

2023

Accommodations Tax Funds Request

Application

Organization Name: Shelter Cove Harbour Company

Project/Event Name: HarbourFest

Executive Summary

An ATAX Effectiveness Measurement form has been attached to this application.

For the past 33 years, the annual HarbourFest (July 4th & Tuesday night fireworks) events have become the most popular signature summertime events on Hilton Head Island. The popularity of this "Island Tradition" is very deeply rooted in the island's summer culture and attracts generations of repeat and many new visitors each year. This summertime "Island Tradition" has become a "Family Tradition" for many, many visitors to Hilton Head Island.

Additionally, we know from various accommodations partners and providers that many visitors & families plan their vacation dates around the weeks of fireworks dates and families have repeatedly attended over many years.

Below is a summary of the 2022 Harbourfest schedule of events

1. We celebrated the 33rd anniversary of HarbourFest in 2022 and it continues to be the "largest multi-week" event on Hilton Head Island each year. Adding three more shows to the summer schedule generated many positive comments of thanks and appreciation from visitors and locals each week.
2. Shelter Cove Harbour & Marina was the **only non-gated location available** for visitors and locals to view July 4th fireworks on Hilton Head Island.
3. Again in 2022, we increased the # of visitors using the July 4th shuttles by over 900 people. This definitely helped reduce the amount of vehicular traffic on Hwy. 278 before and after the fireworks show.

4. For 2022, we increased the # of shows to 12 during June, July and August. We also experienced significant increases in the cost of fireworks, equipment rentals, shuttle buses operations, staff labor cost on security and maintenance.

5. For 2023, we plan to again update the customer surveys utilizing USCB Research dept in partnership with the VCB.

2018 HarbourFest Survey Data Summary:

- **92 % of the Shelter Cove HarbourFest attendees were visitors to Hilton Head Island**
- **79% were returning visitors to Hilton Head Island**
- **84% of the visitors stayed in lodging that generated accommodation tax revenues**
- **60% had previously been to Shelter Cove HarbourFest**
- **47% indicated that the Shelter Cove HarbourFest Fireworks Display was Very Influential or Influential when initially planning**
- **76% indicated that they would return to Shelter Cove HarbourFest**
- **88% indicated that they would recommend the festival to Friends**

Key Takeaways:

- **Most (92%) of Shelter Cove Harbourfest attendees are visitors to Hilton Head Island**
- **Most (79%) of the Harbourfest attendees are return visitors to Hilton Head Island**
- **Most Harbourfest attendees stay at facilities that generate accommodation taxes**
- **The majority of attendees have previously attended HarbourFest, most are Extremely likely or Likely to return to Harbourfest, and most are Extremely likely or Likely to recommend Harbourfest to Friends.**
- **Shelter Cove HarbourFest is an attraction that adds value to the visitor experience while staying on Hilton Head Island; whereas three quarter of its attendees are repeat visitors to the Island and over 6 out of 10 visitors have**

been to multiple Harbourfests

- Shelter Cove Harbourfest is a Hilton Head Island experience that leads to word of mouth testimonials by vacationers who have a high propensity to return to Hilton Head Island

Sponsor comments from a few of our nationally branded hotels on Hilton Head Island:

"Having the HarbourFest event on Hilton Head Island is a huge added benefit and draw to our guests in the summer. We see many return visitors each summer who enjoy all the island offers, plus the added benefit of seeing the weekly fireworks at Shelter Cove Marina. For our guests booking our resort view rooms it is a huge value add. The Marriott Hilton Head Resort has been a long time sponsor of the event and we are pleased with the events improvement, consistency and quality each year."

Teresa Manzolillo, Director of Sales & Marketing - Marriott Hilton Head Resort & Spa

Harbourfest fireworks has always been a great attraction to the guests of The Westin here on Hilton Head Island. We see guests return each year to enjoy this event. We provide a shuttle service to and from Shelter Cove Marina for the events. We are pleased to be a continuing sponsor each year.

Steve French, Director of Sales and Marketing - The Westin Hilton Head Island Resort & Spa

2023 Accommodations Tax Funds Request Application

Date Received: 09/02/2022	Time Received: 11:05 AM	By: Online Submittal
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Applications will not be accepted if submitted after 4 pm on September 2, 2022

A. SUMMARY OF GRANT REQUEST:

ORGANIZATION NAME: Shelter Cove Harbour Company

Project/Event Name: HarbourFest

Contact Name: Alf Nelson / Karen
Kozemchak

Title: President, Shelter Cove
Company / Director of Marketing

Address: Shelter Cove Company, PO Box 6004, Hilton Head Island, SC 29938

Email Address:
kkozemchak@palmettodunes.com

Contact Phone: 843-686-9659

Event Date: Harbourfest & July 4th

Event Location: Shelter Cove
Harbour & Marina

Total Budget: \$347,200.00

Grant Requested: \$195,000.00

Provide a brief summary on the intended use of the grant and how the money would be used. (100 words or less)

The intended use of the ATAX grant request is to help offset the increased fireworks event costs not covered by existing funding sources i.e. traffic management, clean-up, off site parking and shuttles, etc.

We are submitting this application for the 2023 HarbourFest event. Visitor attendance and vehicle traffic from this year's events were very high and we experienced similiar crowds in 2022 with the increased visitors to HHI.

Additionally Shelter Cove Harbour & Marina was the only non-gated location for July 4th fireworks drawing a much larger crowd for July 4th. In 2022, we increase the schedule to 12 total nights of fireworks (11) Tuesday nights (June 7 - Aug. 23) and Monday, July 4th. For 2023, we intend to again produce 12 shows all on Tuesday night

How does the organization/event either drive tourism to Hilton Head Island or enhance the visitor experience on Hilton Head Island? How is this impact being measured? (100 words or less)

The consistent longevity of the annual HarbourFest fireworks events have become the "most attended, multi-week event" on the Island. See below summary of the 2018 research conducted by USCB the Research Team:

- 92% of the Shelter Cove HarbourFest attendees were visitors to Hilton Head Island
- 79% were returning visitors to Hilton Head Island
- 60% had previously been to the Shelter Cove HarbourFest event
- 47% indicated that HarbourFest was very influential when planning

A. Total Number of Physical Tourists Served: 65,000+

A Tourist is considered a non-resident, traveling more than 50 miles to the Town of Hilton Head Island.

B. Total Number of Physical Visitors Served: 65,000+

A Visitor is considered a non-resident, who travels 50 miles or less to visit the Town of Hilton Head Island.

C. Total Number of Physical Residents Served: 5000

A Resident is considered any person who claims their property address within the limits of the Town of Hilton Head Island as their primary residence.

D. Total Number of Physical Patrons Served (A+B+C=D): 70,000+

How was the Number of Visitors/Tourists Documented? (250 words or less)

Visitor intercept survey conducted by Univ. of South Carolina Beaufort staff/students.

Traffic and vehicle counts from Coastal Security & Beaufort County Sheriff's Office.

B. DESCRIPTION OF OPERATIONS:

1. For state reporting purposes, give a brief description of the organization. (250 words or less)

The Shelter Cove Company is the non-profit organization that hosts the annual summer HarbourFest & fireworks event on the Island.

The weekly events produced each summer has attracted over 65,000 visitors to the entire Shelter Cove community, making it the largest, multi-week event on Hilton Head Island each year.

The Shelter Cove Community is completely open for public access and is not in a position to develop a revenue source from this event.

Since the expansion of the Shelter Cove Towne Center and the Shelter Cove Community Park, the attendance and traffic to this community has increased significantly. Over the past 6 years, the weekly fireworks and July 4th events have required increased security patrols, traffic management and an expanded transportation/shuttle bus from various locations along 278. In 2022, Shelter Cove Harbour & Marina was the only non-gated location for July 4th fireworks. For July 4th, we provide offsite parking locations provided at the Hargray lot and three public lots in Palmetto Dunes to enhance the safety and security of the increased guests. The plan requires coordination of services including law enforcement, offsite parking and bus transportation,

traffic and crowd control, street maintenance and additional restroom facilities.

The benefits of having these events have spread beyond the boundaries of the Shelter Cove Harbour & Marina and the Shelter Cove Towne Centre areas and therefore, have had a positive impact on a significant portion of the entire Island.

