

Exempt Organization Business Income Tax Return

(and proxy tax under section 6033(e))

For calendar year 2018 or other tax year beginning OCT 1, 2018 and ending SEP 30, 2019

2018

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

A Check box if address changed

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

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

YALE NEW HAVEN HEALTH SERVICES CORPORATION

22-2529464

B Exempt under section: 501(c)(3) [X], 408(e), 408A, 529(a)

Print or Type

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

E Unrelated business activity code (See instructions)

789 HOWARD AVENUE

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

621990

NEW HAVEN, CT 06519

C Book value of all assets at end of year: 1,716,739,812.

F Group exemption number (See instructions.)

G Check organization type: 501(c) corporation [X], 501(c) trust, 401(a) trust, Other trust

H Enter the number of the organization's unrelated trades or businesses: 2. Describe the only (or first) unrelated trade or business here: SEE STATEMENT 1.

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

J The books are in care of: DENIS DONEGAN. Telephone number: 203-688-6088

Table with 4 columns: Part I Unrelated Trade or Business Income, (A) Income, (B) Expenses, (C) Net. Rows 1a-13 showing total income of 3,411,292.

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions) (Except for contributions, deductions must be directly connected with the unrelated business income.)

Table with 2 columns: Description, Amount. Rows 14-32 showing total deductions of 3,339,916 and final taxable income of 71,376.

C&E 909

FEB 08 2021

SCANNED

NOV 20 2020

40 Received in Batching Ogden

341

913

Part III Total Unrelated Business Taxable Income

33	Total of unrelated business taxable income computed from all unrelated trades or businesses (see instructions)	33	71,376.
34	Amounts paid for disallowed fringes	34	
35	Deduction for net operating loss arising in tax years beginning before January 1, 2018 (see instructions) STMT 7	35	71,376.
36	Total of unrelated business taxable income before specific deduction. Subtract line 35 from the sum of lines 33 and 34	36	
37	Specific deduction (Generally \$1,000, but see line 37 instructions for exceptions) 200	37	1,000.
38	Unrelated business taxable income. Subtract line 37 from line 36. If line 37 is greater than line 36, enter the smaller of zero or line 36 39	38	0.

Part IV Tax Computation

39	Organizations Taxable as Corporations. Multiply line 38 by 21% (0.21)	39	0.
40	Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 38 from Tax rate schedule or Schedule D (Form 1041)	40	
41	Proxy tax. See instructions	41	
42	Alternative minimum tax (trusts only)	42	
43	Tax on Noncompliant Facility Income. See instructions	43	
44	Total. Add lines 41, 42, and 43 to line 39 or 40, whichever applies	44	0.

Part V Tax and Payments

45a	Foreign tax credit (corporations attach Form 1118, trusts attach Form 1116)	45a	
b	Other credits (see instructions)	45b	
c	General business credit. Attach Form 3800	45c	
d	Credit for prior year minimum tax (attach Form 8801 or 8827)	45d	
e	Total credits. Add lines 45a through 45d	45e	
46	Subtract line 45e from line 44	46	0.
47	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)	47	
48	Total tax. Add lines 46 and 47 (see instructions)	48	0.
49	2018 net 965 tax liability paid from Form 965-A or Form 965-B, Part II, column (k), line 2	49	0.
50a	Payments: A 2017 overpayment credited to 2018	50a	
b	2018 estimated tax payments 510	50b	325,000.
c	Tax deposited with Form 8868	50c	
d	Foreign organizations. Tax paid or withheld at source (see instructions)	50d	
e	Backup withholding (see instructions)	50e	
f	Credit for small employer health insurance premiums (attach Form 8941)	50f	
g	Other credits, adjustments, and payments: Form 2439 _____ Other _____ Total	50g	
51	Total payments. Add lines 50a through 50g	51	325,000.
52	Estimated tax penalty (see instructions). Check if Form 2220 is attached	52	
53	Tax due. If line 51 is less than the total of lines 48, 49, and 52, enter amount owed	53	
54	Overpayment. If line 51 is larger than the total of lines 48, 49, and 52, enter amount overpaid 55	54	325,000.
55	Enter the amount of line 54 you want: Credited to 2019 estimated tax 56 50,000. Refunded	55	275,000.

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

56	At any time during the 2018 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
57	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.		X
58	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

X *Phillip E. Groff* | 8/11/2020 | **EXECUTIVE VP & CFO**

Signature of officer Date Title

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

Paid Preparer Use Only

Print/Type preparer's name: PHILLIP E. GROFF

Preparer's signature: *PhE*

Date: 8/5/2020

Check self-employed if PTIN: P01247783

Firm's name: KPMG LLP

Firm's EIN: 13-5565207

Firm's address: 1601 MARKET STREET PHILADELPHIA, PA 19103

Phone no.: 267-256-1756

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

1	Inventory at beginning of year	1		6	Inventory at end of year	6			
2	Purchases	2		7	Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2	7			
3	Cost of labor	3							
4a	Additional section 263A costs (attach schedule)	4a						Yes	No
b	Other costs (attach schedule)	4b							
5	Total 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?			

