

Form 112 (12/04/15)
COLORADO DEPARTMENT OF REVENUE
 Denver, CO 80261-0006

(0023)

**Colorado C Corporation
 Income Tax Form 112**

**Do not submit federal return, forms or
 schedules when filing this return.**

2015

-OR-



150112 11024

| | | |
|----------------------------------|------|------------------------|
| Fiscal Year Beginning (MM/DD/15) | 2015 | Year Ending (MM/DD/YY) |
|----------------------------------|------|------------------------|

| | |
|---|------------------------------|
| Name of Corporation COTTON RANCH HOMEOWNERS ASSN | Colorado Account Number • |
| Address PO BOX 1930 | FEIN • 84-1354453 |
| City GYPSUM | State CO |
| | Zip 81637 |

Final Return If you are submitting a statement disclosing a listed or reported transaction, mark this box

- A. Apportionment of Income.** This return is being filed for:
- (42) A corporation not apportioning income;
 - (43) A corporation engaged in interstate business apportioning income using single-factor apportionment (Schedule SF required);
 - (44) A corporation engaged in interstate business apportioning income using special regulation (Schedule SF required);
 - (45) A corporation electing to pay a tax on its gross Colorado sales;
 - (46) A corporation claiming an exemption under P.L. 86-272;
 - (47) Other appointment method, must be pre-approved by the department (fill in below)

- B. Separate/Consolidate/Combined Filing.** This return is being filed for:
- A single corporation filing a separate return;
 - An affiliated group of corporations required to file a combined return (Schedule C required.);
 - An affiliated group of corporations electing to file a consolidated return. **Warning:** such election is binding for four years. If your election was made in a prior year, enter the year of election in line below. (Schedule C required);
 - An affiliated group of corporations required to file a combined return that includes another affiliated, consolidated group (Schedule C required.)
- Enter the year of election (YYYY)

| Federal Taxable Income | | Round to nearest dollar | |
|--|-----|-------------------------|----|
| 1. Federal taxable income from Federal form 1120 or 990-T | • 1 | (875) | 00 |
| 2. Federal taxable income of companies not included in this return | • 2 | | 00 |
| 3. Net federal taxable income, line 1 minus line 2 | 3 | (875) | 00 |
| Additions | | | |
| 4. Federal net operating loss deduction | • 4 | | 00 |
| 5. Colorado income tax deduction | • 5 | | 00 |
| 6. Other additions, include explanation | • 6 | | 00 |
| 7. Total of lines 3 through 6 | 7 | (875) | 00 |



150112 21024

Form 112

84-1354453

| Name | | Account Number |
|--|------|----------------|
| COTTON RANCH HOMEOWNERS ASSN | | |
| Subtractions | | |
| 8. Exempt federal interest | • 8 | 00 |
| 9. Excludable foreign source income | • 9 | 00 |
| 10. Colorado source capital gain (assets acquired on or after 5/9/94, held five years) | • 10 | 00 |
| 11. Colorado Marijuana Business Deduction | • 11 | 00 |
| 12. Other subtractions, include explanation | • 12 | 00 |
| 13. Total of lines 8 through 12 | 13 | 00 |
| Taxable Income | | |
| 14. Modified federal taxable income, line 7 minus line 13 | 14 | (875)00 |
| 15. Colorado taxable income before net operating loss deduction | • 15 | (875)00 |
| 16. Colorado net operating loss deduction | • 16 | 00 |
| 17. Colorado taxable income, line 15 minus line 16 | 17 | (875)00 |
| 18. Tax, 4.63% of the amount on line 17 | • 18 | 0 00 |
| Credits | | |
| 19. Total nonrefundable credits from line 23, Form 112CR (may not exceed tax on line 18) | • 19 | 00 |
| 20. Non-refundable Enterprise Zone credits used - as calculated, or from DR 1366 line 87 | • 20 | 00 |
| 21. Net tax, line 18 minus lines 19 and 20 | 21 | 00 |
| 22. Recapture of prior year credits | • 22 | 00 |
| 23. Total of lines 21 and 22 | 23 | 00 |
| 24. Estimated tax and extension payments and credits | • 24 | 00 |
| 25. W-2G Withholding from lottery winnings | • 25 | 00 |
| 26. Gross Conservation Easement Credit from DR 1305G line 33 | • 26 | 00 |
| 27. Innovative Motor Vehicle Credit from form DR 0617 | • 27 | 00 |
| 28. Business Personal Property Credit: Use the worksheet in the DR 112 book instructions to calculate, submit copy of assessor's statement | • 28 | 00 |
| 29. Renewable Energy Tax Credit from line 88 of form DR 1366 | • 29 | 00 |
| 30. Total of lines 24 through 29 | 30 | 00 |
| 31. Net tax due. Subtract line 30 from line 23 | 31 | 00 |
| 32. Penalty | • 32 | 00 |

