

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

2015

For calendar year 2015 or other tax year beginning _____ and ending _____

▶ 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 Check box if address changed

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

D Employer identification number (Employees trust see instructions)

B Exempt under section
 501(c)(3) 408(e) 220(e)
 408A 530(a)
 529(a)

Print or Type

PENINSULA SERVICES

23-7147825

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

PO BOX 5030

E Unrelated business activity codes (See instructions)

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

BREMERTON, WA 98312

453000

C Book value of all assets at end of year
3,241,879.

F Group exemption number (See instructions)

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

H Describe the organization's primary unrelated business activity ▶ **COMMISSARY & GROUNDS SERVICES**

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 ▶ **JOANIE ROBERTSON** Telephone number ▶ **360-373-1446**

Part I Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
1 a	Gross receipts or sales 822,539.			
b	Less returns and allowances			
c	Balance ▶	822,539.		
2	Cost of goods sold (Schedule A, line 7)			
3	Gross profit Subtract line 2 from line 1c	822,539.		822,539.
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)			
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)			
12	Other income (See instructions, attach schedule)			
13	Total Combine lines 3 through 12	822,539.		822,539.

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	15 340,905.
16	Repairs and maintenance	16 4,658.
17	Bad debts	17
18	Interest (attach schedule)	18
19	Taxes and licenses	19 56,602.
20	Charitable contributions (See instructions for limitation rules)	20
21	Depreciation (attach Form 4562)	21 6,032.
22	Less depreciation claimed on Schedule A and elsewhere on return	22a 6,032.
23	Depletion	23
24	Contributions to deferred compensation plans	24 6,385.
25	Employee benefit programs	25 96,727.
26	Excess exempt expenses (Schedule I)	26
27	Excess readership costs (Schedule J)	27
28	Other deductions (attach schedule)	28 211,635.
29	Total deductions Add lines 14 through 28	29 722,944.
30	Unrelated business taxable income before net operating loss deduction Subtract line 29 from line 13	30 99,595.
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 99,595.
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 98,595.

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SEE STATEMENT 1

Part III Tax Computation

Table with 2 columns: Description and Amount. Rows include 35 Organizations Taxable as Corporations, 36 Trusts Taxable at Trust Rates, 37 Proxy tax, 38 Alternative minimum tax, and 39 Total.

Part IV Tax and Payments

Table with 2 columns: Description and Amount. Rows include 40a Foreign tax credit, 41 Subtract line 40e from line 39, 42 Other taxes, 43 Total tax, 44a Payments, 45 Total payments, 46 Estimated tax penalty, 47 Tax due, 48 Overpayment, and 49 Enter the amount of line 48.

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

Table with 3 columns: Question, Yes, No. Rows include 1 At any time during the 2015 calendar year, did the organization have an interest in or a signature or other authority over a financial account... and 2 During the tax year, did the organization receive a distribution from or was it the grantor of or transferor to a foreign trust?

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

Table with 2 columns: Description and Amount. Rows include 1 Inventory at beginning of year, 2 Purchases, 3 Cost of labor, 4a Additional section 263A costs, 5 Total, 6 Inventory at end of year, 7 Cost of goods sold, and 8 Do the rules of section 263A apply to the organization?

Sign Here section with signature of officer, date 12/30/16, title CHAIRPERSON, and Paid Preparer Use Only section with name CHRIS GINTZ, CPA, date 12/14/16, and firm information GINTZ WARNER, PLLC.

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
(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.		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 8 x total of columns 3(a) and 3(b))
(1)		%		
(2)		%		
(3)		%		
(4)		%		
Totals			0.	0.
Total dividends-received deductions included in column 8			0.	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)					

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)				
	Enter here and on page 1 Part I line 9 column (A)			Enter here and on page 1 Part I line 9 column (B)
Totals	0.			0.

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income

(see instructions)

1 Description of exploited activity	2 Gross unrelated business income from trade or business	3 Expenses directly connected with production of unrelated business income	4 Net income (loss) from unrelated trade or business (column 2 minus column 3) If a gain, compute cols 5 through 7	5 Gross income from activity that is not unrelated business income	6 Expenses attributable to column 5	7 Excess exempt expenses (column 6 minus column 5 but not more than column 4)
(1)						
(2)						
(3)						
(4)						
	Enter here and on page 1 Part I line 10 col (A)	Enter here and on page 1 Part I line 10 col (B)				Enter here and on page 1 Part II line 28
Totals	0.	0.				0.

Schedule J - Advertising Income (see instructions)

Part I Income From Periodicals Reported on a Consolidated Basis

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

Part II Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line by line basis)

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

Alternative Minimum Tax - Corporations

▶ Attach to the corporation's tax return

▶ Information about Form 4626 and its separate instructions is at www.irs.gov/form4626

