

2939321400100 0

OMB No 1545-0687

Form 990-T

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

For calendar year 2018 or other tax year beginning 07/01, 2018, and ending 06/30, 2019

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

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

2018

Open to Public Inspection for
501(c)(3) Organizations OnlyDepartment of the Treasury
Internal Revenue Service

A Check box if address changed		Name of organization (Check box if name changed and see instructions)		D Employer identification number (Employees' trust, see instructions)	
B Exempt under section <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 THE CHILDREN'S HOSPITAL OF PHILADELPHIA Number, street, and room or suite no. If a P.O. box, see instructions 3401 CIVIC CENTER BOULEVARD City or town, state or province, country, and ZIP or foreign postal code PHILADELPHIA, PA 19104-4388		23-1352166 E Unrelated business activity code (See instructions) 525990	
C Book value of all assets at end of year 4834943856		F Group exemption number (See instructions)		G 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 Enter the number of the organization's unrelated trades or businesses **2** Describe the only (or first) unrelated trade or business here **ATCH 1** If only one, complete Parts I-V. If more than one, describe the first in the blank space at the end of the previous sentence, complete Parts I and II, complete a Schedule M for each additional trade or business, then complete Parts III-V.

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? ☒ Yes ☐ No
If "Yes," enter the name and identifying number of the parent corporation **ATCH 2 CHIL 23-2237932**

J The books are in care of **THOMAS J TODOROW** Telephone number **215-590-1000**

Part I Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
1a	Gross receipts or sales 1,172,380.			
b	Less returns and allowances			
	c Balance 1c	1,172,380.		
2	Cost of goods sold (Schedule A, line 7)	2 590,631.		
3	Gross profit Subtract line 2 from line 1c	3 581,749.		581,749.
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	13 581,749.		581,749.

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	Salaries and wages	15	
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	
26	Excess exempt expenses (Schedule I)	26	
27	Excess readership costs (Schedule J)	27	
28	Other deductions (attach schedule)	28	448,905.
29	Total deductions. Add lines 14 through 28	29	448,905.
30	Unrelated business taxable income before net operating loss deduction Subtract line 29 from line 13	30	132,844.
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	132,844.

For Paperwork Reduction Act Notice, see instructions

8X2740 1.000 54312Y JSA 1467

V 18-7.6F

Form 990-T (2018)

SCANNED MAR 03 2021

11:09 AM

Received in

341

Part 4

Part III Total Unrelated Business Taxable Income

33	Total of unrelated business taxable income computed from all unrelated trades or businesses (see instructions).	33	132,844.
34	Amounts paid for disallowed fringes	34	
35	Deduction for net operating loss arising in tax years beginning before January 1, 2018 (see instructions).	35	132,844.
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)	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.	38	0.

Part IV Tax Computation

39	Organizations Taxable as Corporations. Multiply line 38 by 21% (0.21).	39	
40	Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 38 from <input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> 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	

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 (see instructions).	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	
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	
50a	Payments. A 2017 overpayment credited to 2018	50a	
b	2018 estimated tax payments	50b	1,667,505.
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 <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input type="checkbox"/> Other	50g	
51	Total payments. Add lines 50a through 50g	51	1,667,505.
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	54	1,667,505.
55	Enter the amount of line 54 you want: Credited to 2019 estimated tax <input checked="" type="checkbox"/> Refunded <input checked="" type="checkbox"/>	55	1,667,505.

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

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer <i>Erica R McReynolds</i>		Date <i>05/01/20</i>	Title <i>ASSISTANT TREASURER</i>	May the IRS discuss this return with the preparer shown below (see instructions)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	Print/Type preparer's name		Preparer's signature <i>Erica R McReynolds</i>	Date <i>05/01/2020</i>	
	Firm's name <i>PRICEWATERHOUSECOOPERS LLP</i>		Firm's EIN <i>13-4008324</i>	Check <input type="checkbox"/> if self-employed	
	Firm's address <i>2001 MARKET ST, SUITE 1800, PHILADELPHIA, PA 19103</i>		Phone no <i>267-330-3000</i>	PTIN <i>P00977806</i>	

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

1	Inventory at beginning of year	1		6	Inventory at end of year	6	
2	Purchases	2		7	Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2.	7	590,631.
3	Cost of labor	3		8	Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?	Yes	No
4a	Additional section 263A costs (attach schedule)	4a					
4b	Other costs (attach schedule)*.	4b	590,631.				
5	Total. Add lines 1 through 4b	5	590,631.				X

