

2006 TAX RETURN

Preparer Review Copy

Client: 2016

Prepared for: 2016 Pacific Avenue Condominium Associat
2016 Pacific Avenue
San Francisco, CA 94109

Prepared by: Law Offices of Sandra Scott
255 California St, 10th Floor
San Francisco, CA 94111
(415) 374-8519

Date: July 10, 2007

Comments:

Route to: _____

CLIENT 2016

**LAW OFFICES OF SANDRA SCOTT
255 CALIFORNIA ST, 10TH FLOOR
SAN FRANCISCO, CA 94111
(415) 374-8519**

July 10, 2007

2016 Pacific Avenue Condominium Associat
2016 Pacific Avenue
San Francisco, CA 94109

Dear Client:

Enclosed is your 2006 Federal Corporation Income Tax Return. The original should be signed at the bottom of page one. There is a balance of \$316 payable by July 16, 2007. Mail the Federal return on or before July 16, 2007 to:

**INTERNAL REVENUE SERVICE
OGDEN, UT 84201-0012**

Deposit all payments when due, along with a Federal Tax Deposit Coupon (Form 8109), to an authorized depository for Federal tax deposits.

Enclosed is your 2006 California Corporation Franchise or Income Tax Return. The original should be signed at the bottom of page two. There is a balance of \$132 payable by July 16, 2007. Mail the California return on or before July 16, 2007 and make check payable to:

**FRANCHISE TAX BOARD
P.O. BOX 942857
SACRAMENTO, CA 94257-0501**

Enclosed is your California Exempt Organization Annual Information Return. The original should be signed at the bottom of the form. There is a balance of \$10 payable by September 17, 2007. Mail the return on or before September 17, 2007 and make check payable to:

**FRANCHISE TAX BOARD
P.O. BOX 942857
SACRAMENTO, CA 94257-0701**

Please be sure to call if you have any questions.

Sincerely,

Law Offices of Sandra Scott
255 California St, 10th Floor
San Francisco, CA 94111
(415) 374-8519

Client 2016
July 10, 2007

2016 Pacific Avenue Condominium Associat
2016 Pacific Avenue
San Francisco, CA 94109

FEDERAL FORMS

Form 1120-A
Form 8913

2006 U.S. Corporation Short-Form Tax Return
Credit for Federal Telephone Excise Tax Paid

CALIFORNIA FORMS

Form 100
Form 199
Form 5806

2006 California Corporation Income Tax Return
2006 California Exempt Organization Return
Underpayment of Estimated Tax by Corporations

FEE SUMMARY

Preparation Fee

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Federal Control Totals	Computer	Control	Diff
Beginning Liabilities and Equity.....	65,868	65,868	0

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	2006	2005	Diff
INCOME			
Interest.....	2,390	1,628	762
Total income.....	2,390	1,628	762
DEDUCTIONS			
Taxes and licenses.....	45	150	-105
Other deductions.....	87	0	87
Total deductions.....	132	150	-18
TAXABLE INCOME			
Taxable income (line 28).....	2,258	1,478	780
Taxable income.....	2,258	1,478	780
TAX COMPUTATION			
Income tax.....	339	222	117
Total tax.....	339	222	117
PAYMENTS AND CREDITS			
Overpayment credited to this year.....	0	24	-24
Credit for federal telephone tax paid....	23	0	23
Total payments and credits.....	23	24	-1
REFUND OR AMOUNT DUE			
Overpayment.....	0	0	0
Tax due.....	316	198	118
SCHEDULE L			
Beginning Assets.....	0	0	0
Beginning Liabilities & Equity.....	65,868	64,390	1,478
Ending Assets.....	64,425	0	64,425
Ending Liabilities & Equity.....	68,126	65,868	2,258
TAX RATES			
Marginal tax rate.....	15.0%	15.0%	0.0%
Effective tax rate.....	15.0%	15.0%	0.0%

ENDING ASSETS

Cash.....	64,425
Total Assets.....	64,425

ENDING LIABILITIES & EQUITY

Unappropriated retained earnings.....	68,126
Total Liabilities and Equity.....	68,126

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	2006	2005	Diff
CALIFORNIA SUMMARY			
Other interest.....	2,390	1,628	762
Total income.....	2,390	1,628	762
DEDUCTIONS			
Taxes.....	45	150	-105
Other deductions.....	87	0	87
Specific deduction (sec. 23701 org.).....	100	100	0
Total deductions.....	232	250	-18
CALIFORNIA NET INCOME			
Net income (loss) before state adj.....	2,158	1,378	780
CALIFORNIA ADDITIONS			
Taxes deducted under Bank & Corp law.....	45	150	-105
Other additions.....	87	0	87
Total additions.....	132	150	-18
CALIFORNIA SUBTRACTIONS			
Total subtractions.....	0	0	0
STATE INCOME (LOSS)			
Net income before NOL.....	2,290	1,528	762
Net operating loss carryover deduction..	0	98	-98
Net income for tax purposes.....	2,290	1,430	860
TAX COMPUTATION			
Tax.....	202	126	76
Less credits.....	0	0	0
Balance.....	202	126	76
Total tax (line 31).....	202	126	76
PAYMENTS			
Overpayment from prior year.....	73	199	-126
Total payments.....	73	199	-126
REFUND OR AMOUNT DUE			
Overpayment.....	0	73	-73
Overpayment credited to next year.....	0	73	-73
Penalties and interest.....	3	0	3
Tax due.....	132	0	132
SCHEDULE L			
Beginning Assets.....	0	0	0
Beginning Liabilities & Capital.....	-949	-2,427	1,478
Ending Assets.....	64,425	0	64,425
Ending Liabilities & Capital.....	1,309	-949	2,258
TAX RATES			
Marginal tax rate.....	8.84%	8.84%	0.00%
Effective tax rate.....	8.84%	8.84%	0.00%

Client 2016

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94-3098039

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Forms needed for this return

Federal: 1120-A, 8913
California: 100, 199, 5806

Tax Rates

	<u>Marginal</u>	<u>Effective</u>
Federal	15%	15%
California	8.84%	8.84%

Underpayment Penalty

California 3.

Carryovers to 2007

None

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Federal Tax Computation

1. Taxable income (line 30, page 1, Form 1120)	\$	2,258.
2. Share of \$50,000 tax bracket		2,258.
3. Subtract line 2 from line 1		0.
4. Lesser of line 3 or share of \$25,000 tax bracket		0.
5. Subtract line 4 from line 3		0.
6. Lesser of line 5 or share of \$9,925,000 tax bracket		0.
7. Subtract line 6 from line 5		0.
8. Multiply line 2 by 15%		339.
9. Multiply line 4 by 25%		0.
10. Multiply line 6 by 34%		0.
11. Multiply line 7 by 35%		0.
12. Additional 5% tax not to exceed \$11,750		0.
13. Additional 3% tax not to exceed \$100,000		0.
14. Add lines 8 through 13. Schedule J, line 2		339.

