2006 FOR PROFIT CORPORATION UNIFORM BUSINESS REPORT (UBR)

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Apr 20, 2006 8:00 am
Secretary of State
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DOCUMENT # P95000009899

1. Entity Name
C & R SABAL, INC.

Principal Place of Business	Mailing Address
101 S.W. 52ND COURT MIAMI FL 33134	7331 CORAL WAY SUITE 240 MIAMI FL 33155

2. Principal Place of Business		3. Mailing Address	
		C & R Sabal, Inc	
Suite, Apt. #, etc.		Suite, Apt. #, etc. 10030 SW 4th Street	
City & State		City & State Miami Fl	
Zip	Country	Zip 33174	Country USA

☐ CHECK HERE IF MAKING CHANGES

4. FEI Number 59-3298680 ☐ Applied For ☐ Not Applicable

5. Certificate of Status Desired ☐ **$8.75** Additional Fee Required

6. Name and Address of Current Registered Agent	7. Name and Address of New Registered Agent
VEGA, CLEMENTE 101 S.W. 52ND COURT MIAMI FL 33134	Name Clemente Vega Street Address (P.O. Box Number is Not Acceptable) 11421 SW 82nd Terrace City Miami FL Zip Code 33174

8. The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida. I am familiar with, and accept the obligations of registered agent.

SIGNATURE ______________________________
Signature, typed or printed name of registered agent and title if applicable (NOTE Registered Agent signature required when reinstating) DATE

FILE NOW!!! FEE IS $150.00
After May 1, 2003 Fee will be $550.00
Make Check Payable to Florida Department of State

9. Election Campaign Financing Trust Fund Contribution. ☐ **$5.00** May Be Added to Fees

10. OFFICERS AND DIRECTORS		11. ADDITIONS/CHANGES TO OFFICERS AND DIRECTORS IN 11	
TITLE NAME STREET ADDRESS CITY-ST-ZIP	D RODRIGUEZ, CLEMENTE VEGA 101 S. W. 52ND COURT MIAMI FL 33134 ☐ Delete	TITLE NAME STREET ADDRESS CITY-ST-ZIP	☐ Change ☐ Addition
TITLE NAME STREET ADDRESS CITY-ST-ZIP	D DE RODRIGUEZ, ERMINIA DUENA 101 S. W. 52ND COURT MIAMI FL 33134 ☐ Delete	TITLE NAME STREET ADDRESS CITY-ST-ZIP	☐ Change ☐ Addition
TITLE NAME STREET ADDRESS CITY-ST-ZIP	☐ Delete	TITLE NAME STREET ADDRESS CITY-ST-ZIP	☐ Change ☐ Addition
TITLE NAME STREET ADDRESS CITY-ST-ZIP	☐ Delete	TITLE NAME STREET ADDRESS CITY-ST-ZIP	☐ Change ☐ Addition
TITLE NAME STREET ADDRESS CITY-ST-ZIP	☐ Delete	TITLE NAME STREET ADDRESS CITY-ST-ZIP	☐ Change ☐ Addition
TITLE NAME STREET ADDRESS CITY-ST-ZIP	☐ Delete	TITLE NAME STREET ADDRESS CITY-ST-ZIP	☐ Change ☐ Addition

12. I hereby certify that the information supplied with this filing does not qualify for the exemption stated in Section 119.07(3)(i), Florida Statutes. I further certify that the information indicated on this report or supplemental report is true and accurate and that my signature shall have the same legal effect as if made under oath; that I am an officer or director of the corporation or the receiver or trustee empowered to execute this report as required by Chapter 607, Florida Statutes; and that my name appears in Block 10 or Block 11 if changed, or on an attachment with an address, with all other like empowered.

SIGNATURE: X Clemente Vega 3-27-06
SIGNATURE AND TYPED OR PRINTED NAME OF SIGNING OFFICER OR DIRECTOR Date Daytime Phone #

CR2E034 (10/02)

ATTACHMENT 40055145

#[illegible]

Form **1120** Department of the Treasury Internal Revenue Service

U.S. Corporation Income Tax Return

For calendar year 2005 or tax year beginning ________, 2005, ending ________, ______

► See separate instructions.

