

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

2016

For calendar year 2016 or other tax year beginning 4/01, 2016, and ending 3/31, 2017

▶ Information about Form 990-T and its instructions is available at www.irs.gov/form990t.
▶ 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

Department of the Treasury
Internal Revenue Service

A <input type="checkbox"/> Check box if address changed B Exempt under section <input checked="" type="checkbox"/> 501(c)(7) <input type="checkbox"/> 220(e) <input type="checkbox"/> 408(e) <input type="checkbox"/> 530(a) <input type="checkbox"/> 408A <input type="checkbox"/> 529(a)	Print or Type	<input type="checkbox"/> Check box if name changed and see instructions. ARROWHEAD LAKE ASSOCIATION PO BOX 1119 LAKE ARROWHEAD, CA 92352	D Employer identification number (Employees' trust, see instructions.) 95-2899218 E Unrelated business activity codes (See instructions.)
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C Book value of all assets at end of year 5,906,264.	F Group exemption number (See instructions.) ▶ G Check organization type: <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust
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H Describe the organization's primary unrelated business activity.

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 ▶ **SHERYL VAN NOSTRAN** Telephone number ▶ **909-337-2595**

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)	158,397.		158,397.
7 Unrelated debt-financed income (Schedule E)	7		
8 Interest, annuities, royalties, and rents from controlled organizations (Schedule 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) See Statement 1	13,442.		13,442.
13 Total. Combine lines 3 through 12	171,839.	0.	171,839.

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.)	(A) Income	(B) Expenses	(C) Net
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) See Statement 2	28		70,859.
29 Total deductions. Add lines 14 through 28	29		70,859.
30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	30		100,980.
31 Net operating loss deduction (limited to the amount on line 30)	31		
32 Unrelated business taxable income before specific deduction. Subtract line 31 from line 30	32		100,980.
33 Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions)	33		1,000.
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		99,980.

Part III Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation. Controlled group members (sections 1561 and 1563) check here <input type="checkbox"/> 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.....		35 c 22,243.
36 Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 34 from: <input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> 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 22,243.

Part IV Tax and Payments

41 a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116).....	41 a		
b Other credits (see instructions).....	41 b		
c General business credit. Attach Form 3800 (see instructions).....	41 c		
d Credit for prior year minimum tax (attach Form 8801 or 8827).....	41 d		
e Total credits. Add lines 41a through 41d.....		41 e	0.
42 Subtract line 41e from line 40.....		42	22,243.
43 Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Other (attach schedule).....		43	
44 Total tax. Add lines 42 and 43.....		44	22,243.
45 a Payments: A 2015 overpayment credited to 2016.....	45 a	1,924.	
b 2016 estimated tax payments.....	45 b	7,925.	
c Tax deposited with Form 8868.....	45 c		
d Foreign organizations: Tax paid or withheld at source (see instructions).....	45 d		
e Backup withholding (see instructions).....	45 e		
f Credit for small employer health insurance premiums (Attach Form 8941).....	45 f		
g Other credits and payments: <input type="checkbox"/> Form 2439 <input checked="" type="checkbox"/> Form 4136 758. <input type="checkbox"/> Other _____ Total...▶	45 g	758.	
46 Total payments. Add lines 45a through 45g.....		46	10,607.
47 Estimated tax penalty (see instructions). Check if Form 2220 is attached.....▶ <input checked="" type="checkbox"/>		47	181.
48 Tax due. If line 46 is less than the total of lines 44 and 47, enter amount owed.....▶		48	11,817.
49 Overpayment. If line 46 is larger than the total of lines 44 and 47, enter amount overpaid.....▶		49	
50 Enter the amount of line 49 you want: Credited to 2017 estimated tax ▶ Refunded ▶		50	

Part V Statements Regarding Certain Activities and Other Information (see instructions)

51 At any time during the 2016 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.		X
53 Enter the amount of tax-exempt interest received or accrued during the tax year ▶ \$ 0.		

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 *Roberta Bordenaw* 11/18/2017 ▶ **President**
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 Elizabeth Nigro, CPA Preparer's signature Elizabeth Nigro, CPA Date 11-14-17 Check if self-employed PTIN P00222251

Firm's name ▶ NIGRO & NIGRO PC Firm's EIN ▶ 30-0636241

Firm's address ▶ 25220 Hancock Ave Ste 400 MURRIETA, CA 92562-9739 Phone no. (951) 698-8783

Schedule A – Cost of Goods Sold. Enter method of inventory valuation ▶

1 Inventory at beginning of year	1		6 Inventory at end of year	6		Yes	No
2 Purchases	2		7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2	7			
3 Cost of labor	3						
4a Additional section 263A costs (attach schedule)	4a						
b Other costs (attach sch)	4b						
5 Total. Add lines 1 through 4b	5						X

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	Total	
(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) ▶

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 sch)	(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).	Enter here and on page 1, Part I, line 7, column (B).
Total dividends-received deductions included in column 8 ▶				

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

1 Name of controlled organization	2 Employer identification number	Exempt Controlled Organizations				6 Deductions directly connected with income in column 5
		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		
(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).		
Totals						

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 (column 3 plus column 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				

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 columns 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, column (A).	Enter here and on page 1, Part I, line 10, column (B).			Enter here and on page 1, Part II, line 26.
Totals						

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 (col. 6 minus col. 5, but not more than col. 4).
(1)						
(2)						
(3)						
(4)						
Totals (carry to Part II, line (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 (col. 6 minus col. 5, but not more than col. 4).
(1)						
(2)						
(3)						
(4)						
Totals from Part I ▶						
Totals, Part II (lines 1-5) ▶	Enter here and on page 1, Part I, line 11, column (A)	Enter here and on page 1, Part I, line 11, column (B).				Enter here and on page 1, Part II, line 27.

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
		%	
		%	
		%	
		%	
Total. Enter here and on page 1, Part II, line 14..... ▶			

*Manual
Calculation
Not in 1042*

Form **4136**

Credit for Federal Tax Paid on Fuels

OMB No. 1545-0162

2016

Department of the Treasury
Internal Revenue Service (99)

► Information about Form 4136 and its separate instructions is at www.irs.gov/form4136.

Attachment
Sequence No. **23**

Name (as shown on your income tax return)
ARROWHEAD LAKE ASSOCIATION

Taxpayer identification number
95-2899218

Caution: Claimant has the name and address of the person who sold the fuel to the claimant and the dates of purchase. For claims on lines 1c and 2b (type of use 13 or 14), 3d, 4c, and 5, claimant has not waived the right to make the claim. For claims on lines 1c and 2b (type of use 13 or 14), claimant certifies that a certificate has not been provided to the credit card issuer.

1 Nontaxable Use of Gasoline Note: CRN is credit reference number.

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Off-highway business use		4141	\$ 758	362
b	Use on a farm for farming purposes	.183			
c	Other nontaxable use (see Caution above line 1)	.183			
d	Exported	.184			411

2 Nontaxable Use of Aviation Gasoline

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Use in commercial aviation (other than foreign trade)	\$.15		\$	354
b	Other nontaxable use (see Caution above line 1)	.193			324
c	Exported	.194			412
d	LUST tax on aviation fuels used in foreign trade	.001			433

3 Nontaxable Use of Undyed Diesel Fuel

Claimant certifies that the diesel fuel did not contain visible evidence of dye.

