

Form **990-T**

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

2018

Department of the Treasury
Internal Revenue Service

For calendar year 2018 or other tax year beginning **01/01/19**, and ending **06/30/19**
Go to www.irs.gov/Form990T for instructions and the latest information.

Open to Public Inspection for
501(c)(3) Organizations Only

Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3)

A Check box if address changed

B Exempt under section

501(c)(**03**)

408(e) 220(e)

408A 530(a)

529(a)

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

OPEN ARMS OF MINNESOTA

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

2500 BLOOMINGTON AVE S

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

MINNEAPOLIS MN 55404

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

41-1681317

E Unrelated business activity code (See instructions)

722320

C Book value of all assets at end of year

5,646,358

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

▶ **SPACE RENTAL, CATERING AND OTHER FOOD SALES** 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 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

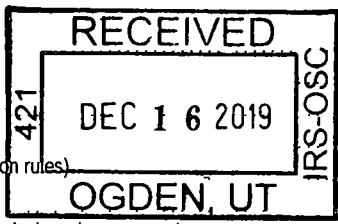
If "Yes," enter the name and identifying number of the parent corporation

J The books are in care of ▶ **KATERI ROUTH** Telephone number ▶ **612-767-7342**

Part I - Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
1a	Gross receipts or sales 13,456			
b	Less returns and allowances			
c Balance ▶		13,456		
2	Cost of goods sold (Schedule A, line 7)			
3	Gross profit Subtract line 2 from line 1c	13,456		13,456
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			
Income (loss) from partnership and S corporation (attach statement)				
6	Rent income (Schedule C)	6,850		6,850
Unrelated debt-financed income (Schedule E)				
Interest, annuities, royalties, and rents from controlled organization (Schedule F)				
Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)				
Exploited exempt activity income (Schedule I)				
Advertising income (Schedule J)				
Other income (See instructions, attach schedule)				
Total. Combine lines 3 through 12		20,306		20,306

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		22,568
16	Repairs and maintenance		
17	Bad debts		
18	Interest (attach schedule) (see instructions)		360
19	Taxes and licenses		
20	Charitable contributions (See instructions for limitation rules)		
21	Depreciation (attach Form 4562)	2,500	
22a	Less depreciation claimed on Schedule A and elsewhere on return		2,500
22b			
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)		15,426
29	Total deductions. Add lines 14 through 28		40,854
30	Unrelated business taxable income before net operating loss deduction Subtract line 29 from line 13		-20,548
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		-20,548



See Statement 1

See Statement 2

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Part III Total Unrelated Business Taxable income

Table with 3 columns: Line number, Description, and Amount. Rows 33-38. Total amount for line 38 is 0.

Part IV Tax Computation

Table with 3 columns: Line number, Description, and Amount. Rows 39-44. Total amount for line 44 is 0.

Part V Tax and Payments

Table with 3 columns: Line number, Description, and Amount. Rows 45a-55. Total amount for line 55 is 0.

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

Table with 3 columns: Line number, Description, and Yes/No. Rows 56-58.

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.

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

Signature of officer: [Signature] Date: 12/10/19 Title: EXECUTIVE DIRECTOR

Preparer information section including Print/Type preparer's name (NICHOLE FAIRBANKS), Preparer's signature (NICHOLE FAIRBANKS), Date (12/06/19), Firm's name (HARRINGTON LANGER & ASSOCIATES), Firm's address (563 PHALEN BLVD, SAINT PAUL, MN 55130), and PTIN (P00967515).

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		
3 Cost of labor	3		line 6 from line 5. Enter here and		
4a Additional sec. 263A costs			in Part I, line 2	7	
(attach schedule)	4a				
b Other costs			8 Do the rules of section 263A (with respect to		Yes
(attach schedule)	4b		property produced or acquired for resale) apply		No
5 Total. Add lines 1 through 4b	5		to the organization?		

