

2017

Form **990-T**

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

For calendar year 2017 or other tax year beginning 10/01, 2017, and ending 9/30, 2018

Go to [www.irs.gov/Form990T](http://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

<b>A</b> <input type="checkbox"/> Check box if address changed <b>B</b> Exempt under section <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e) <input type="checkbox"/> 408A <input type="checkbox"/> 530(a) <input type="checkbox"/> 529(a)		Print or Type <b>EASTERN MAINE HEALTHCARE SYSTEMS</b> <b>43 WHITING HILL ROAD</b> <b>BREWER, ME 04412</b>	<input type="checkbox"/> Check box if name changed and see instructions.	<b>D</b> Employer identification number (Employees' trust, see instructions) 01-0527066
<b>C</b> Book value of all assets at end of year 741,405,150.			<b>F</b> Group exemption number (See instructions) ▶ 5247	<b>E</b> Unrelated business activity codes (See instructions) 561000
		<b>G</b> Check organization type ▶ <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust		

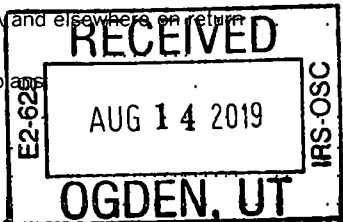
**H** Describe the organization's primary unrelated business activity  
 ▶ **Mngmt of Controlled Group & Transp Fringe**

**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 ▶ **John J. Doyle** Telephone number ▶ **(207) 973-9081**

Part I	Unrelated Trade or Business Income	(A) Income	(B) Expenses	(C) Net
1a	Gross receipts or sales <u>5,198,033.</u>			
b	Less returns and allowances <u>                    </u> c Balance ▶	1c	5,198,033.	
2	Cost of goods sold (Schedule A, line 7)	2		
3	Gross profit. Subtract line 2 from line 1c	3	5,198,033.	5,198,033.
4a	Capital gain net income (attach Schedule D)	4a		
b	Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)	4b		
c	Capital loss deduction for trusts	4c		
5	Income (loss) from partnerships and S corporations (attach statement)	5		
6	Rent income (Schedule C)	6		
7	Unrelated debt-financed income (Schedule E)	7	16,533.	9,141.
8	Interest, annuities, royalties, and rents from controlled organizations (Schedule F)	8		
9	Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)	9		
10	Exploited exempt activity income (Schedule I)	10		
11	Advertising income (Schedule J)	11		
12	Other income (See instructions, attach schedule) <u>See Statement 1</u>	12	413,744.	413,744.
13	<b>Total.</b> Combine lines 3 through 12	13	5,628,310.	9,141.
				5,619,169.

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)	14	27,138.
15	Salaries and wages	15	3,321,437.
16	Repairs and maintenance	16	870,623.
17	Bad debts	17	
18	Interest (attach schedule) <u>See Statement 2</u>	18	104,070.
19	Taxes and licenses	19	
20	Charitable contributions (See instructions for limitation rules)	20	
21	Depreciation (attach Form 4562)	21	
22	Less depreciation claimed on Schedule A and elsewhere on return	22a	
23	Depletion	23	
24	Contributions to deferred compensation plans	24	
25	Employee benefit programs	25	679,052.
26	Excess exempt expenses (Schedule I)	26	
27	Excess readership costs (Schedule J)	27	
28	Other deductions (attach schedule) <u>See Statement 3</u>	28	1,073,639.
29	<b>Total deductions.</b> Add lines 14 through 28	29	6,075,959.
30	Unrelated business taxable income before net operating loss deduction Subtract line 29 from line 13	30	-456,790.
31	Net operating loss deduction (limited to the amount on line 30) <u>See Statement 4</u>	31	
32	Unrelated business taxable income before specific deduction. Subtract line 31 from line 30	32	-456,790.
33	Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions)	33	
34	Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32	34	-456,790.



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**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)  
 \$ 0.  \$ 0.  \$ 0.

**b** Enter organization's share of (1) Additional 5% tax (not more than \$11,750) \$ 0.  
 (2) Additional 3% tax (not more than \$100,000) \$ 0.

