

C&E
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Form **990-T**

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

OMB No 1545-0087

2017

Department of the Treasury
Internal Revenue Service

For calendar year 2017 or other tax year beginning _____, and ending _____

▶ 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)

Open to Public Inspection for
501(c)(3) Organizations Only

A ☐ Check box if
address changed

B Exempt under section

☒ 501(c)(3) **03**

☐ 408(e) ☐ 220(e)

☐ 408A ☐ 530(a)

☐ 529(a)

Print
or
Type

Name of organization (☐ Check box if name changed and see instructions.)

Cape Counseling Services

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

1129 Route 9 South, No. 1

City or town, state or province, country, and ZIP or foreign postal code

Cape May Court House, NJ 08210

D Employer identification number
(Employees' trust, see
instructions)

22-2226231

E Unrelated business activity codes
(See instructions)

531120

C Book value of all assets
at end of year

10566760.

F Group exemption number (See instructions) ▶

G Check organization type ▶ ☒ 501(c) corporation ☐ 501(c) trust ☐ 401(a) trust ☐ Other trust

H Describe the organization's primary unrelated business activity. ▶ **Leasing of office space**

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? ▶ ☐ Yes ☒ No

If "Yes," enter the name and identifying number of the parent corporation. ▶

J The books are in care of ▶ **The Organization**

Telephone number ▶ **609-465-4066**

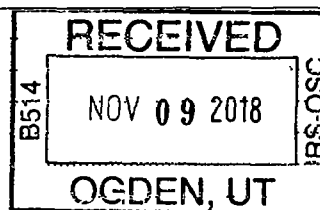
Part I Unrelated Trade or Business Income

	(A) Income	(B) Expenses	(C) Net
1 a Gross receipts or sales			
b Less returns and allowances			
c Balance ▶	1c		
2 Cost of goods sold (Schedule A, line 7)	2		
3 Gross profit. Subtract line 2 from line 1c	3		
4 a Capital gain net income (attach Schedule D)	4a		
b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)	4b		
c Capital loss deduction for trusts	4c		
5 Income (loss) from partnerships and S corporations (attach statement)	5		
6 Rent income (Schedule C)	6		
7 Unrelated debt-financed income (Schedule E)	7	42855.	41576.
8 Interest, annuities, royalties, and rents from controlled organizations (Sch. F)	8		
9 Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)	9		
10 Exploited exempt activity income (Schedule I)	10		
11 Advertising income (Schedule J)	11		
12 Other income (See instructions; attach schedule)	12		
13 Total. Combine lines 3 through 12	13	42855.	41576.
			1279.

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

(Except for contributions, deductions must be directly connected with the unrelated business income)

14 Compensation of officers, directors, and trustees (Schedule K)	14	
15 Salaries and wages	15	
16 Repairs and maintenance	16	
17 Bad debts	17	
18 Interest (attach schedule)	18	
19 Taxes and licenses	19	
20 Charitable contributions (See instructions for limitation rules)	20	
21 Depreciation (attach Form 4562)	21	
22 Less depreciation claimed on Schedule A and elsewhere on return	22a	22b
23 Depletion	23	
24 Contributions to deferred compensation plans	24	
25 Employee benefit programs	25	
26 Excess exempt expenses (Schedule I)	26	
27 Excess readership costs (Schedule J)	27	
28 Other deductions (attach schedule)	28	
29 Total deductions. Add lines 14 through 28	29	0.
30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	30	1279.
31 Net operating loss deduction (limited to the amount on line 30)	31	1279.
32 Unrelated business taxable income before specific deduction. Subtract line 31 from line 30	32	0.
33 Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions)	33	1000.
34 Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32	34	0.



42

Part III Tax Computation**35 Organizations Taxable as Corporations** See instructions for tax computation.Controlled group members (sections 1561 and 1563) check here ☐ See instructions and:**a** Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order):

(1) \$ (2) \$ (3) \$

b Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) \$

(2) Additional 3% tax (not more than \$100,000) \$

c Income tax on the amount on line 34

35c 0.