Schedule C – Rent Income (From Real Property and Personal Property Leased With Real Property)

(see instructions)

1 Description of property

(1) **SPACE RENTAL**

(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) 6,850		
(2)		
(3)		
(4)		
Total 6,850	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) ►

6,850

(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) N/A				
(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)			%	
			Enter here and on page 1, Part I, line 7, column (A) ►	Enter here and on page 1, Part I, line 7, column (B)

Totals

Total dividends-received deductions included in column 8 ►

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

Table with 6 columns: 1 Name of controlled organization, 2 Employer identification number, 3 Net unrelated income (loss), 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. Row 1 contains 'N/A'.

Nonexempt Controlled Organizations

Table with 5 columns: 7 Taxable Income, 8 Net unrelated income (loss), 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. Includes a Totals row with instructions for adding columns.

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

Table with 5 columns: 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). Includes a Totals row with instructions for entering values on page 1.

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income (see instructions)

Table with 7 columns: 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, 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). Includes a Totals row with instructions for entering values on page 1 and 26.

Schedule J - Advertising Income (see instructions)

Part I Income From Periodicals Reported on a Consolidated Basis

Table with 7 columns: 1 Name of periodical, 2 Gross advertising income, 3 Direct advertising costs, 4 Advertising gain or (loss) (col 2 minus col 3), 5 Circulation income, 6 Readership costs, 7 Excess readership costs (column 6 minus column 5, but not more than column 4). Includes a Totals row with instruction to carry to Part II, line (5).

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) N/A						
(2)						
(3)						
(4)						
Totals from Part I ▶						
Totals, Part II (lines 1-5) ▶	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) N/A		%	
(2)		%	
(3)		%	
(4)		%	
Total. Enter here and on page 1, Part II, line 14 ▶			

Form 990-T	Schedule M Charitable Contribution and Loss Calculation Description Unrelated Business Activity	2018
Name OPEN ARMS OF MINNESOTA		Taxpayer Identification Number 41-1681317
Unincorporated Business Income Tax Code 722320 Activity Caterers		

Worksheet 1 Activity Charitable Contribution Deduction		
1 Activity Income (Schedule M, Line 13, col C)	1	20,306
2 Activity Expense (does not include amount needed for Line 20)	2	40,854
3 Net Income (Line 1 minus Line 2), If less than zero, enter -0-	3	0
4 Current activity contribution limit (Multiplier used is 10%)	4	
5 Current year contributions	5	0
6 Prior year contributions (corporations only)	6	
7 Total available contributions (Add lines 5 and 6)	7	
8 Take the lesser of Line 4 or 7, Enter here and on Line 20 (Form 990T or Sch M)	8	
9 Remaining contributions (subtract line 8 from line 7)	9	
10 Allocate any remaining amount of Line 9 to taxable fringe benefits (within percent limits), Enter amount here and on Form 990-T, Line 33 as a negative amount	10	
11 Remaining contributions (carried forward for corporations only, See Worksheet 3)	11	0

Worksheet 2 Activity Losses and Carryforward Amounts		
1 Activity losses (do not include amounts before 2018)	1	
2 Amount of loss used in the current year	2	0
3 Prior year losses carried over to next year	3	
4 Losses generated by current year activity	4	20,548
5 Total loss carried forward to 2019	5	20,548

Worksheet 3 Activity Charitable Contribution Carryforward					
Prior Tax Years	Prior Year			Current Year	Next Year
	Contributions	Used	Carryover	Amount Used	Carryover
5th 06/30/14					
4th 06/30/15					
3rd 06/30/16					
2nd 06/30/17					
1st 06/30/18					
Charitable Contribution Carryover To Current Year			0		
Current Year Amount			0		0
Charitable Contribution Carryover Available To Next Year					0

41-1681317

Federal Statements**Statement 1 - Form 990-T, Part II, Line 18 - Interest**

<u>Description</u>	<u>Amount</u>
MORTGAGE INTEREST	\$ <u>360</u>
Total	\$ <u><u>360</u></u>

Statement 2 - Form 990-T, Part II, Line 28 - Other Deductions

<u>Description</u>	<u>Amount</u>
FOOD	\$- 8,181
KITCHEN & FARM SUPPLIES	<u>7,245</u>
Total	\$ <u><u>15,426</u></u>