**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 Tax on Non-Compliant Facility Income.** See instructions **39**

**40 Total.** Add lines 37, 38 and 39 to line 35c or 36, whichever applies **40** 0.

**Part IV Tax and Payments**

**41 a** Foreign tax credit (corporations attach Form 1118, trusts attach Form 1116) **41a**

**b** Other credits (see instructions) **41b**

**c** General business credit. Attach Form 3800 (see instructions) **41c**

**d** Credit for prior year minimum tax (attach Form 8801 or 8827) **41d**

**e Total credits.** Add lines 41a through 41d. **41e** 0.

**42** Subtract line 41e from line 40 **42** 0.

**43** Other taxes. Check if from  Form 4255  Form 8611  Form 8697  Form 8866  Other (attach schedule) **43**

**44 Total tax.** Add lines 42 and 43 **44** 0.

**45 a** Payments: A 2016 overpayment credited to 2017 **45a**

**b** 2017 estimated tax payments **45b**

**c** Tax deposited with Form 8868 **45c**

**d** Foreign organizations Tax paid or withheld at source (see instructions) **45d**

**e** Backup withholding (see instructions) **45e**

**f** Credit for small employer health insurance premiums (Attach Form 8941) **45f**

**g** Other credits and payments  Form 2439  Form 4136  Other Total **45g**

**46 Total payments.** Add lines 45a through 45g **46** 0.

**47** Estimated tax penalty (see instructions). Check if Form 2220 is attached  **47**

**48 Tax due.** If line 46 is less than the total of lines 44 and 47, enter amount owed **48**

**49 Overpayment.** If line 46 is larger than the total of lines 44 and 47, enter amount overpaid **49**

**50** Enter the amount of line 49 you want: **Credited to 2018 estimated tax**  **Refunded**  **50**

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

**51** At any time during the 2017 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts. If YES, enter the name of the foreign country here  Yes  No

**52** 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

**53** Enter the amount of tax-exempt interest received or accrued during the tax year  \$ 0.

**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. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer: *[Signature]* Date: 8/1/19 Title: NLH VP of Finance

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

**Paid Preparer Use Only**

Print/Type preparer's name: [Redacted] Preparer's signature: Self-Prepared Date: [Redacted] Check  if self-employed PTIN: [Redacted]

Firm's name: [Redacted] Firm's EIN: [Redacted]

Firm's address: [Redacted] Phone no: [Redacted]

**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 <b>Cost of goods sold.</b> 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 sch)	4b				
5 <b>Total.</b> Add lines 1 through 4b	5		8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?		Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>

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

1 Description of property		
(1)		
(2)		
(3)		
(4)		
2 Rent received or accrued		
(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)	3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(1)		
(2)		
(3)		
(4)		
Total	Total	
(c) <b>Total income.</b> Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) ▶		(b) <b>Total deductions.</b> 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 See St 5	
			(a) Straight line depreciation (attach sch)	(b) Other deductions (attach schedule)
(1) Ellsworth MOB		82,826.		45,796.
(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) 70,563.	353,511.	19.9606 %	16,533.	9,141.
(2)		%		
(3)		%		
(4)		%		
<b>Totals</b>			16,533.	9,141.
<b>Total dividends-received deductions</b> 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 (column 3 plus column 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

**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 columns 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, column (A).	Enter here and on page 1, Part I, line 10, column (B).			Enter here and on page 1, Part II, line 26.

Totals

**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 (col. 6 minus col. 5, but not more than col. 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 (col. 6 minus col. 5, but not more than col. 4).
(1)						
(2)						
(3)						
(4)						
<b>Totals from Part I</b>						
<b>Totals, Part II (lines 1 – 5)</b>	Enter here and on page 1, Part I, line 11, column (A)	Enter here and on page 1, Part I, line 11, column (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
Glenn Martin, Esq.	SVP GenCnsl/Sec	.12 %	532.
Paul Bolin	VP & Chief HRO	.36 %	1,221.
Catherine MacLaren	VP-HR, Talent	4.10 %	7,137.
George Eaton	VP-Depty GenCou	7.58 %	18,248.
<b>Total.</b> Enter here and on page 1, Part II, line 14			<b>27,138.</b>

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Form 990-T (2017)

Client EMHS

EASTERN MAINE HEALTHCARE SYSTEMS

01-0527066

6/29/19

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**Statement 1**  
**Form 990-T, Part I, Line 12**  
**Other Income**

