, is not required to sign this form)
Preparer's signature □ Date □
(Preparer other than filer/applicant, if any, is not required to sign this form)

Name and title (print or type) □
Doug Sutten, EVP & CFO

For Privacy Act and Paperwork Reduction Act Notice, see the instructions.
<table>
<thead>
<tr>
<th>Part II</th>
<th>Information for All Requests (continued)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>6a</strong></td>
<td>Does the applicant (or any present or former consolidated group in which the applicant was a member during the applicable tax year(s)) have any federal income tax return(s) under examination (see instructions)? <strong>Yes</strong></td>
</tr>
<tr>
<td><strong>b</strong></td>
<td>If “No,” go to line 7a.</td>
</tr>
<tr>
<td><strong>c</strong></td>
<td>Is the method of accounting the applicant is requesting to change an issue under consideration (with respect to either the applicant or any present or former consolidated group in which the applicant was a member during the applicable tax year(s))? See instructions.</td>
</tr>
<tr>
<td><strong>d</strong></td>
<td>Enter the name and telephone number of the examining agent and the tax year(s) under examination.</td>
</tr>
<tr>
<td><strong>7a</strong></td>
<td>Has a copy of this Form 3115 been provided to the examining agent identified on line 6c? <strong>Yes</strong></td>
</tr>
<tr>
<td><strong>b</strong></td>
<td>If “No,” attach an explanation.</td>
</tr>
<tr>
<td><strong>c</strong></td>
<td>Method not before director</td>
</tr>
<tr>
<td><strong>d</strong></td>
<td>Audit protection at end of exam</td>
</tr>
<tr>
<td><strong>8a</strong></td>
<td>Does the applicant (or any present or former consolidated group in which the applicant was a member during the applicable tax year(s)) have any federal income tax return(s) before Appeals and/or a federal court? <strong>Yes</strong></td>
</tr>
<tr>
<td><strong>b</strong></td>
<td>If “No,” go to line 9.</td>
</tr>
<tr>
<td><strong>c</strong></td>
<td>Is the method of accounting the applicant is requesting to change an issue under consideration by Appeals and/or a federal court (for either the applicant or any present or former consolidated group in which the applicant was a member for the tax year(s) the applicant was a member)? See instructions.</td>
</tr>
<tr>
<td><strong>d</strong></td>
<td>Attach an explanation.</td>
</tr>
<tr>
<td><strong>e</strong></td>
<td>Enter the name of the appeals officer and/or counsel for the government, telephone number, and the tax year(s) before Appeals and/or a federal court.</td>
</tr>
<tr>
<td><strong>9</strong></td>
<td>Has a copy of this Form 3115 been provided to the appeals officer and/or counsel for the government identified on line 8c?</td>
</tr>
<tr>
<td><strong>10</strong></td>
<td>If the applicant answered “Yes” to line 6a and/or 8a with respect to any present or former consolidated group, attach a statement that provides each parent corporation’s (a) name, (b) identification number, (c) address, and (d) tax year(s) during which the applicant was a member that is under examination, before an Appeals office, and/or before a federal court.</td>
</tr>
<tr>
<td><strong>11a</strong></td>
<td>Does the applicant, its predecessor, or a related party requested or made (under either an automatic or non-automatic change procedure) a change in method of accounting within any of the five tax years ending with the tax year of change? <strong>Yes</strong></td>
</tr>
<tr>
<td><strong>b</strong></td>
<td>If “No,” go to line 12.</td>
</tr>
<tr>
<td><strong>c</strong></td>
<td>If any application was withdrawn, not perfected, or denied, or if a Consent Agreement granting a change was not signed and returned to the IRS, or the change was not made or not made in the requested year of change, attach an explanation.</td>
</tr>
<tr>
<td><strong>12</strong></td>
<td>Does the applicant, its predecessor, or a related party currently have pending any request (including any concurrently filed request) for a private letter ruling, change in method of accounting, or technical advice? <strong>X</strong></td>
</tr>
<tr>
<td><strong>c</strong></td>
<td>If “Yes,” for each request attach a statement providing (a) the name(s) of the taxpayer, (b) identification number(s), (c) the type of request (private letter ruling, change in method of accounting, or technical advice), and (d) the specific issue(s) in the request(s).</td>
</tr>
<tr>
<td><strong>13</strong></td>
<td>Is the applicant requesting to change its overall method of accounting? <strong>X</strong></td>
</tr>
<tr>
<td><strong>c</strong></td>
<td>If “Yes,” complete Schedule A on page 4 of the form.</td>
</tr>
</tbody>
</table>
Part II  Information for All Requests (continued)  

14 If the applicant is either (i) not changing its overall method of accounting, or (ii) changing its overall method of accounting and changing to a special method of accounting for one or more items, attach a detailed and complete description for each of the following (see instructions): See Statement A

   a The item(s) being changed.
   b The applicant's present method for the item(s) being changed.
   c The applicant's proposed method for the item(s) being changed.
   d The applicant's present overall method of accounting (cash, accrual, or hybrid).