OMB No. 1545-0123 **2005**

A Check if: 1 Consolidated return (attach Form 851) ☐ 2 Personal holding company (attach Schedule PH) ☐ 3 Personal service corp (see instructions) ☐ 4 Schedule M-3 required (attach Sch M-3) ☐	Use IRS label. Otherwise, print or type.	Name: C & R SABAL, INC.	**B** Employer identification number: 59-3298680
		Number, street, and room or suite number. If a P.O. box, see instructions.: 7331 CORAL WAY SUITE 240	**C** Date incorporated: 02/01/1995
		City or town: MIAMI, state: FL, ZIP code: 33155-1471	**D** Total assets (see instructions): $ 750,856.

E Check if: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

INCOME	1 a	Gross receipts or sales 200,888. b Less returns & allowances ______ c Balance ►	1c	200,888.
	2	Cost of goods sold (Schedule A, line 8)	2	
	3	Gross profit. Subtract line 2 from line 1c	3	200,888.
	4	Dividends (Schedule C, line 19)	4	
	5	Interest	5	
	6	Gross rents	6	
	7	Gross royalties	7	
	8	Capital gain net income (attach Schedule D (Form 1120))	8	
	9	Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	9	
	10	Other income (see instructions — attach schedule)	10	
	11	**Total income.** Add lines 3 through 10 ►	11	200,888.
DEDUCTIONS (SEE INSTRUCTIONS FOR LIMITATIONS ON DEDUCTIONS)	12	Compensation of officers (Schedule E, line 4)	12	
	13	Salaries and wages (less employment credits)	13	
	14	Repairs and maintenance	14	22,915.
	15	Bad debts	15	
	16	Rents	16	
	17	Taxes and licenses	17	21,015.
	18	Interest	18	15,979.
	19	Charitable contributions (see instructions for 10% limitation)	19	
	20 a	Depreciation (attach Form 4562) — 20a: 17,026.		
	b	Less depreciation claimed on Schedule A and elsewhere on return — 20b:	20c	17,026.
	21	Depletion	21	
	22	Advertising	22	
	23	Pension, profit-sharing, etc, plans	23	
	24	Employee benefit programs	24	
	25	Domestic production activities deduction (attach Form 8903)	25	
	26	Other deductions (attach schedule). See Other Deductions Statement	26	66,378.
	27	**Total deductions.** Add lines 12 through 26 ►	27	143,313.
	28	Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11	28	57,575.
	29	**Less:** a Net operating loss deduction (see instructions) — 29a:		
		b Special deductions (Schedule C, line 20) — 29b:	29c	
TAX AND PAYMENTS	30	**Taxable income.** Subtract line 29c from line 28 (see instructions if Sch C, line 12, was completed)	30	57,575.
	31	**Total tax** (Schedule J, line 11)	31	9,394.
	32	**Payments:** a 2004 overpayment credited to 2005 — 32a: 582.		
		b 2005 estimated tax payments — 32b: 6,927.		
		c Less 2005 refund applied for on Form 4466 — 32c: — d Bal ► 32d: 7,509.		
		e Tax deposited with Form 7004 — 32e: 1,885.		
		f Credits: (1) Form 2439 ______ (2) Form 4136 ______ — 32f:	32g	9,394.
	33	Estimated tax penalty (see instructions). Check if Form 2220 is attached ► ☒	33	33.
	34	**Tax due.** If line 32g is smaller than the total of lines 31 and 33, enter amount owed	34	33.
	35	**Overpayment.** If line 32g is larger than the total of lines 31 and 33, enter amount overpaid	35	
	36	Enter amount of line 35 you want: **Credited to 2006 estimated tax** ► Refunded ►	36	

Sign Here

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] Signature of officer — Date 3-27-06 — ► PRESIDENT Title

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

Paid Preparer's Use Only

Preparer's signature ► [signature] — Date 3-14-06 — Check if self-employed ☒ — Preparer's SSN or PTIN 584-86-2386

Firm's Name (or yours if self-employed), address, and ZIP code ► JOSE A VEGUILLA, BOX 2046 Aibonito PR 00705 — EIN 66-0412252 — Phone no (787) 735-8231

BAA For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. CPCA0212 12/12/05 Form **1120** (2005)

