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

OMB No 1545-0687

	For calendar year 2018 or other tax year beginning 10/01/18, and ending 09/30/19
tment of the Treasury	►Go to www.irs.gov/Form9907 for instructions and the latest information.
al Revenue Service	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

•	tment of the Treasury at Revenue Service	Do mot on		Irs.gov/Form990T for							n to Public Inspection for (c)(3) Organizations Only
intern	Check box if	<del>                                     </del>						Ol gamzauc	D Employer ide		
<u> </u>	address changed		of organization	( Check box if nam	-		-		(Employees' tr		
B E	xempt under section 501( C)(3)		NTER	ERN REGION	и пи	EDT,	CAL		(2	302 000	,
/=	408(e) 220(e)	I —		or suite no. If a P.O. box, see	instructions				56-0	530	233
<b>/</b> /	408A 530(a)	1 1		08, 300 W					E Unrelated bu		
<i>1</i>	529(a)	1 "		vince, country, and ZIP or fo					(See instructi	ons )	1
C B	ook value of all assets	LU	MBERTON	· · · · · · · · · · · · · · · · · · ·	1	NC 2	8359-	1408	4461	10	
	end of year	F Group e	xemption numb	ber (See instructions	.) ▶						
	356,266,584	G Check o	rganization typ	e ▶ X 501(c)	corporat	ion	501	(c) trust	401(a) trus	st	Other trust
H E	inter the number of the	organization's	unrelated trade	es or businesses. ೬	1_ c	Descnb	e the only	(or first) un	related trade or	busine	ess here
•	PHARMACY S									-	ly one, complete
F	arts I-V If more than o	one, describe ti	he first in the b	lank space at the end	d of the p	previou	is sentence	e, complete	Parts I and II, o	comple	ete
	chedule M for each ad			<del></del>							
	ouring the tax year, was					ent-sul	bsidiary co	ntrolled gro	oup?	1	Yes X No
11	"Yes," enter the name	and identifying	g number of the	e parent corporation.							
	he books are in care of	TRITE 4	IN BYNU					Tele	phone number	9	10-671-5090
***********	***********	d Trade or i					(A) Inc		(B) Expenses		(C) Net
1a	Gross receipts or sale		Dasiness III				(*,)	•	7 .	77.74	J. 43 2 6 7 5 2
b	Less returns and allow			c Balance		1c					
2	Cost of goods sold (Se		. 7)	_ C Dalance		2			<del>maaadimiddimiddiid</del> Saacaa Saacaa		
3	Gross profit Subtract		•		F	3			<u> </u>		
4a	Capital gain net incom				ŀ	4a					/
b	Net gain (loss) (Form 479	•	•	97)	t	4b					
c	Capital loss deduction		, (01.00	•.,	1	4c					
5	Income (loss) from partnership		ittach statement)			5			77. <b>3</b> 7. 79. 19. 19. 19. 19. 19. 19. 19. 19. 19. 1		
6	Rent income (Schedu		instruction,			6					
7	Unrelated debt-finance		hedule E)		ř	7	·····				
8	Interest, annuities, royaltion	•	•	nization (Schedule F)	- 1	8					
9	Investment income of a si				<u> </u>	9					
10	Exploited exempt activ					10					
11	Advertising income (S		···-			11					
12	Other Income (See ins		ch schedule)	See Stmt	1	12	7,7	76,653	(84 × 71 (48)	20,0	7,776,653
13	Total: Combine lines		ŕ		1	13	7,7°	76,653			7,776,653
Pa	it/ii Deductio	ns Not Tak	en Elsewhe	ere (See instruction ected with the dr	DOS fo		ations on	deduction	ons.) (Except	for c	ontributions,
					rélatèc	l busi	ness inc	ome.)	<del></del>		
14	Compensation of offic	ers, directors,	and trustees (S		100	000	18			14	
15	Salaries and wages			AUG	182	UZU	<b>138</b>			15	566,162
16 40	Repairs and maintena	ince		Δ <u>i</u>						16	022 100
<b>(</b> 1)7	Bad debts			OGD	EV	117				17	933,198
CFA90017722	Interest (attach sched	iule) (see instru	uctions)	Spring Market	ملايحك	· · · · · · · · · · · · · · · · · · ·			ļ	18	<del></del>
<b>2</b> 19	Taxes and licenses		/ .							19	
<b>Z</b> 20	Charitable contributions (		for limitation rules				1	ا بم	120	20	
<b>∏</b> 2]1	Depreciation (attach F		<b>/</b>	<b>.</b>				21	120		120
22	Less depreciation clai	med on Sched	ule A and else	where on return			فا	2a		22b	120
23	Depletion		Na							23	<del></del>
23 24 25 25 26 427 28	Contributions to defer		uon pians							24 25	203,818
ر دي	Employee benefit prog	- /								26	203,010
427	Excess exempt expent Excess readership co			•	•		•			27	
ა"′ ⊐2₽	Other deductions (atta		S) .				See S	tatem	ent 2	28	6,416,596
ჳ²° ∸29	Total deductions. Ad	•	ugh 28				200 L			29	8,119,894
30	Unrelated business ta		-	ration loss deduction	Subtrac	et line 1	 29 from line	13		30	-343,241
31	Deduction for net ope		=	-					•	31	
32	Unrelated business ta	_		•	J. Vallua	· y · , 20	0.0 (300 111	55 000015)	١ ١	32	-343,241
DAA	For Paperwork Redu										Form 990-T (2018)