Do Not Submit Federal Return, Forms or Schedules when Filing this Return

Department of the Treasury
Internal Revenue Service

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

For calendar year 2015 or tax year beginning , 2015, and ending , 20

| | | |
|------------------------------|--|---|
| TYPE OR PRINT | Name COTTON RANCH HOMEOWNERS ASSN | Employer identification number 84-1354453 |
| | Number, street, and room or suite no. If a P.O. box, see instructions. PO BOX 1930 | Date association formed |
| | City or town, state or province, country, and ZIP or foreign postal code GYPSUM CO 81637 | 02-13-1996 |

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 instructions) | B | 122,766 |
| C Total expenditures made for purposes described in 90% expenditure test (see instructions) | C | 97,517 |
| D Association's total expenditures for the tax year (see instructions) | D | 99,506 |
| 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 | 1,215 |
| 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 | 1,215 |

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) Statement #5 | 15 | 1,990 |
| 16 Total deductions. Add lines 9 through 15 | 16 | 1,990 |
| 17 Taxable income before specific deduction of \$100. Subtract line 16 from line 8 | 17 | (775) |
| 18 Specific deduction of \$100 | 18 | \$100.00 |

Tax and Payments

| | | |
|--|---------------------------|--------------|
| 19 Taxable income. Subtract line 18 from line 17 | 19 | (875) |
| 20 Enter 30% of line 19. (Timeshare associations, enter 32% of line 19.) | 20 | |
| 21 Tax credits (see instructions) | 21 | |
| 22 Total tax. Subtract line 21 from line 20. See instructions for recapture of certain credits | 22 | |
| 23 a 2014 overpayment credited to 2015 23a | | |
| b 2015 estimated tax payments 23b | | |
| c Total 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 | |
| 25 Overpayment. Subtract line 22 from line 23g | 25 | |
| 26 Enter amount of line 25 you want: Credited to 2016 estimated tax 26 | | |
| | 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: *[Signature]* Date: **3/11/16** Title: **BOARD MEMBER**

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

Paid Preparer Use Only

Print/Type preparer's name: **KENNETH J MARCHETTI** Preparer's signature: *[Signature]* Date: **3/10/16** Check if self-employed PTIN: **P00152900**

Firm's name: **MARCHETTI & WEAVER, LLC** Firm's EIN: **47-1260605**

Firm's address: **28 SECOND ST SUITE 213 EDWARDS CO 81632** Phone no.: **(970) 926-6060**