36 Trusts Taxable at Trust Rates See instructions for tax computation. Income tax on the amount on line 34 from:☐ Tax rate schedule or ☐ Schedule D (Form 1041)

36

37 Proxy tax. See instructions

37

38 Alternative minimum tax

38

39 Tax on Non-Compliant Facility Income See instructions

39

40 Total. Add lines 37, 38 and 39 to line 35c or 36, whichever applies

40 0.

Part IV Tax and Payments**41a** Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116)

41a

b Other credits (see instructions)

41b

c General business credit. Attach Form 3800

41c

d Credit for prior year minimum tax (attach Form 8801 or 8827)

41d

e Total credits. Add lines 41a through 41d

41e

42 Subtract line 41e from line 40

42 0.

43 Other taxes. Check if from: ☐ Form 4255 ☐ Form 8611 ☐ Form 8697 ☐ Form 8866 ☐ Other (attach schedule)

43

44 Total tax. Add lines 42 and 43

44 0.

45a Payments: A 2016 overpayment credited to 2017

45a

b 2017 estimated tax payments

45b

c Tax deposited with Form 8868

45c

d Foreign organizations: Tax paid or withheld at source (see instructions)

45d

e Backup withholding (see instructions)

45e

f Credit for small employer health insurance premiums (Attach Form 8941)

45f

g Other credits and payments.☐ Form 2439☐ Form 4136 ☐ Other

Total

45g

46 Total payments. Add lines 45a through 45g

46

47 Estimated tax penalty (see instructions). Check if Form 2220 is attached ☐

47

48 Tax due. If line 46 is less than the total of lines 44 and 47, enter amount owed

48 0.

49 Overpayment. If line 46 is larger than the total of lines 44 and 47, enter amount overpaid

49 0.

50 Enter the amount of line 49 you want: Credited to 2018 estimated tax

Refunded

50

Part V Statements Regarding Certain Activities and Other Information (see instructions)**51** At any time during the 2017 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

Yes No

X

52 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see instructions for other forms the organization may have to file.

X

53 Enter the amount of tax-exempt interest received or accrued during the tax year \$**Sign Here**

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

Signature of officer

Date

CEO

Title

May the IRS discuss this return with the preparer shown below (see instructions)? ☒ Yes ☐ No**Paid Preparer Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if self-employed

PTIN

Donna H. Buzby

CPA

10/31/18

P00298253

Firm's name Capaldi Reynolds & Pelosi, PA

Firm's EIN 22-2097516

332 Tilton Road

Firm's address Northfield, NJ 08225

Phone no. (609) 641-4000

Form 990-T (2017)

Schedule A - Cost of Goods Sold. Enter method of inventory valuation ► **N/A**

1 Inventory at beginning of year	1		6 Inventory at end of year	6	
2 Purchases	2		7 Cost of goods sold Subtract line 6		
3 Cost of labor	3		from line 5. Enter here and in Part I,		
4a Additional section 263A costs			line 2	7	
(attach schedule)	4a				
b Other costs (attach schedule)	4b		8 Do the rules of section 263A (with respect to		Yes No
			property produced or acquired for resale) apply to		
5 Total Add lines 1 through 4b	5		the organization?		

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

(see instructions)

1 Description of property

(1)			
(2)			
(3)			
(4)			
2. Rent received or accrued		3(a) Deductions directly connected with the income in	
(a) From personal property (if the percentage of	(b) From real and personal property (if the percentage	columns 2(a) and 2(b) (attach schedule)	
rent for personal property is more than	of rent for personal property exceeds 50% or if		
10% but not more than 50%)	the rent is based on profit or income)		
(1)			
(2)			
(3)			
(4)			
Total	0.	Total	0.
(c) Total income. Add totals of columns 2(a) and 2(b). Enter		(b) Total deductions.	
here and on page 1, Part I, line 6, column (A) ►		Enter here and on page 1, Part I, line 6, column (B) ►	
		0.	

