

Amended Return - Section 512(a)(7) Repeal

Form **990-T**

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

OMB No 1545-0687

2017

For calendar year 2017 or other tax year beginning 10/01, 2017, and ending 09/30, 20 18.

▶ 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

- Check box if address changed
- B** Exempt under section
- 501(C)(3)
- 408(e) 220(e)
- 408A 530(a)
- 529(a)

Print or Type

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

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

City or town, state or province, country, and ZIP or foreign postal code
MIDDLETOWN, CT 06457

D Employer identification number
(Employees' trust, see instructions.)
06-0646718

E Unrelated business activity codes
(See instructions.)
621500 812300

C Book value of all assets at end of year
508,825,625

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. ▶ (SEE STATEMENT)

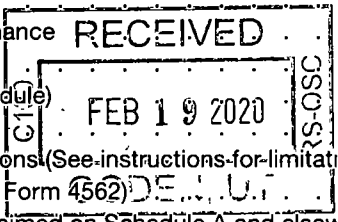
I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? ▶ Yes No
If "Yes," enter the name and identifying number of the parent corporation. ▶ **MIDDLESEX HEALTH SYSTEM, INC 22-2676137**

J The books are in care of ▶ **SHANNON ST HILAIRE** Telephone number ▶ **(860) 358-6000**

Part I Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
1a Gross receipts or sales	10,337,733			
b Less returns and allowances	7,171,498			
1c Balance ▶		3,166,235		
2 Cost of goods sold (Schedule A, line 7)		0		
3 Gross profit. Subtract line 2 from line 1c		3,166,235		3,166,235
4a Capital gain net income (attach Schedule D)		0		0
4b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)		0		0
4c Capital loss deduction for trusts		0		0
5 Income (loss) from partnerships and S corporations (attach statement)		0		0
6 Rent income (Schedule C)		0	0	0
7 Unrelated debt-financed income (Schedule E)		0	0	0
8 Interest, annuities, royalties, and rents from controlled organizations (Schedule F)		0	0	0
9 Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)		0	0	0
10 Exploited exempt activity income (Schedule I)		0	0	0
11 Advertising income (Schedule J)		0	0	0
12 Other income (See instructions; attach schedule)		0		0
13 Total. Combine lines 3 through 12		3,166,235	0	3,166,235

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)		0
15 Salaries and wages		891,816
16 Repairs and maintenance		0
17 Bad debts		0
18 Interest (attach schedule)		0
19 Taxes and licenses		0
20 Charitable contributions (See instructions for limitation rules)		0
21 Depreciation (attach Form 4562)	71,181	
22a Less depreciation claimed on Schedule A and elsewhere on return	0	71,181
23 Depletion		0
24 Contributions to deferred compensation plans		0
25 Employee benefit programs		268,707
26 Excess exempt expenses (Schedule I)		0
27 Excess readership costs (Schedule J)		0
28 Other deductions (attach schedule)		1,780,342
29 Total deductions. Add lines 14 through 28		3,012,046
30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13		154,189
31 Net operating loss deduction (limited to the amount on line 30)		0
32 Unrelated business taxable income before specific deduction. Subtract line 31 from line 30		154,189
33 Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions)		1,000
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.		153,189



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For Paperwork Reduction Act Notice, see instructions.

Cat No 11291J

Form **990-T** (2017)

69

Part III Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation. Controlled group members (sections 1561 and 1563) check here <input checked="" type="checkbox"/> See instructions and:		
a Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order): (1) \$ 50,000 (2) \$ 25,000 (3) \$ 78,189		
b Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) \$ 7,659 (2) Additional 3% tax (not more than \$100,000) \$		
c Income tax on the amount on line 34	35c	36,158
36 Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 34 from: <input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> 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	36,158

Part IV Tax and Payments

41a 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		36,158
43 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"/> Other (attach schedule)	43		0
44 Total tax. Add lines 42 and 43	44		36,158
45a Payments: A 2016 overpayment credited to 2017	45a	246,777	
b 2017 estimated tax payments	45b	0	
c Tax deposited with Form 8868	45c	60,000	
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: <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input type="checkbox"/> Other 0 Total	45g	0	
46 Total payments. Add lines 45a through 45g	46		306,777
47 Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>	47		
48 Tax due. If line 46 is less than the total of lines 44 and 47, enter amount owed	48		0
49 Overpayment. If line 46 is larger than the total of lines 44 and 47, enter amount overpaid	49		270,619
50 Enter the amount of line 49 you want: Credited to 2018 estimated tax 183,000 Refunded	50		87,619

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

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: *Susan Martin* Date: 2/14/2020 Title: VP FINANCE & TREASURER

