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Secretary of State

PROFIT
CORPORATION
ANNUAL REPORT
1997



FLORIDA DEPARTMENT OF STATE
Sandra B. Mortham
Secretary of State
DIVISION OF CORPORATIONS

DOCUMENT # P96000028204 (1)

1. Corporation Name

LACE CHARTERS, INC.



Principal Place of Business
3280-88A SOUTH SHORE DRIVE
PUNTA GORDA FL 33955

Mailing Address
3280-88A SOUTH SHORE DRIVE
PUNTA GORDA FL 33955

2. Principal Place of Business

2a. Mailing Address

21 Suite, Apt. #, etc.

26 Suite, Apt. #, etc.

22 City & State

27 City & State

23 Zip Country

28 Zip Country

24

29 30

9. Name and Address of Current Registered Agent

FILINGS, INC.
3732 N.W. 18TH STREET
FORT LAUDERDALE FL 33311

81 Name

82 Street Address (P.O. Box Number is Not Acceptable)

83

84 City

FL 85 Zip Code

11. Pursuant to the provisions of Sections 607.0502 and 607.1508, Florida Statutes, the above-named corporation submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida. Such change was authorized by the corporation's board of directors. I hereby accept the appointment as registered agent. I am familiar with, and accept the obligations of, Section 607.0506, Florida Statutes.

SIGNATURE

Signature, typed or printed name of registered agent and title, if applicable

(NOTE: Registered Agent signature required with all registrations)

DATE

12. OFFICERS AND DIRECTORS

TITLE ☐ DELETE
NAME D
STREET ADDRESS PARSONS, CAROLE B
CITY-ST-ZIP 3280-88A SOUTH SHORE DRIVE
PUNTA GORDA FL 33955

TITLE ☐ DELETE
NAME
STREET ADDRESS
CITY-ST-ZIP

TITLE ☐ DELETE
NAME
STREET ADDRESS
CITY-ST-ZIP

TITLE ☐ DELETE
NAME
STREET ADDRESS
CITY-ST-ZIP

TITLE ☐ DELETE
NAME
STREET ADDRESS
CITY-ST-ZIP

TITLE ☐ DELETE
NAME
STREET ADDRESS
CITY-ST-ZIP

13. ADDITIONS/CHANGES TO OFFICERS AND DIRECTORS IN 12

11 TITLE ☐ Change ☐ Addition

12 NAME

13 STREET ADDRESS

14 CITY-ST-ZIP ☐ Change ☐ Addition

21 TITLE

22 NAME

23 STREET ADDRESS

24 CITY-ST-ZIP ☐ Change ☐ Addition

31 TITLE

32 NAME

33 STREET ADDRESS

34 CITY-ST-ZIP ☐ Change ☐ Addition

41 TITLE

42 NAME

43 STREET ADDRESS

44 CITY-ST-ZIP ☐ Change ☐ Addition

51 TITLE

52 NAME

53 STREET ADDRESS

54 CITY-ST-ZIP ☐ Change ☐ Addition

61 TITLE

62 NAME

63 STREET ADDRESS

64 CITY-ST-ZIP

14. I do 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 annual report or supplemental annual 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 12 or Block 13 if changed, or on an attachment with an address.

SIGNATURE: Carol B Parsons CAROL B PARSONS 3/10/97 9416390554

CR2E034 (9/96)

1300

Form **1120S****U.S. Income Tax Return for an S Corporation**

OMB No. 1545-0130

Department of the Treasury
Internal Revenue Service▶ Do not file this form unless the corporation has timely filed
Form 2553 to elect to be an S corporation.

▶ See separate instructions.

1996For calendar year 1996, or tax year beginning April 1, 1996, & ending Dec. 31, 1996

A Date of election as an S corporation <u>04/01/96</u>	Use IRS label. Otherwise, please print or type. YK 65-0675921 DEC96 S07 9999 N LACE CHARTERS INC 3280 88A S SHORE DR PUNTA GORDA FL 33955	C Employer identification no. <u>65-0675921</u>
B Business code no. (see Specific Inst.) <u>8980</u>		D Date incorporated <u>04/01/96</u>
		E Total assets (see Specific Inst.) \$ <u>354,914</u>

F Check applicable boxes: (1) ☒ Initial return (2) ☐ Final return (3) ☐ Change in address (4) ☐ Amended return**G** Check this box if this S corp. is subject to the consolidated audit procedures of sec. 6241 through 6245 (see Inst. before checking this box) ▶ ☐**H** Enter number of shareholders in the corporation at end of the tax year ▶ 1**Caution:** Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.