2. Describe in detail how the requested grant funding would be used? (250 words or less)

For 2023, we are again planning a total of twelve (12) fireworks events: July 4th & eleven (11) Tuesday night events - Shelter Cove Harbour & Marina

Projected Revenue:

Shelter Cove Harbour Merchants:	\$44,000
Shelter Cove Harbour Company:	\$12,500
Sponsors estimated :	\$ 50,600
Vendors	\$ 2,400
Total Revenue :	\$109,500

Projected Expenses:

Fireworks - July 4th & eleven (11) Tuesday nights:	\$ 240,000
Fireworks - Barge Rental:	\$ 18,000
Boat Transport for fireworks & safety/cleanup:	\$ 2,400
Traffic Management - Coastal Security:	\$ 35,000
July 4th Off-Site Parking/Transportation:	\$ 18,000
Facilities Maintenance/Cleanup	\$ 24,000
Portable Restrooms (12 weeks)	\$ 9,800
Total Expenses:	\$ 347,200 variance (\$ 237,700)

3. What impact would partial funding have on the activities, if full funding were not received? What would the organization change to account for

partial funding? (100 words or less)

We review event expenses and operations each year. Expenses for large events like this are managed very efficiently. We have experienced receiving only partial funding in years past and have adjusted the schedule and number of weeks we can afford to produce shows. We continue to have the generous support of many of the sponsors and we were extremely grateful for the increased ATAX grant from the Town of HHI. Additionally, with the increased funding, we continue to work on securing more sponsors. We would like to continue to grow this event and respectfully ask for the ATAX Committee's and the Town Council's continued support.

4. What is expected economic impact and benefit to the Island's tourism?
(100 words or less)

We celebrated the 33rd year of HarbourFest in 2022. This annual summertime event continues to attract an estimated attendance of over 65,000 visitors and that number continues to grow as visitors to the Island increase. The economic impact is substantial to many businesses around the island who rely on summer business to make their year successful. This multi-week, summertime event is a "must see and must do event" for many visitors as they return to Hilton Head Island and many first-time visitors with their families and extended families. It's an "island tradition" for many of the families who visit each year.

5. In order to comply with the State's Tourism Expenditure Review Committee annual reporting requirements, **please classify your current grant request into the following authorized categories:**

1 - Destination Advertising/Promotion

Advertising and promotion of tourism so as to develop and increase tourist attendance through the generation of publicity.

0 %

2 - Tourism-Related Events <i>Promotion of the arts and cultural events.</i>	85 %
3 - Tourism-Related Facilities <i>Construction, maintenance and operation of facilities for civic and cultural activities including construction and maintenance of access and other nearby roads and utilities for the facilities.</i>	0 %
4 - Tourism-Related Public Services <i>The criminal justice system, law enforcement, fire protection, solid waste collection and health facilities when required to serve tourists and tourist facilities. This is based on the estimated percentage of costs directly attributed to tourist. Also includes public facilities such as restrooms, dressing rooms, parks and parking lots.</i>	10 %
5 - Tourist Public Transportation <i>Tourist shuttle transportation.</i>	5 %
6 - Waterfront Erosion/Control/Repair <i>Control and repair of waterfront erosion.</i>	0 %
7 - Operation of Visitor Information Centers <i>Operating visitor information centers.</i>	0 %
Total:	100 %

6. If not covered elsewhere in the application, please describe (a) how the organization will collaborate with other organizations to enhance tourism efforts, and (b) provide a venue or service not otherwise available to visitors to the Town of Hilton Head Island. (250 words or less)

We continue to work on generating sponsor funds and collaborate with our longtime Accommodations Tax producing partners: the Marriott Hilton Head Resort & Spa, Omni Hilton Head Island Resort & Spa, Sonesta Resort Hilton Head Island & The Westin Hilton Head Island Resort & Spa who have financially supported the events and see the positive economic impact value of this annual 33rd year event to their businesses and the Island.

The positive impact on tourism for the island is that this event at Shelter Cove Harbour & Marina is centrally located mid-island and is most accessible from all areas on the island. Additionally, this

location provides land and water viewing 360 degrees around the Broad Creek area and offers a great deal of space to accommodate the largest number of visitors to the Island each week

7. Additional comments. *(250 words or less)*

With the increased number of visitors and vehicle traffic coming to the Shelter Cove community for the Tuesday nights & July 4th HarbourFest events, Beaufort County Sheriff's office has adjusted patrols and traffic control to assist in the offsite parking and transportation plan. We continue to see record crowds coming for the fireworks, entertainment and "family fun-time" in which they have come to expect while visiting Hilton Head Island.

The traffic management plan developed with Beaufort County Sheriff & Coastal Security and the expanded shuttle service were both successfully implemented in 2022 and helped facilitate a safer & smoother traffic experience for all the visitors who came to the Shelter Cove community location in the middle of the island.

C. FUNDING:

1. Please describe how the organization is currently funded. (100 words or less)

The Shelter Cove Company is a not-for-profit organization responsible for the management and maintenance of the common areas within the entire Shelter Cove Community.

The Shelter Cove Company is funded by annual assessments from over 50 businesses and over 700 residential owners within the Shelter Cove community.

2. Please also estimate, as a percentage, the source of the organization's total annual funding.

<u> </u> <u> </u> Government Sources	<u> </u> Private Contributions, Donations and Grants
Corporate Support, Sponsors	<u>100</u> Membership, Dues, Subscriptions
<u> </u> Ticket Sales, or Sales and Services	<u> </u> Other

3. Has the organization requested other ATAX or any other funding from other public sources or organizations?

Yes No X

If so, please list top 3 sources and amounts.

D. FINANCIAL INFORMATION:

Fiscal Year Disclosure: Start Month: June 1, 2020 End Month: May 31, 2021

Financial Statement Requirements:

1. The upcoming year's **operating budget** for the organization.

Budget Years Provided:

2022

2. The previous two years and current year **profit and loss reports** for the organization.

Profit and Loss Years Provided:

2022

2021

2019

2020

3. The previous two years and current year **balance sheets**.

Balance Sheet Years Provided:

2020

2021

2022

4. The previous two years and current year **IRS Form 990 or 990T**.

IRS Form 990 or 990T Years Provided:

2019

2020

2020

2018

2021

E. FINANCIAL GUARANTEES AND PROCEDURES:

1. Provide a copy of the **official minutes** wherein the organization approves the submission of this application.

An official set of minutes have been attached to this application.

2. Indicate whether your organization follows Town procurement guidelines or has its own procurement guidelines which are utilized and followed in the expenditure of ATAX grant funds.

- Follow Town procurement guidelines
- Utilize and follow organization's own procurement guidelines
- Our organization does not have or follow procurement guidelines

F. MEASURING EFFECTIVENESS:

If you received 2021 or 2022 HHI ATAX funds

1. List any ATAX award amounts received in 2021 and/or 2022.

2019	\$80,000.00	2019 HarbourFest
2020	\$ 0.00	2020 Harbourfest
2021	\$80,000.00	Harbourfest
2022	\$150,000.00	2022 Harbourfest

2. How were the ATAX funds used? To what extent were the objectives achieved? The ATAX Effectiveness Measurement spreadsheet available in the application portal will show the numerics. Use the space below for verbal comments. (200 words or less)

Funds are used for the fireworks events and related facilities & traffic management expenses for the July 4th show and Tuesday night shows.

In 2022, we produced twelve (12) total shows comprising eleven (11) Tuesday nights in June, July and August and the Monday, July 4th show.

With the increased amount of visitors to the island, the shows were very well attended and added many first time visitors to the island and

the Harbourfest event.

3. What impact did this have on the success of the organization/event and how did it benefit the community? (200 words or less)

The HarbourFest event has become the "signature summer-time event" for Hilton Head Island. We know that many visitors plan their vacations around the weeks of fireworks dates and we receive many inquiries from the four largest island hotels and various home and villa rental companies as well as visitors directly for when our shows are scheduled each year.

Additionally, Shelter Cove's mid-island location is centrally located and very accessible from the north and south ends that draws the largest number of visitors each year. Scheduling the shows during the core summer season for all hotels & vacation rental companies, helps put more "heads in beds" and enhances the reason for visitors to visit HHI again by providing more free "family fun" events and entertainment to our visitors.