Federal Supporting Statements

2015 PG01

Name(s) as shown on return

COTTON RANCH HOMEOWNERS ASSN

FEIN

84-1354453

FORM 1120H - LINE 15 - OTHER DEDUCTIONS

Statement #5

DESCRIPTION

SEE ATTACHMENT TO FORM 1120H

AMOUNT

1,990

TOTAL

1,990

Cotton Ranch Homeowners' Association**84-1354453**

Attachment to Form 1120H-U.S. Corporation Income Tax Return

Allocation to Member and Non-member

For the year ended 12/31/15

| | Member | Non-Member | Total |
|--------------------------------|---------------|--------------|---------------|
| Expenses (Line 15, Form 1120H) | | | |
| Accounting & Administration | 25,619 | 1,348 | 26,967 |
| Bad Debt Expense | 405 | | 405 |
| Billing Expenses | 1,940 | | 1,940 |
| Covenant Enforcement | 7,750 | | 7,750 |
| DRB Expenses | 10,090 | | 10,090 |
| Office Expenses | 795 | 41 | 836 |
| Functions | 1,517 | | 1,517 |
| Insurance | 3,678 | | 3,678 |
| Landscape Maintenance | 29,932 | | 29,932 |
| Miscellaneous Service Costs | 2,730 | | 2,730 |
| Repairs & Maintenance | 6,940 | | 6,940 |
| Snow Plowing | 6,000 | | 6,000 |
| Tax Return Preparation | - | 600 | 600 |
| Utilities | 122 | | 122 |
| Website | - | | - |
| | <u>97,517</u> | <u>1,990</u> | <u>99,506</u> |

MARCHETTI & WEAVER, LLC

28 SECOND ST SUITE 213

EDWARDS, CO 81632

KEN@RMPCCPA.COM

Phone: (970)926-6060 | Fax: (970)926-6040

March 10, 2016

Cotton Ranch Homeowners Assn
PO Box 1930
Gypsum, CO 81637

Cotton Ranch Homeowners Assn:

Enclosed is the 2015 Form 1120, U.S. Corporation Income Tax Return prepared for Cotton Ranch Homeowners Assn from the information provided. The original should be signed and dated by a corporate officer and mailed on or before March 15, 2016, to the following address:

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

The corporation's federal return reflects neither a refund nor a balance due.

Enclosed is the 2015 Colorado income tax return, prepared for Cotton Ranch Homeowners Assn from the information provided. The original should be signed and dated, and mailed on or before April 18, 2016, to the following address:

Colorado Department of Revenue
1375 Sherman Street
Denver, CO 80261-0006

The corporation's Colorado income tax return reflects neither a refund nor a balance due.

Thank you for the opportunity to be of service. For further assistance with your tax needs, please contact this office at (970)926-6060.

Sincerely,

Kenneth J Marchetti
MARCHETTI & WEAVER, LLC

MARCHETTI & WEAVER, LLC

28 SECOND ST SUITE 213

EDWARDS, CO 81632

KEN@RMPCCPA.COM

Phone: (970)926-6060 | Fax: (970)926-6040

March 10, 2016

Cotton Ranch Homeowners Assn
PO Box 1930
Gypsum, CO 81637

Subject: Preparation of 2015 Tax Returns

Cotton Ranch Homeowners Assn:

Thank you for choosing MARCHETTI & WEAVER, LLC to assist with the 2015 taxes for Cotton Ranch Homeowners Assn. This letter confirms the terms of the engagement and outlines the nature and extent of the services we will provide.

We will prepare the 2015 federal and state income tax returns for Cotton Ranch Homeowners Assn. We will depend on management to provide the information we need to prepare complete and accurate returns. We may ask management to clarify some items but will not audit or otherwise verify the data submitted.

We will perform accounting services only as needed to prepare the tax returns. Our work will not include procedures to find defalcations or other irregularities. Accordingly, our engagement should not be relied upon to disclose errors, fraud, or other illegal acts, though it may be necessary for management to clarify some of the information submitted. We will, of course, inform management of any material errors, fraud, or other illegal acts we discover.

The law imposes penalties when taxpayers underestimate their tax liability. Please call us if there are any concerns about such penalties.

Should we encounter instances of unclear tax law, or of potential conflicts in the interpretation of the law, we will outline the reasonable courses of action and the risks and consequences of each. We will ultimately adopt, on the behalf of Cotton Ranch Homeowners Assn, the alternative selected by management.