Transportation Fringe Benefits	\$ 413,744.
Total	<u>\$ 413,744.</u>

**Statement 2**  
**Form 990-T, Part II, Line 18**  
**Interest Expense**

Total	<u>\$ 104,070.</u>
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**Statement 3**  
**Form 990-T, Part II, Line 28**  
**Other Deductions**

Allocated Expenses	\$ -45,342.
Conference & Education	13,352.
Depreciation Expense	165,650.
Insurance	7,664.
Office Rental Exp	6,199.
Other Expenses	83,721.
Purchase Services	736,126.
Supplies	9,775.
Support Services	34,088.
Travel & Transportation	19,838.
Utilities	42,568.
Total	<u>\$ 1,073,639.</u>

**Statement 4**  
**Form 990-T, Part II, Line 31**  
**Net Operating Loss Deduction**

Loss Year Ending	Original Loss	Loss Previously Used	Loss Available
9/30/01	\$ 337,581.	\$ 203,907.	\$ 133,674.
9/30/03	30,247.	0.	30,247.
9/30/04	280,299.	0.	280,299.
9/30/05	213,796.	0.	213,796.
9/30/06	978,889.	0.	978,889.
9/30/07	117,204.	0.	117,204.
9/30/08	80,478.	0.	80,478.
9/30/09	69,750.	0.	69,750.
9/30/10	30,136.	0.	30,136.
9/30/13	139,212.	0.	139,212.
9/30/15	41,459.	0.	41,459.
Net Operating Loss Available	..	..	<u>\$ 2,115,144.</u>
Taxable Income			\$ -456,790.
Net Operating Loss Deduction (Limited to Taxable Income)			<u>\$ 0.</u>

6/29/19

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**Statement 5**  
**Form 990-T, Schedule E, Line 3b**  
**Other Deductions Allocable to Debt-Financed Property**

Ellsworth MOB	
Cleaning and Maintenance	\$ 12,800.
Interest	2,309.
Taxes	10,368.
Telephone	620.
Utilities	7,045.
Depreciation	11,799.
Insurance	855.
Total	<u>\$ 45,796.</u>

**EASTERN MAINE HEALTHCARE SYSTEMS**  
**Consent to Apportionment Plan by Controlled Group Members**

Statement Attached to and Made a Part of the  
Income Tax Return for the Year Ended September 30, 2018

**APPORTIONMENT PLAN FOR THE TAX YEAR**  
**THAT INCLUDES DECEMBER 31, 2017**

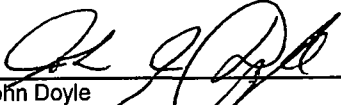
Pursuant to regulations issued under IRC Sections 38, 179, and 1561, the component members of the controlled group listed below consent to the following apportionment plan.

Name ID Number Address	Graduated Tax Rate Structure	Alternative Minimum Tax Exemption	Section 179 Deduction	General Business Credit Limit
Affiliated Healthcare Systems 01-0385322 43 Whiting Hill Road Brewer, ME 04412	15% - \$ - 25% - \$ - 34% - \$9,393,000	\$ 40,000	\$ 510,000	100%
Acadia Hospital Corp 01-0459837 43 Whiting Hill Road Brewer, ME 04412	15% - \$ - 25% - \$ - 34% - \$ 72,000	\$ -	\$ -	0%
Acadia Healthcare, Inc. 22-3183888 43 Whiting Hill Road Brewer, ME 04412	15% - \$ - 25% - \$ - 34% - \$ -	\$ -	\$ -	0%
Restorative Health, LLC 35-2449986 43 Whiting Hill Road Brewer, ME 04412	15% - \$ - 25% - \$ - 34% - \$ -	\$ -	\$ -	0%
Beacon Health, LLC 45-2967056 43 Whiting Hill Road Brewer, ME 04412	15% - \$ - 25% - \$ - 34% - \$ -	\$ -	\$ -	0%
Beacon Direct 37-1864965 43 Whiting Hill Road Brewer, ME 04412	15% - \$ - 25% - \$ - 34% - \$ -	\$ -	\$ -	0%
Beacon Rural Health, LLC 47-4483187 43 Whiting Hill Road Brewer, ME 04412	15% - \$ - 25% - \$ - 34% - \$ -	\$ -	\$ -	0%
Blue Hill Memorial Hospital 01-0227195 57 Water Street Blue Hill, ME 04614	15% - \$ - 25% - \$ - 34% - \$ -	\$ -	\$ -	0%
Charles A. Dean Memorial Hospital 04-3341666 364 Prntham Ave. P.O. Box 1129 Greenville ME 04441	15% - \$ - 25% - \$ - 34% - \$ -	\$ -	\$ -	0%
Eastern Maine Healthcare Systems 01-0527066 43 Whiting Hill Road Brewer, ME 04412	15% - \$ - 25% - \$ - 34% - \$ -	\$ -	\$ -	0%