Reconciliation of Income Per Return with Income Per Books

Income per Return	2,258.
Net Income per Books	<u>2,258.</u>

Analysis of Unappropriated Retained Earnings Per Books

Beginning Retained Earnings	65,868.
Increases to Retained Earnings:	
Net Income or Loss per Books	2,258.
Ending Retained Earnings	<u>68,126.</u>

Federal Telephone Tax Paid - Estimation Formula

Billing Month	(1) Total Telephone Bill	(2) Federal Excise Taxes Included	Ratio Col (2)/Col (1)
April 2006	\$ 40.97	\$ 9.81	0.239443
September 2006	43.43	10.05	<u>0.231407</u>
Difference			0.008036
Cap (based on number of employees)			0.020000
Ratio for Estimation (smaller of Difference or Cap)			0.008036

Billing Periods	Total Phone Expense	Ratio (from above)	Credit Amount 8913, Col (d)
3/2003 - 5/2003	\$ 328.21	0.008036	\$ 2.64
6/2003 - 8/2003	248.94	0.008036	2.00
9/2003 - 11/2003	168.10	0.008036	1.35
12/2003 - 2/2004	274.76	0.008036	2.21

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Federal Telephone Tax Paid - Estimation Formula (continued)

<u>Billing Month</u>	<u>(1) Total Telephone Bill</u>	<u>(2) Federal Excise Taxes Included</u>	<u>Ratio Col (2)/Col (1)</u>
3/2004 - 5/2004	254.16	0.008036	2.04
6/2004 - 8/2004	231.49	0.008036	1.86
9/2004 - 11/2004	108.54	0.008036	0.87
12/2004 - 2/2005	111.58	0.008036	0.90
3/2005 - 5/2005	123.52	0.008036	0.99
6/2005 - 8/2005	123.19	0.008036	0.99
9/2005 - 11/2005	122.85	0.008036	0.99
12/2005 - 2/2006	122.87	0.008036	0.99
3/2006 - 5/2006	122.82	0.008036	0.99
6/2006 - 7/2006	81.90	0.008036	0.66
Total (Form 8913, Line 15(d))			<u>\$ 19.48</u>

Interest on Telephone Excise Tax Credit Amounts, by Period

Form 8913, Column (e), Line 1

Base Amount	Interest Period	Days in Period	Interest Rate	Rate Factor	Interest
\$ 2.64	08/01/03 - 09/30/03	61	4%	0.006706957	\$ 0.02
2.66	10/01/03 - 12/31/03	92	3%	0.007589992	0.02
2.68	01/01/04 - 03/31/04	91	3%	0.007486596	0.02
2.70	04/01/04 - 06/30/04	91	4%	0.009994426	0.03
2.73	07/01/04 - 09/30/04	92	3%	0.007569177	0.02
2.75	10/01/04 - 12/31/04	92	4%	0.010104808	0.03
2.78	01/01/05 - 03/31/05	90	4%	0.009911268	0.03
2.81	04/01/05 - 06/30/05	91	5%	0.012542910	0.04
2.85	07/01/05 - 09/30/05	92	5%	0.012681615	0.04
2.89	10/01/05 - 12/31/05	92	6%	0.015236961	0.04
2.93	01/01/06 - 03/31/06	90	6%	0.014903267	0.04
2.97	04/01/06 - 06/30/06	91	6%	0.015070101	0.04
3.01	07/01/06 - 09/30/06	92	7%	0.017798686	0.05
3.06	10/01/06 - 12/31/06	92	7%	0.017798686	0.05
3.11	01/01/07 - 03/31/07	90	7%	0.017408410	0.05
3.16	04/01/07 - 06/30/07	91	7%	0.017603529	0.06
3.22	07/01/07 - 08/29/07	60	7%	0.011572192	0.04
					<u>\$ 0.62</u>

Form 8913, Column (e), Line 2

Base Amount	Interest Period	Days in Period	Interest Rate	Rate Factor	Interest
\$ 2.00	11/01/03 - 12/31/03	61	3%	0.005026081	\$ 0.01
2.01	01/01/04 - 03/31/04	91	3%	0.007486596	0.02
2.03	04/01/04 - 06/30/04	91	4%	0.009994426	0.02
2.05	07/01/04 - 09/30/04	92	3%	0.007569177	0.02
2.07	10/01/04 - 12/31/04	92	4%	0.010104808	0.02
2.09	01/01/05 - 03/31/05	90	4%	0.009911268	0.02
2.11	04/01/05 - 06/30/05	91	5%	0.012542910	0.03
2.14	07/01/05 - 09/30/05	92	5%	0.012681615	0.03
2.17	10/01/05 - 12/31/05	92	6%	0.015236961	0.03
2.20	01/01/06 - 03/31/06	90	6%	0.014903267	0.03
2.23	04/01/06 - 06/30/06	91	6%	0.015070101	0.03
2.26	07/01/06 - 09/30/06	92	7%	0.017798686	0.04
2.30	10/01/06 - 12/31/06	92	7%	0.017798686	0.04
2.34	01/01/07 - 03/31/07	90	7%	0.017408410	0.04
2.38	04/01/07 - 06/30/07	91	7%	0.017603529	0.04
2.42	07/01/07 - 08/29/07	60	7%	0.011572192	0.03
					<u>\$ 0.45</u>

Form 8913, Column (e), Line 3

Base Amount	Interest Period	Days in Period	Interest Rate	Rate Factor	Interest
\$ 1.35	02/01/04 - 03/31/04	60	3%	0.004929944	\$ 0.01
1.36	04/01/04 - 06/30/04	91	4%	0.009994426	0.01
1.37	07/01/04 - 09/30/04	92	3%	0.007569177	0.01
1.38	10/01/04 - 12/31/04	92	4%	0.010104808	0.01
1.39	01/01/05 - 03/31/05	90	4%	0.009911268	0.01
1.40	04/01/05 - 06/30/05	91	5%	0.012542910	0.02
1.42	07/01/05 - 09/30/05	92	5%	0.012681615	0.02
1.44	10/01/05 - 12/31/05	92	6%	0.015236961	0.02
1.46	01/01/06 - 03/31/06	90	6%	0.014903267	0.02
1.48	04/01/06 - 06/30/06	91	6%	0.015070101	0.02
1.50	07/01/06 - 09/30/06	92	7%	0.017798686	0.03
1.53	10/01/06 - 12/31/06	92	7%	0.017798686	0.03
1.56	01/01/07 - 03/31/07	90	7%	0.017408410	0.03
1.59	04/01/07 - 06/30/07	91	7%	0.017603529	0.03
1.62	07/01/07 - 08/29/07	60	7%	0.011572192	0.02
					<u>\$ 0.29</u>

Interest on Telephone Excise Tax Credit Amounts, by Period (continued)

Form 8913, Column (e), Line 4

Base Amount	Interest Period	Days in Period	Interest Rate	Rate Factor	Interest
\$ 2.21	05/01/04 - 06/30/04	61	4%	0.006688572	\$ 0.01
2.22	07/01/04 - 09/30/04	92	3%	0.007569177	0.02
2.24	10/01/04 - 12/31/04	92	4%	0.010104808	0.02
2.26	01/01/05 - 03/31/05	90	4%	0.009911268	0.02
2.28	04/01/05 - 06/30/05	91	5%	0.012542910	0.03
2.31	07/01/05 - 09/30/05	92	5%	0.012681615	0.03
2.34	10/01/05 - 12/31/05	92	6%	0.015236961	0.04
2.38	01/01/06 - 03/31/06	90	6%	0.014903267	0.04
2.42	04/01/06 - 06/30/06	91	6%	0.015070101	0.04
2.46	07/01/06 - 09/30/06	92	7%	0.017798686	0.04
2.50	10/01/06 - 12/31/06	92	7%	0.017798686	0.04
2.54	01/01/07 - 03/31/07	90	7%	0.017408410	0.04
2.58	04/01/07 - 06/30/07	91	7%	0.017603529	0.05
2.63	07/01/07 - 08/29/07	60	7%	0.011572192	0.03
					<u>\$ 0.45</u>