4. How does the organization measure the effectiveness of both the overall activity and of individual programs? (200 words or less)

Over the past 33 years, the success of these events is that we know visitors return year-after-year as they tell us when we talk to them or interview them for our video. These visitors are large contributors to the economic impact for the island.

The 2018 USCB Research Survey & Results reinforced the overall effectiveness and value that the steady commitment in repeating this event adds to the new and repeat visitor experience on Hilton Head Island each year.

- **92% of the Shelter Cove HarbourFest attendees were visitors to Hilton Head Island**
- **79% were returning visitors to Hilton Head Island**
- **84 % of the visitors stayed in lodging that generated accommodation tax revenues**
- **60% had previously been to Shelter Cove HarbourFest**
- **47% indicated that the Shelter Cove HarbourFest Fireworks Display was Very Influential or Influential when initially planning their trip to Hilton Head**
 - **76% indicated they would return to HHI**

Signature: Karen Kozemchak

Title/Position: Director of Marketing

Mailing Address: 10 Queens Folly Rd, Hilton Head Island, SC 29928

Email Address: kkozemchak@palmettodunes.com

Office Phone Number: 843-686-9659

Home Phone Number: 842-422-7338

Please refer to the SAMPLE ATAX Effectiveness Measurement Form for examples. When completing this form, please expand, contract, or add to the sections as needed (but contain the form to a total of approximately 2 pages). You may choose to use your own format instead of this form, and if doing so, please use the criteria below as a guideline. Regardless of format, **each applicant should choose how they measure degree of success. Applicants need to explain why this is an effective measurement technique that reflects results and how that relates to the objective.**

TOPIC	THE PLAN	BUDGET	ACTUAL SPENT	RESULTS <i>When possible, provide planned results vs. actual results, and/or current year vs. prior year results .</i>
Increase attendance to HarbourFest event				
Increase new visitors and repeat visitors to event	Work with USCB to conduct on-site visitor survey to establish baseline	1,500	No \$ spent ----- plan to do in 2023 or 2024	2018 Visitor Research fielded by Dr. John Salazar & USCB team. Survey results are as follows: <ul style="list-style-type: none"> • 92 % of the Shelter Cove Harbourfest attendees were visitors to Hilton Head Island (no change vs. 2015) • 79% were returning visitors to Hilton Head Island (increase by 5.3% from 2015) • 84% (increase by 15.9% from 2015)of the visitors stayed in lodging that generated accommodation tax revenues (i.e. villa/condo rentals, home rentals and hotels) • 60 % had previously been to Shelter Cove Harbour Fest (increase by 5.6% from 2015) • 47% indicated that the Shelter Cove Harbourfest Fireworks Display was Very Influential or Influential when initially planning their trip to Hilton Head Island (increase by 40.3% from 2015) • 76% indicated that they would return to Shelter Cove Harbourfest (increase by 7.6% from 2015) • 88% indicated that they would recommend the Harbourfest to others (no significant change)
Total		1,500	0	

Increase ridership for July 4th shuttle program				
Increase ridership for the July 4th shuttle by 500 more visitors	Added info in all messaging and signage	20,000	20,000	We consolidated the 278 parking location to the Hargray lot and increased the ridership for 2022 July 4th increased by over 900 visitors from 2021. More visitors came to Shelter Cove Harbour & Marina as there was not a show on the north-end at Hudson's.
Total		20,000	20,000	

Total		0	0	

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TOPIC	THE PLAN	BUDGET	ACTUAL SPENT	RESULTS <i>When possible, provide planned results vs. actual results, and/or current year vs. prior year results .</i>
Total		0	0	

Total		0	0	



SHELTER COVE

July 21, 2022

To Whom it May Concern:

Be it hereby resolved that the Board of Directors of the Shelter Cove Company (SCC) does on this day July 21, 2022 authorize Alf Nelson, President of the Shelter Cove Company, to submit an application to the Town of Hilton Head Island, ATAX Committee for assistance in funding the 2023 Fourth of July Celebration.

These funds are being solicited to assist with the expenses incurred by the Shelter Cove Company for:

1. Fireworks
2. Barge rental
3. Security, parking and traffic control
4. Cleanup and restroom service
5. Transportation cost

The resolution was adopted July 21, 2022.

Jeff Hunt, Secretary
Shelter Cove Company

2018 Shelter Cove Harbourfest

Thursday, August 02, 2018

Dr. John Salazar, Director
Dr. Nancy Hritz, Assistant Director
Dipl.-Soz. Anton Abraham, Research Associate
Angela Puleo, Lead Research Assistant
Kayla Smith, Research Assistant

440

Total Responses

Zip Code Analysis

This analysis does not include the zip codes collected from Hilton Head Island, SC, Beaufort, SC, and Savannah, GA.

Rank	Metropolitan Area	MS A	MS A %	New Arb	New Niels on	New S cars ba rough
1	New York-Northern New Jersey-Long Island, NY-NJ-PA MS A	15	3.6%	24.5%	20.9%	14.6%
2	Chicago-Naperville-Joliet, IL-IN-WI MS A	6	1.5%	12.4%	9.8%	10.7%
3	Atlanta-Sandy Springs-Marietta, GA MS A	34	8.3%	7.0%	6.5%	7.8%
4	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MS A	13	3.2%	6.9%	8.3%	7.7%
5	New Philadelphia-Dover, OH MS A	7	1.7%	6.9%	8.3%	7.7%
6	Washington-Arlington-Alexandria, DC-VA-MD-WV MS A	10	2.4%	6.7%	6.5%	9.5%
7	Phoenix-Mesa-Scottsdale, AZ MS A	4	1.0%	5.2%	5.1%	6.1%
8	St. Louis, MO-IL MS A	6	1.5%	3.7%	3.5%	4.5%
9	Baltimore-Towson, MD MS A	6	1.5%	3.6%	3.1%	3.7%
10	Pittsburgh, PA MS A	18	4.4%	3.1%	3.3%	3.2%
11	Charlotte-Gastonia-Concord, NC-SC MS A	11	2.7%	3.1%	3.1%	3.0%
12	Cincinnati-Middletown, OH-KY-IN MS A	21	5.1%	2.8%	2.6%	3.5%
13	Cleveland-Elyria-Mentor, OH MS A	9	2.2%	2.8%	4.3%	4.5%
14	Orlando-Kissimmee, FL MS A	7	1.7%	2.4%	4.1%	3.9%
15	Columbus, OH MS A	12	2.9%	2.3%	2.6%	3.3%
16	Nashville-Davidson-Murfreesboro, TN MS A	5	1.2%	2.0%	2.7%	2.9%
17	Louisville-Jefferson County, KY-IN MS A	4	1.0%	1.5%	1.9%	2.5%
18	Charleston-North Charleston, SC MS A	7	1.7%	0.9%	0.8%	0.8%
19	Columbia, SC MS A	10	2.4%	0.8%	1.1%	0.0%
20	Augusta-Richmond County, GA-SC MS A	7	1.7%	0.7%	0.7%	0.0%
21	Youngstown-Warren-Boardman, OH-PA MS A	5	1.2%	0.6%	0.8%	0.0%
22	Canton-Massillon, OH MS A	6	1.5%	0.0%	0.0%	0.0%
23	Allentown-Bethlehem-Easton, PA-NJ MS A	6	1.5%	0.0%	0.0%	0.0%
24	Thomasville-Lexington, NC MS A	5	1.2%	0.0%	0.0%	0.0%
25	Statesboro, GA MS A	4	1.0%	0.0%	0.0%	0.0%
	Totals	411	1			

Breakdown of Markets

Strong markets for the 2018 Harbourfest Overall are New York–Northern New Jersey–Long Island NY–NJ–PA, Chicago–Napperville–Joliet IL–IN–WI, and Atlanta–Sandy Springs–Marietta, GA.

Middle markets include Pittsburgh, PA, Charlotte–Gastonia–Concord, NC–SC, and Cincinnati–Middletown, OH–KY–IN.

Weaker markets consist of Thomasville–Lexington, NC and Statesboro, GA.