ATTACHMENT
40055145
#P95000009899

NAME C & R SABAL, INC. FEIN 59-3298680 TAXABLE YEAR ENDING 12/31/05

Schedule A — Computation of Emergency Excise Tax (for assets placed in service 1/1/81 to 12/31/86)		
1 Total depreciation expense deducted on federal Form 1120	1	17,026.
2 Florida portion of adjusted federal income from F-1120, Page 1, Line 7 or Schedule VI, Line 7 (see instructions)	2	60,635.
3 Loss carry forward (Enter the loss as a positive number)	3	0.
4 Subtract Line 3 from Line 2 and enter here. **Note:** If a loss carry forward shown on Line 3 exceeds a loss on Line 2, enter positive difference of the loss amounts shown	4	60,635.
5 Depreciation deducted pursuant to IRC Section 168 for assets placed in service 1/1/81 to 12/31/86	5	
6 Straight-line depreciation deducted pursuant to IRC Section 168(b)(3) and 60% of amounts of depreciation previously taxed on Schedule VI (for assets placed in service 1/1/81 to 12/31/86)	6	
7 All depreciation deducted pursuant to IRC Section 168 directly related to any amount shown as nonbusiness income	7	
8 Subtract the sum of Line 6 and 7 from the amount on Line 5 and enter result here	8	
9 Multiply Line 8 by .40 (40%) and enter here	9	
10 Florida apportionment fraction shown in Schedule IIIA or IIID of F-1120 (Taxpayers that are 100% in Florida enter 1.0)	10	
11 Multiply Line 9 by Line 10 and enter here	11	
12 Determine the amount of depreciation deducted pursuant to IRC Section 168 (except pursuant to Section 168(b)(3)) used in computing nonbusiness income allocated to Florida, multiply the amount by .40 (40%), and enter here	12	
13 Add Lines 11 and 12 and enter here	13	
14 **Loss** shown on Line 4. **Note:** If Line 4 does **not** show a loss, enter 0	14	0.
15 The portion of the exemption provided in Section 220.14, Florida Statutes, not used for Chapter 220 purposes, if any. If none, enter 0	15	0.
16 Subtract the sum of Lines 14 and 15 from the amount on Line 13 and enter result here	16	0.
17 Multiply Line 16 by 2.5 **(not 2.5%)** and enter here. **Note:** If Line 16 shows a loss, enter 0	17	0.
18 Total tax due (2.2% of Line 17)	18	0.
19 a Emergency excise tax credit . . . . . b Emergency excise tax credit carryover . . . (attach schedule) Total ►	19	
20 Balance of tax due (enter on page 1, Line 13)	20	0.

Schedule I — Additions and/or Adjustments to Federal Taxable Income		Column (a) For page 1	Column (b) For Schedule VI, AMT
1 Interest excluded from federal taxable income (see instructions)	1		
2 Undistributed net long-term capital gains (see instructions)	2		
3 Net operating loss, net capital loss, and excess charitable and employee benefit plan contribution carryovers deducted in computing federal taxable income (attach schedule)	3		
4 Enterprise zone jobs credit (Form F-1156Z)	4		
5 Ad valorem taxes allowable as enterprise zone property tax credit (Form F-1158Z)	5		
6 Guaranty association assessment(s) credit	6		
7 Rural and/or urban high crime area job tax credits	7		
8 State housing tax credit	8		
9 Credit for contributions to nonprofit scholarship funding organizations	9		
10 Other additions (attach statement)	10		
11 Total Lines 1 through 10 in Columns (a) and (b). Enter totals for each column on Line 11. Column (a) total is also entered on Page 1, Line 3 (of the F-1120 return). Column (b) total is also entered on Schedule VI, Line 3	11		

ATTACHMENT 40055145

Schedule A **Cost of Goods Sold** (see instructions)

1	Inventory at beginning of year	1	
2	Purchases	2	
3	Cost of labor	3	
4	Additional Section 263A costs (attach schedule)	4	
5	Other costs (attach schedule)	5	
6	**Total.** Add lines 1 through 5	6	
7	Inventory at end of year	7	
8	**Cost of goods sold.** Subtract line 7 from line 6. Enter here and on page 1, line 2	8	

9 a Check all methods used for valuing closing inventory:

(i) ☐ Cost

(ii) ☐ Lower of cost or market

(iii) ☐ Other (Specify method used and attach explanation.) ►

b Check if there was a writedown of subnormal goods ► ☐

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ► ☐

d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO 9d

e If property is produced or acquired for resale, do the rules of section 263A apply to the corporation? ☐ Yes ☐ No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If 'Yes,' attach explanation ☐ Yes ☐ No

Schedule C **Dividends and Special Deductions** (see instructions)