Form 8913, Column (e), Line 5

Base Amount	Interest Period	Days in Period	Interest Rate	Rate Factor	Interest
\$ 2.04	08/01/04 - 09/30/04	61	3%	0.005012315	\$ 0.01
2.05	10/01/04 - 12/31/04	92	4%	0.010104808	0.02
2.07	01/01/05 - 03/31/05	90	4%	0.009911268	0.02
2.09	04/01/05 - 06/30/05	91	5%	0.012542910	0.03
2.12	07/01/05 - 09/30/05	92	5%	0.012681615	0.03
2.15	10/01/05 - 12/31/05	92	6%	0.015236961	0.03
2.18	01/01/06 - 03/31/06	90	6%	0.014903267	0.03
2.21	04/01/06 - 06/30/06	91	6%	0.015070101	0.03
2.24	07/01/06 - 09/30/06	92	7%	0.017798686	0.04
2.28	10/01/06 - 12/31/06	92	7%	0.017798686	0.04
2.32	01/01/07 - 03/31/07	90	7%	0.017408410	0.04
2.36	04/01/07 - 06/30/07	91	7%	0.017603529	0.04
2.40	07/01/07 - 08/29/07	60	7%	0.011572192	0.03
					<u>\$ 0.39</u>

Form 8913, Column (e), Line 6

Base Amount	Interest Period	Days in Period	Interest Rate	Rate Factor	Interest
\$ 1.86	11/01/04 - 12/31/04	61	4%	0.006688572	\$ 0.01
1.87	01/01/05 - 03/31/05	90	4%	0.009911268	0.02
1.89	04/01/05 - 06/30/05	91	5%	0.012542910	0.02
1.91	07/01/05 - 09/30/05	92	5%	0.012681615	0.02
1.93	10/01/05 - 12/31/05	92	6%	0.015236961	0.03
1.96	01/01/06 - 03/31/06	90	6%	0.014903267	0.03
1.99	04/01/06 - 06/30/06	91	6%	0.015070101	0.03
2.02	07/01/06 - 09/30/06	92	7%	0.017798686	0.04
2.06	10/01/06 - 12/31/06	92	7%	0.017798686	0.04
2.10	01/01/07 - 03/31/07	90	7%	0.017408410	0.04
2.14	04/01/07 - 06/30/07	91	7%	0.017603529	0.04
2.18	07/01/07 - 08/29/07	60	7%	0.011572192	0.03
					<u>\$ 0.35</u>

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Interest on Telephone Excise Tax Credit Amounts, by Period (continued)

Form 8913, Column (e), Line 7

Base Amount	Interest Period	Days in Period	Interest Rate	Rate Factor	Interest
\$ 0.87	02/01/05 - 03/31/05	59	4%	0.006486345	\$ 0.01
0.88	04/01/05 - 06/30/05	91	5%	0.012542910	0.01
0.89	07/01/05 - 09/30/05	92	5%	0.012681615	0.01
0.90	10/01/05 - 12/31/05	92	6%	0.015236961	0.01
0.91	01/01/06 - 03/31/06	90	6%	0.014903267	0.01
0.92	04/01/06 - 06/30/06	91	6%	0.015070101	0.01
0.93	07/01/06 - 09/30/06	92	7%	0.017798686	0.02
0.95	10/01/06 - 12/31/06	92	7%	0.017798686	0.02
0.97	01/01/07 - 03/31/07	90	7%	0.017408410	0.02
0.99	04/01/07 - 06/30/07	91	7%	0.017603529	0.02
1.01	07/01/07 - 08/29/07	60	7%	0.011572192	0.01
					<u>\$ 0.15</u>

Form 8913, Column (e), Line 8

Base Amount	Interest Period	Days in Period	Interest Rate	Rate Factor	Interest
\$ 0.90	05/01/05 - 06/30/05	61	5%	0.008390597	\$ 0.01
0.91	07/01/05 - 09/30/05	92	5%	0.012681615	0.01
0.92	10/01/05 - 12/31/05	92	6%	0.015236961	0.01
0.93	01/01/06 - 03/31/06	90	6%	0.014903267	0.01
0.94	04/01/06 - 06/30/06	91	6%	0.015070101	0.01
0.95	07/01/06 - 09/30/06	92	7%	0.017798686	0.02
0.97	10/01/06 - 12/31/06	92	7%	0.017798686	0.02
0.99	01/01/07 - 03/31/07	90	7%	0.017408410	0.02
1.01	04/01/07 - 06/30/07	91	7%	0.017603529	0.02
1.03	07/01/07 - 08/29/07	60	7%	0.011572192	0.01
					<u>\$ 0.14</u>

Form 8913, Column (e), Line 9

Base Amount	Interest Period	Days in Period	Interest Rate	Rate Factor	Interest
\$ 0.99	08/01/05 - 09/30/05	61	5%	0.008390597	\$ 0.01
1.00	10/01/05 - 12/31/05	92	6%	0.015236961	0.02
1.02	01/01/06 - 03/31/06	90	6%	0.014903267	0.02
1.04	04/01/06 - 06/30/06	91	6%	0.015070101	0.02
1.06	07/01/06 - 09/30/06	92	7%	0.017798686	0.02
1.08	10/01/06 - 12/31/06	92	7%	0.017798686	0.02
1.10	01/01/07 - 03/31/07	90	7%	0.017408410	0.02
1.12	04/01/07 - 06/30/07	91	7%	0.017603529	0.02
1.14	07/01/07 - 08/29/07	60	7%	0.011572192	0.01
					<u>\$ 0.16</u>

Form 8913, Column (e), Line 10

Base Amount	Interest Period	Days in Period	Interest Rate	Rate Factor	Interest
\$ 0.99	11/01/05 - 12/31/05	61	6%	0.010077008	\$ 0.01
1.00	01/01/06 - 03/31/06	90	6%	0.014903267	0.01
1.01	04/01/06 - 06/30/06	91	6%	0.015070101	0.02
1.03	07/01/06 - 09/30/06	92	7%	0.017798686	0.02
1.05	10/01/06 - 12/31/06	92	7%	0.017798686	0.02
1.07	01/01/07 - 03/31/07	90	7%	0.017408410	0.02
1.09	04/01/07 - 06/30/07	91	7%	0.017603529	0.02
1.11	07/01/07 - 08/29/07	60	7%	0.011572192	0.01
					<u>\$ 0.13</u>

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94-3098039

7/10/07

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Interest on Telephone Excise Tax Credit Amounts, by Period (continued)

Form 8913, Column (e), Line 11

Base Amount	Interest Period	Days in Period	Interest Rate	Rate Factor	Interest
\$ 0.99	02/01/06 - 03/31/06	59	6%	0.009745009	\$ 0.01
1.00	04/01/06 - 06/30/06	91	6%	0.015070101	0.02
1.02	07/01/06 - 09/30/06	92	7%	0.017798686	0.02
1.04	10/01/06 - 12/31/06	92	7%	0.017798686	0.02
1.06	01/01/07 - 03/31/07	90	7%	0.017408410	0.02
1.08	04/01/07 - 06/30/07	91	7%	0.017603529	0.02
1.10	07/01/07 - 08/29/07	60	7%	0.011572192	0.01
					<u>\$ 0.12</u>

Form 8913, Column (e), Line 12

Base Amount	Interest Period	Days in Period	Interest Rate	Rate Factor	Interest
\$ 0.99	05/01/06 - 06/30/06	61	6%	0.010077008	\$ 0.01
1.00	07/01/06 - 09/30/06	92	7%	0.017798686	0.02
1.02	10/01/06 - 12/31/06	92	7%	0.017798686	0.02
1.04	01/01/07 - 03/31/07	90	7%	0.017408410	0.02
1.06	04/01/07 - 06/30/07	91	7%	0.017603529	0.02
1.08	07/01/07 - 08/29/07	60	7%	0.011572192	0.01
					<u>\$ 0.10</u>

Form 8913, Column (e), Line 13

Base Amount	Interest Period	Days in Period	Interest Rate	Rate Factor	Interest
\$ 0.99	08/01/06 - 09/30/06	61	7%	0.011766192	\$ 0.01
1.00	10/01/06 - 12/31/06	92	7%	0.017798686	0.02
1.02	01/01/07 - 03/31/07	90	7%	0.017408410	0.02
1.04	04/01/07 - 06/30/07	91	7%	0.017603529	0.02
1.06	07/01/07 - 08/29/07	60	7%	0.011572192	0.01
					<u>\$ 0.08</u>

Form 8913, Column (e), Line 14

Base Amount	Interest Period	Days in Period	Interest Rate	Rate Factor	Interest
\$ 0.66	11/01/06 - 12/31/06	61	7%	0.011766192	\$ 0.01
0.67	01/01/07 - 03/31/07	90	7%	0.017408410	0.01
0.68	04/01/07 - 06/30/07	91	7%	0.017603529	0.01
0.69	07/01/07 - 08/29/07	60	7%	0.011572192	0.01
					<u>\$ 0.04</u>

U.S. Corporation Short-Form Income Tax Return For calendar year 2006 or tax year beginning 5/01, 2006, ending 4/30, 2007

2006

A Check this box if the corporation is a personal service corporation (see instructions).....