All Zip Codes Collected

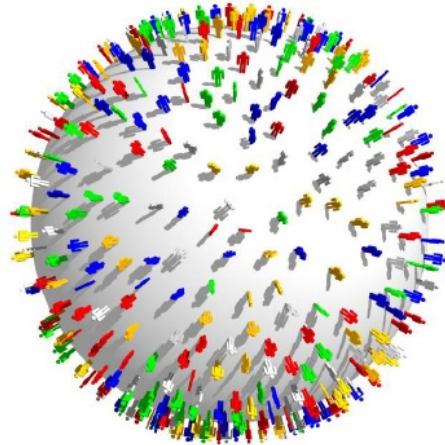
Rank	Metropolitan Area	MS A
1	Atlanta-Sandy Springs-Marietta, GA MS A	34
2	Cincinnati-Middletown, OH-KY-IN MS A	21
3	Pittsburgh, PA MS A	18
4	New York-Northern New Jersey-Long Island, NY-NJ-PA MS A	15
5	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MS A	13
6	Columbus, OH MS A	12
7	Charlotte-Gastonia-Concord, NC-SC MS A	11
8	Columbia, SC MS A	10
9	Washington-Arlington-Alexandria, DC-VA-MD-WV MS A	10
10	Cleveland-Elyria-Mentor, OH MS A	9
11	Charleston-North Charleston, SC MS A	7
12	Augusta-Richmond County, GA-SC MS A	7
13	Orlando-Kissimmee, FL MS A	7
14	New Philadelphia-Dover, OH MS A	7
15	St. Louis, MO-IL MS A	6
16	Chicago-Naperville-Joliet, IL-IN-WI MS A	6
17	Canton-Massillon, OH MS A	6
18	Baltimore-Towson, MD MS A	6
19	Allentown-Bethlehem-Easton, PA-NJ MS A	6
20	Nashville-Davidson-Murfreesboro, TN MS A	5
21	Thomasville-Lexington, NC MS A	5
22	Youngstown-Warren-Boardman, OH-PA MS A	5
23	Phoenix-Mesa-Scottsdale, AZ MS A	4
24	Statesboro, GA MS A	4
25	Louisville-Jefferson County, KY-IN MS A	4
26	Indianapolis-Carmel, IN MS A	4
27	Knoxville, TN MS A	4
28	Asheville, NC MS A	4
29	Blacksburg-Christiansburg-Radford, VA MS A	4
30	Danville, VA MS A	4

Rank	Metropolitan Area	MSA
31	Ashtabula, OH MSA	4
32	Detroit-Warren-Livonia, MI MSA	4
33	Raleigh-Cary, NC MSA	4
34	Tampa-St. Petersburg-Clearwater, FL MSA	3
35	Wilmington, NC MSA	3
36	Houston-Sugar Land-Baytown, TX MSA	3
37	Kingsport-Bristol-Bristol, TN-VA MSA	3
38	Greenville, SC MSA	3
39	Dayton, OH MSA	3
40	Hagerstown-Martinsburg, MD-WV MSA	3
41	Harrisburg-Carlisle, PA MSA	3
42	Rochester, NY MSA	3
43	Bridgeport-Stamford-Norwalk, CT MSA	3
44	Lancaster, SC MSA	2
45	Riverside-San Bernardino-Ontario, CA MSA	2
46	Jacksonville, FL MSA	2
47	Cedartown, GA MSA	2
48	Columbus, GA-AL MSA	2
49	Memphis, TN-MS-AR MSA	2
50	Bowling Green, KY MSA	2
51	Springfield, IL MSA	2
52	Champaign-Urbana, IL MSA	2
53	Richmond-Berea, KY MSA	2
54	Chattanooga, TN-GA MSA	2
55	Statesville-Mooresville, NC MSA	2
56	Greensboro-High Point, NC MSA	2
57	Beckley, WV MSA	2
58	Lynchburg, VA MSA	2
59	Akron, OH MSA	2
60	Medville, PA MSA	2

Rank	Metropolitan Area	MSA
61	East Stroudsburg, PA MSA	2
62	Binghamton, NY MSA	2
63	Albany-Schenectady-Troy, NY MSA	2
64	Boston-Cambridge-Quincy, MA-NH MSA	2
65	Dallas-Fort Worth-Arlington, TX MSA	1
66	Provo-Orem, UT MSA	1
67	Macon, GA MSA	1
68	Ogden-Clearfield, UT MSA	1
69	Lumberton, NC MSA	1
70	Gaffney, SC MSA	1
71	Myrtle Beach-Conway-North Myrtle Beach, SC MSA	1
72	Forest City, NC MSA	1
73	Denver-Aurora, CO MSA	1
74	Vidalia, GA MSA	1
75	Orangeburg, SC MSA	1
76	Tulsa, OK MSA	1
77	Kansas City, MO-KS MSA	1
78	Cleveland, TN MSA	1
79	Calhoun, GA MSA	1
80	Davenport-Moline-Rock Island, IA-IL MSA	1
81	Miami-Fort Lauderdale-Miami Beach, FL MSA	1
82	Sarasota-Bradenton-Venice, FL MSA	1
83	Palm Bay-Melbourne-Titusville, FL MSA	1
84	New Orleans-Metairie-Kenner, LA MSA	1
85	San Diego-Carlsbad-San Marcos, CA MSA	1
86	Kankakee-Bradley, IL MSA	1
87	Madison, WI MSA	1
88	Janesville, WI MSA	1
89	Green Bay, WI MSA	1
90	Lafayette, IN MSA	1

Rank	Metropolitan Area	MSA
91	Grand Rapids -Wyoming, MI MS A	1
92	Birmingham-Hoover, AL MS A	1
93	Ne wport, TN MS A	1
94	Boone, NC MS A	1
95	Huntington-As hland, WV-KY-OH MS A	1
96	Dunn, NC MS A	1
97	Wins ton-S a lem, NC MS A	1
98	Pa rke rs burg-Ma rie tta -Vie nna, WV-OH MS A	1
99	Roa noke, VA MS A	1
100	Wa s hington, OH MS A	1
101	Lima, OH MS A	1
102	Mount Ve rmon, OH MS A	1
103	Whe e ling, WV-OH MS A	1
104	Ne w Cas tle, PA MS A	1
105	Morga ntown, WV MS A	1
106	S pa rta nburg, S C MS A	1
107	Richmond, VA MS A	1
108	Rea ding, PA MS A	1
109	Buffa lo-Nia ga ra Fa lls, NY MS A	1
110	Tre nton-E wing, NJ MS A	1
111	Poughke eps ie -Ne wburgh-Middle town, NY MS A	1
112	One onta, NY MS A	1
113	Ha rtford-We s t Ha rtford-Ea s t Ha rtford, CT MS A	1
114	Norwich-Ne w London, CT MS A	1

Demographics



Please indicate your gender below.

Answered: 407 Skipped: 33

	2015	2018
Male	54.1%	43.2%
Female	45.9%	56.8%

Please indicate your age below.

Answered: 437 Skipped: 3

	2015	2018
18 to 19 years	5.2%	5.0%
20 to 24 years	6.6%	5.5%
25 to 29 years	4.7%	3.4%
30 to 34 years	8.1%	7.1%
35 to 39 years	14.2%	10.5%
40 to 44 years	14.2%	14.9%
45 to 49 years	14.7%	14.0%
50 to 54 years	9.0%	7.8%
55 to 59 years	6.2%	9.8%
60 to 64 years	8.1%	8.9%
65 to 69 years	2.8%	6.9%
70 years and over	2.8%	6.0%
Not Applicable	3.3%	0.2%

Which of the following ranges includes your annual household income?

Answered: 431 Skipped: 9

	2015	2018
Under \$24,999	2.4%	3.3%
\$25,000-\$34,999	3.9%	1.6%
\$35,000-\$49,999	4.3%	5.1%
\$50,000-\$74,999	14.9%	11.6%
\$75,000-\$99,999	7.7%	15.3%
\$100,000-\$149,999	22.1%	22.0%
\$150,000-\$199,999	14.4%	13.5%
\$200,000 or More	14.4%	15.3%
Not Applicable	15.9%	12.3%

Where is your primary residence?

Answered: 440 Skipped: 0

	2015	2018
Resident of the Hilton Island/Bluffton/Beaufort/Savannah	7.9%	5.7%
Resident of South Carolina	5.1%	6.6%
Other location within the US	85.2%	86.6%
Outside the US	1.9%	1.1%

Please touch the region in which your primary residence is located.