	1990-1 (2016) DOUTHEADTERN REGIONAL MEDICAL 30-0330233				Fage Z
Ra	正子界 してotal Unrelated Business Taxable income				
33	Total of unrelated business taxable income computed from all unrelated trades or businesses (see	ļ	,		
	instructions)		33		
34	Amounts paid for disallowed fringes		_\$4		
35	Deductions for net operating loss ansing in tax years beginning before January 1, 2018 (see				
	instructions)		35		
36	Total of unrelated business taxable income before specific deduction. Subtract line 35 from the sum	ľ			
-	of lines 33 and 34		36		0
37	Specific deduction (Generally \$1,000, but see line 37 instructions for exceptions)	4	37		1,000
38	Unrelated business taxable income. Subtract line 37 from line 36. If line 37 is greater than line 36,	7	<del>- 11</del>   -		27000
30	enter the smaller of zero or line 36		( <u>)</u> ,		0
7 B.	It I Tax Computation		<del>- 11,</del> 1−		
39	Organizations Taxable as Corporations. Multiply line 38 by 21% (0.21)		1		
40	Trusts Taxable at Trust Rates. See instructions for tax computation, Income tax on	•	39		<del></del>
,,	the amount on line 38 from Tax rate schedule or Schedule D (Form 1041)	•	40		
41	Proxy tax. See instructions		41		
	·		42		
42	Alternative minimum tax (trusts only)	}	<del></del>		
43	Tax on Noncompliant Facility Income. See instructions	ł	<b>3</b> 3		0
44	Total. Add lines 41, 42, and 43 to line 39 or 40, whichever applies		34		
	Tax and Payments				
45a	Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116)  45a  45a				
ь	Other credits (see instructions)		\$ <b>1</b>		
C	General business credit. Attach Form 3800 (see Instructions)		4		
d	Credit for pnor year minimum tax (attach Form 8801 or 8827)		1		
6	Total credits. Add lines 45a through 45d	ļ	45e		
46	Subtract line 45e from line 44	ļ	46		
47	Other taxes Check if from Form 4255 Form 8611 Form 8697 Form 8866 Other (att sch)		47		
48	Total tax. Add lines 46 and 47 (see instructions)	l	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		4		
b	2018 estimated tax payments 50b				
С	Tax deposited with Form 8868				
d	Foreign organizations: Tax paid or withheld at source (see instructions) 50d	$\neg$			
8	Backup withholding (see instructions) 50e	$\neg$			
f	Credit for small employer health insurance premiums (attach Form 8941) 50f	$\neg \neg$	11		
g	Other credits, adjustments, and payments. Form 2439	$\neg \neg$			
•	☐ Form 4136 ☐ Other Total ▶ 50g				
51	Total payments. Add lines 50a through 50g	$\neg \uparrow$	51		
52	Estimated tax penalty (see instructions). Check if Form 2220 is attached	ml	52		
53	Tax due. If line 51 is less than the total of lines 48, 49, and 52, enter amount owed	<b>\</b>	53		0
54	Overpayment. If line 51 is larger than the total of lines 48, 49, and 52, enter amount overpaid		54		
<u>55</u>	Enter the amount of line 54 you want. Credited to 2019 estimated tax		55	-	
	it: VI. Statements Regarding Certain Activities and Other Information (see instructions)		<del>- ji</del>	-	
56			+		Yes No
30	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	В	•		163 140
	FinCEN Form 114, Report of Foreign Bank and Financial Accounts. If "YES," enter the name of the foreign countr	y			F 1 51
	here >				X
57	During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a fore	ign tru	st?		X
58	If "YES," see instructions for other forms the organization may have to file.  Enter the amount of tax-exempt interest received or accrued during the tax year > \$				
				•	1 1
	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge a true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.	nd belief,	, it is		
Sig				May the IRS with the prep	discuss this return arer shown below ons)?
Hei	e VP-FINANCE/CFO				
	Signature of officer Date Title			X	es No
	Print/Cype preparer's name Preparer's signature Date	I	Check	if PTIN	
Paid	John L. Grissom, Jr. John L. Grissom, Jr. 08/1	2/20	self-empl	oyed POO	116611
Prep	parer Firm's name > S. PRESTON DOUGLAS & ASSOCIATES, LLP	Firm's I	EIN	56-6	0731535
Use	Only PO BOX 2339				
	Firm's address LUMBERTON, NC 28359-2339	Phone	no	910-7	39-7 <u>523</u>