Use IRS label. Otherwise, print or type.

2016 Pacific Avenue Condominium Associat 2016 Pacific Avenue San Francisco, CA 94109

B Employer ID number 94-3098039 C Date incorporated 4/29/1988 D Total assets (see instructions) \$ 64,425.

E Check if: (1) Initial return (2) Final return (3) Name change (4) Address change

F Check accounting method: (1) Cash (2) Accrual (3) Other (specify)

INCOME table with rows 1-11 including Gross receipts, Cost of goods sold, Gross profit, Interest, and Total income.

DEDUCTIONS table with rows 12-25 including Compensation of officers, Salaries and wages, Repairs and maintenance, and Total deductions.

TAX AND PAYMENTS table with rows 26-32 including Taxable income, Total tax, Tax payments, and Amount owed.

Sign Here 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.

Paid Preparer's Use Only Preparer's signature Non-Paid Preparer Date Check if self-employed Preparer's SSN or PTIN

Part I Tax Computation (see instructions)

1	Income tax. If the corporation is a qualified personal service corporation (see instructions), check here <input type="checkbox"/>	1	339.
2	General business credit. Check box(es) and indicate which forms are attached: <input type="checkbox"/> Form 3800 <input type="checkbox"/> Form(s) (specify) _____	2	
3	Subtract line 2 from line 1	3	339.
4	Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Form 8902 <input type="checkbox"/> Other (attach schedule)	4	
5	Total tax. Add lines 3 and 4. Enter here and on page 1, line 27	5	339.

Part II Other Information (see instructions)

1	Refer to the instructions and enter the: a Business activity code no. <input type="checkbox"/> <u>531390</u> b Business activity <input type="checkbox"/> <u>Home Owners Associat</u> c Product or service <input type="checkbox"/> <u>Service</u>	5a	If an amount is entered on page 1, line 2, enter from worksheet in instructions: (1) Purchases (2) Additional 263A costs (attach schedule) (3) Other costs (attach sch)
2	At the end of the tax year, did any individual, partnership, estate, or trust own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c).) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If 'Yes,' attach a schedule showing name and identifying number.	b	If property is produced or acquired for resale, do the rules of section 263A apply to the corporation? <u>N/A</u> <input type="checkbox"/> Yes <input type="checkbox"/> No
3	Enter the amount of tax-exempt interest received or accrued during the tax year. <input type="checkbox"/> \$ <u>None</u>	6	At any time during the calendar year, did the corporation have an interest in or a signature or other authority over a financial account (such as a bank account, securities account, or other financial account) in a foreign country? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If 'Yes,' the corporation may have to file Form TD F 90-22.1. If 'Yes,' enter the name of the foreign country. _____
4	Enter total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year. <input type="checkbox"/> \$ <u>None</u>	7	Are the corporation's total receipts (line 1a plus lines 4 - 10 on page 1) for the tax year and its total assets at the end of the tax year less than \$250,000? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If 'Yes,' the corporation is not required to complete Parts III and IV below.

Part III Balance Sheets per Books

		(a) Beginning of tax year	(b) End of tax year
ASSETS	1 Cash		
	2a Trade notes and accounts receivable		
	b Less allowance for bad debts		
	3 Inventories		
	4 U.S. government obligations		
	5 Tax-exempt securities (see instructions)		
	6 Other current assets (attach schedule)		
	7 Loans to shareholders		
	8 Mortgage and real estate loans		
	9a Depreciable, depletable, and intangible assets		
	b Less accumulated depreciation, depletion, and amortization		
	10 Land (net of any amortization)		
11 Other assets (attach schedule)			
12 Total assets			
SHAREHOLDERS' LIABILITIES AND EQUITY	13 Accounts payable		
	14 Other current liabilities (attach schedule)		
	15 Loans from shareholders		
	16 Mortgages, notes, bonds payable		
	17 Other liabilities (attach schedule)		
	18 Capital stock (preferred and common stock)		
	19 Additional paid-in capital		
	20 Retained earnings		
	21 Adjustments to shareholders' equity (attach sch)		
	22 Less cost of treasury stock		
	23 Total liabilities and shareholders' equity		

Part IV Reconciliation of Income (Loss) per Books With Income per Return

1	Net income (loss) per books		6	Income recorded on books this year not included on this return (itemize)	
2	Federal income tax per books		7	Deductions on this return not charged against book inc this yr (itemize)	
3	Excess of capital losses over capital gains		8	Income (page 1, line 24). Enter the sum of lines 1 through 5 less the sum of lines 6 and 7	
4	Income subject to tax not recorded on books this year (itemize)				
5	Expenses recorded on books this year not deducted on this return (itemize)				

Form **8913**Department of the Treasury
Internal Revenue Service**Credit for Federal Telephone
Excise Tax Paid**▶ **Attach to your income tax return.**

OMB No. 1545-XXXX

2006Attachment
Sequence No. **63**

Name(s) shown on your income tax return

2016 Pacific Avenue Condominium Associat

Identifying number

94-3098039

Enter the federal telephone excise tax billed during each period as listed in column (a) of lines 1-14 below.

By filing this form, you are certifying that you (1) have not received from your service provider a credit or refund of the tax paid on long distance service or bundled service billed after February 28, 2003, and before August 1, 2006, and (2) will not ask your provider for a credit or refund or have withdrawn any request submitted to the provider for a credit or refund.

Caution. See the instructions for explanations of the services that qualify for a credit or refund of the federal telephone excise tax.**Amount of federal excise tax on long distance or
bundled service only**

(a) Bills dated during:	(b) Long distance service	(c) Bundled service	(d) Tax credit or refund (add columns (b) and (c))	(e) Interest (see instructions)
1 March, April, and May of 2003	\$	\$	\$ 2.64	\$ 0.62
2 June, July, and August of 2003			2.00	0.45
3 September, October, and November of 2003			1.35	0.29
4 December of 2003; January and February of 2004			2.21	0.45
5 March, April, and May of 2004			2.04	0.39
6 June, July, and August of 2004			1.86	0.35
7 September, October, and November of 2004			0.87	0.15
8 December of 2004; January and February of 2005			0.90	0.14
9 March, April, and May of 2005			0.99	0.16
10 June, July, and August of 2005			0.99	0.13
11 September, October, and November of 2005			0.99	0.12
12 December of 2005; January and February of 2006			0.99	0.10
13 March, April, and May of 2006			0.99	0.08
14 June and July of 2006			0.66	0.04
15 Add lines 1 - 14 in columns (d) and (e)			\$ 19.48	\$ 3.47
16 Total credit or refund requested. Add columns (d) and (e) on line 15. Enter here and on Form 1040, line 71; Form 1040A, line 42; Form 1040EZ, line 9; Form 1040EZ-T, line 1a; Form 1040NR, line 69; Form 1040NR-EZ, line 21; Form 1120, line 32g; Form 1120-A, line 28g; Form 1120S, line 23d; Form 1041, line 24f; Form 1065, line 23; Form 990-T, line 44f; or the proper line of other returns ▶				\$ 23.