Answered: 5 Skipped: 435

	2015	2018
Canada	25.0%	100.0%
South America	0.0%	0.0%
Central America	0.0%	0.0%
Asia	0.0%	0.0%
Africa	0.0%	0.0%
Europe	25.0%	0.0%
Australia	25.0%	0.0%
Middle East	0.0%	0.0%
Caribbean	0.0%	0.0%
Other	25.0%	0.0%

Counting this trip, HOW MANY trips had you taken to Hilton Head Island?

Answered: 415 Skipped: 25

	2015	2018
One	24.6%	21.0%
Two	12.8%	10.4%
Three	7.2%	5.8%
Four	7.2%	6.5%
Five or more	48.2%	56.4%
		415

Within the past 2 years, what other months of the year have you visited Hilton Head Island?

Answered: 326 Skipped: 114

	2018
January	5.5%
February	4.0%
March	8.3%
April	8.3%
May	14.7%
June	30.1%
July	65.6%
August	28.8%
September	12.0%
October	7.4%
November	4.9%
December	8.0%
I haven't previously visited Hilton Head Island within the last 2 years	11.4%

How many days do you intend to stay on Hilton Head Island?

Answered: 415 Skipped: 25

	2015	2018
I'm a day visitor	0.5%	1.0%
2 Days	0.0%	1.0%
3 Days	2.5%	2.7%
4 Days	7.5%	3.6%
5 Days	7.5%	9.4%
6 Days	8.0%	5.5%
7 Days	52.8%	59.0%
8 Days	7.5%	8.4%
9 Days or more	13.6%	9.4%

What type of accommodations will you be using while visiting Hilton Head Island?

Answered: 411 Skipped: 29

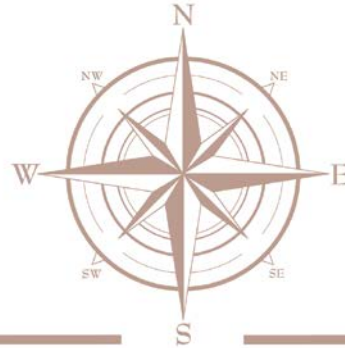
	2015	2018
Villa/condo-rental	34.7%	38.9%
Villa/condo-timeshare	22.6%	25.8%
Home/villa/condo-owned	11.1%	8.3%
Home-rental	14.1%	13.6%
Full service hotel/resort	8.5%	5.1%
Select service hotel/motel	4.5%	1.2%
With friends/relatives	2.0%	6.1%
RV park	1.0%	0.5%
Other	1.5%	0.5%

Within which Hilton Head Island hotel/resort are you staying OR within which community are you staying?

Answered: 411 Skipped: 29

	2015	2018
Palmetto Dunes/Shelter Cove	28.1%	30.7%
Sea Pines	10.4%	10.5%
Shipyards	7.8%	9.3%
Marriott Harbour Point and Sunset point, Shelter Cove	2.1%	2.9%
Marriott Grande Ocean	1.0%	2.7%
Marriott Hilton Head Resort and Spa, Palmetto Dunes	2.1%	2.2%
Hilton Head Plantation	1.6%	2.0%
Marriott Monarch at Sea Pines	2.1%	1.7%
Marriott Barony Beach Club	1.0%	1.5%
Sonesta Resort Hilton Head Island, Shipyards Plantation	2.6%	1.2%
Westin Hilton Head Island Resort and Spa, Port Royal	2.6%	1.2%
Disney's Hilton Head Island Resort	4.7%	0.7%
Inn at Harbour Town - Sea Pines Resort	0.0%	0.7%
Omni Hilton Head Ocean Front Resort	5.2%	0.7%
Indigo Run	0.5%	0.5%
Wexford	0.0%	0.2%
Long Cove	0.0%	0.0%
Windmill Harbour	0.0%	0.0%
Other	28.1%	31.4%

Festival Characteristics



SHELTER COVE
HARBOUR & MARINA

HILTON HEAD ISLAND, SC

How influential was the Shelter Cove Harbourfest Fireworks Display when initially planning your trip to Hilton Head Island?

Answered: 413 Skipped: 27

	Very influential	Influential	Undecided	Not influential	Not at all influential	Total	Weighted Average
2015	10.7%	23.5%	15.8%	31.6%	18.4%	196	
2018	15.7%	32.0%	19.9%	18.6%	13.8%	413	3.17

What was the primary reason for this visit to Hilton Head Island?

Answered: 415 Skipped: 25

	2015	2018
2015 Shelter Cove Harbourfest	1.0%	2.7%
Visit friends or relatives	4.5%	9.2%
Pleasure vacation	89.5%	82.9%
Convention or Conference	0.5%	0.5%
Business and Pleasure	1.0%	1.5%
Other business	1.0%	0.7%
Activity close to home	0.5%	0.2%
Outdoor recreation	2.0%	1.2%
Just passing through	0.0%	1.2%

How many additional people are you financially responsible for during this trip?

Answered: 415 Skipped: 25

	2015	2018
Just myself	14.6%	14.9%
One additional	15.1%	10.6%
Two additional	11.6%	14.9%
Three additional	20.6%	25.5%
Four additional	17.6%	14.7%
Five or more additional	20.6%	19.3%

How did you learn of the Shelter Cove Harbourfest? (You can select up to 3 answers)

Answered: 440 Skipped: 0

	2015	2018
Television Commercial or News Coverage	2.3%	1.4%
Radio Commercial or News Coverage	0.9%	1.1%
Newspaper	-	2.7%
Magazine Article or Ad	19.0%	11.6%
Internet Search	9.3%	16.6%
Word of Mouth	49.5%	45.7%
Social Networks (Facebook, Twitter, etc.)	4.6%	7.1%
Hilton Head Island Visitor & Convention Bureau	15.3%	13.0%
Palmetto Dunes Website	7.9%	9.8%
Email	1.4%	1.6%
Other	21.3%	22.7%

Including this festival, how many times have you attended the Shelter Cove Harbourfest?

Answered: 437 Skipped: 3

	2015	2018
This is my 1st festival	42.7%	39.8%
2 times	11.9%	11.0%
3 times	7.1%	6.4%
4 times	5.7%	6.2%
5 times	4.3%	3.9%
6 or more times	12.3%	16.3%
I attend every year	16.1%	16.5%

How likely are you to return to next year's Harbourfest and recommend Harbourfest to friends?

Answered: 436 Skipped: 4

Return to next year's festival	Extremely likely	Very likely	Not sure	Very unlikely	Extremely unlikely	Total	Weighted Average
2015	42.7%	27.7%	19.3%	6.1%	4.2%	213	3.99
2018	46.7%	29.7%	18.7%	1.6%	3.3%	428	4.15

Recommend the festival to friends	Extremely likely	Very likely	Not sure	Very unlikely	Extremely unlikely	Total	Weighted Average
2015	48.8%	39.3%	8.5%	1.0%	2.5%	201	4.31
2018	58.2%	30.0%	8.6%	0.8%	2.4%	383	4.41

2018 HF Survey Data Summary

- 92.1% of the Shelter Cove Harbourfest attendees were visitors to Hilton Head Island (no significant change)
- 79% were returning visitors to Hilton Head Island (increase by 5.3% from 2015)
- Of the following accommodation sectors (villa condo rentals, villa/condo-timeshare, home rentals, full and select service hotels/resorts), 84.6% (increase by 15.9% from 2015) of the visitors stayed in lodging that generated accommodation tax revenues (i.e. villa/condo rentals, home rentals, and hotels)
- 60.2% had previously been to Shelter Cove Harbour Fest (increase by 5.6% from 2015)
- 47.7% indicated that the Shelter Cove Harbourfest Fireworks Display was Very Influential or Influential when initially planning their trip to Hilton Head Island (increase by 40.3% from 2015)
- 76.4% indicated that they would return to Shelter Cove Harbourfest (increase by 7.6% from 2015)
- 88.2% indicated that they would recommend the festival to Friends (no significant change)

Takeaways

- Most (92.1%) of Shelter Cove Harbourfest attendees are visitors to Hilton Head Island
- Most (79%) of the Harbourfest attendees are return visitors to Hilton Head Island
- Most Harbourfest attendees stay at facilities that generate accommodation taxes
- The majority of attendees have previously attended Harbourfest, most are Extremely likely or Likely to return to Harbourfest, and most are Extremely likely or Likely to recommend Harbourfest to Friends.
- Shelter Cove Harbourfest is an attraction that adds value to the visitor experience while staying on Hilton Head Island; whereas three quarter of its attendees are repeat visitors to the Island and over 6 out of 10 visitors have been to multiple Harbourfests
- Shelter Cove Harbourfest is a Hilton Head Island experience that leads to word of mouth testimonials by vacationers who have a high propensity to return to Hilton Head Island