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 (attach schedule)	(b) Other deductions (attach schedule)
			Statement 2	Statement 3
(1) Office space - 1129 Rt 9 South,				
(2) Cape May Court House, NJ		42855.	8985.	32591.
(3)				
(4)				
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 8 x total of columns 3(a) and 3(b))
Statement 4	Statement 5			
(1)		%		
(2) 157664.	107819.	100.00%	42855.	41576.
(3)		%		
(4)		%		
Totals			42855.	41576.
Total dividends-received deductions included in column 8				0.

Form 990-T (2017)

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions)

1. Name of controlled organization	2. Employer identification number	Exempt Controlled Organizations			
		3. Net unrelated income (loss) (see instructions)	4. Total of specified payments made	5. Part of column 4 that is included in the controlling organization's gross income	6. Deductions directly connected with income in column 5
(1)					
(2)					
(3)					
(4)					

Nonexempt Controlled Organizations

7. Taxable income	8. Net unrelated income (loss) (see instructions)	9. Total of specified payments made	10. Part of column 9 that is included in the controlling organization's gross income	11. Deductions directly connected with income in column 10
(1)				
(2)				
(3)				
(4)				
Totals			Add columns 5 and 10 Enter here and on page 1, Part I, line 8, column (A).	Add columns 8 and 11 Enter here and on page 1, Part I, line 8, column (B).
			0.	0.

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

1. Description of income	2. Amount of income	3. Deductions directly connected (attach schedule)	4. Set-asides (attach schedule)	5. Total deductions and set-asides (col 3 plus col 4)
(1)				
(2)				
(3)				
(4)				
		Enter here and on page 1, Part I, line 9, column (A)	Enter here and on page 1, Part I, line 9, column (B)	
Totals		0.	0.	

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income
(see instructions)

1. Description of exploited activity	2. Gross unrelated business income from trade or business	3. Expenses directly connected with production of unrelated business income	4. Net income (loss) from unrelated trade or business (column 2 minus column 3) If a gain, compute cols 5 through 7	5. Gross income from activity that is not unrelated business income	6. Expenses attributable to column 5	7. Excess exempt expenses (column 6 minus column 5, but not more than column 4)
(1)						
(2)						
(3)						
(4)						
		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 II, line 28		
Totals		0.	0.	0.		

Schedule J - Advertising Income (see instructions)**Part I Income From Periodicals Reported on a Consolidated Basis**

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col 2 minus col 3) If a gain, compute cols 5 through 7	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4)
(1)						
(2)						
(3)						
(4)						
Totals (carry to Part II, line (5))		0.	0.			0.

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.)

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4)
(1)						
(2)						
(3)						
(4)						
Totals from Part I	0.	0.				0.
Totals, Part II (lines 1-5)	Enter here and on page 1, Part I, line 11, col. (A) 0.	Enter here and on page 1, Part I, line 11, col. (B). 0.				Enter here and on page 1, Part II, line 27 0.

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions)

1. Name	2. Title	3. Percent of time devoted to business	4. Compensation attributable to unrelated business
(1)		%	
(2)		%	
(3)		%	
(4)		%	
Total Enter here and on page 1, Part II, line 14			0.

Form 990-T (2017)

Form 990-T		Net Operating Loss Deduction		Statement	1
Tax Year	Loss Sustained	Loss Previously Applied	Loss Remaining	Available This Year	
12/31/14	11366.	0.	11366.	11366.	
12/31/15	6120.	0.	6120.	6120.	
12/31/16	9881.	0.	9881.	9881.	
NOL Carryover Available This Year			27367.	27367.	

Form 990-T		Schedule E - Depreciation Deduction		Statement	2
Description	Activity Number	Amount	Total		
Depreciation		8985.			
- SubTotal -	1		8985.		
Total of Form 990-T, Schedule E, Column 3(a)			8985.		

Form 990-T		Schedule E - Other Deductions		Statement	3
Description	Activity Number	Amount	Total		
Mortgage Interest		4572.			
Insurance		1745.			
Repairs		8299.			
Property Taxes		11211.			
Utilities		1596.			
Administrative Expenses		5108.			
Licenses & Fees		60.			
- SubTotal -	1		32591.		
Total of Form 990-T, Schedule E, Column 3(b)			32591.		