Exception. If any of the diesel fuel included in this claim did contain visible evidence of dye, attach an explanation and check here

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Nontaxable use	\$.243		\$	360
b	Use on a farm for farming purposes	.243			
c	Use in trains	.243			
d	Use in certain intercity and local buses (see Caution above line 1)	.17			350
e	Exported	.244			413

4 Nontaxable Use of Undyed Kerosene (Other Than Kerosene Used in Aviation)

Claimant certifies that the kerosene did not contain visible evidence of dye.

Exception. If any of the kerosene included in this claim did contain visible evidence of dye, attach an explanation and check here

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Nontaxable use taxed at \$.244	\$.243		\$	346
b	Use on a farm for farming purposes	.243			
c	Use in certain intercity and local buses (see Caution above line 1)	.17			
d	Exported	.244			414
e	Nontaxable use taxed at \$.044	.043			377
f	Nontaxable use taxed at \$.219	.218			369

5 Kerosene Used in Aviation (see Caution above line 1)

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Kerosene used in commercial aviation (other than foreign trade) taxed at \$.244	.200		\$	417
b	Kerosene used in commercial aviation (other than foreign trade) taxed at \$.219	.175			355
c	Nontaxable use (other than use by state or local government) taxed at \$.244	.243			346
d	Nontaxable use (other than use by state or local government) taxed at \$.219	.218			369
e	LUST tax on aviation fuels used in foreign trade	.001			433

6 Sales by Registered Ultimate Vendors of Undyed Diesel Fuel

Registration No. ►

Claimant certifies that it sold the diesel fuel at a tax-excluded price, repaid the amount of tax to the buyer, or has obtained the written consent of the buyer to make the claim. Claimant certifies that the diesel fuel did not contain visible evidence of dye.

Exception. If any of the diesel fuel included in this claim did contain visible evidence of dye, attach an explanation and check here ►

	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Use by a state or local government	\$.243		\$	360
b Use in certain intercity and local buses	.17			350

7 Sales by Registered Ultimate Vendors of Undyed Kerosene (Other Than Kerosene For Use in Aviation)

Registration No. ►

Claimant certifies that it sold the kerosene at a tax-excluded price, repaid the amount of tax to the buyer, or has obtained the written consent of the buyer to make the claim. Claimant certifies that the kerosene did not contain visible evidence of dye.

Exception. If any of the kerosene included in this claim did contain visible evidence of dye, attach an explanation and check here ►

	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Use by a state or local government	\$.243		\$	346
b Sales from a blocked pump	.243			
c Use in certain intercity and local buses	.17			347

8 Sales by Registered Ultimate Vendors of Kerosene For Use in Aviation

Registration No. ►

Claimant sold the kerosene for use in aviation at a tax-excluded price and has not collected the amount of tax from the buyer, repaid the amount of tax to the buyer, or has obtained the written consent of the buyer to make the claim. See the instructions for additional information to be submitted.

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Use in commercial aviation (other than foreign trade) taxed at \$.219	.175		\$	355
b	Use in commercial aviation (other than foreign trade) taxed at \$.244	.200			417
c	Nonexempt use in noncommercial aviation	.025			418
d	Other nontaxable uses taxed at \$.244	.243			346
e	Other nontaxable uses taxed at \$.219	.218			369
f	LUST tax on aviation fuels used in foreign trade	.001			433

9 Reserved

Registration No. ▶

	(b) Rate	(c) Gallons of alcohol	(d) Amount of credit	(e) CRN
a Reserved				
b Reserved				

10 Biodiesel or Renewable Diesel Mixture Credit

Registration No. ▶

Biodiesel mixtures. Claimant produced a mixture by mixing biodiesel with diesel fuel. The biodiesel used to produce the mixture met ASTM D6751 and met EPA's registration requirements for fuels and fuel additives. The mixture was sold by the claimant to any person for use as a fuel or was used as a fuel by the claimant. Claimant has attached the Certificate for Biodiesel and, if applicable, the Statement of Biodiesel Reseller. **Renewable diesel mixtures.** Claimant produced a mixture by mixing renewable diesel with liquid fuel (other than renewable diesel). The renewable diesel used to produce the renewable diesel mixture was derived from biomass process, met EPA's registration requirements for fuels and fuel additives, and met ASTM D975, D396, or other equivalent standard approved by the IRS. The mixture was sold by the claimant to any person for use as a fuel or was used as a fuel by the claimant. Claimant has attached the Certificate for Biodiesel and, if applicable, the Statement of Biodiesel Reseller, both of which have been edited as discussed in the Instructions for Form 4136. See the instructions for line 10 for information about renewable diesel used in aviation.

	(b) Rate	(c) Gallons of biodiesel or renewable diesel	(d) Amount of credit	(e) CRN
a Biodiesel (other than agri-biodiesel) mixtures	\$1.00		\$	388
b Agri-biodiesel mixtures	\$1.00			390
c Renewable diesel mixtures	\$1.00			307

11 Nontaxable Use of Alternative Fuel

Caution: There is a reduced credit rate for use in certain intercity and local buses (type of use 5) (see instructions).

	(a) Type of use	(b) Rate	(c) Gallons, or gasoline or diesel gallon equivalents	(d) Amount of credit	(e) CRN
a Liquefied petroleum gas (LPG) (see instructions)		.183		\$	419
b "P Series" fuels		.183			420
c Compressed natural gas (CNG) (see instructions)		.183			421
d Liquefied hydrogen		.183			422
e Fischer-Tropsch process liquid fuel from coal (including peat)		.243			423
f Liquid fuel derived from biomass		.243			424
g Liquefied natural gas (LNG) (see instructions)		.243			425
h Liquefied gas derived from biomass		.183			435

12 Alternative Fuel Credit

Registration No. ▶

	(b) Rate	(c) Gallons, or gasoline or diesel gallon equivalents	(d) Amount of credit	(e) CRN
a Liquefied petroleum gas (LPG) (see instructions)	\$.50		\$	426
b "P Series" fuels	.50			427
c Compressed natural gas (CNG) (see instructions)	.50			428
d Liquefied hydrogen	.50			429
e Fischer-Tropsch process liquid fuel from coal (including peat)	.50			430
f Liquid fuel derived from biomass	.50			431
g Liquefied natural gas (LNG) (see instructions)	.50			432
h Liquefied gas derived from biomass	.50			436
i Compressed gas derived from biomass	.50			437

13 Registered Credit Card Issuers

Registration No. ►

	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Diesel fuel sold for the exclusive use of a state or local government	\$.243		\$	360
b Kerosene sold for the exclusive use of a state or local government	.243			346
c Kerosene for use in aviation sold for the exclusive use of a state or local government taxed at \$.219	.218			369

14 Nontaxable Use of a Diesel-Water Fuel Emulsion

Caution: There is a reduced credit rate for use in certain Intercity and local buses (type of use 5) (see instructions).