Fom	1 990-T (2018) SOUTHEAS	TERN R	EGIO	NAL MEDI	CAL	<u> 56</u> -0	0530 <u>233</u>			Page	3
Sct	redule A - Cost of Goods	Sold. Enter	meth	od of invento	ry valuation ▶						
1	Inventory at beginning of year	1		6		year		6	-		
2	Purchases	2		7	•	•	act				
3	Cost of labor	3			line 6 from line 5. E			4 .			
4a	Additional sec 263A costs				in Part I, line 2			7			
	(attach schedule)	4a		8	Do the rules of sec	tion 263/	\ (with respect to			Yes N	_ 0
þ	Other costs (attach schedule)	4b					ed for resale) apply			1 3 N N	7
5	Total. Add lines 1 through 4b	5			to the organization	•	ou ioi ioodio, appiy			<b> </b>	
	edule C - Rent Income (F		roper	ty and Pers			With Real Prope	rtv)		<del>-</del>	_
	ee instructions)			.,				,,			
1. Des	caption of property										_
(1)	N/A										_
(2)						-					_
(3)											_
(4)				<del></del>							_
		2. Rent receiv	ed or accr	ved							
	(a) From personal property (if the percenta	age of rent		(b) From real and	d personal property (if the		3(a) Deductions d	rectly con	nected with the	ıncome	
	for personal property is more than 10%	but not		percentage of rent for	or personal property exceed	st	in columns 2(	a) and 2(b	) (attach schedu	ule)	
	more than 50%)			50% or if the rent is	based on profit or income	)					
(1)											_
(2)											_
3)											_
4)					· · · · · · · · · · · · · · · · · · ·						_
Total			Total				(b) Total deductions	5.			
(c) T	otal income. Add totals of column	ns 2(a) and 2(t	). Enter	•			Enter here and on page				
	and on page 1, Part I, line 6, colu				<b>&gt;</b>		Part I, line 6, column (	B) ▶			_
Sch	edule E - Unrelated Debt-	-Financed	ncom	e (see instruc	tions)	<del>-</del>					
				2 Gmes	income from or		3. Deductions directly or			to	
	1. Description of debt-financed	property			to debt-financed		debl-fina	nced prope	erty	· · · · · · · · · · · · · · · · · · ·	_
					property	(a) S	Straight line depreciation	İ	(b) Other ded	uctions	
	29 / 2					ļ	(attach schedule)	ļ	(attach sche	edule)	_
1)	N/A							<u> </u>			_
2)			_		<del></del>	┼		<u> </u>			_
3)		<del></del>		<u> </u>		┼	· · · · · · · · · · · · · · · · · · ·	<u> </u>			_
4)	A Amount of average	A			<del> </del>	+				<del></del>	_
	4. Amount of average 5. acquisition debt on or	Average adjusted to of or allocable to	Dasis		. Column	7.6	Pross income reportable		8. Allocable de		
		debt-financed propo	•		1 divided column 5	,	column 2 x column 6)	(0	olumn 6 x total o 3(a) and 3		
	property (attach schedule)	(attach schedule	)		<del></del>	<del> </del>					_
1)					9			+			_
2)	<del></del>				9			-			_
3)			_		9			-			_
4)					<u> </u>	7		+			_
							here and on page 1, I, line 7, column (A).		er here and o rt I, line 7, c		
[otal	1					Fait	i, iiio 7, Widiiii (A).	"41	it i, iiile 7, 0	olullii (B).	
ora	13					1		1			

