

Form 990-T

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 07/01, 2018, and ending 06/30, 2019

2018

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).

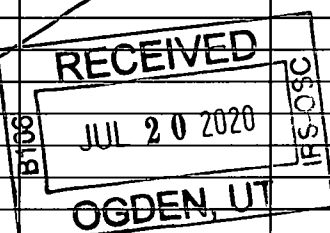
Open to Public Inspection for 501(c)(3) Organizations Only

Form header section including: A Check box if address changed; B Exempt under section 501(c)(23); C Book value of all assets at end of year; Name of organization: REX HOSPITAL, INC.; Number, street, and room or suite no: 4420 LAKE BOONE TRAIL; City or town, state or province, country, and ZIP or foreign postal code: RALEIGH, NC 27607; Employer identification number: 56-1509260; Unrelated business activity code: 621500; Group exemption number: 1268499027; Check organization type: 501(c) corporation.

Form section H: Enter the number of the organization's unrelated trades or businesses: 2. Describe the only (or first) unrelated trade or business here: LABORATORY SERVICES-OUTREACH LAB. Form section I: During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? Yes. Form section J: The books are in care of: ANDREW ZUKOWSKI. Telephone number: 919-784-3100.

Table with 4 columns: Description, (A) Income, (B) Expenses, (C) Net. Rows 1a-13. Total income: 2,871,514. Total net: 2,871,514.

Table with 4 columns: Description, (A) Income, (B) Expenses, (C) Net. Rows 14-32. Total deductions: 2,922,665. Unrelated business taxable income: -51,151.



SCANNED JUN 02 2021

55 Received in OCT 20 2020 Batching Ogden

Part III Total Unrelated Business Taxable Income

Table with 2 columns: Line number and Amount. Line 33: 36,972. Line 35: 36,972. Line 37: 1,000. Line 38: 0.

Part IV Tax Computation

Table with 2 columns: Line number and Amount. Line 39: 39. Line 40: 40. Line 41: 41. Line 42: 42. Line 43: 43. Line 44: 44.

Part V Tax and Payments

Table with 2 columns: Line number and Amount. Line 45a-45d: Credits. Line 46: Subtract line 45e. Line 47: Other taxes. Line 48: Total tax. Line 49: 2018 net 965 tax liability. Line 50a-50g: Payments. Line 51: Total payments. Line 52: Estimated tax penalty. Line 53: Tax due. Line 54: Overpayment. Line 55: Enter the amount of line 54 you want.

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

Table with 2 columns: Question and Yes/No. Question 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... Question 57: During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? Question 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 Sandra K. Feinsmith, Date 6/24/2020, Title CFO. May the IRS discuss this return with the preparer shown below (see instructions)? [X] Yes [] No

Paid Preparer Use Only: Print/Type preparer's name SANDRA L FEINSMITH, Preparer's signature Sandra L Feinsmith, Date 06/26/2020, Check [] if self-employed, PTIN P01064157, Firm's name BDO USA, LLP, Firm's EIN 13-5381590, Firm's address 421 FAYETTEVILLE STREET, SUITE 300, RALEIGH, NC 27601, Phone no 919-278-1936

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

Table with 8 rows and 4 columns for Schedule A. Rows include: 1 Inventory at beginning of year, 2 Purchases, 3 Cost of labor, 4a Additional section 263A costs, 4b Other costs, 5 Total, 6 Inventory at end of year, 7 Cost of goods sold, 8 Do the rules of section 263A...

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

(see instructions)

1. Description of property

Table with 4 rows for property description (1) through (4).

2. Rent received or accrued

Table with 3 columns: (a) From personal property, (b) From real and personal property, 3(a) Deductions directly connected with the income. Includes rows (1) through (4) and a Total row.

(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)

Table with 5 columns: 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, 4. Amount of average acquisition debt, 5. Average adjusted basis, 6. Column 4 divided by column 5, 7. Gross income reportable, 8. Allocable deductions. Includes rows (1) through (4) and a Totals row.

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)				
Totals			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)

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

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		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

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))						

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)ATCH 3		%	
(3)		%	
(4)		%	
Total. Enter here and on page 1, Part II, line 14 ▶			

**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, 2019.

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

REX HOSPITAL, INC.

Employer identification number

56-1509260

Unrelated business activity code (see instructions) ▶ 561110

Describe the unrelated trade or business ▶ MANAGEMENT FEES

Part I Unrelated Trade or Business Income

		(A) Income	(B) Expenses	(C) Net
1a	Gross receipts or sales <u>56,430.</u>			
b	Less returns and allowances			
	c Balance ▶	1c 56,430.		
2	Cost of goods sold (Schedule A, line 7)	2		
3	Gross profit. Subtract line 2 from line 1c	3 56,430.		56,430.
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 56,430.		56,430.

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	ATCH 4.	19,458.
29	Total deductions. Add lines 14 through 28	29		19,458.
30	Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	30		36,972.
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		36,972.

For Paperwork Reduction Act Notice, see instructions.

Schedule M (Form 990-T) 2018

NAME AND FEIN OF PARENT CORPORATION

REX HEALTHCARE, INC. [501(C)(3) GOV'T'L HOSP]
56-1509129

ATTACHMENT 2

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

OUTREACH LAB COST PER PROCEDURE

2,922,665.

PART II - LINE 28 - OTHER DEDUCTIONS

2,922,665.