Our fee will be based on the time required at standard billing rates plus out-of-pocket expenses. Invoices are due and payable upon presentation. To the extent permitted by state law, an interest charge may be added to all accounts not paid within thirty (30) days.

We will return the original records to management at the end of this engagement. These records, along with all supporting documents, canceled checks, etc., should be securely stored, as these items may later be needed to prove accuracy and completeness of a return. We will retain copies of the records and our work papers for the engagement for seven years, after which these documents will be destroyed.

Our engagement to prepare the 2015 tax returns will conclude with the delivery of the completed returns to management (if paper-filing) or with the tax matters partner's signature and our subsequent submittal of the tax return (if e-filing). If management has not selected to e-file the returns with our office, management will be solely responsible to file the returns with the appropriate taxing authorities. The tax matters partner should review all tax-return documents carefully before

signing them.

To affirm that this letter correctly summarizes the arrangements for this work, please sign the enclosed copy of this letter in the space indicated and return it to us in the envelope provided.

We appreciate your confidence in us. Please call (970)926-6060 if you have questions.

Sincerely,

Kenneth J Marchetti
MARCHETTI & WEAVER, LLC

Accepted By:



Officer

3/11/14

Date

MARCHETTI & WEAVER, LLC

28 SECOND ST SUITE 213

EDWARDS, CO 81632

KEN@RMPCCPA.COM

Phone: (970)926-6060 | Fax: (970)926-6040

March 10, 2016

Cotton Ranch Homeowners Assn
PO Box 1930
Gypsum, CO 81637

Your privacy is important to us. Please read the following privacy policy.

We collect nonpublic personal information about you from various sources, including:

- * Interviews regarding your tax situation
- * Applications, organizers, or other documents that supply such information as your name, address, telephone number, Social Security Number, number of dependents, income, and other tax-related data
- * Tax-related documents you provide that are required for processing tax returns, such as Forms W-2, 1099R, 1099-INT and 1099-DIV, and stock transactions

We do not disclose any nonpublic personal information about our clients or former clients to anyone, except as requested by our clients or as required by law.

We restrict access to personal information concerning you, except to our employees who need such information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your personal information.

If you have any questions about our privacy policy, please contact us.

Sincerely,

Kenneth J Marchetti
MARCHETTI & WEAVER, LLC

FOR TAX YEAR 2015

COTTON RANCH HOMEOWNERS ASSN

MARCHETTI & WEAVER, LLC

28 SECOND ST SUITE 213

EDWARDS, CO 81632

(970) 926-6060

MARCHETTI & WEAVER, LLC

28 SECOND ST SUITE 213

EDWARDS, CO 81632

KEN@RMPCCPA.COM

Phone: (970)926-6060 | Fax: (970)926-6040

| Customer Name | Customer Information | |
|---|----------------------|----------------|
| Cotton Ranch Homeowners Assn PO Box 1930 Gypsum, CO 81637 | Invoice #: | |
| | Date: | March 10, 2016 |
| | Phone: | |
| | E-mail: | |

Your 2015 tax return was prepared by Kenneth J Marchetti.

| Description | | Fee |
|---------------------------------------|--|-----|
| Federal And Supplemental Forms | | |
| Form 1120-H | U.S. Return for Homeowner's Associations | |
| Comparison | Tax Year Comparison Sheet | |
| Statement 1120 | Form 1120 - Other Deductions | |
| Colorado Forms | | |
| CO 112 | Corporation Income Tax Return | |
| CO 112 pg 2 | Corporation Income Tax Return pg 2 | |
| CO 112 pg 3 | Corporation Income Tax Return pg 3 | |
| CO 8453C | Declaration for Electronic Filing | |

| | | | |
|--------------------|----------|--------------------------|---------------|
| Total Forms | 7 | Forms Subtotal | 600.00 |
| | | Total Balance Due | 600.00 |

Payment due upon receipt. Thank you for your business!