

Form 990-T

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

OMB No 1545-0087

For calendar year 2017 or other tax year beginning 01/01, 2017, and ending 12/31, 2017

2017

Department of the Treasury Internal Revenue Service

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

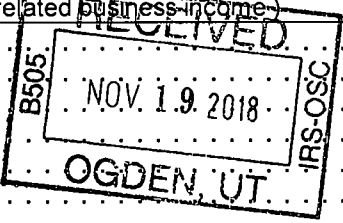
Header section containing organization name (HEALTHSOURCE OF OHIO, INC.), address (5400 DUPONT CIRCLE, MILFORD, OH 45150), EIN (31-0884250), and other identifying information.

Section H: Describe the organization's primary unrelated business activity (PHARMACY). Section I: During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? (No).

Section J: The books are in care of (TOM DUCRO). Telephone number (513-576-7700).

Table with 4 columns: (A) Income, (B) Expenses, (C) Net. Rows include Gross receipts or sales (2,603,194), Less returns and allowances, Cost of goods sold, Gross profit (1,847,083), and Total Combine lines 3 through 12 (756,111).

Table with 4 columns: (A) Income, (B) Expenses, (C) Net. Rows include Compensation of officers, directors, and trustees (353,903), Depreciation (21,803), Charitable contributions, and Total deductions (849,606). Unrelated business taxable income is -93,495.



SCANNED FEB 12 2019

For Paperwork Reduction Act Notice, see instructions

Form 990-T (2017)

Part III Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation Controlled group members (sections 1561 and 1563) check here 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.
36 Trusts Taxable at Trust Rates. See instructions for tax computation Income tax on the amount on line 34 from Tax rate schedule or Schedule D (Form 1041).
37 Proxy tax. See instructions
38 Alternative minimum tax
39 Tax on Non-Compliant Facility Income. See instructions
40 Total Add lines 37, 38 and 39 to line 35c or 36, whichever applies.

Part IV Tax and Payments

41 a Foreign tax credit (corporations attach Form 1118, trusts attach Form 1116).
b Other credits (see instructions).
c General business credit Attach Form 3800 (see instructions)
d Credit for prior year minimum tax (attach Form 8801 or 8827).
e Total credits. Add lines 41a through 41d
42 Subtract line 41e from line 40.
43 Other taxes Check if from Form 4255 Form 8611 Form 8697 Form 8866 Other (attach schedule).
44 Total tax Add lines 42 and 43.
45 a Payments A 2016 overpayment credited to 2017
b 2017 estimated tax payments
c Tax deposited with Form 8868.
d Foreign organizations Tax paid or withheld at source (see instructions)
e Backup withholding (see instructions)
f Credit for small employer health insurance premiums (Attach Form 8941)
g Other credits and payments Form 2439 Other Total
46 Total payments Add lines 45a through 45g.
47 Estimated tax penalty (see instructions) Check if Form 2220 is attached.
48 Tax due. If line 46 is less than the total of lines 44 and 47, enter amount owed
49 Overpayment. If line 46 is larger than the total of lines 44 and 47, enter amount overpaid
50 Enter the amount of line 49 you want Credited to 2018 estimated tax Refunded

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

51 At any time during the 2017 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
52 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust?
53 Enter the amount of tax-exempt interest received or accrued during the tax year

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 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 Aaron Hershberger
Preparer's signature Aaron Hershberger
Date 11/8/2018
Check if self-employed
PTIN P00961884
Firm's name BKD, LLP
Firm's EIN 44-0160260
Firm's address 312 WALNUT STREET, SUITE 3000, CINCINNATI, OH 45202
Phone no 513-621-8300

**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	1,847,083.	7	Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2.	7	1,847,083.
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					
4b	Other costs (attach schedule)	4b					
5	Total. Add lines 1 through 4b.	5	1,847,083.				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 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 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			
		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> . . . . . ▶				

**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> . . . . . ▶				

**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> . . . . . ▶						

**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> . . . ▶						

**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> . . . . . ▶						
	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
<b>Totals, Part II (lines 1-5)</b> . . . . . ▶						

**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 . . . . . ▶			

**Depreciation and Amortization**  
(Including Information on Listed Property)

Department of the Treasury  
Internal Revenue Service (99)

▶ Attach to your tax return.  
▶ Go to [www.irs.gov/Form4562](http://www.irs.gov/Form4562) for instructions and the latest information.

