

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 07/01, 2018, and ending 06/30, 2019

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

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)

B Exempt under section

FAMILY TREE, INC.

84-0730973

- X 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

3805 MARSHALL STREET

E Unrelated business activity code (See instructions)

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

WHEAT RIDGE, CO 80033

532000

C Book value of all assets at end of year

8,120,259.

F Group exemption number (See instructions)

G Check organization type X 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 DEBT-FINANCED RENTAL INCOME 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 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 X No If "Yes," enter the name and identifying number of the parent corporation

J The books are in care of JILL S. FARNHAM Telephone number 303-422-2133

Table with 4 columns: Description, (A) Income, (B) Expenses, (C) Net. Rows include Gross receipts or sales, Cost of goods sold, Gross profit, Capital gain net income, Net gain (loss), Capital loss deduction for trusts, Income (loss) from a partnership or an S corporation, Rent income, Unrelated debt-financed income, Interest, annuities, royalties, and rents from a controlled organization, Investment income of a section 501(c)(7), (9), or (17) organization, Exploited exempt activity income, Advertising income, Other income, Total. Includes a RECEIVED stamp dated DEC 06 2019.

Table with 4 columns: Description, (A) Income, (B) Expenses, (C) Net. Rows include Compensation of officers, directors, and trustees, Salaries and wages, Repairs and maintenance, Bad debts, Interest, Taxes and licenses, Charitable contributions, Depreciation, Less depreciation claimed on Schedule A and elsewhere on return, Depletion, Contributions to deferred compensation plans, Employee benefit programs, Excess exempt expenses, Excess readership costs, Other deductions, Total deductions, Unrelated business taxable income before net operating loss deduction, Deduction for net operating loss arising in tax years beginning on or after January 1, 2018, Unrelated business taxable income.

For Paperwork Reduction Act Notice, see instructions

Form 990-T (2018)

Handwritten marks: GA, 04

Part III Total Unrelated Business Taxable Income

Table with 3 columns: Line number, Description, and Amount. Includes lines 33-38 for unrelated business taxable income.

Part IV Tax Computation

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

Part V Tax and Payments

Table with 3 columns: Line number, Description, and Amount. Includes lines 45a-45g for credits, 46-49 for taxes, and 50a-50g for payments.

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

Table with 3 columns: Line number, Description, and Yes/No. Includes lines 56-58 regarding foreign interests and tax-exempt interest.

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.

Sign Here: Signature of officer, Date (11/22/2019), Title (CFD). Includes a box for IRS discussion: May the IRS discuss this return with the preparer shown below? [X] Yes [ ] No

Paid Preparer Use Only: Print/Type preparer's name (ADAM R SMITH CPA), Preparer's signature (Adam Smith), Date (11-18-19), Firm's name (BKD, LLP), Firm's address (111 SOUTH TEJON, SUITE 800, COLORADO SPRINGS, CO 80903-9848), Firm's EIN (44-0160260), Phone no (719 471-4290), PTIN (P00958966).

**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					
4a	Additional section 263A costs (attach schedule)	4a					
b	Other costs (attach schedule)	4b		8	Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?	Yes	No
5	Total. Add lines 1 through 4b	5					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)		
<b>2. Rent received or accrued</b>		
(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) ATCH 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) 6,170.	Enter here and on page 1, Part I, line 7, column (B) 9,450.
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)

Totals

**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)				
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)						
(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)						
(2)						
(3)						
(4)						
Totals (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)						
(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 . . . . . ▶			

FEDERAL FOOTNOTES

FORM 990-T, PART II, LINE 31

NET OPERATING LOSSES INCURRED IN TAX YEARS BEGINNING BEFORE 1/1/2018

<u>TAX YEAR GENERATED (UTILIZED)</u>		<u>ORIGINAL</u>	<u>UTILIZED OR EXPIRED IN PRIOR YEARS</u>	<u>UTILIZED OR EXPIRED IN CURRENT YEAR</u>	<u>CARRIED FORWARD</u>
1995	6/30/1996	3,843	(3,843)	-	-
1996	6/30/1997	15,069	(15,069)	-	-
1997	6/30/1998	1,229	(1,229)	-	-
1998	6/30/1999	-	-	-	-
1999	6/30/2000	2,716	-	-	2,716
2000	6/30/2001	2,781	-	-	2,781
2001	6/30/2002	-	-	-	-
2002	6/30/2003	117	-	-	117
2003	6/30/2004	4,563	-	-	4,563
2004	6/30/2005	810	-	-	810
2005	6/30/2006	2,642	-	-	2,642
2006	6/30/2007	-	-	-	-
2007	6/30/2008	3,604	-	-	3,604
2008	6/30/2009	-	-	-	-
2009	6/30/2010	-	-	-	-
2010	6/30/2011	1,220	-	-	1,220
2011	6/30/2012	2,361	-	-	2,361
2012	6/30/2013	917	-	-	917
2013	6/30/2014	2,488	-	-	2,488
2014	6/30/2015	5,810	-	-	5,810
2015	6/30/2016	3,680	-	-	3,680
2016	6/30/2017	1,261	-	-	1,261
2017	6/30/2018	3,556	-	-	3,556
NOL CARRY FORWARD TO 2019					<u>\$ 38,526</u>

FEDERAL FOOTNOTES

FORM 990-T, PART II, LINE 31  
UNRELATED DEBT-FINANCED RENTAL OPERATING LOSSES INCURRED  
IN TAX YEARS BEGINNING AFTER 1/1/2018

<u>TAX YEAR GENERATED (UTILIZED)</u>	<u>ORIGINAL</u>	<u>UTILIZED OR EXPIRED IN PRIOR YEARS</u>	<u>UTILIZED OR EXPIRED IN CURRENT YEAR</u>	<u>CARRIED FORWARD</u>
2018                      6/30/2019	3,280	-	-	3,280
NOL CARRY FORWARD TO 2019				<u>\$    3,280</u>