SCHD. K, FORM 990-T, COMPENSATION OF OFFICERS, DIRECTORS, & TRUSTEES

<u>NAME AND ADDRESS</u>	<u>TITLE</u>	<u>BUSINESS PERCENT</u>	<u>COMPENSATION</u>
CATHARINE B. ARROWOOD 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	DIRECTOR	0	0.
TERESA C. ARTIS 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	DIRECTOR	0	0.
A. WESLEY BURKS, MD 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	DIRECTOR	0	0.
ANN S. COLLINS, MD 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	DIRECTOR/CHAIRMAN	0	0.
COURTNEY A. CROWDER 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	DIRECTOR	0	0.
PETER D. HANS 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	DIRECTOR	0	0.
STEVEN C. LILLY 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	DIRECTOR	0	0.
C. HOWARD NYE 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	DIRECTOR/VICE CHAIRMAN	0	0.
BOBBY T. PARKER 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	DIRECTOR	0	0.
RIG S. PATEL, MD 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	DIRECTOR	0	0.

SCHD. K, FORM 990-T, COMPENSATION OF OFFICERS, DIRECTORS, & TRUSTEES

<u>NAME AND ADDRESS</u>	<u>TITLE</u>	<u>BUSINESS PERCENT</u>	<u>COMPENSATION</u>
WILLIAM L. ROPER, MD 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	DIRECTOR	0	0.
JASON SANDNER 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	DIRECTOR	0	0.
ROBERT S. THOMAS 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	DIRECTOR	0	0.
GARY L. PARK 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	CEO	0	0.
STEPHEN W. BURRISS 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	PRESIDENT	0	0.
ERNEST L. BOVIO JR. 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	COO	0	0.
ANDREW K. ZUKOWSKI 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	CFO & TREASURER	0	0.
LINDA H. BUTLER, MD 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	VP/MEDICAL AFFAIRS, CMO & CMIO	0	0.
JOEL D. RAY 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	VP/PATIENT CARE SVCS & CNO	0	0.
TATE BOMBARD 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	VP/GENERAL COUNSEL & SECRETARY	0	0.

SCHD. K, FORM 990-T, COMPENSATION OF OFFICERS, DIRECTORS, & TRUSTEES

<u>NAME AND ADDRESS</u>	<u>TITLE</u>	<u>BUSINESS PERCENT</u>	<u>COMPENSATION</u>
SYLVIA D. HACKETT 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	VP/REX HEALTHCARE FOUNDATION	0	0.
CHAD T. LEFTERIS 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	VP/OPERATIONS	0	0.
ROBERT D. RICKER 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	VP/PHYSICIAN SERVICES	0	0.
KIRSTEN RIGGS 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	VP	0	0.
LISA R. SCHILLER 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	VP/MKTG, PR, COMM RELATIONS &	0	0.
TAMMIE T. STANTON 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	VP/POST ACUTE SERVICES	0	0.
SEAN T. TEHRANI, MD 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	VP/REGIONAL HOSPITALISTS SERVI	0	0.
ROY C. TEMPKE 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	VP	0	0.
TOM G. WILLIAMS 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	VP/AMBULATORY SERVICES	0	0.
BENJAMIN J. MATHEW 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	ASST TREASURY & ASST SECRETARY	0	0.

SCHD K, FORM 990-T, COMPENSATION OF OFFICERS, DIRECTORS, & TRUSTEES

<u>NAME AND ADDRESS</u>	<u>TITLE</u>	<u>BUSINESS PERCENT</u>	<u>COMPENSATION</u>
MATEEN AKHTAR 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	PHYSICIAN	0	0.
DEEPAK PASI 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	PHYSICIAN	0	0.
MOHIT PASI 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	PHYSICIAN	0	0
JOSEPH FALSONE 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	PHYSICIAN	0	0.
BENJAMIN ATKESON 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	PHYSICIAN	0	0.
SUSAN M. SANDBERG 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	FORMER OFFICER	0	0
JAYNE R BYRD 4420 LAKE BOONE TRAIL RALEIGH, NC 27607	FORMER OFFICER	0	0.
TOTAL COMPENSATION			<u>0.</u>

SCHEDULE M - PART II LINE 28 TOTAL OTHER DEDUCTIONS

MANAGEMENT FEES EXPENSES

19,458.

PART II - LINE 28 - OTHER DEDUCTIONS

19,458.

REX HOSPITAL, INC.
 FEDERAL EIN: 56-1509260
 FOR THE YEAR ENDED JUNE 30, 2019

FORM 990-T NET OPERATING LOSS CARRYFORWARD - ARISING IN TAX YEARS BEGINNING BEFORE JANUARY 1, 2018

<u>TAX YEAR</u>	<u>GENERATED LOSSES</u>	<u>AMOUNTS UTILIZED</u>	<u>AMOUNT TO CARRY FORWARD TO NEXT YEAR</u>
6/30/2007 (2006 Tax Year)	1,329,692	1,019,286	310,406
6/30/2008 (2007 Tax Year)	2,754,000	-	2,754,000
6/30/2009 (2008 Tax Year)	3,466,349	-	3,466,349
6/30/2010 (2009 Tax Year)	3,303,738	-	3,303,738
6/30/2011 (2010 Tax Year)	988,295	-	988,295
6/30/2013 (2012 Tax Year)	88,548	-	88,548
6/30/2014 (2013 Tax Year)	58,741	-	58,741
6/30/2015 (2014 Tax Year)	1,638,537	-	1,638,537
6/30/2017 (2016 Tax Year)	76,856	-	76,856
	<u>13,704,756</u>	<u>1,019,286</u>	<u>12,685,470</u>

FORM 990-T NET OPERATING LOSS CARRYFORWARD - LABORATORY SERVICES-OUTREACH LAB (621500)

<u>TAX YEAR</u>	<u>GENERATED LOSSES</u>	<u>AMOUNTS UTILIZED</u>	<u>AMOUNT TO CARRY FORWARD TO NEXT YEAR</u>
6/30/2019 (2018 Tax Year)	51,151	-	51,151
	<u>51,151</u>	<u>-</u>	<u>51,151</u>