

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 01/01, 2018, and ending 12/31, 2018

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 990-T header section including: A Check box if address changed; B Exempt under section 501(c)(3); C Book value of all assets; D Employer identification number 94-3274043; E Unrelated business activity code; F Group exemption number; G Check organization type 501(c) corporation.

H Enter the number of the organization's unrelated trades or businesses NONE. Describe the only (or first) unrelated trade or business here.

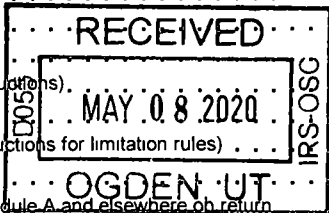
I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? Yes No

J The books are in care of DENNIS ESTRADA Telephone number 916-351-2235

Table with 4 columns: Description, (A) Income, (B) Expenses, (C) Net. Rows include: 1a Gross receipts or sales, 2 Cost of goods sold, 3 Gross profit, 4a Capital gain net income, 5 Income from partnership, 6 Rent income, 7 Unrelated debt-financed income, 8 Interest, annuities, royalties, 9 Investment income, 10 Exploited exempt activity income, 11 Advertising income, 12 Other income, 13 Total.

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)

Table with 4 columns: Description, (A) Income, (B) Expenses, (C) Net. Rows include: 14 Compensation of officers, directors, and trustees; 15 Salaries and wages; 16 Repairs and maintenance; 17 Bad debts; 18 Interest; 19 Taxes and licenses; 20 Charitable contributions; 21 Depreciation; 22 Less depreciation claimed; 23 Depletion; 24 Contributions to deferred compensation plans; 25 Employee benefit programs; 26 Excess exempt expenses; 27 Excess readership costs; 28 Other deductions; 29 Total deductions; 30 Unrelated business taxable income before net operating loss deduction; 31 Deduction for net operating loss; 32 Unrelated business taxable income.



SCANNED OCT 20 2020

35 Received In AUG 20 2020

341

GLP

37

Part III Total Unrelated Business Taxable Income

Table with 2 columns: Description and Amount. Rows include 33 Total of unrelated business taxable income, 34 Amounts paid for disallowed fringes, 35 Deduction for net operating loss, 36 Total of unrelated business taxable income before specific deduction, 37 Specific deduction, 38 Unrelated business taxable income.

Part IV Tax Computation

Table with 2 columns: Description and Amount. Rows include 39 Organizations Taxable as Corporations, 40 Trusts Taxable at Trust Rates, 41 Proxy tax, 42 Alternative minimum tax, 43 Tax on Noncompliant Facility Income, 44 Total.

Part V Tax and Payments

Table with 2 columns: Description and Amount. Rows include 45a-f Foreign tax credit, 46 Subtract line 45e, 47 Other taxes, 48 Total tax, 49 2018 net 965 tax liability, 50a-f Payments, 51 Total payments, 52 Estimated tax penalty, 53 Tax due, 54 Overpayment, 55 Enter the amount of line 54.

Part VI Statements Regarding Certain Activities and Other Information

Table with 3 columns: Question, Yes, No. Rows include 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... 57 During the tax year, did the organization receive a distribution from... 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 (LAUREN E BENNETT), Date (4/30/20), Title (VP, CFO, & TREASURER). May the IRS discuss this return with the preparer shown below? [X] Yes [ ] No.

Paid Preparer Use Only: Print/Type preparer's name (LAUREN E BENNETT), Preparer's signature (Lauren E Bennett), Date (04/29/2020), Firm's name (PRICEWATERHOUSECOOPERS LLP), Firm's address (2001 MARKET ST, SUITE 1800, PHILADELPHIA, PA 19103), PTIN (P01787029), Firm's EIN (13-4008324), Phone no (267-330-3000).

**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		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					X
b	Other costs (attach schedule)	4b					
5	Total. Add lines 1 through 4b	5					

**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)
<b>Totals</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)				
		Enter here and on page 1, Part I, line 9, column (A)		Enter here and on page 1, Part I, line 9, column (B)
<b>Totals</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)						
	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
<b>Totals</b> .....						

**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)						
<b>Totals (carry to Part II, line (5))</b> .....						

**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)						
<b>Totals from Part I. . . . .</b> ▶						
	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
<b>Totals, Part II (lines 1-5) . . . . .</b> ▶						

**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> ▶			

FORM 990T - LINE 50G - OTHER CREDITS AND PAYMENTS

2018 AMOUNT PAID WITH EXTENSION

28,000.

TOTAL LINE 50G - OTHER CREDITS AND PAYMENTS

28,000.

**CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION**  
**FEIN 94-3274043**

**FORM 990-T**  
**AMENDED RETURN STATEMENT**  
**FOR THE TAX YEAR ENDED DECEMBER 31, 2018**

CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION ("TAXPAYER") IS FILING AN AMENDED FORM 990-T FOR THE TAX YEAR ENDED DECEMBER 31, 2018 PURSUANT TO THE RETROACTIVE REPEAL OF INTERNAL REVENUE CODE SECTION 512(A)(7). AS A RESULT, TAXPAYER IS FILING AN AMENDED RETURN IN ORDER TO REMOVE THE AMOUNTS PREVIOUSLY REPORTED AS UNRELATED BUSINESS INCOME FROM THE PROVISION OF QUALIFIED TRANSPORTATION FRINGES.

PURSUANT TO SUCH REPEAL, TAXPAYER HAS REDUCED FORM 990-T, PART III, LINE 34 TO \$0, ELIMINATING THE TAXABLE INCOME AND TAX DUE PREVIOUSLY REPORTED ON PART IV, LINE 44 OF THE TAXPAYER'S ORIGINALLY FILED RETURN. A REFUND IN THE AMOUNT OF \$28,000 IS RESPECTFULLY REQUESTED ON PART V, LINE 55 OF THE ATTACHED AMENDED FORM 990-T.

THE CHANGES ARE BROKEN OUT AS FOLLOWS.

<b>Form 990-T Breakout</b>			
<b>Comparison of Originally Filed to Amended Returns</b>			
	<b>Form 990-T</b>	<b>Form 990-T</b>	
	<b>Originally Filed</b>	<b>Amended Return</b>	<b>Difference</b>
<b>Part III - Total Unrelated Business Taxable Income</b>			
Line 34 - Amounts paid for disallowed fringes	130,622	-	(130,622) *
Line 36 - Total of unrelated business taxable income before specific deduction	130,622	-	(130,622) *
Line 37 - Specific deduction	1,000	-	(1,000) *
<b>Line 38 - Unrelated Business Taxable Income</b>	<b>129,622</b>	<b>-</b>	<b>(129,622) *</b>
<b>Part IV - Tax Computation</b>			
Line 39 - Organizations Taxable as Corporations	27,221	-	(27,221) *
<b>Line 44 - Total</b>	<b>27,221</b>	<b>-</b>	<b>(27,221) *</b>
<b>Part V - Tax and Payments</b>			
Line 46 - Subtract line 45e from line 44	27,221	-	(27,221) *
Line 48 - Total Tax	27,221	-	(27,221) *
Line 50b - 2018 estimated tax payments	28,000	-	(28,000) *
Line 50g - Other - amount paid with extension	-	28,000	28,000 *
Line 51 - Total Payments	28,000	28,000	-
Line 54 - Overpayment	779	-	(779) *
Line 55 - Credited to 2019 estimated tax	779	-	(779) *
Line 55 - Refunded	-	28,000	28,000 *
<b>* The difference is due to the retroactive repeal of IRC section 512(a)(7).</b>			