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**Short Form  
Return of Organization Exempt From Income Tax**

**2008**

Department of the Treasury  
Internal Revenue Service

**Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code  
(except black lung benefit trust or private foundation)**

▶ Sponsoring organizations of donor advised funds and controlling organizations as defined in section 512(b)(13) must file Form 990. All other organizations with gross receipts less than \$1,000,000 and total assets less than \$2,500,000 at the end of the year may use this form.

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

**Open to Public  
Inspection**

**A For the 2008 calendar year, or tax year beginning** 7/01, 2008, **and ending** 6/30, 2009

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Please use IRS label or print or type. See Specific Instructions. <b>C.I.C. ARMS, INC.</b> <b>S. SECOND &amp; MARTIN DRIVE</b> <b>MCGHEE, AR 71654</b>	<b>D</b> Employer identification number 71-0467424
		<b>E</b> Telephone number 870-222-5276
		<b>F</b> Group Exemption Number
		<b>G</b> Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual Other (specify) ▶

• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

**I Website:** ▶ N/A

**J Organization type (check only one)** —  501(c) ( 4 ) ◀ (insert no.)  4947(a)(1) or  527

**K** Check  if the organization is not a section 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

**L** Add lines 5b, 6b, and 7b, to line 9 to determine gross receipts, if \$1,000,000 or more, file Form 990 instead of Form 990-EZ. ▶ \$ 251,651.

**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions for Part I.)**

<b>1</b>	Contributions, gifts, grants, and similar amounts received	<b>1</b>	
<b>2</b>	Program service revenue including government fees and contracts	<b>2</b>	250,654.
<b>3</b>	Membership dues and assessments	<b>3</b>	
<b>4</b>	Investment income	<b>4</b>	858.
<b>5a</b>	Gross amount from sale of assets other than inventory	<b>5a</b>	
<b>5b</b>	Less cost or other basis and sales expenses	<b>5b</b>	
<b>5c</b>	Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a) (att sch)	<b>5c</b>	
<b>6</b>	Special events and activities (complete applicable parts of Schedule G) If any amount is from gaming, check here <input type="checkbox"/>		
<b>6a</b>	Gross revenue (not including \$ of contributions reported on line 1)	<b>6a</b>	
<b>6b</b>	Less direct expenses other than fundraising expenses	<b>6b</b>	
<b>6c</b>	Net income or (loss) from special events and activities (Subtract line 6b from line 6a)	<b>6c</b>	
<b>7a</b>	Gross sales of inventory, less returns and allowances	<b>7a</b>	
<b>7b</b>	Less: cost of goods sold	<b>7b</b>	
<b>7c</b>	Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)	<b>7c</b>	
<b>8</b>	Other revenue (describe ▶ SEE STATEMENT 1)	<b>8</b>	139.
<b>9</b>	<b>Total revenue</b> (add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8)	<b>9</b>	251,651.
<b>10</b>	Grants and similar amounts paid (attach schedule)	<b>10</b>	
<b>11</b>	Benefits paid to or for members	<b>11</b>	
<b>12</b>	Salaries, other compensation, and employee benefits	<b>12</b>	66,493.
<b>13</b>	Professional fees and other payments to independent contractors	<b>13</b>	5,182.
<b>14</b>	Occupancy, rent, utilities, and maintenance	<b>14</b>	
<b>15</b>	Printing, publications, postage, and shipping	<b>15</b>	
<b>16</b>	Other expenses (describe ▶ SEE STATEMENT 2)	<b>16</b>	134,047.
<b>17</b>	<b>Total expenses</b> (add lines 10 through 16)	<b>17</b>	205,722.
<b>18</b>	Excess or (deficit) for the year (Subtract line 17 from line 9)	<b>18</b>	45,929.
<b>19</b>	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	<b>19</b>	143,201.
<b>20</b>	Other changes in net assets or fund balances (attach explanation)	<b>20</b>	
<b>21</b>	Net assets or fund balances at end of year. Combine lines 18 through 20	<b>21</b>	189,130.

**Part II Balance Sheets.** If Total assets on line 25, column (B) are \$2,500,000 or more, file Form 990 instead of Form 990-EZ

(See the instructions for Part II)		(A) Beginning of year	(B) End of year
<b>22</b>	Cash, savings, and investments	8,433.	11,045.
<b>23</b>	Land and buildings	141,679.	123,295.
<b>24</b>	Other assets (describe ▶ SEE STATEMENT 3)	138,381.	151,896.
<b>25</b>	<b>Total assets</b>	288,493.	286,236.
<b>26</b>	<b>Total liabilities</b> (describe ▶ SEE STATEMENT 4)	145,292.	97,106.
<b>27</b>	<b>Net assets or fund balances</b> (line 27 of column (B) must agree with line 21)	143,201.	189,130.