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)

(see instructions) **4B ATCH 5

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) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) ►

(b) Total deductions. Enter here and on page 1, Part I, line 6, column (B) ►

Schedule E - Unrelated Debt-Financed Income (see instructions)

1 Description of debt-financed property		2 Gross income from or allocable to debt-financed property	3. Deductions directly connected with or allocable to debt-financed property	
			(a) Straight line depreciation (attach schedule)	(b) Other deductions (attach schedule)
(1)				
(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)		%		
			Enter here and on page 1, Part I, line 7, column (A)	Enter here and on page 1, Part I, line 7, column (B)
Totals				
Total dividends-received deductions included in column 8				

Schedule F—Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions)

1 Name of controlled organization	2 Employer identification number	Exempt Controlled Organizations			
		3 Net unrelated income (loss) (see instructions)	4 Total of specified payments made	5 Part of column 4 that is included in the controlling organization's gross income	6 Deductions directly connected with income in column 5
(1)					
(2)					
(3)					
(4)					

Nonexempt Controlled Organizations

7 Taxable income	8 Net unrelated income (loss) (see instructions)	9 Total of specified payments made	10 Part of column 9 that is included in the controlling organization's gross income	11 Deductions directly connected with income in column 10
(1)				
(2)				
(3)				
(4)				
			Add columns 5 and 10 Enter here and on page 1, Part I, line 8, column (A)	Add columns 6 and 11 Enter here and on page 1, Part I, line 8, column (B)

Totals

Schedule G—Investment Income of a Section 501(c)(7), (9), or (17) Organization (see instructions)

1 Description of income	2 Amount of income	3 Deductions directly connected (attach schedule)	4 Set-asides (attach schedule)	5 Total deductions and set-asides (col 3 plus col 4)
(1)				
(2)				
(3)				
(4)				
		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 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

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))						

Form 990-T (2018)

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. ▶						
	Enter here and on page 1, Part I, line 11, col (A)	Enter here and on page 1, Part I, line 11, col (B)				Enter here and on page 1, Part II, line 27
Totals, Part II (lines 1-5) ▶						

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 ▶			

Form **990-T** (2018)

SCHEDULE M
(Form 990-T)

Unrelated Business Taxable Income for
Unrelated Trade or Business

OMB No 1545-0687

2018

For calendar year 2018 or other tax year beginning 07/01, 2018, and ending 06/30, 20 19

Department of the Treasury
Internal Revenue Service

▶ 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

Name of organization

Employer identification number

THE CHILDREN'S HOSPITAL OF PHILADELPHIA

23-1352166

Unrelated business activity code (see instructions) ▶ 525990

Describe the unrelated trade or business ▶ THIRD PARTY CALL CENTER REVENUE

Part I Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
1a	Gross receipts or sales			
b	Less returns and allowances			
c	Balance ▶	1c		
2	Cost of goods sold (Schedule A, line 7)	2		
3	Gross profit Subtract line 2 from line 1c	3		
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) <u>ATCH 7</u>	12	35,195.	35,195.
13	Total. Combine lines 3 through 12	13	35,195.	35,195.

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	Salaries and wages	15	
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	
26	Excess exempt expenses (Schedule I)	26	
27	Excess readership costs (Schedule J)	27	
28	Other deductions (attach schedule) <u>ATCH 8</u>	28	1,082,746.
29	Total deductions. Add lines 14 through 28	29	1,082,746.
30	Unrelated business taxable income before net operating loss deduction Subtract line 29 from line 13	30	-1,047,551.
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	-1,047,551.

For Paperwork Reduction Act Notice, see instructions

Schedule M (Form 990-T) 2018

THE CHILDREN'S HOSPITAL OF PHILADELPHIA

23-1352166

ATTACHMENT 1

ORGANIZATION'S FIRST UNRELATED TRADE OR BUSINESS ACTIVITY

LABORATORY TESTING FOR NON-PATIENTS

THE CHILDREN'S HOSPITAL OF PHILADELPHIA

23-1352166

ATTACHMENT 2

NAME AND FEIN OF PARENT CORPORATION

THE CHILDREN'S HOSPITAL OF PHILADELPHIA FOUNDATION
23-2237932

ATTACHMENT 3

FORM 990T - PART II - LINE 28 - TOTAL OTHER DEDUCTIONS

ADMINISTRATIVE AND OVERHEAD EXPENSES	445,335.
ACCOUNTING FEES	3,570.