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		7. Gross income reportable (column 2 x column 6)	8. Allocable deductions (column 6 x total of columns 3(a) and 3(b))
		(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			
(1)		%			
(2)		%			
(3)		%			
(4)		%			
Totals			Enter here and on page 1, Part I, line 7, column (A) 0.	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)				
		Enter here and on page 1, Part I, line 9, column (A)		Enter here and on page 1, Part I, line 9, column (B)
Totals		0.		0.

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income (see instructions)

1. Description of exploited activity	2. Gross unrelated business income from trade or business	3. Expenses directly connected with production of unrelated business income	4. Net income (loss) from unrelated trade or business (column 2 minus column 3) If a gain, compute cols 5 through 7	5. Gross income from activity that is not unrelated business income	6. Expenses attributable to column 5	7. Excess exempt expenses (column 6 minus column 5, but not more than column 4)
(1)						
(2)						
(3)						
(4)						
	Enter here and on page 1, Part I, line 10, col (A)	Enter here and on page 1, Part I, line 10, col (B)				Enter here and on page 1, Part II, line 26
Totals	0.	0.				0.

Schedule J - Advertising Income (see instructions)

Part I Income From Periodicals Reported on a Consolidated Basis

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col 2 minus col 3) If a gain, compute cols 5 through 7	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4)
(1)						
(2)						
(3)						
(4)						
Totals (carry to Part II, line (5))	0.	0.				0.

YALE NEW HAVEN HEALTH SERVICES

Form 990-T (2018) CORPORATION

22-2529464

Page 5

Part II Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis)

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col 2 minus col 3) If a gain, compute cols 5 through 7	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4)
(1)						
(2)						
(3)						
(4)						
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.

Form 990-T (2018)

FOOTNOTES

STATEMENT 2

SECTION 1.263(A)-3(N) ELECTION - BOOK CONFORMITY ELECTION
YALE NEW HAVEN HEALTH SERVICES CORPORATION IS MAKING THE
ELECTION UNDER TREAS. REG. SECTION 1.263(A)-3(N) TO
CAPITALIZE AS CAPITAL EXPENDITURES ON ITS BOOKS AND RECORDS
FOR THE TAX YEAR ENDED SEPTEMBER 30, 2019.

TAXPAYER NAME: YALE NEW HAVEN HEALTH SERVICES CORPORATION
ADDRESS: 789 HOWARD AVENUE, NEW HAVEN, CT 06519
TAXPAYER IDENTIFICATION NUMBER: 22-2529464

SECTION 1.263(A)-1(F) DE MINIMIS SAFE HARBOR ELECTION

YALE NEW HAVEN HEALTH SERVICES CORPORATION HEREBY MAKES THE
DE MINIMIS SAFE HARBOR ELECTION UNDER SECTION 1.263(A)-1(F)
OF THE TREASURY REGULATIONS, EFFECTIVE FOR THE TAX YEAR
SEPTEMBER 30, 2019. THE TAXPAYER HAS AN APPLICABLE
FINANCIAL STATEMENT FOR THE YEAR OF THE ELECTION.
THIS ELECTION PERMITS THE TAXPAYER TO DEDUCT, FOR TAX
PURPOSES, ANY ITEM DEDUCTED UNDER ITS BOOK POLICY THAT DOES
NOT EXCEED \$5,000 PER INVOICE (OR PER ITEM, AS SUBSTANTIATED
BY THE INVOICE) OR ITEMS HAVING AN ECONOMIC USEFUL LIFE OF
TWELVE MONTHS OR LESS AS DESCRIBED IN
SECTION 1.263(A)-1(F)(1)(I).

TAXPAYER NAME: YALE NEW HAVEN HEALTH SERVICES CORPORATION
ADDRESS: 789 HOWARD AVENUE, NEW HAVEN, CT 06519
TAXPAYER IDENTIFICATION NUMBER: 22-2529464

FORM 990-T	OTHER INCOME	STATEMENT 3
DESCRIPTION		AMOUNT
MANAGEMENT SERVICE REVENUE		3,411,292.
TOTAL TO FORM 990-T, PAGE 1, LINE 12		3,411,292.

FORM 990-T	CONTRIBUTIONS	STATEMENT 4
DESCRIPTION/KIND OF PROPERTY	METHOD USED TO DETERMINE FMV	AMOUNT
CONTRIBUTIONS	N/A	312,527.
TOTAL TO FORM 990-T, PAGE 1, LINE 20		312,527.

FORM 990-T	OTHER DEDUCTIONS	STATEMENT 5
DESCRIPTION		AMOUNT
ACCOUNTING AND LEGAL		4,285.
TRAVEL MEETINGS & CONFERENCES		15,470.
INSURANCE		28,204.
OCCUPANCY		48,060.
OFFICE EXPENSE		1,491.
PERSONNEL SUPPORT / CONTRACTUAL HELP		71,775.
SYSTEM SUPPORT		2,661.
UTILITIES		5,023.
TRAINING / DEVELOPMENT		1,581.
CONSULTING FEES		1,900.
CLINICAL PROGRAMS & MISCELLANEOUS		18,115.
TOTAL TO FORM 990-T, PAGE 1, LINE 28		198,565.

