

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 SEP 1, 2018, and ending AUG 31, 2019

Go to [www.irs.gov/Form990T](http://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  Check box if address changed

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

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

**THE PRIMARY HEALTH NETWORK**

**25-1381800**

B Exempt under section

- 501(c)(3)
- 408(e)  220(e)
- 408A  530(a)
- 529(a)

Print or Type

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

**100 SHENANGO AVE. P.O. BOX 716**

E Unrelated business activity code (See instructions)

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

**SHARON, PA 16146**

**531110**

C Book value of all assets at end of year

**53,950,060.**

F Group exemption number (See instructions.)

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

H Enter the number of the organization's unrelated trades or businesses. **1**

Describe the only (or first) unrelated trade or business here

**SEE STATEMENT 1**

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?  Yes  No

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

J The books are in care of **FINANCE DEPARTMENT**

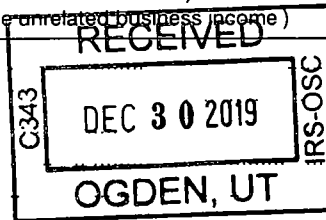
Telephone number **724-342-0126**

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			
2	Cost of goods sold (Schedule A, line 7)			
3	Gross profit. Subtract line 2 from line 1c			
4a	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 a partnership or an S corporation (attach statement)			
6	Rent income (Schedule C)			
7	Unrelated debt-financed income (Schedule E)	218,629.	272,067.	-53,438.
8	Interest, annuities, royalties, and rents from a controlled organization (Schedule 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	<b>Total.</b> Combine lines 3 through 12	218,629.	272,067.	-53,438.

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)			
15	Salaries and wages			
16	Repairs and maintenance			
17	Bad debts			
18	Interest (attach schedule) (see instructions)			
19	Taxes and licenses			
20	Charitable contributions (See instructions for limitation rules)			
21	Depreciation (attach Form 4562)			
22	Less depreciation claimed on Schedule A and elsewhere on return			
23	Depletion			
24	Contributions to deferred compensation plans			
25	Employee benefit programs			
26	Excess exempt expenses (Schedule I)			
27	Excess readership costs (Schedule J)			
28	Other deductions (attach schedule)			
29	<b>Total deductions</b> Add lines 14 through 28			0.
30	Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13			-53,438.
31	Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions)			
32	Unrelated business taxable income. Subtract line 31 from line 30			-53,438.



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Part III Total Unrelated Business Taxable Income

Table with 3 columns: Line number, Description, and Amount. Includes lines 33-38 with handwritten annotations 'STMT 2', '39', and '40'.

Part IV Tax Computation

Table with 3 columns: Line number, Description, and Amount. Includes lines 39-44.

Part V Tax and Payments

Table with 3 columns: Line number, Description, and Amount. Includes lines 45a-55.

Part VI Statements Regarding Certain Activities and Other Information

Table with 3 columns: Question number, Question text, and Yes/No response. Includes questions 56, 57, and 58.

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: Amy Ste Clark, Date: 12/19/19, Title: DIRECTOR OF FINANCE

May the IRS discuss this return with the preparer shown below (see instructions)? [X] Yes [ ] No

Table for Preparer Information. Includes fields for Preparer's name (KELLY A. BROCIOS, CPA), Signature, Date (12/18/19), Firm's name (ARNETT CARBIS TOOTHMAN LLP), Firm's address (5700 CORPORATE DRIVE, STE 650, PITTSBURGH, PA 15237), Firm's EIN (55-0486667), and Phone no. (412-635-6270).

**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	7 <b>Cost of goods sold.</b> Subtract line 6 from line 5. Enter here and in Part I, line 2		
3	Cost of labor	3					
4a	Additional section 263A costs (attach schedule)	4a		8	8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?	Yes	No
b	Other costs (attach schedule)	4b					
5	<b>Total</b> 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) <b>STATEMENT 4</b>	(b) Other deductions (attach schedule) <b>STATEMENT 5</b>	
(1)				
(2)				
(3)				
(4) <b>SEE STATEMENT 3</b>				
4 Amount of average acquisition debt on or allocable to debt-financed property (attach schedule) <b>STATEMENT 6</b>	5 Average adjusted basis of or allocable to debt-financed property (attach schedule) <b>STATEMENT 7</b>	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)		%		
<b>Totals</b>			Enter here and on page 1, Part I, line 7, column (A) <b>218,629.</b>	Enter here and on page 1, Part I, line 7, column (B) <b>272,067.</b>
<b>Total dividends-received deductions</b> included in column 8				<b>0.</b>

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

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

**Nonexempt Controlled Organizations**

7. Taxable Income	8. Net unrelated income (loss) (see instructions)	9. Total of specified payments made	10. Part of column 9 that is included in the controlling organization's gross income	11. Deductions directly connected with income in column 10
(1)				
(2)				
(3)				
(4)				

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

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

(see instructions)

1. Description of income	2. Amount of income	3. Deductions directly connected (attach schedule)	4. Set-asides (attach schedule)	5. Total deductions and set-asides (col 3 plus col 4)
(1)				
(2)				
(3)				
(4)				

		Enter here and on page 1, Part I, line 9, column (A)	Enter here and on page 1, Part I, line 9, column (B)
<b>Totals</b>		0.	0.