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Nontaxable use		\$.197		\$	309
b Exported		.198			306

15 Diesel-Water Fuel Emulsion Blending

Registration No. ►

	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
Blender credit	\$.046		\$	310

16 Exported Dyed Fuels and Exported Gasoline Blendstocks

	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Exported dyed diesel fuel and exported gasoline blendstocks taxed at \$.001	\$.001		\$	415
b Exported dyed kerosene	.001			416

17 Total income tax credit claimed. Add lines 1 through 16, column (d). Enter here and on Form 1040, line 72; Form 1120, Schedule J, line 19b; Form 1120S, line 23c; Form 1041, line 24g; or the proper line of other returns. ►

17

\$

Underpayment of Estimated Tax by Corporations

▶ Attach to the corporation's tax return.

▶ Information about Form 2220 and its separate instructions is at www.irs.gov/form2220.

Name ARROWHEAD LAKE ASSOCIATION	Employer identification number 95-2899218
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Note: Generally, the corporation isn't required to file Form 2220 (see Part II below for exceptions) because the IRS will figure any penalty owed and bill the corporation. However, the corporation may still use Form 2220 to figure the penalty. If so, enter the amount from page 2, line 38 on the estimated tax penalty line of the corporation's income tax return, but **do not** attach Form 2220.

Part I Required Annual Payment

1 Total tax (see instructions)	1	22,243.
2a Personal holding company tax (Schedule PH (Form 1120), line 26) included on line 1	2a	
b Look-back interest included on line 1 under section 460(b)(2) for completed long-term contracts or section 167(g) for depreciation under the income forecast method	2b	
c Credit for federal tax paid on fuels (see instructions)	2c	758.
d Total. Add lines 2a through 2c	2d	758.
3 Subtract line 2d from line 1. If the result is less than \$500, do not complete or file this form. The corporation doesn't owe the penalty	3	21,485.
4 Enter the tax shown on the corporation's 2015 income tax return. See instructions. Caution: If the tax is zero or the tax year was for less than 12 months, skip this line and enter the amount from line 3 on line 5.	4	
5 Required annual payment. Enter the smaller of line 3 or line 4. If the corporation is required to skip line 4, enter the amount from line 3.	5	21,485.

Part II Reasons for Filing — Check the boxes below that apply. If any boxes are checked, the corporation must file Form 2220 even if it doesn't owe a penalty. See instructions.

- 6 The corporation is using the adjusted seasonal installment method.
- 7 The corporation is using the annualized income installment method.
- 8 The corporation is a 'large corporation' figuring its first required installment based on the prior year's tax.

Part III Figuring the Underpayment

	(a)	(b)	(c)	(d)	
9 Installment due dates. Enter in columns (a) through (d) the 15th day of the 4th (Form 990-PF filers: Use 5th month), 6th, 9th, and 12th months of the corporation's tax year	9	7/15/16	9/15/16	12/15/16	3/15/17
10 Required installments. If the box on line 6 and/or line 7 above is checked, enter the amounts from Schedule A, line 38. If the box on line 8 (but not 6 or 7) is checked, see instructions for the amounts to enter. If none of these boxes are checked, enter 25% (0.25) of line 5 above in each column.	10	5,371.	5,371.	5,371.	5,372.
11 Estimated tax paid or credited for each period. For column (a) only, enter the amount from line 11 on line 15. See instructions.	11	1,924.	995.	4,620.	
Complete lines 12 through 18 of one column before going to the next column.					
12 Enter amount, if any, from line 18 of the preceding column.	12				
13 Add lines 11 and 12	13		995.	4,620.	
14 Add amounts on lines 16 and 17 of the preceding column	14		3,447.	7,823.	8,574.
15 Subtract line 14 from line 13. If zero or less, enter -0-	15	1,924.	0.	0.	0.
16 If the amount on line 15 is zero, subtract line 13 from line 14. Otherwise, enter -0-	16		2,452.	3,203.	
17 Underpayment. If line 15 is less than or equal to line 10, subtract line 15 from line 10. Then go to line 12 of the next column. Otherwise, go to line 18	17	3,447.	5,371.	5,371.	5,372.
18 Overpayment. If line 10 is less than line 15, subtract line 10 from line 15. Then go to line 12 of the next column	18				

Go to Part IV on page 2 to figure the penalty. Do not go to Part IV if there are no entries on line 17 — no penalty is owed.

Part IV Figuring the Penalty

See Attached Schedule

	(a)	(b)	(c)	(d)	
19 Enter the date of payment or the 15th day of the 4th month after the close of the tax year, whichever is earlier. <i>(C Corporations with tax years ending June 30 and S corporations: Use 3rd month instead of 4th month. Form 990-PF and Form 990-T filers: Use 5th month instead of 4th month.)</i> See instructions.....	19	11/30/16	8/15/17	8/15/17	8/15/17
20 Number of days from due date of installment on line 9 to the date shown on line 19.....	20	138	334	243	153
21 Number of days on line 20 after 4/15/2016 and before 7/1/2016.....	21				
22 Underpayment on line 17 x $\frac{\text{Number of days on line 21}}{366}$ x 4% (0.04)	22				
23 Number of days on line 20 after 6/30/2016 and before 10/1/2016.....	23	77	15		
24 Underpayment on line 17 x $\frac{\text{Number of days on line 23}}{366}$ x 4% (0.04)	24	21.61	8.80		
25 Number of days on line 20 after 9/30/2016 and before 1/1/2017.....	25	61	92	16	
26 Underpayment on line 17 x $\frac{\text{Number of days on line 25}}{366}$ x 4% (0.04)	26	0.95	46.66	9.39	
27 Number of days on line 20 after 12/31/2016 and before 4/1/2017.....	27		90	90	16
28 Underpayment on line 17 x $\frac{\text{Number of days on line 27}}{365}$ x 4% (0.04)	28		31.59	52.97	9.42
29 Number of days on line 20 after 3/31/2017 and before 7/1/2017.....	29		91	91	91
30 Underpayment on line 17 x $\frac{\text{Number of days on line 29}}{365}$ x 0 **%.....	30				
31 Number of days on line 20 after 6/30/2017 and before 10/1/2017.....	31		46	46	46
32 Underpayment on line 17 x $\frac{\text{Number of days on line 31}}{365}$ x 0 **%.....	32				
33 Number of days on line 20 after 9/30/2017 and before 1/1/2018.....	33				
34 Underpayment on line 17 x $\frac{\text{Number of days on line 33}}{365}$ x **%.....	34				
35 Number of days on line 20 after 12/31/2017 and before 3/16/2018.....	35				
36 Underpayment on line 17 x $\frac{\text{Number of days on line 35}}{365}$ x **%.....	36				
37 Add lines 22, 24, 26, 28, 30, 32, 34, and 36.....	37	22.56	87.05	62.36	9.42
38 Penalty. Add columns (a) through (d) of line 37. Enter the total here and on Form 1120, line 33; or the comparable line for other income tax returns.....	38				181.

*Use the penalty interest rate for each calendar quarter, which the IRS will determine during the first month in the preceding quarter. These rates are published quarterly in an IRS News Release and in a revenue ruling in the Internal Revenue Bulletin. To obtain this information on the Internet, access the IRS website at www.irs.gov. You can also call 1-800-829-4933 to get interest rate information.