Attachment  
Sequence No **179**

Name(s) shown on return <b>HEALTHSOURCE OF OHIO, INC.</b>	Business or activity to which this form relates <b>FORM 990-T</b>	Identifying number <b>31-0884250</b>
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**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	
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	
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	
<b>6</b>		
(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 2016 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 2018 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 2017 . . . . .	17	21,803.00
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 . . . . .		

**Section B - Assets Placed in Service During 2017 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	
			27 5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	
				MM	S/L	

**Section C - Assets Placed in Service During 2017 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	21,803.00
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.

**Part V Listed Property** (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable

**Section A - Depreciation and Other Information (Caution. See the instructions for limits for passenger automobiles)**

<b>24a</b> Do you have evidence to support the business/investment use claimed?		Yes <input type="checkbox"/>		No <input type="checkbox"/>		<b>24b</b> If "Yes," is the evidence written?		Yes <input type="checkbox"/>		No <input type="checkbox"/>	
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost			
<b>25</b> Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions) . . . . .							<b>25</b>				
<b>26</b> Property used more than 50% in a qualified business use											
		%									
		%									
		%									
<b>27</b> Property used 50% or less in a qualified business use											
		%				S/L -					
		%				S/L -					
		%				S/L -					
<b>28</b> Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1 . . . . .							<b>28</b>				
<b>29</b> Add amounts in column (i), line 26 Enter here and on line 7, page 1 . . . . .								<b>29</b>			

**Section B - Information on Use of Vehicles**

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

	(a) Vehicle 1	(b) Vehicle 2	(c) Vehicle 3	(d) Vehicle 4	(e) Vehicle 5	(f) Vehicle 6
<b>30</b> Total business/investment miles driven during the year (don't include commuting miles) . . .						
<b>31</b> Total commuting miles driven during the year . . . . .						
<b>32</b> Total other personal (noncommuting) miles driven . . . . .						
<b>33</b> Total miles driven during the year Add lines 30 through 32 . . . . .	0	0	0	0	0	0
<b>34</b> Was the vehicle available for personal use during off-duty hours? . . . . .	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
<b>35</b> Was the vehicle used primarily by a more than 5% owner or related person? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>36</b> Is another vehicle available for personal use? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees**

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who aren't more than 5% owners or related persons (see instructions)

	Yes	No
<b>37</b> Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
<b>38</b> Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
<b>39</b> Do you treat all use of vehicles by employees as personal use? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
<b>40</b> Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
<b>41</b> Do you meet the requirements concerning qualified automobile demonstration use? (See instructions) . . . . .	<input type="checkbox"/>	<input type="checkbox"/>

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles

**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
<b>42</b> Amortization of costs that begins during your 2017 tax year (see instructions)					
<b>43</b> Amortization of costs that began before your 2017 tax year . . . . .					<b>43</b>
<b>44</b> Total Add amounts in column (f) See the instructions for where to report . . . . .					<b>44</b>

ATTACHMENT 1

FORM 990T - PART II - LINE 28 - TOTAL OTHER DEDUCTIONS

DOMESTIC PRODUCTION ACTIVITIES DEDUCTION UNDER SECTION 199

CONSULTING SERVICES	43,752.
SUPPLIES	9,469.
INSURANCE	1,870.
RENT	6,075.
UTILITIES & TELEPHONE	11,783.
BUILDING SERVICES	16,091.
TRAVEL, TRAINING AND SUBSCRIPTIONS	4,943.
PURCHASED SERVICES	13,474.
INFORMATION SYSTEMS	24,280.
OTHER	22,559.
GENERAL AND ADMINISTRATIVE EXPENSES	234,192.

PART II - LINE 28 - OTHER DEDUCTIONS 388,488.