For More Information:
Dr. John Salazar 843 208 8217
Dr. Nancy Hritz 843 208 8356
or Anton Abraham 843 208 8344

See also: www.lriti.org
<http://facebook.com/lriti/uscb>
LinkedIn: Lowcountry and Resort Islands
Tourism Institute at USCB

Shelter Cove Company
Statement of Financial Activity
May 2022

	May 2022	Jun 2021 - May 2022 (YTD)	Budget 2021/2022	% of Annual Budget
Revenue				
40000 Villa Community Service Income		1,162,916.00	1,162,916.00	100.00%
41000 Commercial Community Service Income		151,090.56	152,619.49	99.00%
47000 Late Fee Income		1,300.00	1,700.00	76.47%
48000 Interest Income		3.29	1,000.00	0.33%
48100 Community Enhancement Income	13,879.50	164,631.63	70,000.00	235.19%
48740 Brick Project fund Raising		12,124.34	9,000.00	134.71%
48750 Miscellaneous Income	3,553.72	34,731.77	8,000.00	434.15%
48752 Communication Licensing		4,297.43	3,889.00	110.50%
49510 Process Fee Income	1,000.00	10,535.00	9,600.00	109.74%
49512 Road Repair Income		26,916.68	25,039.00	107.50%
49530 Unrealized Gain/Loss on Investments	1,026.11	-113,685.20		
Total Revenue	\$ 19,459.33	\$ 1,454,861.50	1,443,763.49	100.77%
Expenditures				
60000 Community Manager	5,400.00	66,945.00	64,800.00	103.31%
60100 Accounting Services	1,766.00	21,293.00	21,200.00	100.44%
60110 Payroll Taxes	413.10	5,927.85	4,957.00	119.59%
60200 Internet Marketing	2,678.00	16,068.00	16,500.00	97.38%
60300 Grounds/Roadside Maintenance Contract	14,275.95	170,368.62	171,456.00	99.37%
60301 Ground/Road Maint Other	4,170.00	103,122.35	75,000.00	137.50%
60310 Board Expenses	235.00	2,533.94	3,600.00	70.39%
60400 Security Services Administration-Contracted	26,239.99	301,654.58	299,253.00	100.80%
60410 Security Services- Other Cameras	456.75	5,944.83	5,460.00	108.88%
60500 Street Lights-Lease Contract	951.00	11,423.00	11,460.00	99.68%
60700 Electricity	959.00	11,581.00	17,770.00	65.17%
60800 Water for Irrigation	1,035.48	17,467.77	18,504.00	94.40%
60900 Administrative	1,122.69	18,511.51	19,710.00	93.92%
61000 Legal Expense	237.50	4,176.38	21,250.00	19.65%
61100 Taxes Paid		5,004.86	5,412.00	92.48%
61200 Security Services-Pass Fee	5,747.50	11,497.50	12,000.00	95.81%
61400 HarbourFest		12,500.00	12,500.00	100.00%
61500 Christmas Decorations		4,000.00	6,000.00	66.67%
60520 Uncollectable Accounts			15,000.00	0.00%
61600 Liability/D&O Insurance	9,961.00	39,294.50	40,700.00	96.55%
61750 Irrigation Repairs		3,666.70	6,000.00	61.11%
61800 Facility Repairs & Maintenance	1,941.00	49,781.50	55,000.00	90.51%
61900 *CAPITAL EXPENDITURES*	17,274.18	785,400.68	479,692.49	163.73%
61920 Legacy Paver Project		3,002.00	3,000.00	100.07%
61930 Road Repair Fund	24,500.00	24,500.00	24,500.00	100.00%
61940 Catastrophic Fund Allocation	33,039.00	33,039.00	33,039.00	100.00%
Total Expenditures	\$ 152,403.14	\$ 1,728,704.57	1,443,763.49	119.74%
Net Revenue over Expenditures	-\$ 132,943.81	-\$ 273,843.07		

Tuesday, Jun 28, 2022 05:33:51 PM GMT-7 - Accrual Basis

Shelter Cove Company

Statement of Financial Position

As of May 31, 2022

	As of May 31, 2022	As of May 31, 2021 (PY)
ASSETS		
Current Assets		
Bank Accounts		
10010 Operating		
10040 Wells Fargo 7363 Temp Restricted	50,097.34	50,094.05
10060 Wells Fargo Operating xx4799	88,163.01	92,159.35
Total 10010 Operating	\$ 138,260.35	\$ 142,253.40
10180 Wells Fargo7385	3,605.22	1,500.00
11200 Wellsfargo 3596 (BrickProject)	1,602.10	29,725.76
Total Bank Accounts	\$ 143,467.67	\$ 173,479.16
Accounts Receivable		
12000 Accounts Receivable	7,560.29	17,890.78
12010 Allowance for Doubtful Accounts	-2,266.00	-3,494.00
Total 12000 Accounts Receivable	\$ 5,294.29	\$ 14,396.78
Total Accounts Receivable	\$ 5,294.29	\$ 14,396.78
Other Current Assets		
10079 Catastrophic Investment Fund 383	943,087.21	1,008,745.44
10140 Capital Project Investment Fund	573,521.79	721,548.76
Total Other Current Assets	\$ 1,516,609.00	\$ 1,730,294.20
Total Current Assets	\$ 1,665,370.96	\$ 1,918,170.14
Fixed Assets		
16000 Buildings	468,252.83	468,252.83
16050 Furniture & Fixtures	5,174.02	5,174.02
16070 Other fixed assets	573,271.44	573,271.44
16090 Accumulated Depreciation	-577,406.00	-577,406.00
Total Fixed Assets	\$ 469,292.29	\$ 469,292.29
TOTAL ASSETS	\$ 2,134,663.25	\$ 2,387,462.43
LIABILITIES AND NET ASSETS		
Liabilities		
Current Liabilities		
22000 ARB Compliance Deposits	46,203.75	45,203.75
Total Accounts Payable	\$ 46,203.75	\$ 45,203.75
Other Current Liabilities		
20300 Payroll Taxes Payable	1,341.19	5,797.30
21850 A/P Expenses Accrued	0.00	33,039.00
21860 Accrued Road Repair Fund	49,000.00	24,500.00
21960 Accrued Contribution to Catastrophic Fund	33,039.00	
Total Other Current Liabilities	\$ 83,380.19	\$ 63,336.30
Total Current Liabilities	\$ 129,583.94	\$ 108,540.05
Total Liabilities	\$ 129,583.94	\$ 108,540.05
Equity		
30000 Opening Balance-Net Assets	326,450.33	326,450.33
35000 Net Assets	1,952,472.05	1,538,509.90
Change in Net Assets	-273,843.07	413,962.15
Total Net Assets	\$ 2,005,079.31	\$ 2,278,922.38
TOTAL LIABILITIES AND NET ASSETS	\$ 2,134,663.25	\$ 2,387,462.43

Tuesday, Jun 28, 2022 06:09:09 PM GMT-7 - Accrual Basis

Shelter Cove Company

Balance Sheet As of May 31, 2020

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
10010 Operating	178,159.99
10180 Wells Fargo7385	1,046.73
11200 Wellsfargo 3596 (BrickProject)	19,484.09
Total Bank Accounts	\$198,690.81
Accounts Receivable	
12000 Accounts Receivable	13,218.70
Total Accounts Receivable	\$13,218.70
Other Current Assets	
10079 Catastrophic Investment Fund 383	771,660.21
10140 Capital Project Investment Fund	546,157.23
Total Other Current Assets	\$1,317,817.44
Total Current Assets	\$1,529,726.95
Fixed Assets	
16000 Buildings	468,252.83
16050 Furniture & Fixtures	5,174.02
16070 Other fixed assets	573,271.44
16090 Accumulated Depreciation	-577,406.00
Total Fixed Assets	\$469,292.29
TOTAL ASSETS	\$1,999,019.24
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
22000 ARB Compliance Deposits	55,203.75
Total Accounts Payable	\$55,203.75
Other Current Liabilities	
21850 A/P Expenses Accrued	47,191.00
Total Other Current Liabilities	\$47,191.00
Total Current Liabilities	\$102,394.75
Long-Term Liabilities	
22100 Notes Payable	31,664.26
Total Long-Term Liabilities	\$31,664.26
Total Liabilities	\$134,059.01
Equity	
30000 Opening Balance-Net Assets	326,450.33
35000 Net Assets	1,486,042.76
Net Income	52,467.14
Total Equity	\$1,864,960.23
TOTAL LIABILITIES AND EQUITY	\$1,999,019.24