		(a) Dividends received	(b) Percentage	(c) Special deductions (a) x (b)
1	Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)		70	
2	Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)		80	
3	Dividends on debt-financed stock of domestic and foreign corporations			
4	Dividends on certain preferred stock of less-than-20%-owned public utilities		42	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities		48	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs		70	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs		80	
8	Dividends from wholly owned foreign subsidiaries		100	
9	**Total.** Add lines 1 through 8. See instructions for limitation			
10	Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958		100	
11	Dividends from affiliated group members and certain FSCs		100	
12	Dividends from controlled foreign corporations (attach Form 8895)		85	
13	Dividends from foreign corporations not included on lines 3, 6, 7, 8, 11, or 12			
14	Income from controlled foreign corporations under subpart F (attach Form(s) 5471)			
15	Foreign dividend gross-up			
16	IC-DISC and former DISC dividends not included on lines 1, 2, or 3			
17	Other dividends			
18	Deduction for dividends paid on certain preferred stock of public utilities			
19	**Total dividends.** Add lines 1 through 17. Enter here and on page 1, line 4 ►			
20	**Total special deductions.** Add lines 9, 10, 11, 12, and 18. Enter here and on page 1, line 29b ►			

Schedule E **Compensation of Officers** (see instructions for page 1, line 12)

Note: *Complete Schedule E only if total receipts (line 1a plus lines 4 through 10 on page 1) are $500,000 or more.*

1	(a) Name of officer	(b) Social security number	(c) Percent of time devoted to business	Percent of corporation stock owned (d) Common	(e) Preferred	(f) Amount of compensation
			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	

2	Total compensation of officers	
3	Compensation of officers claimed on Schedule A and elsewhere on return	
4	Subtract line 3 from line 2. Enter the result here and on page 1, line 12	

ATTACHMENT 40055145

Form 1120 (2005) C.& R SABAL, INC. #P95000009899 59-3298680 Page 3

Schedule J Tax Computation (see instructions)

1	Check if the corporation is a member of a controlled group ► ☐		
	Important: Members of a controlled group, see instructions.		
2 a	If the box on line 1 is checked, enter the corporation's share of the $50,000, $25,000, & $9,925,000 taxable income brackets (in that order): (1) $ (2) $ (3) $		
b	Enter the corporation's share of: (1) Additional 5% tax (not more than $11,750) $ (2) Additional 3% tax (not more than $100,000) $		
3	Income tax. Check if a qualified personal service corporation (see instructions) ► ☐	3	9,394.
4	Alternative minimum tax (attach Form 4626)	4	
5	Add lines 3 and 4	5	9,394.
6 a	Foreign tax credit (attach Form 1118) — 6a		
b	Possessions tax credit (attach Form 5735) — 6b		
c	Credits from: ☐ Form 8834 ☐ Form 8907, line 23 — 6c		
d	General business credit. Check box(es) and indicate which forms are attached. ☐ Form 3800 ☐ Form(s) (specify) ► — 6d		
e	Credit for prior year minimum tax (attach Form 8827) — 6e		
f	Bond credits from: ☐ Form 8860 ☐ Form 8912 — 6f		
7	**Total credits.** Add lines 6a through 6f	7	
8	Subtract line 7 from line 5	8	9,394.
9	Personal holding company tax (attach Schedule PH (Form 1120))	9	
10	Other taxes. Check if from: ☐ Form 4255 ☐ Form 8611 ☐ Form 8697 ☐ Form 8866 ☐ Form 8902 ☐ Other (att schedule)	10	
11	**Total tax.** Add lines 8 through 10. Enter here and page 1, line 31	11	9,394.

Schedule K Other Information (see instructions)