ARROWHEAD LAKE ASSOCIATION

95-2899218

Installment Period	Underpayment			Penalty			
	Amount	From	To	Days Late	Interest Rate Periods	Rate	Penalty *
1	995.	7/15/16	7/31/16	16	7/01/16 - 9/30/16	4.00%	1.74
	2,310.	7/15/16	9/27/16	74	7/01/16 - 9/30/16	4.00%	18.68
	142.	7/15/16	11/30/16	77	7/01/16 - 9/30/16	4.00%	1.19
				61	10/01/16 - 12/31/16	4.00%	0.95
Totals	3,447.						22.56
2	2,168.	9/15/16	11/30/16	15	7/01/16 - 9/30/16	4.00%	3.55
				61	10/01/16 - 12/31/16	4.00%	14.45
	2,310.	9/15/16	3/31/17	15	7/01/16 - 9/30/16	4.00%	3.79
				92	10/01/16 - 12/31/16	4.00%	23.23
				90	1/01/17 - 3/31/17	4.00%	22.78
	893.	9/15/16	8/15/17	15	7/01/16 - 9/30/16	4.00%	1.46
				92	10/01/16 - 12/31/16	4.00%	8.98
				90	1/01/17 - 3/31/17	4.00%	8.81
			91	4/01/17 - 6/30/17	0.0%		
			46	7/01/17 - 9/30/17	0.0%		
Totals	5,371.						87.05
3	5,371.	12/15/16	8/15/17	16	10/01/16 - 12/31/16	4.00%	9.39
				90	1/01/17 - 3/31/17	4.00%	52.97
				91	4/01/17 - 6/30/17	0.0%	
				46	7/01/17 - 9/30/17	0.0%	
Totals	5,371.						62.36
4	5,372.	3/15/17	8/15/17	16	1/01/17 - 3/31/17	4.00%	9.42
				91	4/01/17 - 6/30/17	0.0%	
				46	7/01/17 - 9/30/17	0.0%	
Totals	5,372.						9.42

Total Underpayment Penalty 181.

* Underpayment x $\frac{\text{Days Late}}{365 \text{ or } 366}$ x Rate

ARROWHEAD LAKE ASSOCIATION

95-2899218

Statement 1
Form 990-T, Part I, Line 12
Other Income

Interest On Savings And Cash Investments..... Total \$ 13,442.
Total \$ 13,442.

Statement 2
Form 990-T, Part II, Line 28
Other Deductions

ADMIISTRATION..... \$ 18,248.
MAINTENANCE & SECURITY..... 52,611.
Total \$ 70,859.

Date Accepted _____

DO NOT MAIL THIS FORM TO THE FTB

TAXABLE YEAR
2016

California e-file Return Authorization for
Exempt Organizations

FORM
8453-EO

Exempt Organization name ARROWHEAD LAKE ASSOCIATION Identifying number 95-2899218

Part I Electronic Return Information (whole dollars only)

1	Total gross receipts (Form 199, line 4).....	1	<u>4,206,943.</u>
2	Total gross income (Form 199, line 8).....	2	<u>3,849,682.</u>
3	Total expenses and disbursements (Form 199, Line 9).....	3	<u>3,430,722.</u>

Part II Settle Your Account Electronically for Taxable Year 2016

4 Electronic funds withdrawal 4a Amount _____ 4b Withdrawal date (mm/dd/yyyy) _____

Part III Banking Information (Have you verified the exempt organization's banking information?)

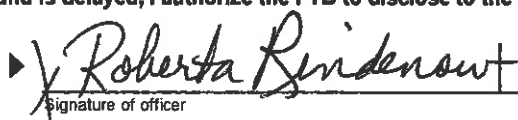
5 Routing number _____
6 Account number _____ 7 Type of account: Checking Savings

Part IV Declaration of Officer

I authorize the exempt organization's account to be settled as designated in Part II. If I check Part II, Box 4, I authorize an electronic funds withdrawal for the amount listed on line 4a.

Under penalties of perjury, I declare that I am an officer of the above exempt organization and that the information I provided to my electronic return originator (ERO), transmitter, or intermediate service provider and the amounts in Part I above agree with the amounts on the corresponding lines of the exempt organization's 2016 California electronic return. To the best of my knowledge and belief, the exempt organization's return is true, correct, and complete. If the exempt organization is filing a balance due return, I understand that if the Franchise Tax Board (FTB) does not receive full and timely payment of the exempt organization's fee liability, the exempt organization will remain liable for the fee liability and all applicable interest and penalties. I authorize the exempt organization return and accompanying schedules and statements be transmitted to the FTB by the ERO, transmitter, or intermediate service provider. If the processing of the exempt organization's return or refund is delayed, I authorize the FTB to disclose to the ERO or intermediate service provider, the reason(s) for the delay.

Sign Here

 11/19/2017 President
Signature of officer Date Title

Part V Declaration of Electronic Return Originator (ERO) and Paid Preparer. See instructions.

I declare that I have reviewed the above exempt organization's return and that the entries on form FTB 8453-EO are complete and correct to the best of my knowledge. (If I am only an intermediate service provider, I understand that I am not responsible for reviewing the exempt organization's return. I declare, however, that form FTB 8453-EO accurately reflects the data on the return.) I have obtained the organization officer's signature on form FTB 8453-EO before transmitting this return to the FTB; I have provided the organization officer with a copy of all forms and information that I will file with the FTB, and I have followed all other requirements described in FTB Pub. 1345, 2016 e-file Handbook for Authorized e-file Providers. I will keep form FTB 8453-EO on file for four years from the due date of the return or four years from the date the exempt organization return is filed, whichever is later, and I will make a copy available to the FTB upon request. If I am also the paid preparer, under penalties of perjury, I declare that I have examined the above exempt organization's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I make this declaration based on all information of which I have knowledge.

ERO Must Sign
ERO's signature Elizabeth Nigro, CPA Date _____ Check if also paid preparer Check if self-employed ERO's PTIN P00222251
Firm's name (or yours if self-employed) and address NIGRO & NIGRO PC FEIN 30-0636241
25220 Hancock Ave Ste 400 CA ZIP Code 92562-9739
MURRIETA

Under penalties of perjury, I declare that I have examined the above organization's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I make this declaration based on all information of which I have knowledge.

Paid Preparer Must Sign
Paid preparer's signature _____ Date _____ Check if self-employed Paid preparer's PTIN _____
Firm's name (or yours if self-employed) and address _____ FEIN _____
_____ ZIP code _____

For Privacy Notice, get FTB 1131 ENG/SP.

