

Form **990-T**

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

OMB No 1545-0687

2016

For calendar year 2016 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

B Exempt under section

501(c) (**C**) (**3**)

408(e) 220(e)

408A 530(a)

529(a)

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

TRUE PURPOSE MINISTRIES

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

P.O. BOX 30668

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

KNOXVILLE TN 37930

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

27-1867807

E Unrelated business activity codes (See instructions)

532000

C Book value of all assets at end of year

1,200,578

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

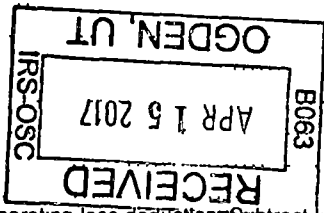
I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? If "Yes," enter the name and identifying number of the parent corporation Yes No

J The books are in care of ▶ **LYNSEY GRAHAM** Telephone number ▶ **865-573-8035**

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 partnerships and S corporations (attach statement)	5		
6	Rent income (Schedule C)	6		
7	Unrelated debt-financed income (Schedule E)	7	9,000	9,000
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)	12		
13	Total. Combine lines 3 through 12	13	9,000	9,000
				0

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)	18	
19	Taxes and licenses	19	
20	Charitable contributions (See instructions for limitation rules)	20	
21	Depreciation (attach Form 4562)	21	3,907
22	Less depreciation claimed on Schedule A and elsewhere on return	22a	3,907
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	
29	Total deductions. Add lines 14 through 28	29	
30	Unrelated business taxable income before net operating loss deduction Subtract line 29 from line 13	30	
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	
33	Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions)	33	
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	0



SCANNED MAY 04 2017

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Part III Tax Computation

Table with 2 columns: Description and Line Number. Rows include 35 Organizations Taxable as Corporations, 36 Trusts Taxable at Trust Rates, 37 Proxy tax, 38 Alternative minimum tax, 39 Tax on Non-Compliant Facility Income, and 40 Total.

Part IV Tax and Payments

Table with 2 columns: Description and Line Number. Rows include 41a Foreign tax credit, 42 Subtract line 41e from line 40, 43 Other taxes, 44 Total tax, 45a Payments, 46 Total payments, 47 Estimated tax penalty, 48 Tax due, 49 Overpayment, and 50 Enter the amount of line 49 you want.

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

Table with 2 columns: Question and Yes/No. Rows include 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... and 52 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust?

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: SARAH E. SIMS, Date: 4-11-17, Title: EXECUTIVE DIRECTOR.

Preparer information section including Preparer's name (SARAH E. SIMS), Signature (SARAH E. SIMS), Date (03/21/17), Check self-employed, PTIN (P01913336), Firm's name (INGRAM, OVERHOLT & BEAN, PC), Firm's address (428 MARILYN LANE, ALCOA, TN 37701), Firm's EIN (62-1651321), and Phone no (865-984-1040).

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

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	
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 sec 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) N/A
(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		
		STMT 1 (a) Straight line depreciation (attach schedule)	STMT 2 (b) Other deductions (attach schedule)	
(1) 600 SQ.FT. RENTAL OF TP B	9,000	3,907	5,093	
(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) 1,136,733	1,051,029	100.00%	9,000	9,000
(2)		%		
(3)		%		
(4)		%		
SEE STATEMENT 3		SEE STATEMENT 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)
		9,000		9,000
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			
		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 inc	6 Deductions directly connected with income in column 5
(1) N/A					
(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			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)

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) N/A				
(2)				
(3)				
(4)				
Totals		Enter here and on page 1, Part I, line 9, column (A)		Enter here and on page 1, Part I, line 9, column (B)

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) N/A						
(2)						
(3)						
(4)						
Totals		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

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) N/A						
(2)						
(3)						
(4)						
Totals (carry to Part II, line (5))						

Federal Statements**Statement 1 - Form 990-T, Schedule E, Column 3a - Straight Line Depreciation**

<u>Description</u>	<u>Deduction</u>
600 SQ.FT. RENTAL OF TP BLD RENTAL - 600 SQ. FT. OF TP BUILDING	3,907
TOTAL	<u>3,907</u>

Statement 2 - Form 990-T, Schedule E, Column 3b - Other Deductions

<u>Description</u>	<u>Deduction</u>
600 SQ.FT. RENTAL OF TP BLD INSURANCE	2,248
TAXES	4,263
DEDUCTION FOR LACK OF PROFIT MOTIVE	-1,418
TOTAL	<u>5,093</u>

Statement 3 - Form 990-T, Schedule E, Column 4 - Average Acquisition Debt

<u>Description</u>	<u>Deduction</u>
600 SQ.FT. RENTAL OF TP BLD SUM OF DEBT OUTSTANDING AT FIRST OF EACH MONTH DIVIDED BY TOTAL NUMBER OF MONTHS PROPERTY HELD	13,640,795 12
AVERAGE ACQUISITION DEBT	<u>1,136,733</u>

Statement 4 - Form 990-T, Schedule E, Column 5 - Average Adjusted Basis

<u>Description</u>	<u>Deduction</u>
600 SQ.FT. RENTAL OF TP BLD ADJUSTED BASIS ON FIRST DAY PROPERTY WAS HELD ADJUSTED BASIS ON LAST DAY PROPERTY WAS HELD	1,060,000 1,042,057
	2,102,057
DIVIDED BY 2	2
AVERAGE ADJUSTED BASIS	<u>1,051,029</u>

Form **4562**

Depreciation and Amortization (Including Information on Listed Property)

OMB No 1545-0172

2016

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to your tax return.