BAA For Paperwork Reduction Act Notice, see the instructions.Form **8913** (2006)

Statement 1
Form 1120-A, Line 22
Other Deductions

Tax Preparation Direct Expense.....	\$	87.
	Total	<u>\$</u>
		<u>87.</u>

YEAR
2006

California Exempt Organization Annual Information Return

FORM
199

For calendar or fiscal year beginning month 05 day 01 year 2006 and ending month 04 day 30 year 2007

IMPORTANT: Your number is required.

California corporation number 1502455 Federal employer identification number (FEIN) 94-3098039

Corporation/Organization name
2016 Pacific Avenue Condominium Associat

Address including Suite, Room, or PMB no.
2016 Pacific Avenue

City State ZIP Code
San Francisco, CA 94109

A Final return? Check applicable box. Yes No
 Dissolved Withdrawn Merged/Reorganized (attach explanation)
 If a box is checked, enter date ●

B Check forms filed this year: State: 109 100 100S 100W Fed: 990
 Fed: 990EZ 990T 990PF 1041 1120H 1120

C If organization is exempt under R&TC Section 23701d and is a school, public charity, religious organization, or is controlled by a religious operation, check box. **See General Instruction F. No filing fee is required.** ●

D Is this a group filing? See General Instruction N Yes No

E Accounting method used . Cash

F Type of organization Exempt under Section 23701 t (insert letter)
 IRC Section 4947(a)(1) trust

Part I Complete Part I unless not required to file this form. See General Instructions B and C.

Receipts and Revenues <small>(Enclose, but do not staple, any payment.)</small>	1	Gross sales or receipts from other sources. From Side 2, Part II, line 8 ●	1	2,390.
	2	Gross dues and assessments from members and affiliates. ●	2	61,985.
	3	Gross contributions, gifts, grants, and similar amounts received. See instructions ●	3	
	4	Total gross receipts for filing requirement test. Add line 1 through line 3 This line must be completed. If the result is less than \$25,000, see General Instruction C. ●	4	64,375.
	5	Cost of goods sold	5	
	6	Cost or other basis, and sales expenses of assets sold.	6	
	7	Total costs. Add line 5 and line 6	7	0.
	8	Total gross income. Subtract line 7 from line 4	8	64,375.
Expenses	9	Total expenses and disbursements. From Side 2, Part II, line 18	9	55,241.
	10	Excess of receipts over expenses and disbursements. Subtract line 9 from line 8	10	9,134.
Filing Fee	11	Filing fee \$10 or \$25. See General Instruction F.	11	10.
	12	Penalty for failure to file on time. See General Instruction L.	12	
	13	Use tax. See General Instruction M. ●	13	
	14	Balance due. Add line 11, line 12, and line 13	14	10.

- 15** If exempt under R&TC Section 23701d, has the organization during the year: (1) participated in any political campaign or (2) attempted to influence legislation or any ballot measure, or (3) made an election under R&TC Section 23704.5 (relating to lobbying by public charities)? If 'Yes,' complete and attach form FTB 3509, Political or Legislative Activities by Section 23701d Organizations. N/A Yes No
- 16** Did the organization have any changes in its activities, governing instrument, articles of incorporation, or bylaws that have not been reported to the Franchise Tax Board? If 'Yes,' complete an explanation and attach copies of revised documents. Yes No
- 17** Is the organization exempt under R&TC Section 23701g? Yes No
 If 'Yes,' enter amount of gross receipts from nonmember sources. . . . \$ _____
- 18** Did the organization file Form 100, Form 100S, 100W, or Form 109 to report taxable income? Yes No
 If 'Yes,' enter amount of total income reported. . . . \$ 2,390.
- 19** The financial records are in care of. Everett Thompson Prop Management Daytime telephone 650-281-4768
 located at 2453 Chestnut Street San Francisco, CA 94123-2505

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.

Please Sign Here

Signature of officer _____ Date _____ Title _____
 Daytime telephone _____

Paid Preparer's Use Only

Paid Preparer's signature Non-Paid Preparer Date _____ Check if self-employed Paid preparer's SSN or PTIN _____
 Firm's name (or yours, if self-employed) and address _____ FEIN _____
 Daytime telephone _____

Part II Organizations with gross receipts of more than \$25,000 and private foundations regardless of amount of gross receipts—complete Part II or furnish substitute information. See Specific Line Instructions.

Receipts from Other Sources	1 Gross sales or receipts from all business activities. See instructions.....	1	
	2 Interest	2	2,390.
	3 Dividends	3	
	4 Gross rents	4	
	5 Gross royalties	5	
	6 Gross amount received from sale of assets	6	
	7 Other income. Attach schedule	7	
	8 Total gross sales or receipts from other sources. Add line 1 through line 7. Enter here and on Side 1, Part I, line 1.....	8	2,390.
Expenses and Disbursements	9 Contributions, gifts, grants, and similar amounts paid. Attach schedule	9	
	10 Disbursements to or for members.....	10	55,109.
	11 Compensation of officers, directors, and trustees. Attach schedule	11	
	12 Other salaries and wages	12	
	13 Interest	13	
	14 Taxes.....	14	45.
	15 Rents.....	15	
	16 Depreciation and depletion.....	16	
	17 Other. Attach schedule..... See Statement 1.....	17	87.
	18 Total expenses and disbursements. Add line 9 through line 17. Enter here and on Side 1, Part I, line 9.....	18	55,241.

Schedule L Balance Sheets	Beginning of taxable year		End of taxable year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash				64,425.
2 Net accounts receivable				
3 Net notes receivable. Attach schedule				
4 Inventories.....				
5 Federal and state government obligations				
6 Investments in other bonds. Attach schedule				
7 Investments in stock. Attach schedule				
8 Mortgage loans (number of loans... _____)				
9 Other investments. Attach schedule.....				
10a Depreciable assets.....				
b Less accumulated depreciation.....				
11 Land				
12 Other assets. Attach schedule.....				
13 Total assets.....				64,425.
Liabilities and net worth				
14 Accounts payable.....				
15 Contributions, gifts, or grants payable.....				
16 Bonds and notes payable. Attach schedule.....				
17 Mortgages payable.....				
18 Other liabilities. Attach schedule.....				
19 Capital stock or principle fund.....				
20 Paid-in or capital surplus. Attach reconciliation				
21 Retained earnings or income fund.....		-949.		1,309.
22 Total liabilities and net worth.....		-949.		1,309.

Schedule M-1 Reconciliation of income per books with income per return

Do not complete this schedule if the amount on Schedule L, line 13, column (d), is less than \$25,000

1 Net income per books.....	8,936.	7 Income recorded on books this year not included in this return. Attach schedule	
2 Federal income tax	198.		
3 Excess of capital losses over capital gains		8 Deductions in this return not charged against book income this year. Attach schedule	
4 Income not recorded on books this year. Attach schedule			
5 Expenses recorded on books this year not deducted in this return. Attach schedule		9 Total. Add line 7 and line 8	
6 Total. Add line 1 through line 5.....	9,134.		
		10 Net income per return. Subtract line 9 from line 6.....	9,134.

Statement 1
Form 199, Part II, Line 17
Other Expenses and Disbursements

Tax Preparation Direct Expense.....	\$	87.
	Total	<u>\$</u>
		<u>87.</u>

For calendar year 2006 or fiscal year beginning month 05 day 01 year 2006, & ending month 04 day 30 year 2007

California corporation number 1502455 Federal employer identification number (FEIN) 94-3098039
 Check if corporation has: Refund on line 41 or Amount due on line 43

Corporation name

2016 Pacific Avenue Condominium Associat

Address including Suite, Room, or PMB no.