Shelter Cove Company
Budget
FYE 2023

	Annual Budget 2021/2022	Annual Budget 2022/2023
Revenue		5%
40000 Villa Community Service Income	1,162,916.00	1,220,683.00
41000 Commercial Community Service Income	152,619.49	159,739.71
47000 Late Fee Income	1,700.00	1,700.00
48000 Interest Income	1,000.00	1,000.00
48100 Community Enhancement Income	70,000.00	70,000.00
48740 Brick Project fund Raising	9,000.00	9,000.00
48750 Miscellaneous Income	8,000.00	8,000.00
48752 Communication Licensing	3,889.00	3,889.00
49510 Process Fee Income	9,600.00	9,600.00
29512 Road Repair Income	25,039.00	26,366.00
Total Income	\$ 1,443,763.49	\$ 1,509,977.71
Expenditures		
60000 Electricity	17,770.00	17,770.00
60100 Street Lights-Lease Contract	11,460.00	11,460.00
60200 Water for Irrigation	18,504.00	19,200.00
60300 Administrative	19,710.00	22,152.00
60310 Board Expenses	3,600.00	3,600.00
60399 Internet Marketing	16,500.00	16,500.00
60400 Community Manager	64,800.00	67,650.00
60410 Payroll Taxes	4,957.00	5,112.00
60500 Accounting Services	21,200.00	22,050.00
60520 Uncollectable Accounts	15,000.00	15,000.00
60700 Security Services - Contracted	299,253.00	305,661.88
60710 Security Services - Other Cameras	5,460.00	15,688.00
60800 Security Services-Pass Fee	12,000.00	12,000.00
60900 Legal Expense	21,250.00	21,250.00
61000 Taxes Paid	5,412.00	23,744.00
61400 HarbourFest	12,500.00	12,500.00
61500 Christmas Decorations	6,000.00	8,000.00
61600 Liability/D&O Insurance	40,700.00	40,700.00
61700 Grounds/Roadside Maint. - Contract	171,456.00	177,581.00
61710 Grounds/Roadside Maintenance - Other	75,000.00	75,000.00
61750 Irrigation Repairs	6,000.00	6,000.00
61800 Facility Repairs & Maintenance	55,000.00	45,300.00
6190 Interest	0.00	
Legacy Paver Project Expenses	3,000.00	3,000.00
Road Repair Fund	24,500.00	26,366.00
Property Insurance or Contribution to Cat	33,039.00	33,039.00
61900 *CAPITAL Contribution*	479,692.49	503,653.83
Total Expenditures	\$ 1,443,763.49	\$ 1,509,977.71
	\$ 0.00	\$ 0.00

Shelter Cove Company

Profit and Loss

June 2021

	TOTAL
Income	
40000 Villa Community Service Income	1,162,916.00
41000 Commercial Community Service Income	151,090.56
48100 Community Enhancement Income	21,887.50
48740 Brick Project fund Raising	2,963.78
48750 Miscellaneous Income	15,021.08
49510 Process Fee Income	1,635.00
49530 Unrealized Gain/Loss on Investments	19,485.93
Total Income	\$1,374,999.85
GROSS PROFIT	\$1,374,999.85
Expenses	
60000 Community Manager	5,400.00
60100 Accounting Services	1,717.00
60110 Payroll Taxes	413.10
60200 Internet Marketing	1,339.00
60300 Grounds/Roadside Maintenance Contract	13,353.60
60301 Ground/Road Maint Other	574.40
60400 Security Services Administration-Contracted	24,230.44
60410 Security Services- Other Cameras	914.80
60500 Street Lights-Lease Contract	951.00
60700 Electricity	902.00
60800 Water for Irrigation	2,284.25
60900 Administrative	1,954.32
61000 Legal Expense	200.00
61600 Liability/D&O Insurance	10,390.00
61800 Facility Repairs & Maintenance	6,747.73
61900 *CAPITAL EXPENDITURES*	2,738.72
Total Expenses	\$74,110.36
NET OPERATING INCOME	\$1,300,889.49
NET INCOME	\$1,300,889.49

Shelter Cove Company

Profit and Loss

June 2020 - May 2021

	TOTAL
Income	
40000 Villa Community Service Income	1,161,904.81
41000 Commercial Community Service Income	150,723.19
47000 Late Fee Income	900.00
48000 Interest Income	6.21
48100 Community Enhancement Income	165,082.25
48740 Brick Project fund Raising	9,638.08
48750 Miscellaneous Income	21,014.68
48752 Communication Licensing	5,051.38
49510 Process Fee Income	15,400.00
49512 Road Repair Income	25,039.00
49530 Unrealized Gain/Loss on Investments	412,476.76
Total Income	\$1,967,236.36
GROSS PROFIT	\$1,967,236.36
Expenses	
60000 Community Manager	57,841.00
60100 Accounting Services	20,823.00
60200 Internet Marketing	19,608.00
60300 Grounds/Roadside Maintenance Contract	205,512.30
60310 Board Expenses	3,430.02
60400 Security Services Administration-Contracted	300,495.67
60500 Street Lights-Lease Contract	11,384.00
60700 Electricity	10,441.17
60800 Water for Irrigation	16,869.32
60900 Administrative	19,568.12
61000 Legal Expense	10,894.44
61010 Property Taxes	4,777.60
61100 Taxes Paid	1,903.92
61200 Security Services-Pass Fee	11,510.00
61600 Liability/D&O Insurance	22,371.32
61750 Irrigation Repairs	4,206.67
61800 Facility Repairs & Maintenance	38,731.39
6190 Interest	143.24
61900 *CAPITAL EXPENDITURES*	730,029.98
61930 Road Repair Fund	24,500.00
61940 Catastrophic Fund Allocation	33,039.00
Total Expenses	\$1,548,080.16
NET OPERATING INCOME	\$419,156.20
NET INCOME	\$419,156.20

SHELTER COVE COMPANY
Statement of Financial Position
As of June 30, 2019

ASSETS

Current Assets	
Bank Accounts	
10010 Operating	
10040 Wells Fargo 7363 Temp Restricted	50,062.50
10060 Wells Fargo Operating xx4799	763,308.40
Total 10010 Operating	\$ 813,370.90
10180 Wells Fagro 7385	1,109.10
11200 Wellsfargo 3596 (BrickProject)	849.89
Total Bank Accounts	\$ 815,329.89
Accounts Receivable	
Total Accounts Receivable	\$ 536,100.11
Other Current Assets	
10079 Catastrophic Investment Fund	753,530.38
10140 Capital Project Investment Fund	557,170.90
14000 Note Recievable	20,712.71
Total Other Current Assets	\$ 1,331,413.99
Total Current Assets	\$ 2,682,843.99
Fixed Assets	
16000 Buildings	555,663.08
16050 Furniture & Fixtures	5,174.02
16090 Accumulated Depreciation	-33,563.00
Total Fixed Assets	\$ 527,274.10
TOTAL ASSETS	\$ 3,210,118.09

LIABILITIES AND NET ASSETS

Liabilities	
Current Liabilities	
Accounts Payable	
22000 ARB Compliance Deposits	50,203.75
Total Accounts Payable	\$ 50,203.75
Total Current Liabilities	\$ 50,203.75
Long-Term Liabilities	
22100 Notes Payable	110,528.67
Total Long-Term Liabilities	\$ 110,528.67
Total Liabilities	\$ 160,732.42
Net Assets	
30000 Opening Balance-Net Assets	326,450.33
35000 Net Assets	1,506,247.58
Change in Net Assets	1,216,687.76
Total Net Assets	\$ 3,049,385.67
TOTAL LIABILITIES AND NET ASSETS	\$ 3,210,118.09