FTB 8453-EO 2016

Calendar Year 2016 or fiscal year beginning (mm/dd/yyyy) 4/01/2016, and ending (mm/dd/yyyy) 3/31/2017

Corporation/Organization name ARROWHEAD LAKE ASSOCIATION		California corporation number 0708141
Additional information. See instructions.		FEIN 95-2899218
Street address (suite/room no.) PO BOX 1119		PMB no.
City (if the corporation has a foreign address, see instructions.) LAKE ARROWHEAD	State CA	ZIP code 92352
Foreign country name	Foreign province/state/county	Foreign postal code

<p>A First Return Filed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>B Is this an education IRA within the meaning of R&TC Section 23712? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>C Is the organization under audit by the IRS or has the IRS audited in a prior year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>D Final Return? <input type="checkbox"/> Dissolved <input type="checkbox"/> Surrendered (Withdrawn) <input type="checkbox"/> Merged/Reorganized Enter date (mm/dd/yyyy) _____</p> <p>E Amended Return. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>F Accounting Method Used: (1) <input type="checkbox"/> Cash (2) <input checked="" type="checkbox"/> Accrual (3) <input type="checkbox"/> Other</p> <p>G Nature of trade or business _____</p>	<p>H Is the organization a non-exempt charitable trust as described in IRC Section 4947(a)(1)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>I Is this organization claiming any former, Enterprise Zone (EZ), Los Angeles Revitalization Zone (LARZ), Local Agency Military Base Recovery Area (LAMBRA), Targeted Tax Area (TTA), or Manufacturing Enhancement Area (MEA) tax benefits? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>J Is this organization a qualified pension, profit-sharing, or stock bonus plan as described in IRC Section 401(a)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>K Unrelated Business Activity (UBA) Code _____</p> <p>L Is this a Hospital? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If 'Yes,' attach federal Schedule H (Form 990)</p>
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Taxable Corporation	1 Unrelated business taxable income from Side 2, Part II, line 30.	1	99,980.	
	2 Multiply line 1 by the average apportionment percentage _____ % from the Schedule R, Apportionment Formula Worksheet, Part A, line 2 or Part B, line 5. See instructions.	2		
	3 Enter the lesser amount from line 1 or line 2. If the unrelated business activity is wholly in California and Schedule R was not completed, enter the amount from line 1.	3	99,980.	
Taxable Trust Tax Computation	4 Unrelated business taxable income from Side 2, Part II, line 30.	4		
	5 Unrelated business taxable income from line 3 or line 4.	5	99,980.	
	6 Pierce's disease, EZ, LARZ, LAMBRA, or TTA NOL carryover deduction.	6		
	7 Net Operating Loss deduction. See General Information N.	7		
	8 Add line 6 and line 7.	8		
	9 Net unrelated business taxable income. Subtract line 8 from line 5.	9	99,980.	
	10 Tax <u>8.84</u> % x line 9. See General Information J.	10	8,838.	
	11 Tax credits from Schedule B. See instructions.	11		
	Total Tax	12 Balance. Subtract line 11 from line 10. If line 11 is greater than line 10, enter -0-.	12	8,838.
		13 Alternative minimum tax. See General Information O.	13	
		14 Total tax. Add line 12 and line 13.	14	8,838.
Payments	15 Overpayment from a prior year allowed as a credit.	15	705.	
	16 2016 estimated tax payments. See instructions.	16	4,356.	
	17 Withholding (Form 592-B and/or 593.) See instructions.	17		
	18 Amount paid with extension (form FTB 3539).	18		
	19 Total payments and credits. Add line 15 through line 18.	19	5,061.	
Use Tax/ Tax Due/ Overpayment	20 Use tax. See instructions.	20		
	21 Payments balance. If line 19 is more than line 20, subtract line 20 from line 19.	21	5,061.	
	22 Use tax balance. If line 20 is more than line 19, subtract line 19 from line 20.	22		
	23 Tax due. Subtract line 21 from line 14. Pay entire amount with return. See instructions.	23	3,777.	
	24 Overpayment. Subtract line 14 from line 21. See instructions.	24		
	25 Enter amount of line 24 to be applied to 2017 estimated tax.	25		

Refund or Amount Due	26 Refund. If line 25 is less than line 24, then subtract line 25 from line 24.	●	26	
	a Fill in the account information to have the refund directly deposited. Routing number		●	26 a
	b Type: Checking ● <input type="checkbox"/> Savings ● <input type="checkbox"/> c Account Number.		●	26 c
	27 Penalties and interest. See General Information M.	●	27	129.
	28 ● <input type="checkbox"/> Check if estimate penalty computed using Exception B or C and attach form FTB 5806.			
29 Total amount due. Add line 22, line 23, line 25, and line 27, then subtract line 24	●	29	3,906.	

Unrelated Business Taxable Income

Part I Unrelated Trade or Business Income

1 a Gross receipts or gross sales	b Less returns and allowances	c Balance	●	1 c	
2 Cost of goods sold and/or operations (Schedule A, line 7)			●	2	
3 Gross profit. Subtract line 2 from line 1c			●	3	
4 a Capital gain net income. See Specific Line Instructions – Trusts attach Schedule D (541)			●	4 a	
b Net gain (loss) from Part II, Schedule D-1.			●	4 b	
c Capital loss deduction for trusts			●	4 c	
5 Income (or loss) from partnerships, limited liability companies, or S corporations. See specific line instructions. Attach Schedule K-1 (565, 568, or 100S) or similar schedule.			●	5	
6 Rental income (Schedule C)			●	6	158,397.
7 Unrelated debt-financed income (Schedule D)			●	7	
8 Investment income of an R&TC Section 23701g, 23701i, or 23701n organization (Schedule E)			●	8	
9 Interest, Annuities, Royalties and Rents from controlled organizations (Schedule F)			●	9	
10 Exploited exempt activity income (Schedule G)			●	10	
11 Advertising income (Schedule H, Part III, Column A)			●	11	
12 Other income. Attach schedule.	SEE STATEMENT 1		●	12	13,442.
13 Total unrelated trade or business income. Add line 3 through line 12.			●	13	171,839.

Part II Deductions Not Taken Elsewhere (Except for contributions, deductions must be directly connected with the unrelated business income.)

14 Compensation of officers, directors, and trustees from Schedule I	●	14			
15 Salaries and wages.	●	15			
16 Repairs	●	16			
17 Bad debts	●	17			
18 Interest. Attach schedule.	●	18			
19 Taxes. Attach schedule	●	19			
20 Contributions. See instructions and attach schedule.	●	20			
21 a Depreciation (Corporations and Associations – Schedule J) (Trusts – form FTB 3885F)	●	21 a			
b Less: depreciation claimed on Schedule A. See instructions.	●	21 b			
22 Depletion. Attach schedule	●	22			
23 a Contributions to deferred compensation plans	●	23 a			
b Employee benefit programs. See instructions.	●	23 b			
24 Other deductions. Attach schedule	SEE STATEMENT 2		●	24	70,859.
25 Total deductions. Add line 14 through line 24.		25	70,859.		
26 Unrelated business taxable income before allowable excess advertising costs. Subtract line 25 from line 13.	●	26	100,980.		
27 Excess advertising costs (Schedule H, Part III, Column B)	●	27			
28 Unrelated business taxable income before specific deduction. Subtract line 27 from line 26.	●	28	100,980.		
29 Specific deduction. See instructions	●	29	1,000.		
30 Unrelated business taxable income. Subtract line 29 from line 28. If line 28 is a loss, enter line 28	●	30	99,980.		

Sign Here

To learn about your privacy rights, how we may use your information, and the consequences for not providing the requested information, go to ftb.ca.gov and search for privacy notice. To request this notice by mail, call 800.852.5711.

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	<i>Roberta Rindenow</i>	Title	PRESIDENT	Date	11/18/2017	Telephone	(909) 337-2595	
Preparer's signature	<i>Elizabeth Nigro</i>	Date	1/14/17	Check if self-employed	<input type="checkbox"/>	PTIN	P00222251	
Firm's name (or yours, if self-employed) and address	NIGRO & NIGRO PC 25220 HANCOCK AVE STE 400 MURRIETA, CA 92562-9739						FEIN	30-0636241
							Telephone	(951) 698-8783

May the FTB discuss this return with the preparer shown above? See instructions. ● Yes No

Schedule A Cost of Goods Sold and/or Operations.