Total dividends-received deductions included in column 8

Page	e 4

Schedule F - Interest, Anni	uities, Royalt	ies, and Ren		<b>n Controll</b> pt Controlled			ons (s	see instruc	tions)	<del></del>
1. Name of controlled		2. Employer		related income		otal of specifie	d 5	. Part of column	4 that is	6 Deductions directly
organization	ide	ntification number		ee instructions)	ł	yments made	ın	icluded in the ci	ontrolling	connected with income in column 5
(1) N/A										
(2)										
(3)								_		
(4)										
Nonexempt Controlled Organiza	itions									
7. Taxable Income		Net unrelated income oss) (see instructions)		9 Total of specis		ındude	d in the c	on 9 that is controlling loss income		. Deductions directly nected with income in column 10
(1)			<del></del>			<del>                                     </del>		_		
(2)		-				1				
(3)						1				
(4)										
						Enter h	columns 5 ere and o line 8, col	n page 1,	Ente	ld columns 6 and 11 er here and on page 1, 11, line 8, column (B)
Totals .					. ▶					
Schedule G – Investment Ir	ncome of a S	ection 501(c	)(7), (9)	, or (17) O	rgani	zation (s	ee inst	tructions)		
1. Description of income		2. Amount of in	ncome	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				<u> </u>				<u> </u>		· · · ·
	<del>-</del> •			<del> </del>	_	-			-	***************************************
(2)								<del> </del>	-	
(4)	<del></del>	<del></del>		-						
Totals .		Enter here and o Part I, line 9, col	n page 1, lumn (A).					. `` `` :		ter here and on page 1, art I, line 9, column (B)
Schedule I - Exploited Exer	mpt Activity	Income, Othe	er Thai	1 Advertisi	ing In	come (se	e insti	ructions)	<u> </u>	
								1		
	2. Gross	3. Expen		4. Net income ( from unrelated		5 Gross II	rome	· _		7. Excess exempt
1. Description of exploited activity	unrelated business income	directly connected		or business (co		from activi		6. Exp		expenses (column 6 minus
,	from trade or	productio unrelate		2 minus columi If a gain, comp		is not unre		l l	attributable to (column 5 column	
	business	business in		cols 5 through		business i	ncome	ne		more than column 4)
								ļ		,
(1) N/A								ļ		
(2)	ļ				$\longrightarrow$			<del>                                     </del>		<del></del>
(3)								<del> </del>		
(4)	Enler here and o	n Enter here a			<del>,</del>	<del>,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,</del>		<del>``</del>	~~~~	
	page 1, Part I,	page 1, P	F:							Enter here and on page 1,
	line 10, col (A)	line 10, col	! (B)				133.00		**************************************	Part II, line 26
Totals • Advantage I					, , , ,	. 3, ,		7.7.7.7	. 200	
Schedule J - Advertising In Part I Income From F				- II: - A J   D -				·		<del></del>
Part I Income From P	enodicals R	eported on a	Conse							T
1. Name of penodical	2. Gross advertising income	3. Direi advertising		4. Advertishr gain or (loss) ( 2 minus col 3 a gain, compi cols 5 through	(col i) If ute	5. Circula Incom		6. Reso		7. Excess readership costs (column 6 minus column 5, but not more than column 4)
(1) N/A				<del>\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\</del>	5.3			†		3.5%
(2)		1	$\neg \neg$	N.C. SHIP 1776	≫თ. გ. [	-				
(3)				S. James	া ব	-		1		
(4)			1							
Totals (carry to Part II, line (5))										
	<u> </u>								, <u></u>	