2015

Name PENINSULA SERVICES		Employer identification number 23-7147825
Note See the instructions to find out if the corporation is a small corporation exempt from the alternative minimum tax (AMT) under section 55(e)		
1	Taxable income or (loss) before net operating loss deduction	98,595.
2	Adjustments and preferences	
a	Depreciation of post-1986 property	2a
b	Amortization of certified pollution control facilities	2b
c	Amortization of mining exploration and development costs	2c
d	Amortization of circulation expenditures (personal holding companies only)	2d
e	Adjusted gain or loss	2e
f	Long-term contracts	2f
g	Merchant marine capital construction funds	2g
h	Section 833(b) deduction (Blue Cross, Blue Shield, and similar type organizations only)	2h
i	Tax shelter farm activities (personal service corporations only)	2i
j	Passive activities (closely held corporations and personal service corporations only)	2j
k	Loss limitations	2k
l	Depletion	2l
m	Tax exempt interest income from specified private activity bonds	2m
n	Intangible drilling costs	2n
o	Other adjustments and preferences	2o
3	Pre-adjustment alternative minimum taxable income (AMTI) Combine lines 1 through 2o	98,595.
4	Adjusted current earnings (ACE) adjustment	
a	ACE from line 10 of the ACE worksheet in the instructions	4a 98,595.
b	Subtract line 3 from line 4a. If line 3 exceeds line 4a, enter the difference as a negative amount (see instructions)	4b 0.
c	Multiply line 4b by 75% (75). Enter the result as a positive amount	4c
d	Enter the excess, if any, of the corporation's total increases in AMTI from prior year ACE adjustments over its total reductions in AMTI from prior year ACE adjustments (see instructions) Note You must enter an amount on line 4d (even if line 4b is positive)	4d
e	ACE adjustment • If line 4b is zero or more, enter the amount from line 4c • If line 4b is less than zero, enter the smaller of line 4c or line 4d as a negative amount	4e 0.
5	Combine lines 3 and 4e. If zero or less, stop here, the corporation does not owe any AMT	98,595.
6	Alternative tax net operating loss deduction (see instructions)	6
7	Alternative minimum taxable income Subtract line 6 from line 5. If the corporation held a residual interest in a REMIC, see instructions	98,595.
8	Exemption phase-out (if line 7 is \$310,000 or more, skip lines 8a and 8b and enter 0 on line 8c)	
a	Subtract \$150,000 from line 7 (if completing this line for a member of a controlled group, see instructions) If zero or less, enter -0-	8a 0.
b	Multiply line 8a by 25% (25)	8b 0.
c	Exemption Subtract line 8b from \$40,000 (if completing this line for a member of a controlled group, see instructions) If zero or less, enter -0-	8c 40,000.
9	Subtract line 8c from line 7. If zero or less, enter -0-	58,595.
10	Multiply line 9 by 20% (20)	11,719.
11	Alternative minimum tax foreign tax credit (AMTFTC) (see instructions)	11
12	Tentative minimum tax Subtract line 11 from line 10	11,719.
13	Regular tax liability before applying all credits except the foreign tax credit	21,772.
14	Alternative minimum tax Subtract line 13 from line 12. If zero or less, enter -0-. Enter here and on Form 1120, Schedule J, line 3, or the appropriate line of the corporation's income tax return	0.

JWA For Paperwork Reduction Act Notice, see separate instructions

Form 4626 (2015)

Adjusted Current Earnings (ACE) Worksheet

▶ See ACE Worksheet Instructions

1	Pre-adjustment AMTI Enter the amount from line 3 of Form 4626		1	98,595.
2	ACE depreciation adjustment			
	a AMT depreciation	2a		
	b ACE depreciation			
	(1) Post 1993 property	2b(1)		
	(2) Post 1989, pre-1994 property	2b(2)		
	(3) Pre 1990 MACRS property	2b(3)		
	(4) Pre 1990 original ACRS property	2b(4)		
	(5) Property described in sections 168(f)(1) through (4)	2b(5)		
	(6) Other property	2b(6)		
	(7) Total ACE depreciation Add lines 2b(1) through 2b(6)	2b(7)		
	c ACE depreciation adjustment Subtract line 2b(7) from line 2a		2c	
3	Inclusion in ACE of items included in earnings and profits (E&P)			
	a Tax-exempt interest income	3a		
	b Death benefits from life insurance contracts	3b		
	c All other distributions from life insurance contracts (including surrenders)	3c		
	d Inside buildup of undistributed income in life insurance contracts	3d		
	e Other items (see Regulations sections 1.56(g)-1(c)(6)(iii) through (ix) for a partial list)	3e		
	f Total increase to ACE from inclusion in ACE of items included in E&P Add lines 3a through 3e		3f	
4	Disallowance of items not deductible from E&P			
	a Certain dividends received	4a		
	b Dividends paid on certain preferred stock of public utilities that are deductible under section 247	4b		
	c Dividends paid to an ESOP that are deductible under section 404(k)	4c		
	d Nonpatronage dividends that are paid and deductible under section 1382(c)	4d		
	e Other items (see Regulations sections 1.56(g)-1(d)(3)(i) and (ii) for a partial list)	4e		
	f Total increase to ACE because of disallowance of items not deductible from E&P Add lines 4a through 4e		4f	
5	Other adjustments based on rules for figuring E&P			
	a Intangible drilling costs	5a		
	b Circulation expenditures	5b		
	c Organizational expenditures	5c		
	d LIFO inventory adjustments	5d		
	e Installment sales	5e		
	f Total other E&P adjustments Combine lines 5a through 5e		5f	
6	Disallowance of loss on exchange of debt pools		6	
7	Acquisition expenses of life insurance companies for qualified foreign contracts		7	
8	Depletion		8	
9	Basis adjustments in determining gain or loss from sale or exchange of pre 1994 property		9	
10	Adjusted current earnings Combine lines 1, 2c, 3f, 4f, and 5f through 9 Enter the result here and on line 4a of Form 4626		10	98,595.

FORM 990-T OTHER DEDUCTIONS STATEMENT 1

DESCRIPTION	AMOUNT
COMMISSIONS	9,643.
CONFERENCES AND CONVENTIONS	386.
CONSULTANTS AND SUBCONTRACTORS	8,395.
INSURANCE	389.
MISCELLANEOUS	12,786.
POSTAGE AND SHIPPING	385.
PROFESSIONAL SERVICES	6,941.
SUPPLIES	168,585.
TELEPHONE	3,853.
TRAVEL	272.
TOTAL TO FORM 990-T, PAGE 1, LINE 28	211,635.