Income

1a Gross receipts or sales	b Less returns & allowances	C Bal	1c
2 Cost of goods sold (Schedule A, line 8)			2
3 Gross profit. Subtract line 2 from line 1c			3
4 Net gain (loss) from Form 4797, Part II, line 20 (attach Form 4797)			4
5 Other income (loss) (attach schedule)			5
6 Total income (loss). Combine lines 3 through 5			6 <u>0</u>

Deductions
(see page 10 of the instructions for limitations.)

7 Compensation of officers		7
8 Salaries and wages (less employment credits)		8
9 Repairs and maintenance		9
10 Bad debts		10
11 Rents		11
12 Taxes and licenses		12
13 Interest		13
14a Depreciation (if required, attach Form 4562)	14a	
b Depreciation claimed on Schedule A and elsewhere on return	14b	
c Subtract line 14b from line 14a		14c
15 Depletion (Do not deduct oil and gas depletion.)		15
16 Advertising		16
17 Pension, profit-sharing, etc., plans		17
18 Employee benefit programs		18
19 Other deductions (attach schedule)		19 <u>322</u>
20 Total deductions. Add the amounts shown in the far right column for lines 7 through 19		20 <u>322</u>
21 Ordinary income (loss) from trade or business activities. Subtract line 20 from line 6		21 <u>(322)</u>

Tax and Payments

22 Tax: a Excess net passive income tax (attach schedule)	22a	
b Tax from Schedule D (Form 1120S)	22b	
c Add lines 22a and 22b (see page 13 of the instructions for additional taxes)		22c
23 Payments: a 1996 estimated tax payments and amount applied from 1995 return	23a	
b Tax deposited with Form 7004	23b	
c Credit for Federal tax paid on fuels (attach Form 4136)	23c	
d Add lines 23a through 23c		23d
24 Estimated tax penalty. Check if Form 2220 is attached		24
25 Tax due. If the total of lines 22c and 24 is larger than line 23d, enter amount owed. See page 3 of the instructions for depository method of payment		25 <u>0</u>
26 Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid		26
27 Enter amount of line 26 you want: Credited to 1997 est. tax ▶ Refunded ▶		27

Please 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.

<u>Carol B. Parsons</u>	<u>3/10/97</u>	<u>President</u>
Signature of officer	Date	Title

Paid Preparer's Use Only

Preparer's signature <u>James L. Robertson, C.P.A.</u>	Date <u>MAR 03 1997</u>	Check if self-employed <input type="checkbox"/>	Preparer's SSN <u>421-76-5319</u>
Firm's name (or yours if self-employed) and address <u>ROBERTSON, ANDREOLI & ASSOC.</u> <u>P.O. DRAWER 699</u> <u>BAY MINETTE, AL</u>	EIN <u>63-1057237</u>	ZIP code <u>36507</u>	

For Paperwork Reduction Act Notice, see page 1 of separate instructions.

CAA

1120S12

NTF 5980

Form 1120S (1996)

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LACE CHARTERS, INC.

EIN 65-0675921

Form 1120S (1996)

Page 2

Schedule A Cost of Goods Sold (see page 14 of the instructions)

1	Inventory at beginning of year	1	
2	Purchases	2	
3	Cost of labor	3	
4	Additional section 263A costs (attach schedule)	4	0
5	Other costs (attach schedule)	5	0
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	0

9a Check all methods used for valuing closing inventory:

- (i) ☐ Cost as described in Regulations section 1.471-3
 (ii) ☐ Lower of cost or market as described in Regulations section 1.471-4
 (iii) ☐ Other (specify method used and attach explanation) ▶

b Check if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c)**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** Do the rules of section 263A (for property produced or acquired for resale) apply to the corporation? ☐ Yes ☒ No**f** Was there any change in determining quantities, cost, or valuations between opening and closing inventory? ☐ Yes ☒ No

If "Yes," attach explanation.