Method of inventory valuation (specify) **PURCHASE COST**

1	Inventory at beginning of year.....	1	
2	Purchases.....	2	
3	Cost of labor.....	3	
4a	Additional IRC Section 263A costs. Attach schedule.....	4a	
4b	Other costs. Attach schedule.....	4b	
5	Total. Add line 1 through line 4b.....	5	
6	Inventory at end of year.....	6	
7	Cost of goods sold and/or operations. Subtract line 6 from line 5. Enter here and on Side 2, Part I, line 2.....	7	
Do the rules of IRC Section 263A (with respect to property produced or acquired for resale) apply to this organization?			Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

Schedule B Tax Credits.

1	Enter credit name _____ code no. ●	1	
2	Enter credit name _____ code no. ●	2	
3	Enter credit name _____ code no. ●	3	
4	Total. Add line 1 through line 3. If claiming more than 3 credits, enter the total of all claimed credits, on line 4. Enter here and on Side 1, line 11.....	4	

Schedule K Add-On Taxes or Recapture of Tax. See instructions.

1	Interest computation under the look-back method for completed long-term contracts. Attach form FTB 3834.....	1	
2	Interest on tax attributable to installment: a Sales of certain timeshares or residential lots.....	2a	
	b Method for non-dealer installment obligations.....	2b	
3	IRC Section 197(f)(9)(B)(ii) election to recognize gain on the disposition of intangibles.....	3	
4	Credit recapture. Credit name _____	4	
5	Total. Combine the amounts on line 1 through line 4. See instructions.....	5	

Schedule R Apportionment Formula Worksheet. Use only for unrelated trade or business amounts.

Part A. Standard Method – Single-Sales Factor Formula. Complete this part only if the corporation uses the single-sales factor formula.

	(a) Total within and outside California	(b) Total within California	(c) Percent within California [(b) ÷ (a)] x 100
1 Total Sales.....	●	●	
2 Apportionment percentage. Divide total sales column (b) by total sales column (a) and multiply the result by 100. Enter the result here and on Form 109, Side 1, line 2.....			●

Part B. Three Factor Formula. Complete this part only if the corporation uses the three-factor formula.

	(a) Total within and outside California	(b) Total within California	(c) Percent within California [(b) ÷ (a)] x 100
1 Property factor: See instructions.....	●	●	●
2 Payroll factor: Wages and other compensation of employees.....	●	●	●
3 Sales factor: Gross sales and/or receipts less returns and allowances.....	●	●	●
4 Total percentage: Add the percentages in column (c).....			
5 Average apportionment percentage: Divide the factor on line 4 by 3 and enter the result here and on Form 109, Side 1, line 2. See instructions for exceptions.....			

Schedule C Rental Income from Real Property and Personal Property Leased with Real Property

For rental income from debt-financed property, use Schedule D, R&TC Section 23701g, Section 23701i, and Section 23701n organizations. See instructions for exceptions.

1	Description of property	2	Rent received or accrued	3	Percentage of rent attributable to personal property
					%
					%
					%
4	Complete if any item in column 3 is more than 50%, or for any item if the rent is determined on the basis of profit or income	5	Complete if any item in column 3 is more than 10%, but not more than 50%		
(a)	Deductions directly connected (attach schedule)	(a)	Gross income reportable, column 2 x column 3	(b)	Deductions directly connected with personal property (att sch)
				(c)	Net income includible, column 5(a) less column 5(b)

Add columns 4(b) and column 5(c). Enter here and on Side 2, Part I, line 6.....

Schedule D Unrelated Debt-Financed Income

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)	
4 Amount of average acquisition indebtedness on or allocable to debt-financed property (attach schedule)	5 Average adjusted basis of or allocable to debt-financed property (attach schedule)	6 Debt basis percentage, column 4 ÷ column 5	7 Gross income reportable, column 2 x column 6	8 Allocable deductions, total of columns 3(a) and 3(b) x column 6	9 Net income (or loss) includible, column 7 less column 8
Total. Enter here and on Side 2, Part I, line 7.					

Schedule E Investment Income of an R&TC Section 23701g, Section 23701i, or Section 23701n Organization

1 Description	2 Amount	3 Deductions directly connected (attach schedule)	4 Net investment income, column 2 less column 3	5 Set-asides (attach schedule)	6 Balance of investment income, column 4 less column 5
Total. Enter here and on Side 2, Part I, line 8.					
Enter gross income from members (dues, fees, charges, or similar amounts).					

Schedule F Interest, Annuities, Royalties and Rents from Controlled Organizations

Exempt Controlled Organizations					
1 Name of controlled organizations	2 Employer Identification Number	3 Net unrelated income (loss)	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					

Nonexempt Controlled Organizations

7 Taxable Income	8 Net unrelated income (loss)	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.				
5 Add columns 6 and 11.				
6 Subtract line 5 from line 4. Enter here and on Side 2, Part I, line 9.				

Schedule G Exploited Exempt Activity Income, other than Advertising Income

1 Description of exploited activity (attach schedule if more than one unrelated activity is exploiting the same exempt activity)	2 Gross unrelated business income from trade or business	3 Expenses directly connected with production of unrelated business income	4 Net income from unrelated trade or business, column 2 less column 3	5 Gross income from activity that is not unrelated business income	6 Expenses attributable to column 5	7 Excess exempt expense, column 6 less column 5 but not more than column 4	8 Net income includible, column 4 less column 7 but not less than zero
Total. Enter here and on Side 2, Part I, line 10.							

Schedule H Advertising Income and Excess Advertising Costs

Part I Income from Periodicals Reported on a Consolidated Basis

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising income or excess advertising costs. If column 2 is greater than column 3, complete columns 5, 6, and 7. If column 3 is greater than column 2, enter the excess in Part III, column B(b). Do not complete columns 5, 6, and 7.	5 Circulation income	6 Readership costs	7 If column 5 is greater than column 6, enter the income shown in column 4, in Part III, column A(b). If column 6 is greater than column 5, subtract the sum of column 6 and column 3 from the sum of column 5 and column 2. Enter amount in Part III, column A(b). If the amount is less than zero, enter -0-.
Totals						

Part II Income from Periodicals Reported on a Separate Basis

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising income or excess advertising costs	5 Circulation income	6 Readership costs	7 If column 5 is greater than column 6, enter the income shown in column 4, in Part III, column A(b). If column 6 is greater than column 5, subtract the sum of column 6 and column 3 from the sum of column 5 and column 2. Enter amount in Part III, column A(b). If the amount is less than zero, enter -0-.

Part III Column A – Net Advertising Income

Part III Column B – Excess Advertising Costs

(a) Enter 'consolidated periodical' and/or names of non-consolidated periodicals	(b) Enter total amount from Part I, column 4 or 7, and amount listed in Part II, columns 4 or 7	(a) Enter 'consolidated periodical' and/or names of non-consolidated periodicals	(b) Enter total amount from Part I, column 4, and amounts listed in Part II, column 4
Enter total here and on Side 2, Part I, line 11.		Enter total here and on Side 2, Part II, line 27.	

