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Form 990-T

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

OMB No 1545-0687

2018

For calendar year 2018 or other tax year beginning JUL 1, 2018 and ending JUN 30, 2019

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

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)(3) <u>03</u> <input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e) <input type="checkbox"/> 408A <input type="checkbox"/> 530(a) <input type="checkbox"/> 529(a)	Print or Type Name of organization (<input type="checkbox"/> Check box if name changed and see instructions.) COVENANT HOUSE WASHINGTON DC Number, street, and room or suite no. If a P.O. box, see instructions. 2001 MISSISSIPPI AVENUE SE City or town, state or province, country, and ZIP or foreign postal code WASHINGTON, DC 20020-6116	D Employer identification number (Employees' trust, see instructions) 13-3537709
		E Unrelated business activity code (See instructions) 812930
C Book value of all assets at end of year 4,113,794.	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

H Enter the number of the organization's unrelated trades or businesses. 2 Describe the only (or first) unrelated trade or business here **UNRELATED DEBT-FINANCED INCOME**. If only one, complete Parts I-V. If more than one, describe the first in the blank space at the end of the previous sentence, complete Parts I and II, complete a Schedule M for each additional trade or business, then complete Parts III-V.

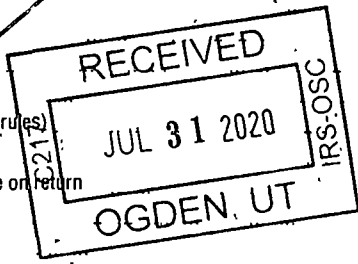
I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? **STMT 2** Yes No
If "Yes," enter the name and identifying number of the parent corporation.

J The books are in care of **CHRISTIE KEHN** Telephone number **202-610-9600**

Part I Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
1a	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		
4a	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 a partnership or an S corporation (attach statement)	5		
6	Rent income (Schedule C)	6		
7	Unrelated debt-financed income (Schedule E)	7	31,988.	6,961.
8	Interest, annuities, royalties, and rents from a controlled organization (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)	12		
13	Total. Combine lines 3 through 12	13	31,988.	6,961.
				25,027.

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) (see instructions)	18	
19	Taxes and licenses	19	2,066.
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	
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	1,500.
29	Total deductions. Add lines 14 through 28	29	3,566.
30	Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	30	21,461.
31	Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions)	31	
32	Unrelated business taxable income. Subtract line 31 from line 30	32	21,461.



SEE STATEMENT 1

912

SCANNED MAY 03 2021

Part III: Total Unrelated Business Taxable Income

Part I

Table with 2 columns: Description and Amount. Rows include: 33 Total of unrelated business taxable income computed from all unrelated trades or businesses (see instructions) 22,973. 34 Amounts paid for disallowed fringes 0. 35 Deduction for net operating loss arising in tax years beginning before January 1, 2018 (see instructions) 36 Total of unrelated business taxable income before specific deduction. Subtract line 35 from the sum of lines 33 and 34 22,973. 37 Specific deduction (Generally \$1,000, but see line 37 instructions for exceptions) 1,000. 38 Unrelated business taxable income. Subtract line 37 from line 36. If line 37 is greater than line 36, enter the smaller of zero or line 38 21,973.

Part IV: Tax Computation

Part II

Table with 2 columns: Description and Amount. Rows include: 39 Organizations Taxable as Corporations. Multiply line 38 by 21% (0.21) 4,614. 40 Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 38 from: Tax rate schedule or Schedule D (Form 1041) 41 Proxy tax. See instructions 42 Alternative minimum tax (trusts only) 43 Tax on Noncompliant Facility Income. See instructions 44 Total. Add lines 41, 42, and 43 to line 39 or 40, whichever applies 4,614.

