

Form 990-T

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

OMB No 1545-0687

For calendar year 2017 or other tax year beginning OCT 1, 2017 and ending SEP 30, 2018

2017

Department of the Treasury  
Internal Revenue Service

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

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

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

Herbert J. Thomas Memorial Hospital  
Association

55-0404900

B Exempt under section

Print  
or  
Type

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

E Unrelated business activity codes  
(See instructions )

501(c)(23)

501(c)(29)

501(c)(28)

1 Maximum amount (see instructions)

1 510,000.

Herbert J. Thomas Memorial Hospital Association

Form 990-T (2017)

55-0404900

Page 2

**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) \$ 50,000. (2) \$ 25,000. (3) \$ 9,925,000.  
 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 938.  
 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 46 938.  
 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  
 49 Overpayment. If line 46 is larger than the total of lines 44 and 47, enter amount overpaid 49 938.  
 50 Enter the amount of line 49 you want: Credited to 2018 estimated tax 938. Refunded 50 0.

**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  
 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.  Yes  No  
 53 Enter the amount of tax-exempt interest received or accrued during the tax year \$

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.

Sign Here: *Trinity Johnson* | 8-15-19 | Sr Vice President, CFO  
 Signature of officer Date 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: Dolores Rose  
 Preparer's signature: *Dolores Rose*  
 Date: 8/15/19  
 Check  if self-employed  
 PTIN: P01286262  
 Firm's name: Arnett Carbis Toothman LLP  
 Firm's EIN: 55-0486667  
 Firm's address: P. O. Box 2629, Charleston, WV 25329  
 Phone no.: (304) 346-0441

Herbert J. Thomas Memorial Hospital

Form 990-T (2017) Association

55-0404900

Page 3

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

1	Inventory at beginning of year	1	0.	6	Inventory at end of year	6	0.
2	Purchases	2		7	Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2	7	326,809.
3	Cost of labor	3		8	Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?	Yes	No
4a	Additional section 263A costs (attach schedule)	4a					X
4b	Other costs (attach schedule)	4b	326,809.				
5	Total Add lines 1 through 4b	5	326,809.				

**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

(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) 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)	3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(1)		
(2)		
(3)		
(4)		
Total	0.	Total 0.

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

(b) Total deductions. 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)	
(1)				
(2)				
(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 6 x total of columns 3(a) and 3(b))
(1)		%		
(2)		%		
(3)		%		
(4)		%		
Totals			Enter here and on page 1, Part I, line 7, column (A) 0.	Enter here and on page 1, Part I, line 7, column (B) 0.
Total dividends-received deductions included in column 8			►	0.

Form 990-T (2017)

Herbert J. Thomas Memorial Hospital

Form 990-T (2017) Association

55-0404900

Page 4

**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)					
			Add columns 5 and 10 Enter here and on page 1, Part I, line 8, column (A)	Add columns 6 and 11 Enter here and on page 1, Part I, line 8, column (B)	
<b>Totals</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)	
<b>Totals</b>		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 26
<b>Totals</b>		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)						
<b>Totals (carry to Part II, line (5))</b>		0.	0.			0.

Herbert J. Thomas Memorial Hospital

Form 990-T (2017) Association

55-0404900

Page 5

**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)						
<b>Totals from Part I</b>	0.	0.				0.
<b>Totals, Part II (lines 1-5)</b>	0.	0.				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)		%	
<b>Total</b> Enter here and on page 1, Part II, line 14			0.

Form 990-T (2017)

---



---

Form 990-T	Income (Loss) from Partnerships	Statement	1
------------	---------------------------------	-----------	---

---

Partnership Name	Gross Income	Deductions	Net Income or (Loss)
Premier Purchasing Partners LP 33-0387407	8,088.	0.	8,088.
Premier Purchasing Partners LP 33-0387407	746.	0.	746.
<b>Total to Form 990-T, Page 1, line 5</b>	<b>8,834.</b>	<b>0.</b>	<b>8,834.</b>

---



---



---



---

Form 990-T	Income (Loss) from S Corporations	Statement	2
------------	-----------------------------------	-----------	---

---

S Corporation Name	Gross Income	Losses	Deductions	Net Income or (Loss)
Stonerise Home Health Services LLC	0.	-147,726.	0.	-147,726.
<b>To Form 990-T, line 5</b>	<b>0.</b>	<b>-147,726.</b>	<b>0.</b>	<b>-147,726.</b>

---



---



---



---

Form 990-T	Cost of Goods Sold - Other Costs	Statement	3
------------	----------------------------------	-----------	---

---

Description	Amount
Pharmaceutical wages, supplies, administrative costs	326,809.
<b>Total to Form 990-T, Schedule A, line 4b</b>	<b>326,809.</b>

---



---

Form **4562**

**Depreciation and Amortization**  
**(Including Information on Listed Property)** 990

OMB No 1545-0172

**2017**

Department of the Treasury  
Internal Revenue Service (99)

▶ Attach to your tax return.

▶ Go to [www.irs.gov/Form4562](http://www.irs.gov/Form4562) for instructions and the latest information.

Attachment  
Sequence No 179

Name(s) shown on return

Business or activity to which this form relates

Identifying number

Herbert J. Thomas Memorial Hospital  
Association

Form 990 Page 10

55-0404900

**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.

**Herbert J. Thomas Memorial Hospital  
Association**

Form 4562 (2017)

55-0404900 Page 2

**Part V Listed Property** (Include automobiles, certain other vehicles, certain aircraft, certain computers, 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)

24a Do you have evidence to support the business/investment use claimed? <input type="checkbox"/> Yes <input type="checkbox"/> No					24b If "Yes," is the evidence written? <input type="checkbox"/> Yes <input type="checkbox"/> No				
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost	
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use							25		
26 Property used more than 50% in a qualified business use									
		%							
		%							
		%							
27 Property used 50% or less in a qualified business use									
		%				S/L -			
		%				S/L -			
		%				S/L -			
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

20 Total business/investment miles driven during the	(a) Vehicle	(b) Vehicle	(c) Vehicle	(d) Vehicle	(e) Vehicle	(f) Vehicle
--	----------------	----------------	----------------	----------------	----------------	----------------

J The books are in care of **Timothy Skeldon, Sr. Vice President** Telephone number **304-766-3428**

Part I Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
1 a Gross receipts or sales	326,113.			
b Less returns and allowances		326,113.		-
2 Cost of goods sold (Schedule A, line 7)		326,809.		
3 Gross profit Subtract line 2 from line 1c		-696.		-696.
4 a Capital gain net income (attach Schedule D)				
b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)				
c Capital loss deduction for trusts				
5 Income (loss) from partnerships and S corporations (attach statement)		-138,892.		-138,892.
6 Rent income (Schedule C)				
7 Unrelated debt-financed income (Schedule E)				
8 Interest, annuities, royalties, and rents from controlled organizations (Sch F)				
9 Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)				
10 Exploited exempt activity income (Schedule I)				
11 Advertising income (Schedule J)				