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

(see instructions)

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

		Enter here and on page 1, Part I, line 10, col (A)	Enter here and on page 1, Part I, line 10, col (B)	Enter here and on page 1, Part II, line 26
<b>Totals</b>		0.	0.	0.

**Schedule J - Advertising Income** (see instructions)

**Part I Income From Periodicals Reported on a Consolidated Basis**

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

<b>Totals (carry to Part II, line (5))</b>		0.	0.	0.
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**Part II** **Income From Periodicals Reported on a Separate Basis** (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis)

1 Name of periodical	2. Gross advertising income	3. Direct advertising costs	4 Advertising gain or (loss) (col 2 minus col 3) If a gain, compute cols 5 through 7	5. Circulation income	6 Readership costs	7 Excess readership costs (column 6 minus column 5, but not more than column 4)
(1)						
(2)						
(3)						
(4)						
<b>Totals from Part I</b>	0.	0.				0.
<b>Totals, Part II (lines 1-5)</b>	0.	0.				0.

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

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

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

FORM 990-T      DESCRIPTION OF ORGANIZATION'S PRIMARY UNRELATED BUSINESS ACTIVITY      STATEMENT 1

RENTAL OF FACILITY SPACE TO UNRELATED PARTY

TO FORM 990-T, PAGE 1

FORM 990-T      NET OPERATING LOSS DEDUCTION      STATEMENT 2

TAX YEAR	LOSS SUSTAINED	LOSS PREVIOUSLY APPLIED	LOSS REMAINING	AVAILABLE THIS YEAR
08/31/13	36,789.	0.	36,789.	36,789.
08/31/14	11,524.	0.	11,524.	11,524.
08/31/15	23,378.	0.	23,378.	23,378.
08/31/16	14,155.	0.	14,155.	14,155.
08/31/17	53,326.	0.	53,326.	53,326.
08/31/18	75,839.	0.	75,839.	75,839.
NOL CARRYOVER AVAILABLE THIS YEAR			215,011.	215,011.

FORM 990-T SCHEDULE E - UNRELATED DEBT-FINANCED INCOME STATEMENT 3

1. DESCRIPTION OF PROPERTY	ACTIVITY NUMBER	2. GROSS INCOME	3A. DEPRECIATION EXPENSE	3B. OTHER DEDUCTIONS
BUILDING - EAST STATE STREET	1	153,900.	23,664.	77,018.

4. AVERAGE ACQ DEBT	5. AVERAGE ADJUSTED BASIS	6. PERCENT (COL 4/COL 5)	7. REPORTABLE GROSS INCOME	8. ALLOCABLE DEDUCTIONS
454,144.	742,287.	61.18	94,156.	61,597.

1. DESCRIPTION OF PROPERTY	ACTIVITY NUMBER	2. GROSS INCOME	3A. DEPRECIATION EXPENSE	3B. OTHER DEDUCTIONS
BUILDING - PITT STREET	2	80,162.	39,381.	75,777.

4. AVERAGE ACQ DEBT	5. AVERAGE ADJUSTED BASIS	6. PERCENT (COL 4/COL 5)	7. REPORTABLE GROSS INCOME	8. ALLOCABLE DEDUCTIONS
610,139.	385,357.	100.00	80,162.	115,158.

1. DESCRIPTION OF PROPERTY	ACTIVITY NUMBER	2. GROSS INCOME	3A. DEPRECIATION EXPENSE	3B. OTHER DEDUCTIONS
BUILDING - PARK PLACE	3	118,989.	34,826.	63,169.

4. AVERAGE ACQ DEBT	5. AVERAGE ADJUSTED BASIS	6. PERCENT (COL 4/COL 5)	7. REPORTABLE GROSS INCOME	8. ALLOCABLE DEDUCTIONS
23,373.	1,401,667.	1.67	1,987.	1,637.

THE PRIMARY HEALTH NETWORK

25-1381800

1. DESCRIPTION OF PROPERTY	ACTIVITY NUMBER	2. GROSS INCOME	3A. DEPRECIATION EXPENSE	3B. OTHER DEDUCTIONS
BUILDING - AUTUMN STREET	4	49,244.	16,667.	51,056.
4. AVERAGE ACQ DEBT	5. AVERAGE ADJUSTED BASIS	6. PERCENT (COL 4/COL 5)	7. REPORTABLE GROSS INCOME	8. ALLOCABLE DEDUCTIONS
495,605.	779,291.	63.60	31,319.	43,072.