15a Attach a detailed and complete description of the applicant's trade(s) or business(es). See section 446(d). See Statement A

   b If the applicant has more than one trade or business, as defined in Regulations section 1.446-1(d), describe (i) whether each trade or business is accounted for separately; (ii) the goods and services provided by each trade or business and any other types of activities engaged in that generate gross income; (iii) the overall method of accounting for each trade or business; and (iv) which trade or business is requesting to change its accounting method as part of this application or a separate application.

   Note: If you are requesting an automatic method change, see the instructions to see if you are required to complete lines 16a–16c.

16a Attach a full explanation of the legal basis supporting the proposed method for the item being changed. Include a detailed and complete description of the facts that explains how the law specifically applies to the applicant's situation and that demonstrates that the applicant is authorized to use the proposed method.

   b Include all authority (statutes, regulations, published rulings, court cases, etc.) supporting the proposed method.
   c Include either a discussion of the contrary authorities or a statement that no contrary authority exists.

17 Will the proposed method of accounting be used for the applicant's books and records and financial statements? For insurance companies, see the instructions. ………………………………………………………………………………………………………………………………………………………………..

   If "No," attach an explanation.

18 Does the applicant request a conference with the IRS National Office if the IRS National Office proposes an adverse response?

19a If the applicant is changing to either the overall cash method, an overall accrual method, or is changing its method of accounting for any property subject to section 263A, any long-term contract subject to section 460 (see 19b), or inventories subject to section 474, enter the applicant's gross receipts for the 3 tax years preceding the tax year of change.

   1st preceding year ended: mo. yr.  2nd preceding year ended: mo. yr.  3rd preceding year ended: mo. yr.

   $ $ $ 

   b If the applicant is changing its method of accounting for any long-term contract subject to section 460, in addition to completing 19a, enter the applicant’s gross receipts for the 4th tax year preceding the tax year of change:

   4th preceding year ended: mo. yr. $ 

Part III  Information for Non-Automatic Change Request  

20 Is the applicant's requested change described in any revenue procedure, revenue ruling, notice, regulation, or other published guidance as an automatic change request? ………………………………………………………………………………………………………………………………………………………………..

   If "Yes," attach an explanation describing why the applicant is submitting its request under the non-automatic change procedures.

21 Attach a copy of all documents related to the proposed change (see instructions).

22 Attach a statement of the applicant's reasons for the proposed change.

23 If the applicant is a member of a consolidated group for the year of change, do all other members of the consolidated group use the proposed method of accounting for the item being changed? ………………………………………………………………………………………………………………………………………………………………..

   If "No," attach an explanation.

24a Enter the amount of user fee attached to this application (see instructions) $ 

   b If the applicant qualifies for a reduced user fee, attach the required information or certification (see instructions).
Part IV Section 481(a) Adjustment

25 Does published guidance require the applicant (or permit the applicant and the applicant is electing) to implement the requested change in method of accounting on a cut-off basis? .

   If “Yes,” attach an explanation and do not complete lines 26, 27, and 28 below.

   [X]

26 Enter the section 481(a) adjustment. Indicate whether the adjustment is an increase (+) or a decrease (-) in income. $ 118,154. Attach a summary of the computation and an explanation of the methodology used to determine the section 481(a) adjustment. If it is based on more than one component, show the computation for each component. If more than one applicant is applying for the method change on the application, attach a list of the (a) name, (b) identification number, and (c) the amount of the section 481(a) adjustment attributable to each applicant. See Statement A

27 Is the applicant making an election to take the entire amount of the adjustment into account in the tax year of change? 

   If “Yes,” check the box for the applicable elective provision used to make the election (see instructions). 
   
   [X]

   $50,000 de minimis election
   Eligible acquisition transaction election

28 Is any part of the section 481(a) adjustment attributable to transactions between members of an affiliated group, a consolidated group, a controlled group, or other related parties? 