2016 Pacific Avenue

City San Francisco, CA 94109 State ZIP Code

Schedule Q Questions

A Final return? Dissolved Surrendered (withdrawn)
 Merged/Reorganized IRC Section 338 sale QSub election
 Enter date: _____

B Is income included in a combined report of a unitary group? Yes No
 If 'Yes', indicate: wholly within CA (R&TC 25101.15)
 within and outside of CA

(continued on page 2)

STATE ADJUSTMENTS	1	Net income (loss) before state adjustments. See instructions	● 1	2,158.
	2	Amount deducted for foreign or domestic tax based on income or profits from Schedule A	● 2	
	3	Amount deducted for tax under the provisions of the Corporation Tax Law from Schedule A	● 3	45.
	4	Interest on government obligations	● 4	
	5	Net California capital gain from Schedule D, line 11	● 5	
	6	Depreciation and amortization in excess of amount allowed under California law. Attach form FTB 3885	● 6	
	7	Net income from corporations not included in federal consolidated return. See instructions	● 7	
	8	Other additions. Attach schedule(s) See Statement 1	● 8	87.
	9	Total. Add line 1 through line 8	● 9	2,290.
	10	Intercompany dividend deduction. Attach Schedule H (100)	● 10	
	11	Dividends received deduction	● 11	
	12	Additional depreciation allowed under CA law. Attach form FTB 3885	● 12	
	13	Capital gain from federal Form 1120 or Form 1120A, line 8	● 13	
	14	Contributions	● 14	
	15	EZ, LAMBRA, or TTA business expense and EZ net interest deduction	● 15	
	16	Other deductions. Attach schedule(s)	● 16	
	17	Total. Add line 10 through line 16	● 17	
	18	Net income (loss) after state adjustments. Subtract line 17 from line 9. See instructions	● 18	2,290.
C A N C E	19	Net income (loss) for state purposes. Complete Schedule R if apportioning income. See instructions	● 19	2,290.
	20	Net operating loss (NOL) carryover deduction. See instructions	● 20	
	21	Pierce's disease, EZ, LARZ, TTA, or LAMBRA NOL carryover deduction. See instructions	● 21	
	22	Disaster loss carryover deduction. See instructions	● 22	
	23	Net income for tax purposes. Combine line 20 through line 22. Then, subtract from line 19	● 23	2,290.
T A X E S	24	Tax. 8.84 % x line 23 (not less than minimum franchise tax, if applicable)	■ 24	202.
	25	Credit name code no. amount	▶ 25	
	26	Credit name code no. amount	▶ 26	
	27	To claim more than two credits, see instructions	● 27	
	28	Add line 25 through line 27	■ 28	
	29	Balance. Subtract line 28 from line 24 (not less than minimum franchise tax, if applicable)	■ 29	202.
	30	Alternative minimum tax. Attach Schedule P (100). See instructions	■ 30	
31	Total tax. Add line 29 and line 30	■ 31	202.	
P A Y M E N T S	32	Overpayment from prior year allowed as a credit	■ 32	73.
	33	2006 Estimated tax payments. See instructions	■ 33	
	34	2006 Nonresident or real estate withholding. See inst	■ 34	
	35	Amount paid with extension of time to file tax return	■ 35	
	36	Total payments. Add line 32 through line 35	■ 36	73.

AMOUNT REFUND OR DUE	37 Franchise or income tax due. If line 31 is more than line 36, subtract line 36 from line 31. Go to line 40.	37	129.
	38 Overpayment. If line 36 is more than line 31, subtract line 31 from line 36.	38	
	39 Amount of line 38 to be credited to 2007 estimated tax.	39	
	40 Use Tax. See instructions.	40	
	41 Refund. If the sum of line 39 and line 40 is less than line 38, then subtract the result from line 38. See instructions to have the refund directly deposited. a Routing number	41	
	b Type: Checking <input type="checkbox"/> Savings <input type="checkbox"/> c Account number.	41a	
		41c	
	42a Penalties and interest.	42a	3.
b <input type="checkbox"/> Check if estimate penalty computed using Exception B or C. See instructions			
43 Total amount due. Add line 37, line 39, line 40, and line 42a. Then, subtract line 38 from the result	43	132.	

Schedule Q Questions (continued from Side 1)

C. If the corporation filed on water's-edge basis pursuant to R&TC Sections 25110 and 25113 in previous years, enter the date water's-edge election ended

D Was the corporation's income included in a consolidated federal return? Yes No

E Principal business activity code. (Do not leave blank) 531390
Business activity Home Owners Associat

F Product or service Service
Date incorporated: 4/29/1988
Where: State CA Country USA

G Date business began in California or date income was first derived from California sources 5/01/1988

H First return? Yes No
If 'Yes' and this corporation is a successor to a previously existing business, check the appropriate box.
 (1) sole proprietorship (2) partnership (3) joint venture
 (4) corporation (5) other
(attach statement showing name, address, and FEIN/SSN/ITIN of previous business)

I 'Doing business as' name:

J **1** If this corporation or any of its subsidiaries owned or leased real property in California, was there a change in control or majority ownership of any one of them this year? Yes No
2 For this taxable year, did this corporation or any of its subsidiaries acquire control or majority ownership of any other legal entity that owned or leased real property in California? Yes No
3 If this corporation or any of its subsidiaries owned or leased real property in California, has more than 50 percent of the voting stock of any one of them cumulatively transferred in one or more transactions since March 1, 1975? Yes No
(Penalties may apply – see instructions.)

K At any time during the taxable year, was more than 50% of the voting stock:
a Of the corporation owned by any single interest? Yes No
b Of another corporation owned by this corporation? Yes No
c Of this and one or more other corporations owned or controlled, directly or indirectly, by the same interests? Yes No

If a or c is 'Yes,' enter the country of the ultimate parent

If a, b or c is 'Yes,' furnish a statement of ownership indicating pertinent names, addresses, and percentages of stock owned. If the owner(s) is an individual, provide the SSN.

L Has the corporation included a Reportable Transaction, Listed Transaction or Registered Tax Shelter within this return? (See Instructions for definitions.) Yes No
If yes, complete and attach Form 8886 and/or Form 8271 for each transaction.

M Is this corporation apportioning income to California using Schedule R? Yes No

N How many affiliates in the combined report are claiming immunity from taxation in California under Public Law 86-272?

O Corporation headquarters are: (1) Within California
 (2) Outside of California, within the U.S. (3) Outside of the U.S.

P Location of principal accounting records:
2453 Chestnut Street
San Francisco, CA 94123-2505

Q Accounting method (1) Cash (2) Accrual (3) Other

R Did this corporation or one of its subsidiaries make a federal election to be treated as a foreign sales corporation (FSC) or a domestic international sales corporation (DISC)? Yes No

S Is this corporation or any of its subsidiaries a RIC? Yes No

T Is this corporation treated as a REMIC for California purposes? Yes No

U Is this corporation a REIT for California purposes? Yes No

V Is this corporation an LLC or limited partnership electing to be taxed as a corporation for federal purposes? Yes No

W Is this corporation to be treated as a credit union? Yes No

X Is the corporation under audit by the IRS or has it been audited by the IRS in a prior year? Yes No

Y Have all required information returns (e.g. Federal Forms 1099, 5471, 5472, 8300, 8865, etc) been filed with the Franchise Tax Board? N/A Yes No

Z Does the taxpayer (or any corporation of the taxpayer's combined group, if applicable) own 80% or more of the stock of an insurance company? Yes No

AA Did this corporation file the Federal Schedule M-3 (Form 1120)? Yes No

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.

Please Sign Here	Signature of officer	Title	Date	Telephone
	Preparer's signature	Non-Paid Preparer	Date	Preparer's SSN/PTIN
Paid Preparer's Use Only	Firm's name (or yours, if self-employed) and address		Check if self-employed <input type="checkbox"/>	FEIN
				Telephone

Schedule A Taxes Deducted. Use additional sheet(s) if necessary.