Schedule B Other Information

	Yes	No
1 Check method of accounting: (a) <input checked="" type="checkbox"/> Cash (b) <input type="checkbox"/> Accrual (c) <input type="checkbox"/> Other (specify) ▶		
2 Refer to the list on page 24 of the instructions and state the corporation's principal: (a) Business activity ▶ <u>SERVICE</u> (b) Product or service ▶ <u>CHARTER BOAT</u>		
3 Did the corporation at the end of the tax year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a schedule showing: (a) name, address, and employer identification number and (b) percentage owned		X
4 Was the corporation a member of a controlled group subject to the provisions of section 1561?		X
5 At any time during calendar year 1996, did the corporation have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? (See page 14 of the instructions for exceptions and filing requirements for Form TD F 90-22.1.)		X
If "Yes," enter the name of the foreign country ▶		
6 During the tax year, did the corporation receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," see page 14 of the instructions for other forms the corporation may have to file.		X
7 Check this box if the corporation has filed or is required to file Form 8264, Application for Registration of a Tax Shelter.		
8 Check this box if the corporation issued publicly offered debt instruments with original issue discount. If so, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.		
9 If the corporation: (a) filed its election to be an S corporation after 1986, (b) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation, and (c) has net unrealized built-in gain (defined in section 1374(d)(1)) in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see page 14 of the instructions) ▶ \$		
10 Check this box if the corporation had subchapter C earnings and profits at the close of the tax year (see page 15 of the instructions)		

Designation of Tax Matters Person (see page 15 of the instructions)

Enter below the shareholder designated as the tax matters person (TMP) for the tax year of this return:

Name of designated TMP ▶ CAROL B. PARSONS Identifying number of TMP ▶ 388-28-9976
3280-88A SOUTH SHORE DRIVE
 Address of designated TMP ▶ PUNTA GORDA, FL. 33955

CAA 1120S12 NTF 5981

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Schedule K Shareholders' Shares of Income, Credits, Deductions, etc.

	(a) Pro rata share items	(b) Total amount
	1 Ordinary income (loss) from trade or business activities (page 1, line 21)	1 (322)
	2 Net income (loss) from rental real estate activities (attach Form 8825)	2
	3a Gross income from other rental activities	3a
	b Expenses from other rental activities (attach schedule)	3b
	c Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c
	4 Portfolio income (loss):	
Income (Loss)	a Interest income	4a
	b Dividend income	4b
	c Royalty income	4c
	d Net short-term capital gain (loss) (attach Schedule D (Form 1120S))	4d
	e Net long-term capital gain (loss) (attach Schedule D (Form 1120S))	4e
	f Other portfolio income (loss) (attach schedule)	4f
	5 Net gain (loss) under section 1231 (other than due to casualty or theft) (attach Form 4797)	5
	6 Other income (loss) (attach schedule)	6
Deductions	7 Charitable contributions (attach schedule)	7
	8 Section 179 expense deduction (attach Form 4562)	8
	9 Deductions related to portfolio income (loss) (itemize)	9
	10 Other deductions (attach schedule)	10
Investment Interest	11a Interest expense on investment debts	11a
	b (1) Investment income included on lines 4a, 4b, 4c, and 4f above	11b(1)
	(2) Investment expenses included on line 9 above	11b(2)
Credits	12a Credit for alcohol used as a fuel (attach Form 6478)	12a
	b Low-income housing credit:	
	(1) From partnerships to which sec. 42(j)(5) applies for property placed in service before 1990 ..	12b(1)
	(2) Other than on line 12b(1) for property placed in service before 1990	12b(2)
	(3) From partnerships to which section 42(j)(5) applies for property placed in service after 1989 ..	12b(3)
	(4) Other than on line 12b(3) for property placed in service after 1989	12b(4)
	c Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12c
	d Credits (other than credits shown on lines 12b and 12c) related to rental real estate activities. ...	12d
e Credits related to other rental activities.	12e	
	13 Other credits	13
Adjustments and Tax Preference Items	14a Depreciation adjustment on property placed in service after 1986	14a
	b Adjusted gain or loss	14b
	c Depletion (other than oil and gas)	14c
	d (1) Gross income from oil, gas, or geothermal properties	14d(1)
	(2) Deductions allocable to oil, gas, or geothermal properties.	14d(2)
e Other adjustments and tax preference items (attach schedule)	14e	
Foreign Taxes	15a Type of income ▶	
	b Name of foreign country or U.S. possession ▶	
	c Total gross income from sources outside the United States (attach schedule)	15c
	d Total applicable deductions and losses (attach schedule)	15d
	e Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	15e
	f Reduction in taxes available for credit (attach schedule)	15f
	g Other foreign tax information (attach schedule)	15g
Other	16 Section 59(e)(2) expenditures: a Type ▶	
	b Amount	16b
	17 Tax-exempt interest income	17
	18 Other tax-exempt income	18
	19 Nondeductible expenses	19
	20 Total property distributions (including cash) other than dividends reported on line 22 below.	20
	21 Other items and amounts required to be reported separately to shareholders (attach schedule)	
	22 Total dividend distributions paid from accumulated earnings and profits	22
	23 Income (loss). (Required only if Schedule M-1 must be completed.) Combine lines 1 through 6 in column (b). From the result, subtract the sum of lines 7 through 11a, 15e, and 16b	23 (322)