   If “Yes,” attach an explanation.

   [X]

Schedule A—Change in Overall Method of Accounting (If Schedule A applies, Part I below must be completed.)

Part I Change in Overall Method (see instructions)

1 Check the appropriate boxes below to indicate the applicant’s present and proposed methods of accounting.

   Present method: [ ] Cash [ ] Accrual [ ] Hybrid (attach description)

   Proposed method: [ ] Cash [ ] Accrual [ ] Hybrid (attach description)

2 Enter the following amounts as of the close of the tax year preceding the year of change. If none, state “None.” Also, attach a statement providing a breakdown of the amounts entered on lines 2a through 2g.

   a Income accrued but not received (such as accounts receivable) .
   [ ] $ 

   b Income received or reported before it was earned (such as advanced payments). Attach a description of the income and the legal basis for the proposed method.
   [ ] 

   c Expenses accrued but not paid (such as accounts payable). 
   [ ] 

   d Prepaid expenses previously deducted .
   [ ] 

   e Supplies on hand previously deducted and/or not previously reported.
   [ ] 

   f Inventory on hand previously deducted and/or not previously reported. Complete Schedule D, Part II.
   [ ] 

   g Other amounts (specify). Attach a description of the item and the legal basis for its inclusion in the calculation of the section 481(a) adjustment. 
   [ ] 

h Net section 481(a) adjustment (Combine lines 2a–2g.) Indicate whether the adjustment is an increase (+) or decrease (-) in income. Also enter the net amount of this section 481(a) adjustment amount on Part IV, line 26.

   [ ] $ 

3 Is the applicant also requesting the recurring item exception under section 461(h)(3)? [ ] Yes [ ] No

4 Attach copies of the profit and loss statement (Schedule F (Form 1040) for farmers) and the balance sheet, if applicable, as of the close of the tax year preceding the year of change. Also attach a statement specifying the accounting method used when preparing the balance sheet. If books of account are not kept, attach a copy of the business schedules submitted with the federal income tax return or other return (such as, tax-exempt organization returns) for that period. If the amounts in Part I, lines 2a through 2g, do not agree with the amounts shown on both the profit and loss statement and the balance sheet, attach a statement explaining the differences.

5 Is the applicant making a change to the overall cash method as a small business taxpayer (see instructions)? [ ] Yes [ ] No

Part II Change to the Cash Method for Non-Automatic Change Request (see instructions)

Applicants requesting a change to the cash method must attach the following information:

1 A description of inventory items (items whose production, purchase, or sale is an income-producing factor) and materials and supplies used in carrying out the business.

2 An explanation as to whether the applicant is required to use the accrual method under any section of the Code or regulations.
Schedule B—Change to the Deferral Method for Advance Payments (see instructions)

1. If the applicant is requesting to change to the deferral method for advance payments, as described in the instructions, attach the following information:
   a. Explain how the advance payments meet the definition of advance payment, as described in the instructions.
   b. Does the taxpayer use an applicable financial statement as described in the instructions and, if so, identify it.
   c. Describe the taxpayer's allocation method, if there is more than one performance obligation, as defined in the instructions.
   d. Describe the taxpayer's legal basis for deferral. See instructions.
   e. If the applicant is filing under the non-automatic change procedures, see the instructions for the information required.

Schedule C—Changes Within the LIFO Inventory Method (see instructions)

Part I  General LIFO Information

Complete this section if the requested change involves changes within the LIFO inventory method. Also, attach a copy of all Forms 970, Application To Use LIFO Inventory Method, filed to adopt or expand the use of the LIFO method.

1. Attach a description of the applicant's present and proposed LIFO methods and submethods for each of the following items:
   a. Valuing inventory (for example, unit method or dollar-value method).
   b. Pooling (for example, by line or type of class of goods, natural business unit, multiple pools, raw material content, simplified dollar-value method, inventory price index computation (IPIC) pools, vehicle-pool method, etc.).
   c. Pricing dollar-value pools (for example, double-extension, index, link-chain, link-chain index, IPIC method, etc.).
   d. Determining the current-year cost of goods in the ending inventory (such as, most recent acquisitions, earliest acquisitions during the current year, average cost of current-year acquisitions, rolling-average cost, or other permitted method).
2. If any present method or submethod used by the applicant is not the same as indicated on Form(s) 970 filed to adopt or expand the use of the method, attach an explanation.
3. If the proposed change is not requested for all the LIFO inventory, attach a statement specifying the inventory to which the change is and is not applicable.
4. If the proposed change is not requested for all of the LIFO pools, attach a statement specifying the LIFO pool(s) to which the change is applicable.
5. Attach a statement addressing whether the applicant values any of its LIFO inventory on a method other than cost. For example, if the applicant values some of its LIFO inventory at retail and the remainder at cost, identify which inventory items are valued under each method.
6. If changing to the IPIC method, attach a completed Form 970.