PART II - LINE 28 - OTHER DEDUCTIONS	<u>448,905.</u>
--------------------------------------	-----------------

FORM 990-T, PAGE 1 DETAIL

LINE 19 - CONTRIBUTIONS DEDUCTION

1. TAXABLE INCOME EXCLUDING CONTRIBUTIONS	132,844.
2. LESS: NOL CARRYOVER	6,457,285.
3. PLUS: CAPITAL LOSS CARRYBACK	
4. TAXABLE INCOME WITHOUT REGARD TO CONTRIBUTIONS, SPECIAL DEDUCTIONS, NOL CARRYBACKS, AND CAPITAL LOSS CARRYBACKS	-6,324,441.
5. CONTRIBUTION DEDUCTION LIMITATION (TAXABLE INCOME X 10%)	NONE
6. AMOUNT OF DEDUCTIBLE CONTRIBUTIONS	2,005,438.
7. CONTRIBUTION DEDUCTION (LESSER OF LINE 5 OR LINE 6)	NONE

LINE 19 - 5 YEAR CONTRIBUTION CARRYOVER - 10% INCOME CAP

YEAR ENDING	AMOUNT AVAILABLE	AMOUNT UTILIZED	CONVERTED TO NOL CARRYOVER	CARRYOVER TO NEXT YEAR
06/30/2014	5,438.	NONE		
06/30/2018	2,000,000.	NONE	13,284.	1,986,716.
TOTAL	2,005,438.	NONE	13,284.	1,986,716.
EXPIRED CARRYOVER:		5,438.		

ATTACHMENT 5

FORM 990T - SCHEDULE A - LINE 4B - OTHER COSTS

DIRECT COSTS OF TESTS

590,631.

TOTAL OTHER COSTS

590,631.

THE CHILDREN'S HOSPITAL OF PHILADELPHIA
EIN: 23-1352166
FOR THE YEAR ENDED 06/30/2019

FORM 990-T, PART II, LINE 35

NET OPERATING LOSS CARRYOVER FOR TAX YEARS BEGINNING ON OR BEFORE JANUARY 1, 2018

<u>YEAR ENDING</u>	<u>ORIGINAL NOL</u>	<u>AMOUNT AVAILABLE</u>	<u>AMOUNT USED IN CURRENT YEAR</u>	<u>CONVERTED CHARITABLE CONTRIBUTIONS</u>	<u>CARRYOVER TO NEXT YEAR</u>
6/30/2014	\$ 6,863,274	\$ 6,183,866	\$ 132,844	\$ -	\$ 6,051,022
6/30/2018	273,419	273,419	-	13,284	286,703
	<u>\$ 7,136,693</u>	<u>\$ 6,457,285</u>	<u>\$ 132,844</u>	<u>\$ 13,284</u>	<u>\$ 6,337,725</u>
NOL CARRYFORWARD TO 6/30/2020					<u>\$ 6,337,725</u>

THE CHILDREN'S HOSPITAL OF PHILADELPHIA

ATTACHMENT 7

SCHEDULE M - LINE 12 - OTHER INCOME

THIRD PARTY CALL CENTER REVENUE

35,195.

LINE 12 - OTHER INCOME

35,195.

SCHEDULE M - PART II - LINE 28 - TOTAL OTHER DEDUCTIONS

ADMINISTRATIVE AND OVERHEAD EXPENSES
ACCOUNTING FEES

1,079,176.
3,570.

PART II - LINE 28 - OTHER DEDUCTIONS

1,082,746.

THE CHILDREN'S HOSPITAL OF PHILADELPHIA
EIN: 23-1352166
FOR THE YEAR ENDED 06/30/2019

FORM 990-T, SCHEDULE M, THIRD PARTY CALL CENTER ACTIVITY, PART II, LINE 32
NET OPERATING LOSS CARRYOVER

<u>YEAR ENDING</u>	<u>ORIGINAL NOL</u>	<u>AMOUNT AVAILABLE</u>	<u>AMOUNT USED IN PRIOR YEAR</u>	<u>AMOUNT USED IN CURRENT YEAR</u>	<u>CARRYOVER TO NEXT YEAR</u>
6/30/2019	\$ 1,047,551	\$ 1,047,551	\$ -	\$ -	\$ 1,047,551
	\$ 1,047,551	\$ 1,047,551	\$ -	\$ -	\$ 1,047,551
NOL CARRYFORWARD TO 6/30/2020					\$ 1,047,551