(a) Nature of tax	(b) Taxing authority	(c) Total amount	(d) Nondeductible amount
State Tax	Franchise Tax Board	45.	45.
Total. Enter total of column (c) on Schedule F, line 17, and amounts in column (d) on Side 1, line 2 or line 3		45.	45.

Schedule F Computation of Net Income. See instructions.

	1 a Gross receipts or gross sales ..		b Less returns and allowance.....		cBalance ●	1 c	
I N C O M E	2	Cost of goods sold. Attach federal Schedule A (California Schedule V)..... ●				2	
	3	Gross profit. Subtract line 2 from line 1c..... ●				3	
	4	Total dividends. Attach federal Schedule C, California Schedule H (100)..... ●				4	
	5a	Interest on obligations of the United States and U.S. instrumentalities..... ●				5 a	
	5b	b Other interest. Attach schedule..... See Statement 2..... ●				5 b	2,390.
	6	Gross rents..... ●				6	
	7	Gross royalties..... ●				7	
	8	Capital gain net income. Attach federal Schedule D (California Schedule D)..... ●				8	
	9	Ordinary gain (loss). Attach federal Form 4797 (California Schedule D-1)..... ●				9	
	10	Other income (loss). Attach schedule..... ●				10	
	11	Total income. Add line 3 through line 10..... ●				11	2,390.
D E D U C T I O N S	12	Compensation of officers. Attach federal Schedule E or equivalent schedule..... ●				12	
	13	Salaries and wages (not deducted elsewhere)..... ●				13	
	14	Repairs..... ●				14	
	15	Bad debts..... ●				15	
	16	Rents..... ●				16	
	17	Taxes (California Schedule A)..... ●				17	45.
	18	Interest. Attach schedule..... ●				18	
	19	Contributions. Attach schedule..... ●				19	
	20	Depreciation. Attach federal Form 4562 and FTB 3885..... ●				20	
	21	Less depreciation claimed elsewhere on return..... ●				21a	
						21b	
	22	Depletion. Attach schedule..... ●				22	
	23	Advertising..... ●				23	
	24	Pension, profit-sharing, plans, etc..... ●				24	
	25	Employee benefit plans..... ●				25	
	26a	Total travel and entertainment..... ●				26a	
	26b	b Deductible amounts..... ●				26b	
	27	Other deductions. Attach schedule..... Statement 3..... ●				27	87.
	28	Specific deduction for 23701r or 23701t organizations. See instructions..... ●				28	100.
29	Total deductions. Add line 12 through line 28..... ●				29	232.	
30	Net income before state adjustments. Subtract line 29 from line 11. Enter here and on Side 1, line 1..... ●				30	2,158.	

Schedule J Add-On Taxes and Recapture of Tax Credits. See instructions.

1	LIFO recapture due to S corporation election, IRC Sec. 1363(d) deferral: \$..... ●	1
2	Interest computed under the look-back method for completed long-term contracts (Attach form FTB 3834). ●	2
3	Interest on tax attributable to installment: a Sales of certain timeshares and residential lots..... ●	3a
		b Method for nondealer installment obligations..... ●
4	IRC Section 197(f)(9)(B)(ii) election..... ●	4
5	Credit recapture name:..... ●	5
6	Combine line 1 through line 5, revise Side 1, line 37 or line 38, whichever applies, by this amount. Write 'Schedule J' to the left of line 37 or line 38..... ●	6

Schedule V Cost of Goods Sold

1	Inventory at beginning of year	1
2	Purchases	2
3	Cost of labor	3
4a	Additional IRC Section 263A costs. Attach schedule	4a
b	Other costs. Attach schedule	4b
5	Total. Add line 1 through line 4b	5
6	Inventory at end of year	6
7	Cost of goods sold. Subtract line 6 from line 5. Enter here and on Schedule F, line 2	7

Method of inventory valuation Method 1 Method 2 Method 3 Method 4 Method 5 Method 6 Method 7

Was there any change in determining quantities, costs of valuations between opening and closing inventory? Yes No

If 'Yes,' attach an explanation Yes No

Enter California seller's permit number, if any

Check if the LIFO inventory method was adopted this taxable year for any goods. If checked, attach federal Form 970

If the LIFO inventory method was used for this taxable year, enter the amount of closing inventory under LIFO

Do the rules of IRC Section 263A (with respect to property produced or acquired for resale) apply to the corporation? Yes No

The corporation may not be required to complete Schedules L, M-1 and M-2. See Schedule M-1 instructions for reporting requirements.

Schedule L Balance Sheet

	Beginning of taxable year		End of taxable year	
	(a)	(b)	(c)	(d)
Assets				
1	Cash			
2a	Trade notes and accounts receivable			
b	Less allowance for bad debts			
3	Inventories			
4	Federal and state government obligations			
5	Other current assets			
6	Loans to stockholders/officers. Attach sch			
7	Mortgage and real estate loans			
8	Other investments			
9a	Buildings and other fixed depreciable assets			
b	Less accumulated depreciation			
10a	Depletable assets			
b	Less accumulated depletion			
11	Land (net of any amortization)			
12a	Intangible assets (amortizable only)			
b	Less accumulated amortization			
13	Other assets			
14	Total assets			
Liabilities and Stockholders' Equity				
15	Accounts payable			
16	Mortgages, notes, bonds payable in less than 1 year			
17	Other current liabilities			
18	Loans from stockholders			
19	Mortgages, notes, bonds payable in 1 year or more			
20	Other liabilities			
21	Capital stock: a Preferred stock			
	b Common stock			
22	Paid-in or capital surplus. Attach reconciliation			
23	Retained earnings — Appropriated			
24	Retained earnings — Unappropriated			
25	Adjustments to shareholders' equity (attach sch)			
26	Less cost of treasury stock			
27	Total liabilities and stockholders' equity			

Schedule M-1 Reconciliation of income (loss) per books with income (loss) per return. If the corporation completed federal **Schedule M-3 (Form 1120)**, see instructions.

<p>1 Net income per books..... ●</p> <p>2 Federal income tax..... ●</p> <p>3 Excess of capital losses over capital gains..... ●</p> <p>4 Taxable income not recorded on books this year (itemize)..... ●</p> <hr/> <p>5 Expenses recorded on books this year not deducted in this return (itemize)</p> <p>a Depreciation..... \$ _____</p> <p>b State taxes..... \$ _____</p> <p>c Travel and entertainment..... \$ _____</p> <hr/> <p>6 Total. Add line 1 through line 5..... ●</p>	<p>7 Income recorded on books this year not included in this return (itemize)</p> <p>a Tax-exempt interest \$ _____</p> <hr/> <p>8 Deductions in this return not charged against book income this year (itemize)</p> <p>a Depreciation.. \$ _____</p> <p>b State tax refunds.. \$ _____</p> <hr/> <p>9 Total. Add line 7 and line 8..... ●</p> <p>10 Net income per return. Subtract line 9 from line 6..... ●</p>
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Schedule M-2 Analysis of unappropriated retained earnings per books (Schedule L, line 24)

<p>1 Balance at beginning of year..... ●</p> <p>2 Net income per books..... ●</p> <p>3 Other increases (itemize)..... ●</p> <hr/> <p>4 Total. Add line 1 through line 3..... ●</p>	<p>5 Distributions: a Cash..... ●</p> <p>b Stock..... ●</p> <p>c Property..... ●</p> <p>6 Other decreases (itemize)..... ●</p> <hr/> <p>7 Total. Add line 5 and line 6..... ●</p> <p>8 Balance at end of year. Subtract line 7 from line 4..... ●</p>
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Schedule D California Capital Gains and Losses

Part I Short-Term Capital Gains and Losses – Assets Held One Year or Less. Use additional sheet(s) if necessary.