Schedule I Compensation of Officers, Directors, and Trustees

1 Name of Officer	2 SSN or ITIN	3 Title	4 Percent of time devoted to business	5 Compensation attributable to unrelated business	6 Expense account allowances
Total. Enter here and on Side 2, Part II, line 14.					

Schedule J Depreciation (Corporations and Associations only. Trusts use form FTB 3885F.)

1 Group and guideline class or description of property	2 Date acquired (dd/mm/yyyy)	3 Cost or other basis	4 Depreciation allowed or allowable in prior years	5 Method of computing depreciation	6 Life or rate	7 Depreciation for this year
1 Total additional first-year depreciation (do not include in items below)						
2 Other depreciation:						
Buildings						
Furniture and fixtures						
Transportation equipment						
Machinery and other equipment						
Other (specify)						
3 Other depreciation						
4 Total						
5 Amount of depreciation claimed elsewhere on return						
6 Balance. Subtract line 5 from line 4. Enter here and on Side 2, Part II, line 21a						

Underpayment of Estimated Tax by Corporations

For calendar year 2016 or fiscal year beginning (mm/dd/yyyy) **4/01/2016**, and ending (mm/dd/yyyy) **3/31/2017**

Corporation name ARROWHEAD LAKE ASSOCIATION	California corporation number 0708141
---	---

Part I Figure the Underpayment

1 Current year's tax. See instructions	1		1		8,838.
		(a)	(b)	(c)	(d)
2 Installment due dates. See instructions . . .	2	7/15/16	9/15/16	12/15/16	3/15/17
3 Percentage required. See instructions . . .	3	30%	70% less 1st	70% less prior	100% less prior
		(not less than min.)			
4 Amount due. See instructions	4	2,651.	3,536.		2,651.
5 a Amount paid or credited for each installment.	5a	705.	386.	2,270.	
b Overpayment from previous installment. See instructions	5b				324.
6 Add line 5a and line 5b	6	705.	386.	2,270.	324.
7 Underpayment (subtract line 6 from line 4). See instructions. Overpayment (subtract line 4 from line 6). If line 7 shows an underpayment for any installment, go to Part IV, Exceptions Worksheets.	7	1,946.	3,150.	-2,270.	2,327.

Part II Exceptions to the Penalty. If Exception A, line 8a is met for all four installments, **do not** attach this form to the return. If Exception B or C is met, for any installment, attach form FTB 5806 to the back of Form 100, Form 100W, Form 100S or Form 109.

		(check the applicable boxes)							
		Yes	No	Yes	No	Yes	No	Yes	No
8 a Exception A — Regular Corporations, line 26.	8a								
b Exception A — Large Corporations, ln 30. See inst.	8b								
9 Exception B (line 42) met?	9								
10 Exception C (line 64) met?	10								

Part III Figure the Penalty. If line 7 shows an underpayment for any installment and one of the three exceptions was not met, figure the penalty for that installment by completing line 11 through line 22.

11 Enter the earlier of the payment date, or the 15th day of the 3rd month after the close of the taxable year. Form 109 filers, see instructions.	11	9/27/16	8/15/17		8/15/17
12 Number of days from date shown on line 2 to date shown on line 11.	12	74	334		153
13 Number of days on line 12 before 7/01/16, or the payment date, whichever is earlier.	13				
14 Number of days on line 12 after 6/30/16 and before 1/01/17, or the payment date, whichever is earlier.	14	74	107		
15 Number of days on line 12 after 12/31/16 and before 7/01/17, or the payment date, whichever is earlier. Calendar year corporations, see instructions.	15		181		107
16 For fiscal year corporations only. Number of days on line 12 after 6/30/17 and before 1/01/18. See instrs.	16		46		46
17 For fiscal year corporations only. Number of days on line 12 after 12/31/17 and before 2/15/18.	17				
18 No. of days on line 13	18				
No. of days in taxable year x 3% x line 7.					
19 No. of days on line 14	19	11.80	27.63		
No. of days in taxable year x 3% x line 7.					
20 No. of days on line 15	20		62.48		27.29
No. of days in taxable year x 4% x line 7.					
21 No. of days on line 16	21				
No. of days in taxable year % x % (see instrs) x ln 7.					
22 No. of days on line 17	22				
No. of days in taxable year % x % (see instrs) x ln 7.					
22 a Add amounts for each column from line 18 through line 22	22a	11.80	90.11		27.29
22 b Total estimated penalty due. Add line 22a, column (a) through column (d). Enter here and on Form 100, line 43a; Form 100W, line 40a; Form 100S, line 42a; or Form 109, line 27.	22b				129.

Part IV Exceptions Worksheets. Even if line 7 shows an underpayment for any installment, the Franchise Tax Board will not assess a penalty if timely payments were made and they equal or exceed the amount determined under any of the three exceptions for the same installment period.

Exception A – Prior Year's Tax – Regular Corporations

23 Prior year's tax (the return must have been for a full 12 months).....										23			
	(a)			(b)			(c)			(d)			
	30%			70%			70%			100%			
	(not less than min.)												
24 Enter line 23 x the percentage shown.	24												
25 Amount paid by the installment due date (cumulative).....	25												
26 If line 25 is greater than line 24, the exception was met. Check 'Yes' here and check the applicable 'Yes' box in Part II, line 8a. If line 24 is greater than line 25, the exception was not met. Check 'No' here and check the applicable 'No' box in Part II, line 8a.	26	Yes	X	No	Yes	X	No	Yes	X	No	Yes	X	No

Exception A – Prior Year's Tax – Large Corporations

Use this exception only if prior year tax is less than current year tax.

27 Current year's tax										27		
	1st installment					2nd installment						
28 a Installment due. Enter line 23 x 30%	28a											
b Installment due. Enter line 27 x 70%	28b											
29 Amount paid by the installment due date (cumulative)	29											
30 If line 29 is greater than line 28 for both installments, the exception is met. Check 'Yes' here for each installment and check the applicable 'Yes' box in Part II, line 8b. The exception to the penalty applies only if line 29 is greater than line 28 for both installments. If line 28 is greater than line 29 for either installment, the exception is not met. Check 'No' here and check the applicable 'No' box in Part II, line 8b	30	Yes		No		Yes		No		Yes		No

See instructions regarding amounts to use for installment 3 and installment 4.

Exception B – Tax on Annualized Current Year Income

Enter number of months for each period. See instructions ▶

	(a)			(b)			(c)			(d)			
31 Enter taxable income for each annualization period.	31												
32 Annualization amounts. See instructions	32												
33 a Annualized taxable income. Multiply line 31 by line 32	33 a												
b R&TC Section 23802(e) deduction (S corps only)	33 b												
c Net income. Subtract line 33b from line 33a.	33 c												
34 Tax. Multiply line 33c by the current tax rate	34												
35 Tax credits for each payment period.	35												
36 Subtract line 35 from line 34	36												
37 Other taxes*	37												
38 Total tax. Add line 36 and line 37	38												
39 Applicable percentage. For short period returns (taxable year of less than 12 months), see the instructions for Part I, line 3	39	30%			70%			70%			100%		
40 Installment due. Multiply line 38 by line 39	40 (not less than min.)												
41 Amount paid by the installment due date (cumulative)	41												
42 If line 41 is greater than line 40, the exception was met. Check 'Yes' here and check the applicable 'Yes' box in Part II, line 9. If line 40 is greater than line 41, the exception was not met. Check 'No' here and check the applicable 'No' box in Part II, line 9.	42	Yes		No	Yes		No	Yes		No	Yes		No

*Include alternative minimum tax, S corporation taxes from Schedule D (100S) and from the excess net passive income, the QSub annual tax, installment amount credit recapture, and the minimum franchise tax.