Part V: Tax and Payments

Part III

Table with 2 columns: Description and Amount. Rows include: 45a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116) 45b Other credits (see instructions) 45c General business credit. Attach Form 3800 45d Credit for prior year minimum tax (attach Form 8801 or 8827) 45e Total credits. Add lines 45a through 45d 46 Subtract line 45e from line 44 4,614. 47 Other taxes. Check if from: Form 4255 Form 8611 Form 8897 Form 8866 Other (attach schedule) 48 Total tax. Add lines 46 and 47 (see instructions) 4,614. 49 2018 net 985 tax liability paid from Form 985-A or Form 985-B, Part II, column (k), line 2 0. 50a Payments: A 2017 overpayment credited to 2018 4,617. 50b 2018 estimated tax payments 50c Tax deposited with Form 8868 50d Foreign organizations: Tax paid or withheld at source (see instructions) 50e Backup withholding (see instructions) 50f Credit for small employer health insurance premiums (attach Form 8941) 50g Other credits, adjustments, and payments: Form 2439 Other Total 51 Total payments. Add lines 50a through 50g 4,617. 52 Estimated tax penalty (see instructions). Check if Form 2220 is attached 53 Tax due. If line 51 is less than the total of lines 48, 49, and 52, enter amount owed 54 Overpayment. If line 51 is larger than the total of lines 48, 49, and 52, enter amount overpaid 3. 55 Enter the amount of line 54 you want credited to 2018 estimated tax 3. Refunded 0.

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

Table with 2 columns: Question and Yes/No. Rows include: 56 At any time during the 2018 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 X 57 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 58 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: [Signature] Date: 1/6/20/20 Title: EXECUTIVE DIRECTOR May the IRS discuss this return with the preparer shown below (see instructions)? [X] Yes No

Paid Preparer Use Only

Print/type preparer's name: GARRETT M. HIGGINS Preparer's signature: [Signature] Date: 6/29/2020 Check self-employed if: PTIN: P00543209 Firm's name: PKF O'CONNOR DAVIES, LLP Firm's EIN: 27-1728945 Firm's address: 500 MAMARONECK AVENUE HARRISON, NY 10528-1633 Phone no.: 914-381-8900

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 from line 5. Enter here and in Part I, line 2	7	
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					
b	Other costs (attach schedule)	4b					
5	Total. Add lines 1 through 4b	5					

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 columns 2(a) and 2(b) (attach schedule)
(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)	
(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) ► 0.

(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) STATEMENT 3	(b) Other deductions (attach schedule) STATEMENT 4	
(1) 7 NEW YORK AVENUE -				
(2) DEBT-FINANCED PROPERTY	31,988.	1,839.	5,122.	
(3)				
(4)				
4. Amount of average acquisition debt on or allocable to debt-financed property (attach schedule) STATEMENT 5	5. Average adjusted basis of or allocable to debt-financed property (attach schedule) STATEMENT 6	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) 299,587.	249,915.	100.00%	31,988.	6,961.
(3)		%		
(4)		%		
Totals			31,988.	6,961.
Total dividends-received deductions included in column 8				0.

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			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)				
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)						
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)	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)		%	
Total. Enter here and on page 1, Part II, line 14			0.

FORM 990-T	OTHER DEDUCTIONS	STATEMENT 1
DESCRIPTION		AMOUNT
TAX PREPARATION FEE		1,500.
TOTAL TO FORM 990-T, PAGE 1, LINE 28		1,500.

FORM 990-T	PARENT CORPORATION'S NAME AND IDENTIFYING NUMBER	STATEMENT 2
CORPORATION'S NAME		IDENTIFYING NO
COVENANT HOUSE		13-2725416

FORM 990-T	SCHEDULE E - DEPRECIATION DEDUCTION	STATEMENT 3	
DESCRIPTION	ACTIVITY NUMBER	AMOUNT	TOTAL
DEPRECIATION		1,839.	
- SUBTOTAL -	1		1,839.
TOTAL OF FORM 990-T, SCHEDULE E, COLUMN 3(A)			1,839.

