

LP Newsletter #2024-01 / Income Tax Return, Loan Status, and Weekly Reserve Expense Summary

A complete listing of the Governing Documents and Rules and Regulations for Lafayette Place can be found at our website, www.lafayetteplace.net

INCOME TAX RETURN COMPLETED

The corporate tax return for Lafayette Place Home Owners Association for the year ending February 28, 2023, has been completed by the accounting firm of Armstrong, Vaughan & Associates, P.C. and will be filed this week. A copy is attached for your information.

LOAN STATUS AND LOAN PAYMENT OPTION

The closing documents for the \$2 million loan from First Citizens Bank were signed yesterday by the Board President and Treasurer, and the funds will be transferred today to the Association's Reserve Fund bank account.

To date, we have received responses from 49 unit owners with their preferred payment option, with 33 electing monthly payments and 16 choosing to pay the loan in a lump sum which will immediately reduce the principal balance of the loan by \$152,832.

Please respond by January 19th to manager@lafayetteplace.net with your preferred payment option.

RESERVE EXPENSES – WEEK OF 12-24-23 thru 12-31-23

\$278,498.44	Reserve Fund Beginning Balance as of 12-24-23
\$ 3,370.00	Sewer Drain Issue – Units 105-108**
\$275,128.44	Reserve Fund Ending Balance as of 12-31-23

NOTE: Of the amount remaining in the Reserve Fund, please remember that \$250,000 must always remain untouched, since that is the amount of the deductible for any property claim filed against our master insurance policy.

**All units in the building reporting drainage issues. A tunnel must be dug under the slab to determine the source of the problem. Price of \$6,740 includes 8 feet of tunnel, pipe repair, engineer's report, and city inspection. Additional tunneling may be required at an additional cost.

Thank you.

Linda Adams

Community Association Manager

Lafayette Place Home Owners Association

Form **1120-H**

Department of the Treasury
Internal Revenue Service

**U.S. Income Tax Return
for Homeowners Associations**

Go to www.irs.gov/Form1120H for instructions and the latest information.

OMB No. 1545-0123

2022

For calendar year 2022 or tax year beginning **03/01/22**, and ending **02/28/23**

TYPE OR PRINT	Name LAFAYETTE PLACE HOMEOWNERS ASSOC.	Employer identification number 74-2330246
	Number, street, and room or suite no. If a P.O. box, see instructions. 7500 CALLAGHAN RD.	Date association formed
	City or town, state or province, country, and ZIP or foreign postal code SAN ANTONIO TX 78229	08/01/1977

Check if: (1) Final return (2) Name change (3) Address change (4) Amended return

A Check type of homeowners association: <input checked="" type="checkbox"/> Condominium management association	Residential real estate association	Timeshare association
B Total exempt function income. Must meet 60% gross income test. See instructions	B	1,111,146
C Total expenditures made for purposes described in 90% expenditure test. See instructions	C	1,178,423
D Association's total expenditures for the tax year. See instructions	D	1,182,020
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	3,248
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) STMT 1	7	10,319
8 Gross income (excluding exempt function income). Add lines 1 through 7	8	13,567

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) STMT 2	15	11,183
16 Total deductions. Add lines 9 through 15	16	11,183
17 Taxable income before specific deduction of \$100. Subtract line 16 from line 8	17	2,384
18 Specific deduction of \$100	18	100

Tax and Payments

19 Taxable income. Subtract line 18 from line 17	19	2,284
20 Enter 30% (0.30) of line 19. (Timeshare associations, enter 32% (0.32) of line 19.)	20	685
21 Tax credits (see instructions)	21	
22 Total tax. Subtract line 21 from line 20. See instructions for recapture of certain credits	22	685
23a 2021 overpayment credited to 2022	23a	3,936
b 2022 estimated tax payments	23b	
c Total	23c	3,936
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	3,936
24 Amount owed. Subtract line 23g from line 22. See instructions	24	0
25 Overpayment. Subtract line 22 from line 23g	25	3,251
26 Enter amount of line 25 you want: Credited to 2023 estimated tax 3,251 Refunded	26	

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

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

Sign Here Signature of officer _____ Date _____ Title _____

Paid	Print/Type preparer's name KIMBERLY ROACH	Preparer's signature <i>Kimberly J Roach</i>	Date 01/03/24	Check <input type="checkbox"/> if self-employed	PTIN P01337314
	Preparer	Firm's name ARMSTRONG, VAUGHAN & ASSOCIATES, P.C.	Firm's EIN 74-2332623		
Use Only	Firm's address 941 WEST BYRD BLVD, STE 101 UNIVERSAL CITY, TX 78148	Phone no. 210-658-6229			

For Paperwork Reduction Act Notice, see separate instructions.

Form **1120-H** (2022)

Federal Statements**Statement 1 - Form 1120-H, Line 7 - Other Income**

<u>Description</u>	<u>Amount</u>
ACCESS CARD INCOME	\$ 1,225
CREDIT CARD INCOME	504
RESALE CERTIFICATE FEE	1,225
CLUBHOUSE INCOME	2,800
NSF FEE INCOME	3,090
MISC INCOME	1,475
TOTAL	\$ <u>10,319</u>

Statement 2 - Form 1120-H, Line 15 - Other Deductions

<u>Description</u>	<u>Amount</u>
BANK CHARGES	\$ 586
MANAGEMENT FEE	3,790
MANAGER SALARY	1,962
ACCOUNTING FEES	820
GATE KEY EXPENSES	1,225
CLUBHOUSE MAINTENANCE	2,800
TOTAL	\$ <u>11,183</u>

Filing Instructions

LAFAYETTE PLACE HOMEOWNERS ASSOC.

Corporation Tax Return

Taxable Year Ended February 28, 2023

Federal Filing Instructions

Your 2022 Form 1120-H shows a total overpayment of \$3,251, all of which is to be credited to your estimated tax liability for the coming year.

An authorized officer of the corporation should sign and date the return and mail AS SOON AS POSSIBLE to:

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