

Form 990-T

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

OMB No 1545-0047

2019

For calendar year 2019 or other tax year beginning 2019, and ending 12/31/2019

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

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 501(c)(3) 501(c)(3) 408(e) 220(e) 408A 530(a) 529(a)

Print or Type

BANNER MEDICAL GROUP

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

90-0532830

2901 N CENTRAL AVE

160

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

PHOENIX, AZ 85012

E Unrelated business activity code (See instructions)

52

C Book value of all assets at end of year

F Group exemption number (See instructions)

77,090,808

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

H Enter the number of the organization's unrelated trades or businesses 1 Describe the only (or first) unrelated trade or business here PARTNERSHIP INVESTMENTS

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? Yes X

J The books are in care of DAVID BIXBY Telephone number 602-747-4000

Table with 4 columns: Description, (A) Income, (B) Expenses, (C) Net. Includes rows for Gross receipts or sales, Less returns and allowances, Cost of goods sold, etc.

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

Table with 4 columns: Description, (A) Income, (B) Expenses, (C) Net. Includes rows for Compensation of officers, directors, and trustees, Salaries and wages, Repairs and maintenance, etc.

For Paperwork Reduction Act Notice, see instructions.

Form 990-T (2019)

SCANNED MAY 25 2021

45 Received in Batchng Ogden DEC 31 2020

RECEIVED NOV 23 2020 OGDEN, UT IRS-OSC

9

Part III Total Unrelated Business Taxable Income

Table with 3 columns: Line number, Description, and Amount. Includes lines 32-39 for unrelated business taxable income calculation.

Part IV Tax Computation

Table with 3 columns: Line number, Description, and Amount. Includes lines 40-45 for tax computation.

Part V Tax and Payments

Table with 3 columns: Line number, Description, and Amount. Includes lines 46-56 for tax and payments.

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

Table with 3 columns: Line number, Description, and Yes/No columns. Includes lines 57-59 regarding foreign accounts and tax-exempt interest.

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 (Gavriel Karp), Date (11/12/20), Title (CEO). Includes a box for IRS discussion consent.

Paid Preparer Use Only: Print/Type preparer's name (PATRICK SHIELDS), Preparer's signature, Date (11/12/20), Firm's name (ERNST & YOUNG U.S. LLP), Firm's address (101 E WASHINGTON ST, STE 910, PHOENIX, AZ 85004).

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	
3	Cost of labor	3					
4a	Additional section 263A costs (attach schedule)	4a					
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?	Yes	No
5	Total. Add lines 1 through 4b	5					X

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	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)		%		
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				

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 25	
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))						

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. ▶						
Totals, Part II (lines 1-5) ▶	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 26

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 ▶			

NAME AND FEIN OF PARENT CORPORATION

BANNER HEALTH
45-0233470

ATTACHMENT 2

FORM 990T - LINE 5 - INCOME (LOSS) FROM PARTNERSHIPS OR S CORPORATIONS

ARIZONA MEDICAL SLEEP INSTITUTE LLC	9,138.
INCOME (LOSS) FROM PARTNERSHIPS	<u>9,138.</u>

FORM 990T - PART III LINE 34 - CHARITABLE CONTRIBUTIONS

UNRELATED TRADE OR BUSINESS INCOME	9,138.
ADD: DOMESTIC PRODUCTION ACTIVITIES DEDUCTION	0.
LESS: DEDUCTIONS W/O CHARITABLE CONTRIBUTIONS & DPAD & CARRYOVER NOL	463.
	<u>0.</u>
	* 10%
CHARITABLE CONTRIBUTION LIMITATION (10%)	868.
CHARITABLE CONTRIBUTION	6,500.
<u>CHARITABLE CONTRIBUTION DEDUCTION (SMALLER OF THE ABOVE TWO)</u>	<u>868.</u>

BANNER MEDICAL GROUP
EIN 90-0532830
YEAR ENDED DECEMBER 31, 2019

PART III, LINE 34 - CHARITABLE CONTRIBUTION CARRYFORWARD SCHEDULE

YEAR END	AMOUNT GENERATED	AMOUNT UTILIZED/EXPIRED	AMOUNT USED IN CURRENT YEAR	CARRYOVER
12/31/2018	3,500	1,161	-	2,339
12/31/2019	6,500	-	868	5,632
TOTAL	\$ 10,000	\$ 1,161	\$ 868	\$ 7,971