		Yes	No
1	Check accounting method: a ☐ Cash b ☒ Accrual c ☐ Other (specify) ►		
2	See the instructions and enter the: a Business activity code no. ► 006599 b Business activity ► RENT c Product or service ► COMMERCIAL RENT		
3	At the end of the tax year, did the corporation own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).)		X
	If 'Yes,' attach a schedule showing: **(a)** name and employer identification number (EIN), **(b)** percentage owned, and **(c)** taxable income or (loss) before NOL and special deductions of such corporation for the tax year ending with or within your tax year.		
4	Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group?		X
	If 'Yes,' enter name and EIN of the parent corporation ►		
5	At the end of the tax year, did any individual, partnership, corporation, estate or trust own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c).)	X	
	If 'Yes,' attach a schedule showing name and identifying number. (Do not include any information already entered in **4** above.) Enter % owned ► 100.00 See Ques 5 Stmt		
6	During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? (See sections 301 and 316.)		X
	If 'Yes,' file **Form 5452,** Corporate Report of Nondividend Distributions. If this is a consolidated return, answer here for the parent corporation and on **Form 851,** Affiliations Schedule, for each subsidiary.		
7	At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of **(a)** the total voting power of all classes of stock of the corporation entitled to vote or **(b)** the total value of all classes of stock of the corporation?		X
	If 'Yes,' enter: **(a)** Percentage owned ► and **(b)** Owner's country ►		
c	The corporation may have to file **Form 5472,** Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Enter number of Forms 5472 attached ►		
8	Check this box if the corporation issued publicly offered debt instruments with original issue discount ► ☐		
	If checked, the corporation may have to file **Form 8281,** Information Return for Publicly Offered Original Issue Discount Instruments.		
9	Enter the amount of tax-exempt interest received or accrued during the tax year ► $		
10	Enter the number of shareholders at the end of the tax year (if 100 or fewer) ►		
11	If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here ► ☐		
	If the corporation is filing a consolidated return, the statement required by Temporary Regulations section 1.1502-21T(b)(3) must be attached or the election will not be valid.		
12	Enter the available NOL carryover from prior tax years (Do not reduce it by any deduction on line 29a.) ► $		
13	Are the corporation's total receipts (line 1a plus lines 4 through 10 on page 1) for the tax year **and** its total assets at the end of the tax year less than $250,000?		
	If 'Yes,' the corporation is not required to complete Schedules L, M-1, and M-2 on page 4. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year. ► $		

Note: *If the corporation, at any time during the tax year, had assets or operated a business in a foreign country or U.S. possession, it may be required to attach* ***Schedule N (Form 1120),*** *Foreign Operations of U.S. Corporations, to this return. See Schedule N for details.*

ATTACHMENT 40055145

Form 1120 (2005) C.& R SABAL, INC. #P95000009899 59-3298680 Page 4

Note: *The corporation is not required to complete Schedules L, M-1 and M-2 if Question 13 on Schedule K is answered 'Yes.'*

Schedule L — Balance Sheets per Books

Assets	Beginning of tax year (a)	(b)	End of tax year (c)	(d)
1 Cash		41,962.		20,392.
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities (see instructions)				
6 Other current assets (attach schedule) . . Ln .6. Stmt		582.		59,912.
7 Loans to shareholders				25,000.
8 Mortgage and real estate loans				
9 Other investments (attach schedule)				
10a Buildings and other depreciable assets	664,000.		664,000.	
b Less accumulated depreciation	167,422.	496,578.	184,448.	479,552.
11a Depletable assets				
b Less accumulated depletion				
12 Land (net of any amortization)		166,000.		166,000.
13a Intangible assets (amortizable only)				
b Less accumulated amortization				
14 Other assets (attach schedule)				
15 Total assets		705,122.		750,856.
Liabilities and Shareholders' Equity				
16 Accounts payable		3,300.		6,650.
17 Mortgages, notes, bonds payable in less than 1 year				
18 Other current liabilities (attach sch) . . Ln. 18 Stmt		20,243.		31,230.
19 Loans from shareholders		152,836.		91,937.
20 Mortgages, notes, bonds payable in 1 year or more		81,085.		109,555.
21 Other liabilities (attach schedule)				
22 Capital stock: a Preferred stock				
b Common stock	1,000.	1,000.	1,000.	1,000.
23 Additional paid-in capital		164,000.		
24 Retained earnings — Approp (att sch)				
25 Retained earnings — Unappropriated		282,658.		343,291.
26 Adjmnt to shareholders' equity (att sch)				
27 Less cost of treasury stock				
28 Total liabilities and shareholders' equity		705,122.		583,663.

Schedule M-1 — Reconciliation of Income (Loss) per Books With Income per Return (see instructions)

1 Net income (loss) per books	60,633.	7 Income recorded on books this year not included on this return (itemize): Tax-exempt interest $	
2 Federal income tax per books	9,394.		
3 Excess of capital losses over capital gains			
4 Income subject to tax not recorded on books this year (itemize):		8 Deductions on this return not charged against book income this year (itemize): a Depreciation . $ b Charitable contribns $	
5 Expenses recorded on books this year not deducted on this return (itemize): a Depreciation . . . . $ b Charitable contributions . $ c Travel & entertainment . $			
		9 Add lines 7 and 8	
6 Add lines 1 through 5	70,027.	10 Income (page 1, line 28) — line 6 less line 9	70,027.