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

Paid Preparer Use Only	Print/Type preparer's name KRISTIN ANDERSON	Preparer's signature <i>Kristin M. Anderson</i>	Date 2/14/2020	Check <input type="checkbox"/> if self-employed	PTIN P01231300
	Firm's name CROWE LLP	Firm's EIN 35-0921680	Firm's address 175 POWDER FOREST DRIVE, SIMSBURY, CT 06089	Phone no (860) 678-9200	

Schedule A—Cost of Goods Sold. Enter method of inventory valuation ►

1 Inventory at beginning of year	1	0	6 Inventory at end of year	6	0
2 Purchases	2	0	7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2	7	0
3 Cost of labor	3	0			
4a Additional section 263A costs (attach schedule)	4a	0			
b Other costs (attach schedule)	4b	0	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	0			

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	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)
(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 × column 6)	8. Allocable deductions (column 6 × 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).	Enter here and on page 1, Part I, line 7, column (B).
			0	0
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)				
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)						
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)						
(2)						
(3)						
(4)						
Totals (carry to Part II, line (5))		0	0	0		0

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 ▶	0	0				0
Totals, Part II (lines 1–5) ▶	0	0				0

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

Description	Amount
SPECIMEN LABORATORY	
(1) OTHER EXPENSES	1,426,004
TECHNICAL LABORATORY	
(2) OTHER EXPENSES	336,881
OUTSIDE LAUNDRY	
(3) OTHER EXPENSES	17,457
Total for Part II, Line 28	1,780,342

1	Enter unrelated business taxable income (line 34, page 1, Form 990-T)	153,189
2	Enter line 1 or corporation's share of the \$50,000 taxable income bracket, whichever is less	50,000
3	Subtract line 2 from line 1	103,189
4	Enter line 3 or corporation's share of the \$25,000 taxable income bracket, whichever is less	25,000
5	Subtract line 4 from line 3	78,189
6	Enter line 5 or corporation's share of the \$9,925,000 taxable income bracket, whichever is less	78,189
7	Subtract line 6 from line 5	
8	Enter 15% of line 2	7,500
9	Enter 25% of line 4	6,250
10	Enter 34% of line 6	26,584
11	Enter 35% of line 7	
12	If the taxable income of the controlled group exceeds \$100,000, enter this member's share of the smaller of (a) 5% of the excess over \$100,000, or (b) \$11,750 (see instructions for additional 5% and additional 3% tax)	7,659
13	If the taxable income of the controlled group exceeds \$15 million, enter this member's share of the smaller of (a) 3% of the excess over \$15 million, or (b) \$100,000 (see instructions for additional 5% and additional 3% tax)	
14	Add lines 8 through 13. Enter here and on line 35c, page 2, Form 990-T	36,158

Return Reference - Identifier	Explanation
FORM 990-T, SECTION H - ORGANIZATION'S PRIMARY UNRELATED BUSINESS ACTIVITY	MEDICAL AND DIAGNOSTIC LABORATORY SERVICES FOR NON-HOSPITAL PATIENTS, OUTSIDE LAUNDRY SERVICES

The Form 990-T for the tax year ending 09/30/2018 is being amended due to the repeal of Section 512(a)(7). As a result, the following changes have been made:

	<i>Reason for change</i>	(a) As originally reported or as previously adjusted	(b) Net change	(c) Correct amount
Income				
Line 3 - Gross Profit		3,166,235	-	3,166,235
Line 12 - Other Income	<i>Repeal of §512(a)(7)</i>	356,668	(356,668)	-
Total Income		3,522,903	(356,668)	3,166,235
Deductions				
Line 15 - Salaries and Wages		891,916	-	891,916
Line 22 Less depreciation		71,181	-	71,181
Line 25 - Employee benefit programs		268,707	-	268,707
Line 28 - Other Deductions		1,780,342	-	1,780,342
Total Deductions		3,012,146	-	3,012,146
Specific Deduction		1,000	-	1,000
Unrelated Business Taxable Income	<i>Repeal of §512(a)(7)</i>	509,857	(356,668)	153,189
Total Tax	<i>Repeal of §512(a)(7)</i>	123,777	(87,619)	36,158
Payments and Credits				
Overpayment in prior year allowed as a credit		246,777	-	246,777
Estimated tax payments		-	-	-
Subtotal		246,777	-	246,777
Tax deposited with Form 8868		60,000	-	60,000
Tax deposited or paid with (or after) the filing of the original return		-	-	-
Subtotal		306,777	-	306,777
Less overpayment as shown on original return or as later adjusted		-	-	-
Subtotal		306,777	-	306,777
Tax Due or Overpayment				
Tax Due				-
Overpayment				270,619
Enter the amount of overpayment you want:				
	Credited to 2018 estimated tax <input type="checkbox"/>	183,000	Refunded <input type="checkbox"/>	87,619