▶ Information about Form 4562 and its separate instructions is at www.irs.gov/form4562.

Attachment
Sequence No

179

Name(s) shown on return

TRUE PURPOSE MINISTRIES

Identifying number

27-1867807

Business or activity to which this form relates

600 SQ. FT. RENTAL OF TP BLD

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I

1	Maximum amount (see instructions)	1	500,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,010,000
4	Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property Enter the amount from line 29	7	
8	Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2015 Form 4562	10	
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2017 Add lines 9 and 10, less line 12	▶ 13	

Note: Don't use Part II or Part III below for listed property Instead, use Part V

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property) (See instructions)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Don't include listed property) (See instructions)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2016	17	0
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here	<input type="checkbox"/>	

Section B—Assets Placed in Service During 2016 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a	3-year property					
b	5-year property					
c	7-year property					
d	10-year property					
e	15-year property					
f	20-year property					
g	25-year property		25 yrs		S/L	
h	Residential rental property		27 5 yrs	MM	S/L	
i	Nonresidential real property	01/14/16	159,000	39 yrs	MM	S/L
				MM	S/L	3,907

Section C—Assets Placed in Service During 2016 Tax Year Using the Alternative Depreciation System

20a	Class life				S/L	
b	12-year		12 yrs		S/L	
c	40-year		40 yrs	MM	S/L	

Part IV Summary (See instructions)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations—see instructions	22	3,907
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

Form **4562** (2016)

271867807 True Purpose Ministries

27-1867807

FYE: 12/31/2016

Federal Asset Report
600 sq.ft. Rental of TP Bld

<u>Asset</u>	<u>Description</u>	<u>Date</u> <u>In Service</u>	<u>Cost</u>	<u>Bus</u> <u>%</u>	<u>Sec</u> <u>179</u>	<u>Bonus</u>	<u>Basis</u> <u>for Depr</u>	<u>Per</u> <u>Conv</u>	<u>Meth</u>	<u>Prior</u>	<u>Current</u>
Non-Residential Real Property:											
1	Rental - 600 sq ft of TP Building	1/14/16	159,000				159,000	39	MMS/L	0	3,907
			<u>159,000</u>				<u>159,000</u>			<u>0</u>	<u>3,907</u>
	Grand Totals		159,000				159,000			0	3,907
	Less: Dispositions and Transfers		0				0			0	0
	Less: Start-up/Org Expense		0				0			0	0
	Net Grand Totals		<u>159,000</u>				<u>159,000</u>			<u>0</u>	<u>3,907</u>

271867807 True Purpose Ministries

27-1867807

FYE: 12/31/2016

TN Asset Report
600 sq.ft. Rental of TP Bld

<u>Asset</u>	<u>Description</u>	<u>Date In Service</u>	<u>Cost</u>	<u>Basis for Depr</u>	<u>TN Prior</u>	<u>TN Current</u>	<u>Federal Current</u>	<u>Difference Fed - TN</u>
Non-Residential Real Property:								
1	Rental - 600 sq ft of TP Building	1/14/16	159,000	159,000	0	3,907	3,907	0
			<u>159,000</u>	<u>159,000</u>	<u>0</u>	<u>3,907</u>	<u>3,907</u>	<u>0</u>
	Grand Totals		159,000	159,000	0	3,907	3,907	0
	Less: Dispositions		0	0	0	0	0	0
	Less: Start-up/Org Expense		0	0	0	0	0	0
	Net Grand Totals		<u>159,000</u>	<u>159,000</u>	<u>0</u>	<u>3,907</u>	<u>3,907</u>	<u>0</u>

271867807 True Purpose Ministries

27-1867807

Future Depreciation Report FYE: 12/31/17

FYE: 12/31/2016

600 sq.ft. Rental of TP Bld

<u>Asset</u>	<u>Description</u>	<u>Date In Service</u>	<u>Cost</u>	<u>Tax</u>	<u>AMT</u>
Prior MACRS:					
1	Rental - 600 sq ft of TP Building	1/14/16	<u>159,000</u>	<u>4,077</u>	<u>4,077</u>
			<u>159,000</u>	<u>4,077</u>	<u>4,077</u>
	Grand Totals		<u>159,000</u>	<u>4,077</u>	<u>4,077</u>