Schedule L Balance Sheets per Books

		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)
1	Cash				1743
2a	Trade notes and accounts receivable				
b	Less allowance for bad debts				
3	Inventories				
4	U.S. Government obligations				
5	Tax-exempt securities				
6	Other current assets (attach schedule)				
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach schedule)				
10a	Buildings and other depreciable assets			349902	
b	Less accumulated depreciation				349902
11a	Depletable assets				
b	Less accumulated depletion				
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)			3502	
b	Less accumulated amortization			233	3269
14	Other assets (attach schedule)				
15	Total assets		0		354914
Liabilities and Shareholders' Equity					
16	Accounts payable				
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (attach schedule)				
19	Loans from shareholders				25618
20	Mortgages, notes, bonds payable in 1 year or more				
21	Other liabilities (attach schedule)				
22	Capital stock				1000
23	Paid-in or capital surplus				328618
24	Retained earnings				(322)
25	Less cost of treasury stock		()		()
26	Total liabilities and shareholders' equity		0		354914

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (You are not required to complete this schedule if the total assets on line 15, column (d), of Schedule L are less than \$25,000.)

1	Net income (loss) per books	(322)	5	Income recorded on books this year not included on Schedule K, lines 1 through 6 (itemize):	
2	Income included on Schedule K, lines 1 through 6, not recorded on books this year:		a	Tax-exempt int. \$	
3	Expenses recorded on books this year not included on Schedule K, lines 1 through 11a, 15e, and 16b (itemize):		6	Deductions included on Schedule K, lines 1 through 11a, 15e, and 16b, not charged against book income this year (itemize):	
a	Depreciation \$		a	Depreciation \$	
b	Travel and entertainment \$				
4	Add lines 1 through 3	(322)	7	Add lines 5 and 6	0
			8	Income (loss) (Schedule K, line 23). Line 4 less line 7	(322)

Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (see page 22 of the instructions)

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1	Balance at beginning of tax year		
2	Ordinary income from page 1, line 21		
3	Other additions		
4	Loss from page 1, line 21	(322)	
5	Other reductions	()	
6	Combine lines 1 through 5	(322)	0
7	Distributions other than dividend distributions		
8	Balance at end of tax year. Subtract line 7 from line 6	(322)	0

Form 4562

Depreciation and Amortization (Including Information on Listed Property)

OMB No. 1545-0172

Department of Treasury
Internal Rev. Service (99)

▶ See separate instructions.

▶ Attach this form to your return.

1996Attachment
Sequence No. 67

Name(s) shown on return

LACE CHARTERS, INC.

Business or activity to which this form relates

CHARTER BOAT SERVICES - Act #

Identifying number

65-0675921

Part I Election To Expense Certain Tangible Property (Section 179) (Note: If you have any "listed property," complete Part V before you complete Part I.)