Part IV Exceptions Worksheets (Continued)

Exception C – Tax on Annualized Seasonal Income		(a)	(b)	(c)	(d)			
		1st 3 months	1st 5 months	1st 8 months	1st 11 months			
43	Enter taxable income for the following periods:							
	a Taxable year beginning in 2013	43 a						
	b Taxable year beginning in 2014	43 b						
	c Taxable year beginning in 2015	43 c						
44	Enter taxable income for each period for the taxable year beginning in 2016	44						
45	Enter taxable income for the following periods:	1st 4 months	1st 6 months	1st 9 months	Entire year			
	a Taxable year beginning in 2013	45 a						
	b Taxable year beginning in 2014	45 b						
	c Taxable year beginning in 2015	45 c						
46	Divide the amount in each column on line 43a by the amount in column (d) on line 45a	46						
47	Divide the amount in each column on line 43b by the amount in column (d) on line 45b	47						
48	Divide the amount in each column on line 43c by the amount in column (d) on line 45c	48						
49	Add line 46 through line 48	49						
50	Divide line 49 by 3	50						
51	a Divide line 44 by line 50	51 a	1st 4 months	1st 6 months	1st 9 months			
	b R&TC Section 23802(e) deduction. (S corp only)	51 b						
	c Net income. Subtract line 51b from line 51a	51 c						
52	Tax. Multiply line 51c by the current tax rate	52						
53	Divide the amounts in column (a) through column (c) on line 45a by the amount in column (d) on line 45a	53						
54	Divide the amounts in column (a) through column (c) on line 45b by the amount in column (d) on line 45b	54						
55	Divide the amounts in column (a) through column (c) on line 45c by the amount in column (d) on line 45c	55						
56	Add line 53 through line 55	56						
57	Divide line 56 by 3	57						
58	Multiply the amounts in column (a) through column (c) of line 52 by the amounts in the corresponding column of line 57. In column (d), enter the amount from line 52, column (d)	58						
59	Tax credits for each payment period	59						
60	Subtract line 59 from line 58	60						
61	Other taxes*	61						
62	Total tax. Add line 60 and line 61	62	(not less than min.)					
63	Amount paid by the installment due date (cumulative)	63						
64	If line 63 is greater than line 62, the exception was met. Check 'Yes' here and check the applicable 'Yes' box in Part II, line 10. If line 62 is greater than line 63, the exception was not met. Check 'No' here and check the applicable 'No' box in Part II, line 10.	64	Yes	No	Yes	No	Yes	No

*Include alternative minimum tax, S corporation taxes from Schedule D (100S) and from the excess net passive income, QSub annual tax, installment amount credit recapture, and the minimum franchise tax.

ARROWHEAD LAKE ASSOCIATION

95-2899218

Statement 1
Form 109, Part I, Line 12
Other Income

Interest on Savings and Cash Investments..... \$ 13,442.
Total \$ 13,442.

Statement 2
Form 109, Part II, Line 24
Other Expenses

ADMINISTRATION..... \$ 18,248.
MAINTENANCE & SECURITY..... 52,611.
Total \$ 70,859.

Installment 4 – File and Pay by the 15th day of the 12th month of the taxable year. When the due date falls on a weekend or holiday, the deadline to file and pay without penalty is extended to the next business day.

If no payment is due, do not mail this form.

WHERE TO FILE: Using black or blue ink, make check or money order payable to the 'Franchise Tax Board.' Write the corporation number and '2017 Form 100-ES' on the check or money order. Detach form below. Enclose, but **do not** staple, payment with form and mail to:

**FRANCHISE TAX BOARD
PO BOX 942857
SACRAMENTO CA 94257-0531**

Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

ONLINE SERVICES: Corporations can make payments online with Web Pay for Businesses. Corporations can make an immediate payment or schedule payments up to a year in advance. Go to **ftb.ca.gov** for more information.

Due 3/15/18

----- DETACH HERE -----

IF NO PAYMENT IS DUE, DO NOT MAIL THIS FORM

----- DETACH HERE -----

Caution: The corporation may be required to pay electronically. See instructions.

Installment 4

TAXABLE YEAR

CALIFORNIA FORM

2017

Corporation Estimated Tax

100-ES

0708141 ARRO 95-2899218 000000000000 17 FORM 2

TYB 04-01-2017 TYE 03-31-2018

ARROWHEAD LAKE ASSOCIATION

SHERYL VAN NOSTRAN

PO BOX 1119

LAKE ARROWHEAD CA 92352

(909) 337-2595

EST TAX AMT 2652. QSUB TAX AMT

TOTAL PAYMENT AMT 2652.

Voucher at bottom of page.

DO NOT MAIL A PAPER COPY OF THE CORPORATE OR EXEMPT ORGANIZATION TAX RETURN WITH THE PAYMENT VOUCHER.

If the amount of payment is zero, do not mail this voucher.

WHERE TO FILE: Using black or blue ink, make check or money order payable to the 'Franchise Tax Board.' Write the corporation number or FEIN and '2016 FTB 3586' on the check or money order. Detach voucher below. Enclose, but do not staple, payment with voucher and mail to:

FRANCHISE TAX BOARD
PO BOX 942857
SACRAMENTO CA 94257-0531

Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

WHEN TO FILE: Corporations - File and Pay by the 15th day of the 4th month following the close of the taxable year.
S corporations - File and Pay by the 15th day of the 3rd month following the close of the taxable year.
Exempt organizations - File and Pay by the 15th day of the 5th month following the close of the taxable year.

When the due date falls on a weekend or holiday, the deadline to file and pay without penalty is extended to the next business day.

Due to the federal Emancipation Day holiday observed on April 17, 2017, tax returns filed and payments mailed or submitted on April 18, 2017, will be considered timely.

ONLINE SERVICES: Corporations can make payments online with Web Pay for Businesses. Corporations can make an immediate payment or schedule payments up to a year in advance. Go to ftb.ca.gov for more information.

DETACH HERE IF NO PAYMENT IS DUE, DO NOT MAIL THIS VOUCHER DETACH HERE

CAUTION: You may be required to pay electronically, see instructions.

TAXABLE YEAR 2016 Payment Voucher for Corporations and Exempt Organizations e-filed Returns CALIFORNIA FORM 3586 (e-file)

0708141 ARRO 95-2899218 000000000000 16 FORM 3
TYB 04-01-16 TYE 03-31-17
ARROWHEAD LAKE ASSOCIATION
SHERYL VAN NOSTRAN
PO BOX 1119
LAKE ARROWHEAD CA 92352

(909) 337-2595

AMOUNT OF PAYMENT 10.