Form 990-T	Average Acquisition Debt on or Allocable to Debt-Financed Property	Statement 4
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Description	Activity Number	Amount	Total
Average acquisition debt		157664.	
- SubTotal -	1		157664.
Total of Form 990-T, Schedule E, Column 4			157664.

Form 990-T	Average Adjusted Basis of or Allocable to Debt-Financed Property	Statement 5
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Description	Activity Number	Amount	Total
Average adjusted basis		107819.	
- SubTotal -	1		107819.
Total of Form 990-T, Schedule E, Column 5			107819.

**Cape Counseling
Unrelated Debt-Financed Income
12/31/2017**

FORM 990-T
SCHEDULE E, COLUMN 4 & 5 ATTACHMENT
PAGE 1 OF 3

1129 Rt 9 S, Cape May Court House, NJ

	<u>Total</u>		<u>% Rental</u>	<u>Rental Portion</u>	
Average acquisition indebtedness	<u>1,345,631.00</u>		0.117	<u>157,663.73</u>	
Average adjusted basis	920,215.47	1.4623	0.117	107,819.01	1.4623
Gross income from debt-financed property				X	<u>42,855.00</u>
UDFI					<u>42,855.00</u> **

****UDFI is limited to no more than 100% of gross income**

Cape Counseling
Average Adjusted Basis
12/31/2017

FORM 990-T
SCHEDULE E, COLUMN 4 & 5 ATTACHMENT
PAGE 2 OF 3

1129 Rt 9 S, Cape May Court House, NJ

	<u>12/31/2016</u>	<u>12/31/2017</u>	<u>Average</u>
Cost	1,533,685.26	1,533,685.26	1,533,685.26
Accum Depr	<u>(575,125.59)</u>	<u>(651,814.00)</u>	<u>(613,469.80)</u>
Adj Basis	<u>958,559.67</u>	<u>881,871.26</u>	<u>920,215.47</u>

**Cape Counseling
Average Acquisition Debt
12/31/2017**

FORM 990-T
SCHEDULE E, COLUMN 4 & 5 ATTACHMENT
PAGE 3 OF 3

1129 Rt 9 S, Cape May Court House, NJ

	<u>12/31/2016</u>	<u>12/31/2017</u>	<u>Average</u>
NJEDA & Crest Savings 6-16-09	935,379.00	877,593.00	906,486.00
Crest Savings 9-24-12	111,439.00	106,308.00	108,873.50
Crest Savings 10-6-14	334,536.00	326,007.00	330,271.50
Subtotal	<u>1,381,354.00</u>	<u>1,309,908.00</u>	<u>1,345,631.00</u>

CAPE COUNSELING SERVICES
FORM 990-T
2017

FORM 990-T
SCHEDULE E, COLUMN 3(A) ATTACHMENT

	<u>Desc</u>	<u>Month</u>	<u>Allocable Rental %</u>	<u>DebitAmt</u>
STRAIGHT LINE DEPRECIATION CALCULATION				
<u>OFFICE SPACE - 1129 RT 9 S, CAPE MAY COURT HOUSE, NJ</u>				
Adjusted basis of property	1,533,685.00			
Annual straight line depreciation over 20 years	76,684.00			
Monthly straight line depreciation expense	6,390.33			
	DEPREC. 1129 RT 9 SO	1	9%	597 18
	DEPREC. 1129 RT 9 SO	2	9%	597 18
	DEPREC. 1129 RT 9 SO	3	9%	597 18
	DEPREC. 1129 RT 9 SO	4	9%	597 18
	DEPREC. 1129 RT 9 SO	5	9%	597 18
	DEPREC. 1129 RT 9 SO	6	9%	597 18
	DEPREC. 1129 RT 9 SO	7	9%	597 18
	DEPREC. 1129 RT 9 SO	8	9%	597 18
	DEPREC. 1129 RT 9 SO	9	16%	1,051 85
	DEPREC. 1129 RT 9 SO	10	16%	1,051 85
	DEPREC. 1129 RT 9 SO	11	16%	1,051 85
	DEPREC. 1129 RT 9 SO	12	16%	1,051 85
	SUM			8,984.84