1	Maximum dollar limitation. If an enterprise zone business, see page 2 of the instructions	1	\$17,500
2	Total cost of section 179 property placed in service. See page 2 of the instructions	2	
3	Threshold cost of section 179 property before reduction in limitation	3	\$200,000
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 page 2 of the instructions	5	17,500
6	(a) Description of property	(b) Cost (busn. use only)	(c) Elected cost
7	Listed property. Enter amount from line 27	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 1995. See page 2 of the instructions	10	
11	Business income limitation. Enter the smaller of busn. income (not less than zero) or line 5 (see instructions)	11	0
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	0
13	Carryover of disallowed deduction to 1997. Add lines 9 and 10, less line 12	13	0

Note: Do not use Part II or Part III below for listed property (automobiles, certain other vehicles, cellular telephones, certain computers, or property used for entertainment, recreation, or amusement). Instead, use Part V for listed property.

Part II MACRS Depreciation For Assets Placed in Service ONLY During Your 1996 Tax Year (Do Not Include Listed Property.)

Section A -- General Asset Account Election

14 If you are making the election under section 168(f)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check this box. See page 2 of the instructions. ☐

Section B -- General Depreciation System (GDS) (See page 3 of the instructions.)

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depr. (busn./investment use only -- see Inst.)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
15a 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	
i Nonresidential real property			39 yrs.	MM	S/L	

Section C -- Alternative Depreciation System (ADS) (See page 4 of the instructions.)

16a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part III Other Depreciation (Do Not Include Listed Property.) (See page 4 of the instructions.)

17 GDS and ADS deductions for assets placed in service in tax years beginning before 1996	17	
18 Property subject to section 168(f)(1) election	18	
19 ACRS and other depreciation	19	

Part IV Summary (See page 4 of the instructions.)

20 Listed property. Enter amount from line 26	20	
21 Total. Add deductions on line 12, lines 15 and 16 in column (g), and lines 17 through 20. Enter here and on the appropriate lines of your return. Partnerships and S corporations -- see instructions	21	
22 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	22	

For Paperwork Reduction Act Notice, see page 1 of the separate instructions.

Form 4562 (1996)

CAA 456212 NTF 5301

Part V Listed Property -- 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 23a, 23b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A -- Depreciation and Other Information (Caution: See page 5 of the instructions for limitations for automobiles.)

23a Do you have evidence to support business/investment use claimed?		Yes	No	23b If "Yes," is the evidence written?		Yes	No	
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Busn./ investment use percentage	(d) Cost or other basis	(e) Basis for depr. (busn./investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
24 Property used more than 50% in a qualified business use (See page 5 of the instructions.):								
		%						
		%						
		%						
25 Property used 50% or less in a qualified business use (See page 5 of the instructions.):								
		%			S/L-			
		%			S/L-			
		%			S/L-			
26 Add amounts in column (h). Enter the total here and on line 20, page 1						26		
27 Add amounts in column (i). Enter the total here and on line 7, page 1						27		

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.

28 Total business/investment miles driven during year (DO NOT include commuting miles).	(a) Vehicle 1	(b) Vehicle 2	(c) Vehicle 3	(d) Vehicle 4	(e) Vehicle 5	(f) Vehicle 6
29 Total commuting miles driven during year						
30 Total other personal (noncommuting) miles driven						
31 Total miles driven during the year. Add lines 28 through 30.						
	Yes	No	Yes	No	Yes	No
32 Was the vehicle available for personal use during off-duty hours?						
33 Was the vehicle used primarily by a more than 5% owner or related person?						
34 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.

	Yes	No
35 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
36 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See page 6 of the instructions for vehicles used by corporate officers, directors, or 1% or more owners.		
37 Do you treat all use of vehicles by employees as personal use?		
38 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?		
39 Do you meet the requirements concerning qualified automobile demonstration use? See page 6 of the instructions.		
Note: If your answer to 35, 36, 37, 38, or 39 is "Yes," you need 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
40 Amortization of costs that begins during your 1996 tax year:					
ORGANIZATION COSTS	09/01/96	3,502	248	6.67%	233
41 Amortization of costs that began before 1996					41
42 Total. Enter here and on "Other Deductions" or "Other Expenses" line of your return					42 233

LACE CHARTERS, INC.

EIN 65-0675921

OTHER DEDUCTIONS
Page 1 - Line 19
Supplemental Schedule
Activity # 1

Description	Amount
AMORTIZATION OF ORG. COSTS	233
BANK CHARGES	45
PRINTING	44
Total Other Deductions	322
	=====