FORM 990-T	SCHEDULE E - OTHER DEDUCTIONS	STATEMENT 4	
DESCRIPTION	ACTIVITY NUMBER	AMOUNT	TOTAL
MORTGAGE INTEREST		1,511.	
OFFICE		45.	
OTHER OCCUPANCY		25.	
PROPERTY INSURANCE		772.	
REPAIRS AND MAINTENANCE		124.	
UTILITIES		1,947.	
WATER, SEWER, TRASH		698.	
- SUBTOTAL -	1		5,122.
TOTAL OF FORM 990-T, SCHEDULE E, COLUMN 3(B)			5,122.

Covenant House Washington DC

EIN: 13-3537709

FYE: 06/30/2019

Form 990-T, Schedule E, Section 4 - Avg acquisition debt

7 New York Ave

<u>Year</u>	<u>Month</u>	<u>Rental Income</u>	<u>Mtg Balance</u>
2018	Jul	7,648	301,931
2018	Aug	1,756	300,374
2018	Sep	14,755	298,809
2018	Oct	7,828	297,236
2018	Nov	-	-
2018	Dec	-	-
2019	Jan	-	-
2019	Feb	-	-
2019	Mar	-	-
2019	Apr	-	-
2019	May	-	-
2019	Jun	-	-
		<u>31,988</u>	<u>1,198,349</u>
			<u><u>299,587</u></u>

Covenant House Washington DC

EIN: 13-3537709

FYE: 06/30/2019

Form 990-T, Schedule E, Section 5 - Avg. adjusted basis

7 New York Ave

Book value @ 6/30/2018	253,563
4 month depreciation	(7,297)
Book Value @ 10/31/2018	<u>246,267</u>
Average adjusted basis of debt-financed property	249,915

Covenant House Washington DC

EIN: 13-3537709

FYE: 06/30/2019

Form 990-T, Line 19, Taxes and Licenses

<u>Description</u>	<u>Amount</u>
Form DC-20 Tax	2,066
Total to Form 990-T, Line 19	<u><u>2,066</u></u>

**SCHEDULE M
(Form 990-T)**

**Unrelated Business Taxable Income for
Unrelated Trade or Business**

ENTITY 1

OMB No 1545-0687

2018

For calendar year 2018 or other tax year beginning JUL 1, 2018 and ending JUN 30, 2019

Department of the Treasury
Internal Revenue Service (99)

▶ 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

Name of the organization

COVENANT HOUSE WASHINGTON DC

Employer identification number

13-3537709

Unrelated business activity code (see instructions) ▶ **812930**

Describe the unrelated trade or business ▶ **RENTAL OF PARKING SPACES**

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 a partnership or an S corporation (attach statement)		5		
6 Rent income (Schedule C)		6		
7 Unrelated debt-financed income (Schedule E)		7		
8 Interest, annuities, royalties, and rents from a controlled organization (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) STMT 7		12 2,098.		2,098.
13 Total. Combine lines 3 through 12		13 2,098.		2,098.

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) (see instructions)		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 8		28		586.
29 Total deductions. Add lines 14 through 28		29		586.
30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13		30		1,512.
31 Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions)		31		
32 Unrelated business taxable income. Subtract line 31 from line 30		32		1,512.

LHA For Paperwork Reduction Act Notice, see instructions.

Schedule M (Form 990-T) 2018

FORM 990-T (M)	OTHER INCOME	STATEMENT 7
<u>DESCRIPTION</u>		<u>AMOUNT</u>
		2,098.
TOTAL TO SCHEDULE M, PART I, LINE 12		2,098.

FORM 990-T (M)	OTHER DEDUCTIONS	STATEMENT 8
<u>DESCRIPTION</u>		<u>AMOUNT</u>
MAINTENANCE EXPENSE		586.
TOTAL TO SCHEDULE M, PART II, LINE 28		586.
