

EXTENDED TO MAY 15, 2017

Form 990-T

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

OMB No 1545-0687

For calendar year 2015 or other tax year beginning JUL 1, 2015, and ending JUN 30, 2016

2015

Department of the Treasury Internal Revenue Service

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

A Check box if address changed

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

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

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

Print or Type

THE CATHOLIC DIOCESE OF LEXINGTON, KY

61-1132894

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

1310 W. MAIN STREET

E Unrelated business activity codes (See instructions)

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

LEXINGTON, KY 40508-2040

451211 511110

C Book value of all assets at end of year 22,579,877.

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. BOOKSTORE & PUBLICATION OF NEWSPAPER

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? Yes No

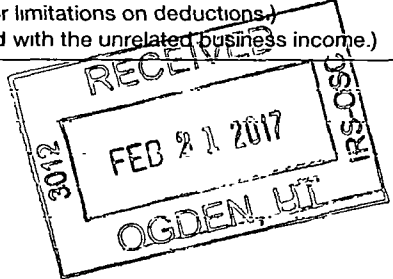
If "Yes," enter the name and identifying number of the parent corporation.

J The books are in care of DEBBIE SWISHER Telephone number (859) 253-1993

Table with 4 columns: Part I Unrelated Trade or Business Income, (A) Income, (B) Expenses, (C) Net. Rows 1a-13.

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.)

Table with 4 columns: Line number, Description, Amount, and Net. Rows 14-34.



SCANNED MAR 18 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 **35c** 0.
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) **36**
37 Proxy tax. See instructions **37**
38 Alternative minimum tax **38**
39 Total. Add lines 37 and 38 to line 35c or 36, whichever applies **39** 0.

Part IV Tax and Payments

40a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116) **40a**
b Other credits (see instructions) **40b**
c General business credit. Attach Form 3800 **40c**
d Credit for prior year minimum tax (attach Form 8801 or 8827) **40d**
e Total credits. Add lines 40a through 40d **40e**
41 Subtract line 40e from line 39 **41** 0.
42 Other taxes. Check if from: Form 4255 Form 8611 Form 8697 Form 8866 Other (attach schedule) **42**
43 Total tax. Add lines 41 and 42 **43** 0.
44a Payments: A 2014 overpayment credited to 2015 **44a**
b 2015 estimated tax payments **44b**
c Tax deposited with Form 8868 **44c**
d Foreign organizations: Tax paid or withheld at source (see instructions) **44d**
e Backup withholding (see instructions) **44e**
f Credit for small employer health insurance premiums (Attach Form 8941) **44f**
g Other credits and payments: Form 2439 Form 4136 Other _____ Total **44g**
45 Total payments. Add lines 44a through 44g **45**
46 Estimated tax penalty (see instructions). Check if Form 2220 is attached **46**
47 Tax due. If line 45 is less than the total of lines 43 and 46, enter amount owed **47** 0.
48 Overpayment. If line 45 is larger than the total of lines 43 and 46, enter amount overpaid **48** 0.
49 Enter the amount of line 48 you want: Credited to 2016 estimated tax Refunded **49**

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

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 (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 _____ **Yes** **No**
2 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see instructions for other forms the organization may have to file _____ **Yes** **No**
3 Enter the amount of tax-exempt interest received or accrued during the tax year: \$ _____ **Yes** **No**

Schedule A - Cost of Goods Sold. Enter method of inventory valuation **COST**

1 Inventory at beginning of year	1	156,855.	6 Inventory at end of year	6	76,956.
2 Purchases	2	196,194.	7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2	7	293,483.
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 (att schedule)	4a				X
b Other costs (attach schedule)	4b	17,390.			
5 Total. Add lines 1 through 4b	5	370,439.			

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: *Tammy Doyle Farley* Date: 2/10/17 Title: **INTERIM CFO/CONTROLLER**

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

Paid Preparer Use Only

Print/Type preparer's name: TAMMY DOYLE FARLEY
 Preparer's signature: *Tammy Doyle Farley*
 Date: 2/9/17
 Check if self-employed
 PTIN: P00067109
 Firm's name: KRING, RAY, FARLEY & RIDDLE, PSC
 Firm's EIN: 61-1015031
 Firm's address: 444 EAST MAIN STREET; STE 203 LEXINGTON, KY 40507
 Phone no.: (859) 231-0541

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) ▶		(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) Other deductions (attach schedule)
			STATEMENT 5	STATEMENT 6
(1) CLIFFVIEW RETREAT CENTER		219,412.	50,467.	221,692.
(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) 514,181.	1,003,267.	51.25%	112,449.	139,481.
(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			112,449.	139,481.
Total dividends-received deductions included in column 8 ▶			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)					
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) ▶	
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 26
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) CROSSROADS	30,009.	29,639.		59,400.	182,338.	
(2)						
(3)						
(4)						
Totals (carry to Part II, line (5))	30,009.	29,639.	370.	59,400.	182,338.	370.

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	30,009.	29,639.				370.
		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)	30,009.	29,639.				370.

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.