Part II  Change in Pooling Inventories

1. If the applicant is proposing to change its pooling method or the number of pools, attach a description of the contents of, and state the base year for, each dollar-value pool the applicant presently uses and proposes to use.
2. If the applicant is proposing to use natural business unit (NBU) pools or requesting to change the number of NBU pools, attach the following information to the extent not already provided in sufficient detail to show that each proposed NBU was determined under Regulations sections 1.472-8(b)(1) and (2):
   a. A description of the types of products produced by the applicant. If possible, attach a brochure.
   b. A description of the types of processes and raw materials used to produce the products in each proposed pool.
   c. If all of the products to be included in the proposed NBU pool(s) are not produced at one facility, state the reasons for the separate facilities, the location of each facility, and a description of the products each facility produces.
   d. A description of the natural business divisions adopted by the taxpayer. State whether separate cost centers are maintained and if separate profit and loss statements are prepared.
   e. A statement addressing whether the applicant has inventories of items purchased and held for resale that are not further processed by the applicant, including whether such items, if any, will be included in any proposed NBU pool.
   f. A statement addressing whether all items including raw materials, goods-in-process, and finished goods entering into the entire inventory investment for each proposed NBU pool are presently valued under the LIFO method. Describe any items that are not presently valued under the LIFO method that are to be included in each proposed pool.
   g. A statement addressing whether, within the proposed NBU pool(s), there are items both sold to unrelated parties and transferred to a different unit of the applicant to be used as a component part of another product prior to final processing.
3. If the applicant is engaged in manufacturing and is proposing to use the multiple pooling method or raw material content pools, attach information to show that each proposed pool will consist of a group of items that are substantially similar. See Regulations section 1.472-8(b)(3).
4. If the applicant is engaged in the wholesaling or retailing of goods and is requesting to change the number of pools used, attach information to show that each of the proposed pools is based on customary business classifications of the applicant's trade or business. See Regulations section 1.472-8(c).
Schedule D—Change in the Treatment of Long-Term Contracts Under Section 460, Inventories, or Other Section 263A Assets (see instructions)

Part I Change in Reporting Income From Long-Term Contracts (Also complete Part III on pages 7 and 8.)

1 To the extent not already provided, attach a description of the applicant’s present and proposed methods for reporting income and expenses from long-term contracts. Also, attach a representative actual contract (without any deletion) for the requested change. If the applicant is a construction contractor, attach a detailed description of its construction activities.

2a Are the applicant’s contracts long-term contracts as defined in section 460(f)(1) (see instructions)? □ Yes □ No

b If “Yes,” do all the contracts qualify for the exception under section 460(e) (see instructions)? □ Yes □ No

If line 2b is “No,” attach an explanation.

c Is the applicant requesting to use the percentage-of-completion method using cost-to-cost under Regulations section 1.460-4(b)? □ Yes □ No

d If line 2c is “Yes,” in computing the completion factor of a contract, will the applicant use the simplified cost-to-cost method described in Regulations section 1.460-5(c)? □ Yes □ No

e If line 2c is “No,” is the applicant requesting to use the exempt-contract percentage-of-completion method under Regulations section 1.460-4(c)(2)? □ Yes □ No

If line 2e is “Yes,” attach an explanation of what method the applicant will use to determine a contract’s completion factor.

If line 2e is “No,” attach an explanation of what method the applicant is using and the authority for its use.

3a Does the applicant have long-term manufacturing contracts as defined in section 460(f)(1)2? □ Yes □ No

b If “Yes,” attach a description of the applicant’s manufacturing activities, including any required installation of manufactured goods.

4a Does the applicant enter into cost-plus long-term contracts? □ Yes □ No

b Does the applicant enter into federal long-term contracts? □ Yes □ No

Part II Change in Valuing Inventories Including Cost Allocation Changes (Also complete Part III on pages 7 and 8.)

1 Attach a description of the inventory goods being changed.

2 Attach a description of the inventory goods (if any) NOT being changed.

3a Is the applicant subject to section 263A? If “No,” go to line 4a. □ Yes □ No

b Is the applicant’s present inventory valuation method in compliance with section 263A (see instructions)? If “No,” attach a detailed explanation.

4a Check the appropriate boxes in the chart.

Identification methods:
- Specific identification
- FIFO
- LIFO
- Other (attach explanation)

Valuation methods:
- Cost
- Cost or market, whichever is lower
- Retail cost
- Retail, lower of cost or market
- Other (attach explanation)

b Enter the value at the end of the tax year preceding the year of change.

5 If the applicant is changing from the LIFO inventory method to a non-LIFO method, attach the following information (see instructions).

a Copies of Form(s) 970 filed to adopt or expand the use of the method.

b Only for applicants requesting a non-automatic change. A statement describing whether the applicant is changing to the method required by Regulations section 1.472-6(a) or (b), or whether the applicant is proposing a different method.

c Only for applicants requesting an automatic change. The statement required by section 23.01(5) of Rev. Proc. 2018-31 (or its successor).
### Method of Cost Allocation

(Complete this part if the requested change involves either property subject to section 263A or long-term contracts as described in section 460.) See instructions.

**Section A—Allocation and Capitalization Methods**

Attach a description (including sample computations) of the present and proposed method(s) the applicant uses to capitalize direct and indirect costs properly allocable to real or tangible personal property produced and property acquired for resale, or to allocate direct and indirect costs required to be allocated to long-term contracts. Include a description of the method(s) used for allocating indirect costs to intermediate cost objectives such as departments or activities prior to the allocation of such costs to long-term contracts, real or tangible personal property produced, and property acquired for resale. The description must include the following:

1. The method of allocating direct and indirect costs (for example, specific identification, burden rate, standard cost, or other reasonable allocation method).
2. The method of allocating mixed service costs (for example, direct reallocation, step-allocation, simplified service cost using the labor-based allocation ratio, simplified service cost using the production cost allocation ratio, or other reasonable allocation method).
3. Except for long-term contract accounting methods, the method of capitalizing additional section 263A costs (for example, simplified production with or without the historic absorption ratio election, simplified resale with or without the historic absorption ratio election including permissible variations, the U.S. ratio, or other reasonable allocation method).

### Section B—Direct and Indirect Costs Required to be Allocated

Check the appropriate boxes showing the costs that are or will be fully included, to the extent required, in the cost of real or tangible personal property produced or property acquired for resale under section 263A or allocated to long-term contracts under section 460. Mark “N/A” in a box if those costs are not incurred by the applicant. If a box is not checked, it is assumed that those costs are not fully included to the extent required. Attach an explanation for boxes that are not checked.

<table>
<thead>
<tr>
<th></th>
<th>Present method</th>
<th>Proposed method</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Direct material</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Direct labor</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Indirect labor</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Officers’ compensation (not including selling activities)</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Pension and other related costs</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Employee benefits</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Indirect materials and supplies</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Purchasing costs</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Handling, processing, assembly, and repackaging costs</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Offsite storage and warehousing costs</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Depreciation, amortization, and cost recovery allowance for equipment and facilities placed in service and not temporarily idle</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Depletion</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Rent</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Taxes other than state, local, and foreign income taxes</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Insurance</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Utilities</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Maintenance and repairs that relate to a production, resale, or long-term contract activity</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>Engineering and design costs (not including section 174 research and experimental expenses)</td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>Rework labor, scrap, and spoilage</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>Tools and equipment</td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>Quality control and inspection</td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>Bidding expenses incurred in the solicitation of contracts awarded to the applicant</td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>Licensing and franchise costs</td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>Capitalizable service costs (including mixed service costs)</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>Administrative costs (not including any costs of selling or any return on capital)</td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>Research and experimental expenses attributable to long-term contracts</td>
<td></td>
</tr>
<tr>
<td>27</td>
<td>Interest</td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>Other costs (Attach a list of these costs.)</td>
<td></td>
</tr>
</tbody>
</table>
### Part III  Method of Cost Allocation (continued) See instructions.

#### Section C—Other Costs Not Required To Be Allocated  (Complete Section C only if the applicant is requesting to change its method for these costs.)