P 24

<b>Part III</b>   <b>Statement of Program Service Accomplishments</b> (See the instructions.)	<b>Expenses</b>
What is the organization's primary exempt purpose? <b>SEE STATEMENT 5</b>	(Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts, optional for others.)
Describe what was achieved in carrying out the organization's exempt purposes. In a clear and concise manner, describe the services provided, the number of persons benefited, or other relevant information for each program title	
<b>28</b> <u>LOW RENT HOUSING PROJECT WITH 50 UNITS</u> ----- ----- (Grants \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/> <b>28 a</b>	
<b>29</b> ----- ----- (Grants \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/> <b>29 a</b>	
<b>30</b> ----- ----- (Grants \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/> <b>30 a</b>	
<b>31</b> Other program services (attach schedule) (Grants \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/> <b>31 a</b>	
<b>32</b> <b>Total program service expenses</b> (add lines 28a through 31a) <input type="checkbox"/> <b>32</b>	

<b>Part IV</b>   <b>List of Officers, Directors, Trustees, and Key Employees.</b> (List each one even if not compensated. See the instrs.)				
(a) Name and address	(b) Title and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-.)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
BENNIE LEE 205 ARMORY STREET MCGEHEE, AR 71654	PRESIDENT 1.00	0.	0.	0.
L.C. WILLIAMS 1104 S 1ST STREET MCGEHEE, AR 71654	VICE PRESIDENT 1.00	0.	0.	0.
JOHN ELLIS 100 DRIFTWOOD MCGEHEE, AR 71654	DIRECTOR 1.00	0.	0.	0.
JIMMIE LEE WILLIAMS 220 SCHOOL ST MCGEHEE, AR 71654	SECRETARY 2.00	0.	0.	0.
DORIS GLOVER 210 TAYLOR MCGEHEE, AR 71654	ASST SECRETARY 1.00	0.	0.	0.
HELEN WASHINGTON 110 PECAN MCGEHEE, AR 71654	DIRECTOR 1.00	0.	0.	0.
JACQUELINE GRAHAM 709 RAILROAD MCGEHEE, AR 71654	MANAGER 40.00	0.	0.	0.
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**Part V Other Information** (Note the statement requirement in General Instruction V.)

	Yes	No
<b>33</b> Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity		X
<b>34</b> Were any changes made to the organizing or governing documents but not reported to the IRS? If 'Yes,' attach a conformed copy of the changes		X
<b>35</b> If the organization had income from business activities, such as those reported on lines 2, 6a, and 7a (among others), but not reported on Form 990-T, attach a statement explaining your reason for not reporting the income on Form 990-T.		
<b>a</b> Did the organization have unrelated business gross income of \$1,000 or more or 6033(e) notice, reporting, and proxy tax requirements?		X
<b>b</b> If 'Yes,' has it filed a tax return on <b>Form 990-T</b> for this year?	N/A	
<b>36</b> Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' complete applicable parts of Schedule N		X
<b>37 a</b> Enter amount of political expenditures, direct or indirect, as described in the instructions <span style="float:right">▶ <b>37 a</b> 0.</span>		
<b>b</b> Did the organization file <b>Form 1120-POL</b> for this year?		X
<b>38 a</b> Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still unpaid at the start of the period covered by this return?		X
<b>b</b> If 'Yes,' complete Schedule L, Part II and enter the total amount involved <span style="float:right"><b>38 b</b> N/A</span>		
<b>39</b> 501(c)(7) organizations Enter.		
<b>a</b> Initiation fees and capital contributions included on line 9 <span style="float:right"><b>39 a</b> N/A</span>		
<b>b</b> Gross receipts, included on line 9, for public use of club facilities <span style="float:right"><b>39 b</b> N/A</span>		
<b>40 a</b> 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under section 4911 ▶ <u>N/A</u> ; section 4912 ▶ <u>N/A</u> ; section 4955 ▶ <u>N/A</u>		
<b>b</b> 501(c)(3) and (4) organizations Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' complete Schedule L, Part I		X
<b>c</b> Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 <span style="float:right">▶ 0.</span>		
<b>d</b> Enter amount of tax on line 40c reimbursed by the organization <span style="float:right">▶ 0.</span>		
<b>e</b> All organizations At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If 'Yes,' complete Form 8886-T		X
<b>41</b> List the states with which a copy of this return is filed ▶ <u>NONE</u>		

**42 a** The books are in care of ▶ MONTGOMERY FIRM, CPA'S, P.A. Telephone no. ▶ 870-222-6005  
 Located at ▶ 202 WEST LYNN, MCGEHEE, AR ZIP + 4 ▶ 71654

	Yes	No
<b>42 b</b> At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If 'Yes,' enter the name of the foreign country: ▶ _____		X
See the instructions for exceptions and filing requirements for <b>Form TD F 90-22.1, Report of a Foreign Bank and Financial Accounts.</b>		
<b>c</b> At any time during the calendar year, did the organization maintain an office outside of the U.S.? If 'Yes,' enter the name of the foreign country ▶ _____		X

**43** Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of **Form 1041** — Check here and enter the amount of tax-exempt interest received or accrued during the tax year ▶  N/A  
**43** N/A

	Yes	No
<b>44</b> Did the organization maintain any donor advised funds? If 'Yes,' Form 990 must be completed instead of Form 990-EZ		X
<b>45</b> Is any related organization a controlled entity of the organization within the meaning of section 512(b)(13)? If 'Yes,' Form 990 must be completed instead of Form 990-EZ		X

**Part VI Section 501(c)(3) organizations only.** All section 501(c)(3) organizations must answer questions 46-49 and complete the tables for lines 50 and 51.