FORM 990-T	OTHER INCOME	STATEMENT	1
DESCRIPTION		AMOUNT	
PRODUCT PLACEMENT CONTRACT		13,169.	
TOTAL TO FORM 990-T, PAGE 1, LINE 12		13,169.	

FORM 990-T	OTHER DEDUCTIONS	STATEMENT	2
DESCRIPTION		AMOUNT	
AUTO AND TRAVEL EXPENSES		1,890.	
RENT		25,000.	
JANITORIAL EXPENSE		134.	
EQUIPMENT EXPENSES		814.	
OFFICE EXPENSES		1,382.	
POSTAGE		2,854.	
TELEPHONE		1,734.	
UTILITIES		10,519.	
ADVERTISING AND PROMOTION		6,789.	
CREDIT CARD FEES/BANK CHARGES		6,119.	
MISCELLANEOUS		625.	
INTEREST EXPENSE		17,082.	
LEGAL AND ACCOUNTING		33,074.	
DUES AND SUBSCRIPTIONS		3,071.	
PROGRAM EXPENSES		3,827.	
COMPUTER MAINTENANCE AND EXPENSES		2,700.	
INSURANCE		2,566.	
TRAVEL/CONFERENCES/MEETINGS		1,491.	
TOTAL TO FORM 990-T, PAGE 1, LINE 28		121,671.	

FORM 990-T	NET OPERATING LOSS DEDUCTION			STATEMENT	3
TAX YEAR	LOSS SUSTAINED	LOSS PREVIOUSLY APPLIED	LOSS REMAINING	AVAILABLE THIS YEAR	
06/30/13	166,533.	0.	166,533.	166,533.	
06/30/14	113,369.	0.	113,369.	113,369.	
06/30/15	69,926.	0.	69,926.	69,926.	
NOL CARRYOVER AVAILABLE THIS YEAR			349,828.	349,828.	

THE CATHOLIC DIOCESE OF LEXINGTON, KY

61-1132894

MISCELLANEOUS

111.

- SUBTOTAL - 1

221,692.

TOTAL OF FORM 990-T, SCHEDULE E, COLUMN 3(B)

221,692.

2015 DEPRECIATION AND AMORTIZATION REPORT

FORM 990-T PAGE 1

990-T

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
9	DISPLAY CASES AND	050112SL		7.00	16	1,250.			1,250.	567.		179.
2	SHELVES	050112SL		7.00	16	650.			650.	294.		93.
3	SIGN	050112SL		7.00	16	950.			950.	431.		136.
4	SIGN	050112SL		3.00	16	500.			500.	500.		0.
	(D)BOOKSTORE											
5	MANAGER POS	050112SL		3.00	16	1,000.			1,000.	1,000.		0.
	(D)FRONT DESK											
6	COMPUTERS	050112SL		3.00	16	800.			800.	800.		0.
	(D)DELL POWEREDGE											
7	1800	050112SL		7.00	16	150.			150.	67.		21.
8	CABINET	050112SL		3.00	16	950.			950.	950.		0.
9	TELEPHONE SYSTEM	050112SL		3.00	16	5,000.			5,000.	5,000.		0.
	DELL POWEREDGE											
10	SERVER	050112SL		3.00	16	500.			500.	500.		0.
11	POS CASH REGISTER	050112SL		15.00	16	106,187.			106,187.	14,696.		7,079.
	STORE FITUP											
12	EXPENSES	100112SL		5.00	16	1,098.			1,098.	660.		220.
13	PHILLIPS 55" LED TV	062212SL		5.00	16	799.			799.	480.		0.
	(D)SAMSUNG											
14	EQUIPMENT	062212SL		5.00	16	783.			783.	484.		0.
	(D)GLOBAL GOV/ED											
15	SOLUTIONS	053012SL		5.00	16	1,154.			1,154.	346.		231.
16	POS COMPUTERS	010614SL		5.00	16	636.			636.	254.		127.
17	IPAD	070913SL		7.00	16	625.			625.	134.		89.
18	UNIFORM PRESS	010914SL		5.00	16	530.			530.	203.		106.
19	LAPTOP COMPUTER	080913SL										

2015 DEPRECIATION AND AMORTIZATION REPORT

FORM 990-T PAGE 1

990-T

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction in Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
20	GOV/ED SOLUTIONS	010113SL		5.00	16	935.			935.	187.		187.
21	2008 SIENNA	113012SL		5.00	16	19,077.			19,077.	3,815.		3,815.
	* TOTAL 990-T PG 1 DEPR					143,574.		0.	143,574.	31,368.	0.	12,283.
	CURRENT ACTIVITY											
	BEGINNING BALANCE					143,574.		0.	143,574.	31,368.		
	ACQUISITIONS					0.		0.	0.	0.		
	DISPOSITIONS					3,882.		0.	3,882.	3,264.		
	ENDING BALANCE					139,692.		0.	139,692.	28,104.		

2015 DEPRECIATION AND AMORTIZATION REPORT

CLIFFVIEW RETREAT CENTER

E- 1

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction in Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction