



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 \_\_\_\_\_ and ending \_\_\_\_\_  
▶ 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).

Department of the Treasury  
Internal Revenue Service

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

A  Check box if address changed

B Exempt under section  
 501 (C) (3)  
 408(e)  220(e)  
 408A  530(a)  
 529(a)

Name of organization (  Check box if name changed and see instructions )  
**Mayo Clinic Health System-Franciscan Medical Center, Inc**

Number, street, and room or suite no. If a P O box, see instructions  
**700 WEST AVENUE SOUTH**

City or town State ZIP code  
**LACROSSE WI 54601**

Foreign country name Foreign province/state/county Foreign postal code

D Employer identification number  
(Employees' trust, see instructions)  
**39-0806374**

E Unrelated business activity codes  
(See instructions)  
**446110 541611**

C Book value of all assets at end of year **289,171,365**

F Group exemption number (See instructions) ▶ **5983**

G Check organization type ▶  501(c) corporation  501(c) trust  401(a) trust  Other trust

H Describe the organization's primary unrelated business activity. ▶ **Mgmt fees and pharmacy and optical services to non-patients.**

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 ▶ **Mayo Clinic 41-6011702**

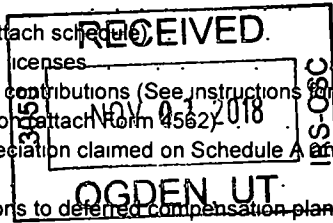
J The books are in care of ▶ **Mayo Clinic Corporate Tax Unit** Telephone number ▶ **507-538-1297**

SCANNED DEC 04 2018

Part I Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
1 a	Gross receipts or sales <u>1,905,711</u>			
b	Less returns and allowances			
	c Balance ▶	1c	1,905,711	
2	Cost of goods sold (Schedule A, line 7)	2	609,425	
3	Gross profit. Subtract line 2 from line 1c	3	1,296,286	1,296,286
4 a	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		
8	Interest, annuities, royalties, and rents from controlled organizations (Schedule F)	8	48,438	48,438
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	<b>Total.</b> Combine lines 3 through 12	13	1,344,724	0 1,344,724

**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		224,508
16	Repairs and maintenance	16		
17	Bad debts	17		15,140
18	Interest (attach schedule)	18		
19	Taxes and licenses	19		23,895
20	Charitable contributions (See instructions for limitation rules)	20		35,500
21	Depreciation (attach Form 4562)	21	7,380	
22	Less depreciation claimed on Schedule A and elsewhere on return	22a		7,380
23	Depletion	23		
24	Contributions to deferred compensation plans	24		
25	Employee benefit programs	25		78,922
26	Excess exempt expenses (Schedule I)	26		
27	Excess readership costs (Schedule J)	27		
28	Other deductions (attach schedule)	28		639,884
29	<b>Total deductions.</b> Add lines 14 through 28	29		1,025,229
30	Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	30		319,495
31	Net operating loss deduction (limited to the amount on line 30)	31		
32	Unrelated business taxable income before specific deduction. Subtract line 31 from line 30	32		319,495
33	Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions)	33		1,000
34	<b>Unrelated business taxable income.</b> Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32	34		318,495



23 510

**Part III Tax Computation**

<b>35</b>	<b>Organizations Taxable as Corporations.</b> See instructions for tax computation. Controlled group members (sections 1561 and 1563) check here <input checked="" type="checkbox"/> See instructions and		
<b>a</b>	Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order)	(1) \$	(2) \$
		(3) \$	
<b>b</b>	Enter organization's share of (1) Additional 5% tax (not more than \$11,750)	\$	
	(2) Additional 3% tax (not more than \$100,000)	\$	
<b>c</b>	Income tax on the amount on line 34		<b>35c</b> 111,473
<b>36</b>	<b>Trusts Taxable at Trust Rates.</b> 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)		<b>36</b>
<b>37</b>	<b>Proxy tax.</b> See instructions		<b>37</b>
<b>38</b>	Alternative minimum tax		<b>38</b>
<b>39</b>	<b>Tax on Non-Compliant Facility Income.</b> See instructions		<b>39</b>
<b>40</b>	<b>Total.</b> Add lines 37, 38 and 39 to line 35c or 36, whichever applies		<b>40</b> 111,473

**Part IV Tax and Payments**

<b>41 a</b>	Foreign tax credit (corporations attach Form 1118, trusts attach Form 1116)	<b>41a</b>		
<b>b</b>	Other credits (see instructions)	<b>41b</b>		
<b>c</b>	General business credit Attach Form 3800 (see instructions)	<b>41c</b>		
<b>d</b>	Credit for prior year minimum tax (attach Form 8801 or 8827)	<b>41d</b>		
<b>e</b>	<b>Total credits.</b> Add lines 41a through 41d	<b>41e</b>		0
<b>42</b>	Subtract line 41e from line 40	<b>42</b>		111,473
<b>43</b>	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)	<b>43</b>		
<b>44</b>	<b>Total tax.</b> Add lines 42 and 43	<b>44</b>		111,473
<b>45 a</b>	Payments A 2016 overpayment credited to 2017	<b>45a</b>	19,849	
<b>b</b>	2017 estimated tax payments	<b>45b</b>	15,000	
<b>c</b>	Tax deposited with Form 8868	<b>45c</b>	7,000	
<b>d</b>	Foreign organizations Tax paid or withheld at source (see instructions)	<b>45d</b>		
<b>e</b>	Backup withholding (see instructions)	<b>45e</b>		
<b>f</b>	Credit for small employer health insurance premiums (Attach Form 8941)	<b>45f</b>		
<b>g</b>	Other credits and payments <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input type="checkbox"/> Other Total	<b>45g</b>	0	
<b>46</b>	<b>Total payments.</b> Add lines 45a through 45g	<b>46</b>		41,849
<b>47</b>	Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>	<b>47</b>		
<b>48</b>	<b>Tax due.</b> If line 46 is less than the total of lines 44 and 47, enter amount owed	<b>48</b>		69,624
<b>49</b>	<b>Overpayment.</b> If line 46 is larger than the total of lines 44 and 47, enter amount overpaid	<b>49</b>		0
<b>50</b>	Enter the amount of line 49 you want Credited to 2018 estimated tax Refunded	<b>50</b>		0

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

<b>51</b>	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
			X
<b>52</b>	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
<b>53</b>	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

Signature of officer: *Chris Hoff* Date: 10/12/18 Title: TAX DIRECTOR

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

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name	Firm's EIN			
	Firm's address	Phone no			

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

<b>1</b> Inventory at beginning of year . . . . .	<b>1</b>		<b>6</b> Inventory at end of year . . . . .	<b>6</b>	
<b>2</b> Purchases . . . . .	<b>2</b>	609,425	<b>7</b> Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2	<b>7</b>	609,425
<b>3</b> Cost of labor . . . . .	<b>3</b>		<b>8</b> Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? . . . . .	Yes	No
<b>4 a</b> Additional section 263A costs (attach schedule) . . . . .	<b>4a</b>				
<b>b</b> Other costs (attach schedule) . . . . .	<b>4b</b>				
<b>5</b> Total. Add lines 1 through 4b	<b>5</b>	609,425			X

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

<b>1.</b> Description of property		
(1) N / A		
(2)		
(3)		
(4)		
<b>2. Rent received or accrued</b>		
<b>(a)</b> From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	<b>(b)</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)	<b>3(a)</b> Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(1)		
(2)		
(3)		
(4)		
Total	0	Total 0
<b>(c) 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) . . . . . ► 0

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

<b>1.</b> Description of debt-financed property		<b>2.</b> Gross income from or allocable to debt-financed property	<b>3.</b> Deductions directly connected with or allocable to debt-financed property	
			<b>(a)</b> Straight line depreciation (attach schedule)	<b>(b)</b> Other deductions (attach schedule)
(1) N / A				
(2)				
(3)				
(4)				
<b>4.</b> Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	<b>5.</b> Average adjusted basis of or allocable to debt-financed property (attach schedule)	<b>6.</b> Column 4 divided by column 5	<b>7.</b> Gross income reportable (column 2 × column 6)	<b>8.</b> Allocable deductions (column 6 × total of columns 3(a) and 3(b))
(1)		%	0	0
(2)		%	0	0
(3)		%	0	0
(4)		%	0	0
<b>Totals</b> . . . . . ►			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
<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) Health Tradition Health Plan	39-1545987				
(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) -2,582,631	-2,582,631	48,438	48,438	
(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** 48,438 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) N/A				0
(2)				0
(3)				0
(4)				0

Enter here and on page 1, Part I, line 9, column (A). 0

Enter here and on page 1, Part I, line 9, column (B). 0

**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) N/A			0			0
(2)			0			0
(3)			0			0
(4)			0			0

Enter here and on page 1, Part I, line 10, col (A) 0

Enter here and on page 1, Part I, line 10, col (B) 0

Enter here and on page 1, Part II, line 26 0

**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) N/A						
(2)						
(3)						
(4)						

**Totals (carry to Part II, line (5))** 0 0 0 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) N / A			0			0
(2)			0			0
(3)			0			0
(4)			0			0
<b>Totals from Part I</b>	0	0				0
<b>Totals, Part II (lines 1-5)</b>	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)		%	
<b>Total. Enter here and on page 1, Part II, line 14</b>			0

# Alternative Minimum Tax—Corporations

▶ Attach to the corporation's tax return.

▶ Go to [www.irs.gov/Form4626](http://www.irs.gov/Form4626) for instructions and the latest information.

<b>Name</b> Mayo Clinic Health System-Franciscan Medical Center, Inc	<b>Employer identification number</b> 39-0806374
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**Note:** See the instructions to find out if the corporation is a small corporation exempt from the alternative minimum tax (AMT) under section 55(e)

<b>1</b> Taxable income or (loss) before net operating loss deduction . . . . .		<b>1</b>	318,495
<b>2 Adjustments and preferences:</b>			
<b>a</b> Depreciation of post-1986 property . . . . .		<b>2a</b>	
<b>b</b> Amortization of certified pollution control facilities . . . . .		<b>2b</b>	
<b>c</b> Amortization of mining exploration and development costs . . . . .		<b>2c</b>	
<b>d</b> Amortization of circulation expenditures (personal holding companies only) . . . . .		<b>2d</b>	
<b>e</b> Adjusted gain or loss . . . . .		<b>2e</b>	
<b>f</b> Long-term contracts . . . . .		<b>2f</b>	
<b>g</b> Merchant marine capital construction funds . . . . .		<b>2g</b>	
<b>h</b> Section 833(b) deduction (Blue Cross, Blue Shield, and similar type organizations only) . . . . .		<b>2h</b>	
<b>i</b> Tax shelter farm activities (personal service corporations only) . . . . .		<b>2i</b>	
<b>j</b> Passive activities (closely held corporations and personal service corporations only) . . . . .		<b>2j</b>	
<b>k</b> Loss limitations . . . . .		<b>2k</b>	
<b>l</b> Depletion . . . . .		<b>2l</b>	
<b>m</b> Tax-exempt interest income from specified private activity bonds . . . . .		<b>2m</b>	
<b>n</b> Intangible drilling costs . . . . .		<b>2n</b>	
<b>o</b> Other adjustments and preferences. . . . .		<b>2o</b>	
<b>3</b> Pre-adjustment alternative minimum taxable income (AMTI). Combine lines 1 through 2o . . . . .		<b>3</b>	318,495
<b>4 Adjusted current earnings (ACE) adjustment:</b>			
<b>a</b> ACE from line 10 of the ACE worksheet in the instructions . . . . .	<b>4a</b>		318,495
<b>b</b> Subtract line 3 from line 4a. If line 3 exceeds line 4a, enter the difference as a negative amount. See instructions. . . . .	<b>4b</b>		0
<b>c</b> Multiply line 4b by 75% (0.75). Enter the result as a positive amount . . . . .	<b>4c</b>		0
<b>d</b> Enter the excess, if any, of the corporation's total increases in AMTI from prior year ACE adjustments over its total reductions in AMTI from prior year ACE adjustments. See instructions. <b>Note:</b> You <i>must</i> enter an amount on line 4d (even if line 4b is positive) . . . . .	<b>4d</b>		
<b>e</b> ACE adjustment. . . . .		<b>4e</b>	
• If line 4b is zero or more, enter the amount from line 4c			
• If line 4b is less than zero, enter the <b>smaller</b> of line 4c or line 4d as a negative amount			
<b>5</b> Combine lines 3 and 4e. If zero or less, stop here, the corporation does not owe any AMT . . . . .		<b>5</b>	318,495
<b>6</b> Alternative tax net operating loss deduction. See instructions . . . . .		<b>6</b>	0
<b>7</b> <b>Alternative minimum taxable income.</b> Subtract line 6 from line 5. If the corporation held a residual interest in a REMIC, see instructions . . . . .		<b>7</b>	318,495
<b>8 Exemption phase-out</b> (if line 7 is \$310,000 or more, skip lines 8a and 8b and enter -0- on line 8c)			
<b>a</b> Subtract \$150,000 from line 7. If completing this line for a member of a controlled group, see instructions. If zero or less, enter -0- . . . . .	<b>8a</b>		0
<b>b</b> Multiply line 8a by 25% (0.25) . . . . .	<b>8b</b>		0
<b>c</b> Exemption. Subtract line 8b from \$40,000. If completing this line for a member of a controlled group, see instructions. If zero or less, enter -0- . . . . .		<b>8c</b>	0
<b>9</b> Subtract line 8c from line 7. If zero or less, enter -0- . . . . .		<b>9</b>	318,495
<b>10</b> Multiply line 9 by 20% (0.20) . . . . .		<b>10</b>	63,699
<b>11</b> Alternative minimum tax foreign tax credit (AMTFTC). See instructions . . . . .		<b>11</b>	
<b>12</b> Tentative minimum tax. Subtract line 11 from line 10 . . . . .		<b>12</b>	63,699
<b>13</b> Regular tax liability before applying all credits except the foreign tax credit . . . . .		<b>13</b>	111,473
<b>14</b> <b>Alternative minimum tax.</b> Subtract line 13 from line 12. If zero or less, enter -0-. Enter here and on Form 1120, Schedule J, line 3, or the appropriate line of the corporation's income tax return . . . . .		<b>14</b>	0

For Paperwork Reduction Act Notice, see separate instructions.

**Line 20 (990-T) - Charitable Contributions**

Check ("X") box  Corporations  Trusts 50%  Trusts (combined)   
 Cash 64,478   
 Non Cash under \$5000 \_\_\_\_\_   
 Non Cash over \$5000 \_\_\_\_\_

1 Contributions for current year		Amount	Deduction Allowed in Current Year	Adjustment under Section 170(d)(2)(B)	New Carryover
<b>Enter the contributions by type</b>					
Corporations	10% limitation	64,478	35,500		28,978
Trusts	170(b)(1)(A) 50% limitation		0		0
	30% limitation		0		0
<b>2 Carryover from:</b>					
<b>a 5th preceding period 2a</b>					
Corporations	10% limitation	132,918	0		132,918
Trusts	170(b)(1)(A) 50% limitation	0	0		0
	30% limitation	0	0		0
<b>b 4th preceding period 2b</b>					
Corporations	10% limitation	0	0		0
Trusts	170(b)(1)(A) 50% limitation	0	0		0
	30% limitation	0	0		0
<b>c 3rd preceding period 2c</b>					
Corporations	10% limitation	87,469	0		87,469
Trusts	170(b)(1)(A) 50% limitation	0	0		0
	30% limitation	0	0		0
<b>d 2nd preceding period 2d</b>					
Corporations	10% limitation	48,531	0		48,531
Trusts	170(b)(1)(A) 50% limitation	0	0		0
	30% limitation	0	0		0
<b>e 1st preceding period 2e</b>					
Corporations	10% limitation	7,075	0		7,075
Trusts	170(b)(1)(A) 50% limitation	0	0		0
	30% limitation	0	0		0
<b>3 Totals</b>	<b>3</b>	<b>340,471</b>	<b>35,500</b>	<b>0</b>	<b>304,971</b>
<b>4 Carryover to expire next year due to 5 year limitation</b>				<b>4</b>	<b>132,918</b>
<b>5 Total contribution carryover to next year</b>				<b>5</b>	<b>172,053</b>

**Computation of Section 179 Deduction for Estimated Charitable Contribution**

<b>6 Taxable Income computed without contribution deduction or Section 179</b>	<b>6</b>	<b>354,995</b>
<b>7 Section 179 deduction for purposes of contribution limitation</b>	<b>7</b>	<b>0</b>
<b>8 Taxable income less Section 179 deduction. Subtract line 7 from line 6</b>	<b>8</b>	<b>354,995</b>
<b>9 Maximum contribution limitation Enter 10 percent of line 8</b>	<b>9</b>	<b>35,500</b>
<b>10 Contribution deduction considering Section 179 limitation. Smaller of line 3, column A or line 9</b>	<b>10</b>	<b>35,500</b>

**Computation of Actual Charitable Contribution**

<b>11 Actual Section 179 deduction</b>	<b>11</b>	<b>0</b>
<b>12 Taxable income less actual Section 179 deduction. Subtract line 11 from line 6</b>	<b>12</b>	<b>354,995</b>
<b>13 Net operating loss deductions limited by line 12</b>	<b>13</b>	<b>0</b>
<b>14 Taxable income for purposes of contribution deduction Subtract line 13 from line 12</b>	<b>14</b>	<b>354,995</b>
<b>15 Maximum contribution limitation. Enter 10 percent of line 14</b>	<b>15</b>	<b>35,500</b>
<b>16 Actual contribution deduction Smaller of line 3, col A, or line 15</b>	<b>16</b>	<b>35,500</b>

**Line 28 (990-T) - Other Deductions**

<b>1 Supplies</b>	<b>1</b>	<b>222,077</b>
<b>2 Provider Taxes</b>	<b>2</b>	<b>1,269</b>
<b>3 Travel</b>	<b>3</b>	<b>603</b>
<b>4 Occupancy</b>	<b>4</b>	<b>15,255</b>
<b>5 Other</b>	<b>5</b>	<b>400,680</b>
<b>6 Total other deductions</b>	<b>6</b>	<b>639,884</b>
<b>7 Total deductions less expenses for offsetting credits</b>	<b>7</b>	<b>639,884</b>

**Line 35c (990-T) - Tax Computation for Members of a Controlled Group**

Check one of the apportionment plans below

Equal apportionment plan. Enter the percentage to use \_\_\_\_\_

Unequal apportionment plan. Enter the amounts below

- 1 Enter the corporation's share of the \$50,000 taxable income bracket 0
- 2 Enter the corporation's share of the \$25,000 taxable income bracket 0
- 3 Enter the corporation's share of the \$9,925,000 taxable income bracket 0

	(A) Current Member	(B) Total Group
1 Enter unrelated business taxable income (line 34, page 1, Form 990-T) . . . . .	318,495	127,400,000
2 Enter line 1 or the corporation's share of the \$50,000 taxable income bracket, whichever is less . . . . .	0	50,000
3 Subtract line 2 from line 1 . . . . .	318,495	127,350,000
4 Enter line 3 or the corporation's share of the \$25,000 taxable income bracket, whichever is less . . . . .	0	25,000
5 Subtract line 4 from line 3 . . . . .	318,495	127,325,000
6 Enter line 5 or the corporation's share of the \$9,925,000 taxable income bracket, whichever is less . . . . .	0	9,925,000
7 Subtract line 6 from line 5 . . . . .	318,495	117,400,000
8 Enter 15% of line 2 . . . . .	0	7,500
9 Enter 25% of line 4 . . . . .	0	6,250
10 Enter 34% of line 6 . . . . .	0	3,374,500
11 Enter 35% of line 7 . . . . .	111,473	41,090,000
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) . . . . .	0	11,750
13 If the taxable income of the controlled group exceeds \$15,000,000, enter this member's share of the smaller of (a) 3% of the excess over \$15,000,000, or (b) \$100,000 (See instructions) . . . . .	0	100,000
14 Add lines 8 through 13. Enter current member amount here and on line 35c, page 2, Form 990-T . . . . .	111,473	44,590,000



## Depreciation and Amortization (Including Information on Listed Property)

Department of the Treasury  
Internal Revenue Service (99)

▶ Attach to your tax return.

▶ Go to [www.irs.gov/Form4562](http://www.irs.gov/Form4562) for instructions and the latest information.

Name(s) shown on return Mayo Clinic Health System-Franciscan Medical	Business or activity to which this form relates 990T	Identifying number 39-0806374
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**Part I Election To Expense Certain Property Under Section 179**

Note: If you have any listed property, complete Part V before you complete Part I

1 Maximum amount (see instructions)	1	
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
4 Reduction in limitation Subtract line 3 from line 2. If zero or less, enter -0-	4	0
5 Dollar limitation for tax year Subtract line 4 from line 1. If zero or less, enter -0- If married filing separately, see instructions	5	0

6 (a) Description of property	(b) Cost (business use only)	(c) Elected cost
7 Listed property. Enter the amount from line 29	7	
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	0
9 Tentative deduction Enter the smaller of line 5 or line 8	9	0
10 Carryover of disallowed deduction from line 13 of your 2016 Form 4562	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12 Section 179 expense deduction Add lines 9 and 10, but don't enter more than line 11	12	0
13 Carryover of disallowed deduction to 2018. Add lines 9 and 10, less line 12	13	0

Note: Don't use Part II or Part III below for listed property. Instead, use Part V

**Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property.) (See instructions.)**

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	

**Part III MACRS Depreciation (Don't include listed property.) (See instructions.)**

**Section A**

17 MACRS deductions for assets placed in service in tax years beginning before 2017	17	7,380
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>	18	

**Section B - Assets Placed in Service During 2017 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19 a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27 5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	

**Section C - Assets Placed in Service During 2017 Tax Year Using the Alternative Depreciation System**

20 a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

**Part IV Summary (See instructions.)**

21 Listed property Enter amount from line 28	21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	22	7,380
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.