Schedule M-2 — Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)

1 Balance at beginning of year	282,658.	5 Distributions . . . a Cash	
2 Net income (loss) per books	60,633.	b Stock c Property	
3 Other increases (itemize):		6 Other decreases (itemize):	
		7 Add lines 5 and 6	
4 Add lines 1, 2, and 3	343,291.	8 Balance at end of year (line 4 less line 7)	343,291.

ATTACHMENT

40055145

#195000009899

Form **4562** (Rev January 2006)
Department of the Treasury
Internal Revenue Service

Depreciation and Amortization
(Including Information on Listed Property)

► See separate instructions. ► Attach to your tax return.

OMB No. 1545-0172
2005
Attachment Sequence No. 67

Name(s) shown on return: C & R SABAL, INC.
Identifying number: 59-3298680

Business or activity to which this form relates: Form 1120 Line 20

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 the instructions for a higher limit for certain businesses	1	$105,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	$420,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
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	

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	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2004 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2006. Add lines 9 and 10, less line 12 ►	13	

Note: *Do not use Part II or Part III below for listed property. Instead, use Part V.*

Part II Special Depreciation Allowance and Other Depreciation (**Do not** include listed property.) (See instructions.)

14	Special allowance for certain aircraft, certain property with a long production period, and qualified New York Liberty or GO Zone property (other than listed property) placed in service during the tax year (see instrs)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (**Do not** include listed property.) (See instructions)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2005	17	17,026.
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 ► ☐		

Section B – Assets Placed in Service During 2005 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
19a 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	
			27.5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	
				MM	S/L	

Section C – Assets Placed in Service During 2005 Tax Year Using the Alternative Depreciation System

(a)	(b)	(c)	(d)	(e)	(f)	(g)
20a 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	17,026.
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	

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Part V **Listed Property** (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: *For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.*

Section A – Depreciation and Other Information (Caution: *See the instructions for limits for passenger automobiles.*)

24a Do you have evidence to support the business/investment use claimed? ☐ Yes ☐ No **24b** If 'Yes,' is the evidence written? ☐ Yes ☐ No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special allowance for certain aircraft, certain property with a long production period, and qualified New York Liberty or GO Zone property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)						25		
26 Property used more than 50% in a qualified business use:								
27 Property used 50% or less in a qualified business use:								
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1						28		
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1							29	

Section B – Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other 'more than 5% owner,' or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (**do not** include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C – Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons (see instructions).

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions)		

Note: *If your answer to 37, 38, 39, 40, or 41 is 'Yes,' do not complete Section B for the covered vehicles.*

Part VI **Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2005 tax year (see instructions):					
43 Amortization of costs that began before your 2005 tax year				43	
44 **Total.** Add amounts in column (f). See instructions for where to report				44	

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Form 1120, Page 1, Line 26
Other Deductions Statement

Automobile and truck expense	6,531.
Bank charges	95.
Commissions	16,800.
Insurance	22,407.
Legal and professional	17,910.
Telephone	783.
Utilities	1,852.
Total	66,378.

Form 1120, Page 4, Schedule L, Line 6
Ln 6 Stmt

Other Current Assets:	Beginning of tax year	End of tax year
PREPAID FEDERAL INCOME TAXES		7,509.
PREPAID FLORIDA STATE INCOME TAXES		2,403.
REFUND FEDERAL INCOME TAXES	582.	
A/R RELATED PARTY		50,000.
Total	582.	59,912.

Form 1120, Page 4, Schedule L, Line 18
Ln 18 Stmt

Other Current Liabilities:	Beginning of tax year	End of tax year
CUSTOMER DEPOSITS	20,040.	31,230.
FLORIDA CORPORATE INCOME TAX PAYABLE	203.	
FEDERAL CORPORATE INCOME TAX PAYABLE		
Total	20,243.	31,230.

Form 1120, Sch K, Corporation Ownership Information
Ques 5 Stmt

Name	ID No.
CLEMENTE VEGA	267-17-7133
ERMINA DUENAS	265-02-8842