1. DESCRIPTION OF PROPERTY	ACTIVITY NUMBER	2. GROSS INCOME	3A. DEPRECIATION EXPENSE	3B. OTHER DEDUCTIONS
BUILDING - FOX CHASE	5	14,000.	19,210.	45,162.
4. AVERAGE ACQ DEBT	5. AVERAGE ADJUSTED BASIS	6. PERCENT (COL 4/COL 5)	7. REPORTABLE GROSS INCOME	8. ALLOCABLE DEDUCTIONS
645,723.	821,443.	78.61	11,005.	50,603.

TOTALS TO FORM 990-T, SCHEDULE E

218,629. 272,067.

FORM 990-T SCHEDULE E - DEPRECIATION DEDUCTION STATEMENT 4

DESCRIPTION	ACTIVITY NUMBER	AMOUNT	TOTAL
DEPRECIATION		23,664.	
- SUBTOTAL -	1		23,664.
DEPRECIATION		39,381.	
- SUBTOTAL -	2		39,381.
DEPRECIATION		34,826.	
- SUBTOTAL -	3		34,826.
DEPRECIATION		16,667.	
- SUBTOTAL -	4		16,667.
DEPRECIATION		19,210.	
- SUBTOTAL -	5		19,210.
TOTAL OF FORM 990-T, SCHEDULE E, COLUMN 3(A)			133,748.



FORM 990-T

SCHEDULE E - OTHER DEDUCTIONS

STATEMENT 5

DESCRIPTION	ACTIVITY NUMBER	AMOUNT	TOTAL
CLEANING & MAINTENANCE		11,279.	
INSURANCE		4,214.	
INTEREST		22,771.	
REPAIRS		8,616.	
TAXES		16,215.	
UTILITIES		13,923.	
- SUBTOTAL -	1		77,018.
CLEANING & MAINTENANCE		6,542.	
INSURANCE		2,914.	
INTEREST		28,455.	
REPAIRS		4,856.	
TAXES		13,214.	
UTILITIES		19,796.	
- SUBTOTAL -	2		75,777.
CLEANING & MAINTENANCE		10,101.	
INSURANCE		4,953.	
INTEREST		420.	
REPAIRS		6,526.	
TAXES		23,036.	
UTILITIES		18,133.	
- SUBTOTAL -	3		63,169.
CLEANING & MAINTENANCE		7,234.	
INSURANCE		1,412.	
INTEREST		23,113.	
REPAIRS		5,699.	
TAXES		10,421.	
UTILITIES		3,177.	
- SUBTOTAL -	4		51,056.
INSURANCE		2,136.	
INTEREST		30,114.	
REPAIRS		2,128.	
TAXES		6,575.	
UTILITIES		4,209.	
- SUBTOTAL -	5		45,162.
TOTAL OF FORM 990-T, SCHEDULE E, COLUMN 3(B)			312,182.

FORM 990-T

AVERAGE ACQUISITION DEBT ON OR  
ALLOCABLE TO DEBT-FINANCED PROPERTY

STATEMENT 6

DESCRIPTION	ACTIVITY NUMBER	AMOUNT	TOTAL
AVERAGE ACQUISITION DEBT		454,144.	
- SUBTOTAL -	1		454,144.
AVERAGE ACQUISITION DEBT		610,139.	
- SUBTOTAL -	2		610,139.
AVERAGE ACQUISITION DEBT		23,373.	
- SUBTOTAL -	3		23,373.
AVERAGE ACQUISITION DEBT		495,605.	
- SUBTOTAL -	4		495,605.
AVERAGE ACQUISITION DEBT		645,723.	
- SUBTOTAL -	5		645,723.
TOTAL OF FORM 990-T, SCHEDULE E, COLUMN 4			2,228,984.

FORM 990-T

AVERAGE ADJUSTED BASIS OF OR  
ALLOCABLE TO DEBT-FINANCED PROPERTY

STATEMENT 7

DESCRIPTION	ACTIVITY NUMBER	AMOUNT	TOTAL
AVERAGE ADJUSTED BASIS		742,287.	
- SUBTOTAL -	1		742,287.
AVERAGE ADJUSTED BASIS		385,357.	
- SUBTOTAL -	2		385,357.
AVERAGE ADJUSTED BASIS		1,401,667.	
- SUBTOTAL -	3		1,401,667.
AVERAGE ADJUSTED BASIS		779,291.	
- SUBTOTAL -	4		779,291.
AVERAGE ADJUSTED BASIS		821,443.	
- SUBTOTAL -	5		821,443.
TOTAL OF FORM 990-T, SCHEDULE E, COLUMN 5			4,130,045.