FORM 990-T

CONTRIBUTIONS SUMMARY

STATEMENT 6

QUALIFIED CONTRIBUTIONS SUBJECT TO 100% LIMIT

CARRYOVER OF PRIOR YEARS UNUSED CONTRIBUTIONS

FOR TAX YEAR 2013	144,233
FOR TAX YEAR 2014	289,500
FOR TAX YEAR 2015	201,201
FOR TAX YEAR 2016	434,015
FOR TAX YEAR 2017	300,400

TOTAL CARRYOVER	1,369,349
TOTAL CURRENT YEAR 10% CONTRIBUTIONS	312,527

TOTAL CONTRIBUTIONS AVAILABLE	1,681,876
TAXABLE INCOME LIMITATION AS ADJUSTED	0

EXCESS 10% CONTRIBUTIONS	1,681,876
EXCESS 100% CONTRIBUTIONS	0
TOTAL EXCESS CONTRIBUTIONS	1,681,876

ALLOWABLE CONTRIBUTIONS DEDUCTION	0
-----------------------------------	---

TOTAL CONTRIBUTION DEDUCTION	0
------------------------------	---

FORM 990-T

NET OPERATING LOSS DEDUCTION

STATEMENT 7

TAX YEAR	LOSS SUSTAINED	LOSS PREVIOUSLY APPLIED	LOSS REMAINING	AVAILABLE THIS YEAR
09/30/17	1,276,701.	0.	1,276,701.	1,276,701.
09/30/18	297,917.	0.	297,917.	297,917.
NOL CARRYOVER AVAILABLE THIS YEAR			1,574,618.	1,574,618.

**SCHEDULE M
(Form 990-T)**

**Unrelated Business Taxable Income for
Unrelated Trade or Business**

ENTITY 1

OMB No 1545-0687

2018

For calendar year 2018 or other tax year beginning OCT 1, 2018 and ending SEP 30, 2019

▶ Go to www.irs.gov/Form990T for instructions and the latest information.

▶ Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3).

Open to Public Inspection for
501(c)(3) Organizations Only

Department of the Treasury
Internal Revenue Service (99)

Name of the organization **YALE NEW HAVEN HEALTH SERVICES CORPORATION** Employer identification number **22-2529464**

Unrelated business activity code (see instructions) ▶ 561000
Describe the unrelated trade or business ▶ SYSTEM SUPPORT

Part I Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
1a	Gross receipts or sales <u>1,101,316.</u>			
b	Less returns and allowances			
c	Balance ▶	1c		
				1,101,316.
2	Cost of goods sold (Schedule A, line 7)	2		
3	Gross profit. Subtract line 2 from line 1c	3		1,101,316.
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 a partnership or an S corporation (attach statement)	5		
6	Rent income (Schedule C)	6		
7	Unrelated debt-financed income (Schedule E)	7		
8	Interest, annuities, royalties, and rents from a controlled organization (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)	12		
13	Total. Combine lines 3 through 12	13		1,101,316.

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		15,797.
15	Salaries and wages	15		767,397.
16	Repairs and maintenance	16		
17	Bad debts	17		
18	Interest (attach schedule) (see instructions)	18		
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		269,376.
26	Excess exempt expenses (Schedule I)	26		
27	Excess readership costs (Schedule J)	27		
28	Other deductions (attach schedule)	28	SEE STATEMENT 8	74,989.
29	Total deductions. Add lines 14 through 28	29		1,127,559.
30	Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	30		-26,243.
31	Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions)	31		
32	Unrelated business taxable income Subtract line 31 from line 30	32		-26,243.

LHA For Paperwork Reduction Act Notice, see instructions.

Schedule M (Form 990-T) 2018

22-2529464

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

1	Inventory at beginning of year	1		6	Inventory at end of year	6			
2	Purchases	2		7	Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2	7			
3	Cost of labor	3							
4a	Additional section 263A costs (attach schedule)	4a						Yes	No
b	Other costs (attach schedule)	4b		8	Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?				X
5	Total Add lines 1 through 4b	5							

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.		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 x column 6)	8. Allocable deductions (column 6 x total of columns 3(a) and 3(b))
(1)		%		
(2)		%		
(3)		%		
(4)		%		
Totals			Enter here and on page 1, Part I, line 7, column (A)	Enter here and on page 1, Part I, line 7, column (B)
Total dividends-received deductions included in column 8			0.	0.

FORM 990-T (M)

OTHER DEDUCTIONS

STATEMENT 8

DESCRIPTION	AMOUNT
ACCOUNTING & LEGAL	2,141.
INSURANCE	14,093.
OCCUPANCY	24,015.
OFFICE EXPENSE	745.
PERSONNEL SUPPORT / CONTRACTUAL HELP	18,971.
SYSTEM SUPPORT	1,330.
TRAINING & DEVELOPMENT	790.
TRAVEL, MEETINGS, & CONFERENCES	716.
UTILITIES	2,185.
CONSULTING FEES	949.
CLINICAL PROGRAMS & MISCELLANEOUS	9,054.
TOTAL TO SCHEDULE M, PART II, LINE 28	74,989.