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 penodical	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)	<u></u>					·
(3)			<u> </u>			
(4)						
Totals from Part I					1.55% ( 155 16.5%	
Totals, Part II (lines 1-5)	Enter here and on page 1, Part I, tine 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

Schedule K - Compensation of Officers, Directo	rs, and Trustees (see instructions)		
1. Name	2. Title	3. Percent of time devoted to business	Compensation attributable to unrelated business
(1) N/A		%	
(2)		%	
(3)		%	
(4)		%	
Total. Enter here and on page 1, Part II, line 14		<b>&gt;</b>	

Form **990-T** (2018)

Form **990-T** 

## **Schedule M Charitable Contribution and Loss Calculation**

Description Unrelated Business Activity



Name

SOUTHEASTERN REGIONAL MEDICAL

Taxpayer Identification Number 56-0530233

Unincorporated Business Income Tax Code 446110 Activity Pharmacies and drug stores

Vorksheet 1 Activity Charitable Contribution Deduction  Activity Income (Schedule M, Line 13, col C)	1	7,776,653
Activity Expense (does not include amount needed for Line 20)		8,119,894
Net Income (Line 1 minus Line 2); If less than zero, enter -0-	3	0,110,001
Current activity contribution limit (Multiplier used is 10 %)	131	
	· · · <del>4</del>	
Current year contributions	5	
Prior year contributions (corporations only)	. 6	
Total available contributions (Add lines 5 and 6)	7	
Take the lesser of Line 4 or 7; Enter here and on Line 20 (Form 990T or Sch M)	8	
Remaining contributions (subtract line 8 from line 7)	. 9	
O Allocate any remaining amount of Line 9 to taxable fringe benefits (within percent limits),		
Enter amount here and on Form 990-T, Line 33 as a negative amount	10	
1 Remaining contributions (carried forward for corporations only, See Worksheet 3)	11	0
Vorkshiet 2 Activity Losses and Carryforward Amounts		
Activity losses (do not include amounts before 2018)	1	
Amount of loss used in the current year	2	0
Prior year losses carried over to next year	3	
Losses generated by current year activity	4	343,241
Total loss carried forward to 2019	5	343,241

<del></del>		Prior Year	<u> </u>	Current Year	Next Year	
Prior Tax Years	Contributions	Used	Carryover	Amount Used	Carryover	
5th 09/30/14					Sp. Co. L.C. NO.	
4th 09/30/15				1		
3rd 09/30/16						
2nd 09/30/17		· · · · · · · · · · · · · · · · · · ·				
1st 09/30/18						
Chantable Contribution Carryover	o Current Year		0	Sinc. 64, 808	ERR STATES	
Current Year Amount	0	. N				

## 560530233 SOUTHEASTERN REGIONAL MEDICAL

56-0530233

# **Federal Statements**

FYE: 9/30/2019

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

Description	_	Amount
GROSS PHARMACY INCOME	\$_	7,776,653
Total	\$_	7,776,653

## Statement 2 - Form 990-T, Part II, Line 28 - Other Deductions

Description		Amount
DRUG EXPENSE	\$	6,114,475
NON MEDICAL SUPPLIES		189,786
OUTSIDE SERVICES		7,635
OTHER EXPENSES		100,352
UTILITIES		4,348
Total	\$	6,416,596