- 46 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I
- 47 Did the organization engage in lobbying activities? If 'Yes,' complete Schedule C, Part II
- 48 Is the organization operating a school as described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E
- 49a Did the organization make any transfers to an exempt non-charitable related organization?
- b If 'Yes,' was the related organization(s) a section 527 organization?

	Yes	No
46		
47		
48		
49a		
49b		

50 Complete this table for the five highest compensated employees (other than officers, directors, trustees and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter 'None'

(a) Name and address of each employee paid more than \$100,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
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Total number of other employees paid over \$100,000. ▶				

51 Complete this table for the five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter 'None'

(a) Name and address of each independent contractor paid more than \$100,000	(b) Type of service	(c) Compensation
-----		
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-----		
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-----		
Total number of other independent contractors receiving over \$100,000 ▶		

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 officer) is based on all information of which preparer has any knowledge.

Sign Here

*Benny Lee* Signature of officer  2-16-10 Date  
 Benny Lee - President Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ *Cynthia R Montgomery* Date 2/12/10  
 Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ THE MONTGOMERY FIRM, CPA'S, PA  
 202 WEST LYNN STREET  
 MC GEHEE, AR 71654  
 Check if self-employed  Preparer's Identifying Number (See instructions) P00428601  
 EIN ▶ 71-0765675  
 Phone no ▶ (870) 222-6005

May the IRS discuss this return with the preparer shown above? See instructions

Yes  No

C.I.C. ARMS, INC.

71-0467424

**STATEMENT 1**  
**FORM 990-EZ, PART I, LINE 8**  
**OTHER REVENUE**

MISCELLANEOUS INCOME			
		TOTAL	\$ <u>139.</u>
			\$ <u>139.</u>

**STATEMENT 2**  
**FORM 990-EZ, PART I, LINE 16**  
**OTHER EXPENSES**

BANK CHARGES		\$	6.
DEPRECIATION			20,318.
INSURANCE			17,129.
INTEREST			8,522.
MISCELLANEOUS			112.
OFFICE EXPENSES			8,655.
PROPERTY TAX			8,991.
REPAIRS/EXTERMININATING			29,533.
SCHOLARSHIPS			350.
TELEPHONE			1,695.
TRAVEL			1,860.
UTILITIES			36,876.
		TOTAL	\$ <u>134,047.</u>

**STATEMENT 3**  
**FORM 990-EZ, PART II, LINE 24**  
**OTHER ASSETS**

	<u>BEGINNING</u>	<u>ENDING</u>
ACCOUNTS RECEIVABLE	\$ 2,091.	\$ 1,801.
FURNITURE AND FIXTURES	1,062.	930.
MACHINERY AND EQUIPMENT	37,515.	37,663.
MORTGAGE ESCROW DEPOSITS	95,410.	97,477.
PREPAID EXPENSES AND DEFERRED CHARGES	1,503.	13,225.
UTILITY DEPOSITS	800.	800.
TOTAL	\$ <u>138,381.</u>	\$ <u>151,896.</u>

**STATEMENT 4**  
**FORM 990-EZ, PART II, LINE 26**  
**TOTAL LIABILITIES**

	<u>BEGINNING</u>	<u>ENDING</u>
ACCOUNTS PAYABLE AND ACCRUED EXPENSES	\$ 9,182.	\$ 6,852.
SECURED MORTGAGES AND NOTES PAYABLE	131,796.	85,904.
TENANT SECURITY DEPOSITS	4,314.	4,350.
TOTAL	\$ <u>145,292.</u>	\$ <u>97,106.</u>

C.I.C. ARMS, INC.

71-0467424

**STATEMENT 5  
FORM 990-EZ, PART III  
ORGANIZATION'S PRIMARY EXEMPT PURPOSE**

C.I.C. ARMS, INC. IS A FIFTY UNIT APARTMENT COMPLEX IN MCGEHEE, ARKANSAS PROVIDING LOW RENT HOUSING TO ITS TENANTS.

C.I.C. ARMS, INC.

71-0467424

**STMT. OF FUNCTIONAL EXPENSES (990)  
BOOK DEPRECIATION (SEE SCREEN 37)[0]**

BUILDINGS	\$	18,383.
BUILDINGS EQUIPMENT - PORTABLE		1,622.
FURNITURE - ADMINISTRATIVE USE		51.
MAINTENANCE EQUIPMENT		180.
OFFICE FURNITURE		82.
TOTAL	\$	<u>20,318.</u>