Name ID Number Address	Graduated Tax Rate Structure	Alternative Minimum Tax Exemption	Section 179 Deduction	General Business Credit Limit
WorkHealth, LLC 47-4315094 43 Whiting Hill Road Brewer, ME 04412	15% - \$ - 25% - \$ - 34% - \$ -	\$ -	\$ -	0%
Eastern Maine Healthcare Real Estate 01-0391036 43 Whiting Hill Road Brewer, ME 04412	15% - \$ - 25% - \$ - 34% - \$ -	\$ -	\$ -	0%
Eastern Maine Medical Center 01-0211501 43 Whiting Hill Road Brewer, ME 04412	15% - \$ - 25% - \$ - 34% - \$ -	\$ -	\$ -	0%
Eastern Maine Medical Center Auxiliary 01-0377901 43 Whiting Hill Road Brewer, ME 04412	15% - \$ - 25% - \$ - 34% - \$ -	\$ -	\$ -	0%
Norumbega Medical Specialists, LTD. 01-0465231 43 Whiting Hill Road Brewer, ME 04412	15% - \$ - 25% - \$ - 34% - \$ -	\$ -	\$ -	0%
EMHS Foundation 22-2514163 43 Whiting Hill Road Brewer, ME 04412	15% - \$ - 25% - \$ - 34% - \$ -	\$ -	\$ -	0%
Rosscare 01-0391038 43 Whiting Hill Road Brewer, ME 04412	15% - \$ - 25% - \$ - 34% - \$ -	\$ -	\$ -	0%
Rosscare Nursing Homes, Inc. 01-0430751 43 Whiting Hill Road Brewer, ME 04412	15% - \$ - 25% - \$ - 34% - \$ -	\$ -	\$ -	0%
Inland Hospital 01-0217211 200 Kennedy Memorial Drive Waterville, ME 04901	15% - \$ - 25% - \$ - 34% - \$ -	\$ -	\$ -	0%
Lakewood 01-0421234 220 Kennedy Memorial Drive Waterville, ME 04901	15% - \$ - 25% - \$ - 34% - \$ 20,000	\$ -	\$ -	0%
Maine Coast Regional Health Facilities dba Maine Coast Memorial Hospital 01-0198331 50 Union Street Ellsworth, ME 04605	15% - \$ - 25% - \$ - 34% - \$ -	\$ -	\$ -	0%
Maine Coast Medical Realty 01-0390918 50 Union Street Ellsworth, ME 04605	15% - \$ - 25% - \$ - 34% - \$ -	\$ -	\$ -	0%

Name ID Number Address	Graduated Tax Rate Structure	Alternative Minimum Tax Exemption	Section 179 Deduction	General Business Credit Limit
Mercy Hospital 01-0211534 144 State Street Portland, ME 04101	15% - \$ 50,000 25% - \$ 25,000 34% - \$ 375,000	\$ -	\$ -	0%
Sebastiack Valley Health 01-0263628 447 North Main Street Pittsfield, ME 04967	15% - \$ - 25% - \$ - 34% - \$ -	\$ -	\$ -	0%
The Aroostook Medical Center 01-0372148 Academy St., PO Box 151 Presque Isle, ME 04769	15% - \$ - 25% - \$ - 34% - \$ 65,000	\$ -	\$ -	0%
Honzons Health Services 01-0504393 Academy St , PO Box 151 Presque Isle, ME 04769	15% - \$ - 25% - \$ - 34% - \$ -	\$ -	\$ -	0%
VNA Home Health & Hospice 01-0246804 50 Foden Road South Portland, ME 04106	15% - \$ - 25% - \$ - 34% - \$ -	\$ -	\$ -	0%
Lifestages Physician Services, LLC 82-1043752 50 Foden Road South Portland, ME 04106	15% - \$ - 25% - \$ - 34% - \$ -	\$ -	\$ -	0%

  
 \_\_\_\_\_  
 John Doyle  
 Vice President Finance