(a) Kind of property and description (Example, 100 shares of Z Company)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Gross sales price	(e) Cost or other basis plus expense of sale	(f) Gain (loss) (d) less (e)
1					
2 Short-term capital gain from installment sales from form FTB 3805E, line 26 or line 37.....					2
3 Unused capital loss carryover from 2005.....					3
4 Net short-term capital gain (loss). Combine line 1 through line 3..... ●					4

Part II Long-Term Capital Gains and Losses – Assets held More Than One Year. Use additional sheet(s) if necessary.

5	
6 Enter gain from Schedule D-1, line 9 and/or any capital gain distributions.....	6
7 Long-term capital gain from installment sales from form FTB 3805E, line 26 or line 37.....	7
8 Net long-term capital gain (loss). Combine line 5 through line 7..... ●	8
9 Enter excess of net short-term capital gain (line 4) over net long-term capital loss (line 8).....	9
10 Net capital gain. Enter excess of net long-term capital gain (line 8) over net short-term capital loss (line 4)....	10
11 Total line 9 and line 10. Enter here and on Form 100, Side 1, line 5.	11

Note: If losses exceed gains, carry forward losses to 2007.....

2006 Underpayment of Estimated Tax by Corporations

5806

For calendar year 2006 or fiscal year beginning month 05 day 01 year 2006, and ending month 04 day 30 year 2007

Corporation name <u>2016 Pacific Avenue Condominium Associat</u>	California corporation number <u>1502455</u>
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Part I Figure the Underpayment. If line 7 shows an underpayment for any installment, complete the remainder of this form.

1 Current year's tax. See instructions.	1	202.
	(a)	(b)
2 Installment due dates. See instructions ...	2 8/15/06	10/16/06
3 Percentage required. See instructions ...	3 25% (not less than min)	50% less 1st
4 Amount due. See instructions.	4 51.	50.
5 a Amount paid or credited for each installment ...	5a 73.	
b Overpayment from previous installment. See instrs	5b	22.
6 Add line 5a and line 5b.	6 73.	22.
7 Underpayment (subtract line 6 from line 4). See instructions. Overpayment (subtract line 4 from line 6). (If line 7 shows an underpayment for any installment, go to Part IV, Exceptions Worksheets.)	7 -22.	28.

Part II Exceptions to the Penalty.
Note: If Exception A, line 8a is met for all four installments, do not attach this form to the return.

		Yes	No	Yes	No	Yes	No	Yes	No
(check the applicable boxes)									
8 a Exception A — Regular Corporations, line 26 ...	8a	X		X			X		X
b Exception A — Large Corporations. See instrs ...	8b								
9 Exception B (line 42) met?	9								
10 Exception C (line 64) met?	10								

Part III Figure the Penalty. If line 7 shows an underpayment for any installment and one of the three exceptions was not met, figure the penalty for that installment by completing line 11 through line 22.

11 Enter the earlier of the payment date, or the 15th day of the 3rd month after the close of the taxable year. Form 109 filers, see instructions.	11		7/15/07	7/15/07
12 Number of days from date shown on line 2 to date shown on line 11.	12		181	91
13 Number of days on line 12 before 7/01/06.	13			
14 No. of days on line 12 after 6/30/06 & before 1/01/07 .	14			
15 No. of days on line 12 after 12/31/06 & before 7/01/07	15		166	76
16 No. of days on line 12 after 6/30/07 & before 1/01/08 .	16		15	15
17 No. of days on line 12 after 12/31/07 & before 2/15/08	17			
18 $\frac{\text{No. of days on line 13}}{\text{No. of days in taxable year}} \times 6\% \times \text{line 7}$	18		.00	.00
19 $\frac{\text{No. of days on line 14}}{\text{No. of days in taxable year}} \times 7\% \times \text{line 7}$	19		.00	.00
20 $\frac{\text{No. of days on line 15}}{\text{No. of days in taxable year}} \times 8\% \times \text{line 7}$	20		1.86	.83
21 $\frac{\text{No. of days on line 16}}{\text{No. of days in taxable year}} \times \text{(call FTB for \%)} \times \text{In 7}$	21		.17	.16
22 $\frac{\text{No. of days on line 17}}{\text{No. of days in taxable year}} \times \text{(call FTB for \%)} \times \text{In 7}$	22		.00	.00
22 a Add amounts for each column from line 18 through line 22.	22a		2.03	.99
22 b Total estimated penalty due. Add line 22a, column (a) through column (d). Enter here and on Form 100, line 42a; Form 100W, line 41a; Form 100S, line 41a; or Form 109, line 30.	22b			3.

Part IV Exceptions Worksheets. Even if line 7 shows an underpayment for any installment, the Franchise Tax Board (FTB) will **not** assess a penalty if timely payments were made and they equal or exceed the amount determined under any of the three exceptions for the same installment period.

Exception A – Prior Year's Tax – Regular Corporations

23	Prior year's tax (the return must have been for a full 12 months).....				23	126.			
		(a)	(b)	(c)		(d)			
		25% (not less than min)	50%	75%		100%			
24	Enter line 23 x the percentage shown....	24	32.	63.	95.	126.			
25	Amount paid by the installment due date (cumulative).....	25	73.	73.	73.	73.			
26	Exception met? Check 'Yes' or 'No' and check applicable boxes on line 8a....	26	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

Exception A – Prior Year's Tax – Large Corporations

Use this exception only if prior year tax is less than current year tax.

27	Current year's tax.....	27							
				1st Installment		2nd Installment			
28 a	Installment due. Enter line 23 x 25%.....	28a							
28 b	Installment due. Enter line 27 x 50%.....	28b							
29	Amount paid by the installment due date (cumulative).....	29							
30	Compare the amount on line 28 with the amount on line 29. If the amount on line 28 is greater than the amount on line 29, the exception was not met. Check 'Yes' or 'No' and check applicable boxes on line 8b. To meet this exception you must check Yes for both installments.....	30	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No			

See instructions regarding amounts to use for installment 3 and installment 4.

Exception B – Tax on Annualized Current Year Income

Enter number of months for each period. See instructions ▶

		(a)	(b)	(c)	(d)				
31	Enter taxable income for each annualization period.....	31							
32	Annualization amounts. See instructions.....	32							
33 a	Annualized taxable income. Multiply line 31 by line 32.....	33a							
33 b	R&TC Section 23802(e) deduction (S corps only).....	33b							
33 c	Net income. Subtract line 33b from line 33a.....	33c							
34	Tax. Multiply line 33c by the current tax rate.....	34							
35	Tax credits for each payment period.....	35							
36	Subtract line 35 from line 34.....	36							
37	Other taxes*.....	37							
38	Total tax. Add line 36 and line 37.....	38							
39	Applicable percentage. For short period returns (taxable year of less than 12 months), see the instructions for Part I, line 3.....	39	25%	50%	75%	100%			
40	Installment due. Multiply line 38 by line 39.....	40	(not less than min)						
41	Amount paid by the installment due date (cumulative).....	41							
42	Exception met? If the exception has been met for any of the installment periods, check 'Yes' or 'No' and check applicable boxes on line 9.....	42	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No			

*Include alternative minimum tax, S corporation taxes from Schedule D and from the excess net passive income tax, the QSub annual tax, LIFO recapture tax, installment amount credit recapture, and the minimum franchise tax.

Statement 1
Form 100, Line 8
Other Additions

Exempt Function Deductions..... \$ 87.
Total \$ 87.

Statement 2
Form 100, Schedule F, Line 5(b)
Other Interest

Capital One..... \$ 2,380.
Comerica..... 10.
Total \$ 2,390.

Statement 3
Form 100, Schedule F, Line 27
Other Deductions

Tax Preparation Direct Expense..... \$ 87.
Total \$ 87.