<table>
<thead>
<tr>
<th></th>
<th>Present method</th>
<th>Proposed method</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Marketing, selling, advertising, and distribution expenses</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Research and experimental expenses not included in Section B, line 26</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Bidding expenses not included in Section B, line 22</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>General and administrative costs not included in Section B</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Income taxes</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Cost of strikes</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Warranty and product liability costs</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Section 179 costs</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>On-site storage</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Depreciation, amortization, and cost recovery allowance not included in Section B, line 11</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Other costs (Attach a list of these costs.)</td>
<td></td>
</tr>
</tbody>
</table>

### Schedule E—Change in Depreciation or Amortization. See instructions.

Applicants requesting approval to change their method of accounting for depreciation or amortization complete this section. Applicants must provide this information for each item or class of property for which a change is requested.

**Note:** See the Summary of the List of Automatic Accounting Method Changes in the instructions for information regarding automatic changes under sections 56, 167, 168, 197, 1400L, or former section 168. Do not file Form 3115 with respect to certain late elections and election revocations. See instructions.

1. Is depreciation for the property determined under Regulations section 1.167(a)-11 (CLADR)?  □ Yes □ No
   If “Yes,” the only changes permitted are under Regulations section 1.167(a)-11(c)(1)(iii).

2. Is any of the depreciation or amortization required to be capitalized under any Code section such as section 263A?  □ Yes □ No
   If “Yes,” enter the applicable section ▶

3. Has a depreciation, amortization, expense, or disposition election been made for the property such as the election under sections 168(f)(1), 168(i)(4), 179, 179C, or Regulations section 1.168(i)-8(d)?  □ Yes □ No
   If “Yes,” state the election made ▶

4a. To the extent not already provided, attach a statement describing the property subject to the change. Include in the description the type of property, the year the property was placed in service, and the property’s use in the applicant’s trade or business or income-producing activity.

   b. If the property is residential rental property, did the applicant live in the property before renting it?  □ Yes □ No
   c. Is the property public utility property?  □ Yes □ No

5. To the extent not already provided in the applicant’s description of its present method, attach a statement explaining how the property is treated under the applicant’s present method (for example, depreciable property, inventory property, supplies under Regulations section 1.162-3, nondepreciable section 263(a) property, property deductible as a current expense, etc.).

6. If the property is not currently treated as depreciable or amortizable property, attach a statement of the facts supporting the proposed change to depreciate or amortize the property.

7. If the property is currently treated and/or will be treated as depreciable or amortizable property, provide the following information for both the present (if applicable) and proposed methods:
   a. The Code section under which the property is or will be depreciated or amortized (for example, section 168(g)).
   b. The applicable asset class from Rev. Proc. 87-56, 1987-2 C.B. 674, for each asset depreciated under section 168 (MACRS) or under section 1400L; the applicable asset class from Rev. Proc. 83-35, 1983-1 C.B. 745, for each asset depreciated under former section 168 (ACRS); an explanation why no asset class is identified for each asset for which an asset class has not been identified by the applicant.
   c. The facts to support the asset class for the proposed method.
   d. The depreciation or amortization method of the property, including the applicable Code section (for example, 200% declining balance method under section 168(b)(1)).
   e. The useful life, recovery period, or amortization period of the property.
   f. The applicable convention of the property.
   g. Whether the additional first-year special depreciation allowance (for example, as provided by section 168(k), 168(f), 168(m), 168(n), 1400L(b), or 1400N(d)) was or will be claimed for the property. If not, also provide an explanation as to why no special depreciation allowance was or will be claimed.
   h. Whether the property was or will be in a single asset account, a multiple asset account, or a general asset account.
Part II, Line 14 - Overall Method of Accounting Attachment

Item Changing: Rental income from broadcast tower

Present Method:
The Taxpayer's present method of accounting for the broadcast tower rental income is on a cash basis.

Proposed Method:
The Taxpayer proposes to recognize broadcast tower rental income in accordance with ASC 840: Accounting for Leases on a straight-line basis. This method provides a more accurate reflection of activities and follows the method of accounting for all other activities reported by the Taxpayer.

Overall Method: Accrual

Part II, Line 15 - Trade or Business Statement

Taxpayer is engaged in radio advertising purchased by commercial businesses and broadcasted on exempt Christian stations plus rental income.

Principal Business Activity Code Number: 515100

Part IV, Line 26 - Computation of Section 481(a) Adjustment

In prior years, rental income for the broadcast tower was recognized on a cash basis. This adjustment will result in additional rental income and deferred rent receivable in accordance with ASC 840: Accounting for Leases.

Deferred rent receivable: $118,154
Rental income recognized on Form 990-T: $118,154*

* Recognized over 4 years