SHELTER COVE COMPANY
Statement of Financial Activity
June 2019

	Jun 2019	Jun 2019 (YTD)	Annual Budget 2019/2020	% of Budget
Revenue				
40000 Villa Community Service Income	1,035,204.48	1,035,204.48	1,033,930.00	100.12%
41000 Commercial Community Service Income	173,007.19	173,007.19	171,506.00	100.88%
47000 Late fee Income			1,700.00	
48000 Interest Income	557.56	557.56	4,000.00	13.94%
48100 Community Enhancement Income	8,890.00	8,890.00	70,000.00	12.70%
48750 Miscellaneous Income	1,045.45	1,045.45	8,000.00	13.07%
49510 Process Fee Income	1,000.00	1,000.00		
49530 Unrealized Gain/Loss on Investments	57,402.85	57,402.85		
Road Repair Income			23,000.00	
Total Revenue	\$ 1,277,107.53	\$ 1,277,107.53	1,312,136.00	97.33%
Expenditures				
60000 Electricity	1,459.24	1,459.24	17,700.00	8.24%
60100 Street Lights-Lease Contract	848.76	848.76	10,500.00	8.08%
60200 Water for Irrigation	1,931.56	1,931.56	18,500.00	10.44%
60300 Administrative	2,392.45	2,392.45	36,010.00	6.64%
60200 Internet Marketing	1,360.40	1,360.40	16,500.00	8.24%
60310 Board Expenses	196.87	196.87		
60400 Community Manager	4,895.00	4,895.00	60,000.00	8.16%
60500 Accounting Services	1,533.00	1,533.00	20,000.00	7.67%
60520 Uncollectible Accounts			15,000.00	
60700 Security Services Administration	23,990.54	23,990.54	293,300.00	8.47%
60800 Security Services-Pass Fee	5,750.00	5,750.00	12,000.00	47.92%
60900 Legal Expense	810.00	810.00	21,250.00	3.81%
61010 Property Taxes			8,005.00	
61400 Harbourfest			12,500.00	
61600 Liability/D&O Insurance			40,700.00	
61700 Grounds/Roadside Maintenance	11,034.25	11,034.25	185,000.00	5.96%
61750 Irrigation Repairs	273.50	273.50	5,000.00	5.47%
61800 Facility Repairs & Maintenance	3,128.36	3,128.36	50,000.00	6.26%
6190 Interest	815.84	815.84	8,760.00	9.31%
61500 Christmas Decorations			3,500.00	
Property Insurance or contribution to Catastrophic			33,039.00	
Road Repair Income			23,000.00	
61900 Capital Expenditures			431,872.00	
Total Expenditures	\$ 60,419.77	\$ 60,419.77	1,312,136.00	4.60%
Total Revenue over Expenditures	\$ 1,216,687.76	\$ 1,216,687.76	0.00	

SHELTER COVE COMPANY

Statement of Financial Position

As of May 31, 2019

ASSETS	<u>Total</u>
Current Assets	
Bank Accounts	
10010 Operating	156,017.46
10180 Wells Fagro 7385	757.00
11200 Wellsfargo 3596 (BrickProject)	849.89
Total Bank Accounts	\$ 157,624.35
12000 Accounts Receivable	32,121.90
Total Accounts Receivable	\$ 32,121.90
Other Current Assets	
10079 Catastrophic Investment Fund 383	721,479.35
10140 Capital Project Investment Fund	531,819.08
14000 Note Recievable	22,295.71
Total Other Current Assets	\$ 1,275,594.14
Total Current Assets	\$ 1,465,340.39
Fixed Assets	
16000 Buildings	555,663.08
16060 Furniture & Fixtures	5,174.02
16090 Accumulated Depreciation	-53,768.00
Total Fixed Assets	\$ 507,069.10
TOTAL ASSETS	\$ 1,972,409.49
LIABILITIES AND NET ASSETS	
Liabilities	
Current Liabilities	
Accounts Payable	
22000 ARB Compliance Deposits	50,203.75
Total Accounts Payable	\$ 50,203.75
Total Current Liabilities	\$ 50,203.75
Long-Term Liabilities	
22100 Notes Payable	109,712.83
Total Long-Term Liabilities	\$ 109,712.83
Total Liabilities	\$ 159,916.58
NET ASSETS	
30000 Opening Balance-Net Assets	326,450.33
36000 Net Assets	1,464,325.55
Change In Net Assets	21,717.03
Total Net Assets	\$ 1,812,492.91
TOTAL LIABILITIES AND NET ASSETS	\$ 1,972,409.49

SHELTER COVE COMPANY
Statement of Financial Activity
June 2018 - May 2019

	<u>Total</u>
Revenue	
40000 Villa Community Service Income	811,712.00
41000 Commercial Community Service Income	248,306.27
47000 Late Fee Income	1,300.00
48000 Interest Income	7,539.86
48100 Community Enhancement Income	79,077.46
48740 Brick Project fund Raising	30,100.65
48750 Miscellaneous Income	32,821.23
49510 Process Fee Income	7,500.00
49530 Unrealized Gain/Loss on Investments	-9,894.43
Total Revenue	\$ 1,208,463.04
Gross Revenue	\$ 1,208,463.04
Expenditures	
60000 Electricity	17,485.51
60100 Street Lights-Lease Contract	10,216.80
60200 Water for Irrigation	14,554.72
60300 Administrative	50,246.06
60310 Board Expenses	3,440.57
60400 Community Manager	58,330.00
60500 Accounting Services	18,546.00
60520 Uncollectible Accounts	0.00
60700 Security Services Administration	290,686.48
60800 Security Services-Pass Fee	11,500.00
60900 Legal Expense	5,740.08
61010 Property Taxes	7,129.83
61400 HarbourFest	12,500.00
61500 Christmas Decorations	3,500.00
61600 Liability/D&O Insurance	15,032.34
61700 Grounds/Roadside Maintenance	185,740.77
61750 Irrigation Repairs	2,259.90
61760 Depreciation Expenses	20,205.00
61800 Facility Repairs & Maintenance	52,082.92
6190 Interest	8,934.36
61900 *CAPITAL EXPENDITURES*	398,614.67
Total Expenditures	\$ 1,186,746.01
Net Revenue over Expenditures	\$ 21,717.03

**Acknowledgement and General Information for
Entities That File Returns Electronically**

2021

Name(s) as shown on return

SHELTER COVE COMPANY

Employer Identification Number

****-***9304**

Entity address

PO BOX 6004

Hilton Head Island, SC 29938

Thank you for participating in IRS e-file.

1. 2021 1120 income tax return for Federal was filed electronically.
The electronic filing services were provided by CE JERNIGAN CPA.
2. 1120 income tax return was accepted on 08-22-2022 using a Personal Identification Number (PIN) as an electronic signature. The entity entered a PIN or authorized the Electronic Return Originator (ERO) to enter or generate a PIN signature.
The submission ID assigned to this return is 57956820222340rq3wa1.

**PLEASE DO NOT SEND A PAPER COPY OF ENTITY'S RETURN TO THE
IRS. IF YOU DO, IT WILL DELAY THE PROCESSING OF THE RETURN.**

- A Check if:**
1a Consolidated return (attach Form 851)
b Life/nonlife consolidated return
2 Personal holding co. (attach Sch. PH)
3 Personal service corp. (see instructions)
4 Schedule M-3 attached

TYPE OR PRINT	Name SHELTER COVE COMPANY
	Number, street, and room or suite no. If a P.O. box, see instructions. PO BOX 6004
	City or town, state or province, country and ZIP or foreign postal code Hilton Head Island SC 29938

B Employer identification number
57-0739304

C Date incorporated
02-19-1982

D Total assets (see instructions)
\$ **2,085,689**

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

Income	1a Gross receipts or sales.	1a	1,341,176	
	b Returns and allowances	1b		
	c Balance. Subtract line 1b from line 1a	1c		1,341,176
	2 Cost of goods sold (attach Form 1125-A)	2		
	3 Gross profit. Subtract line 2 from line 1c	3		1,341,176
	4 Dividends and inclusions (Schedule C, line 23)	4		22,851
	5 Interest	5		3
	6 Gross rents	6		
	7 Gross royalties	7		
	8 Capital gain net income (attach Schedule D (Form 1120))	8		101,824
	9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	9		
10 Other income (see instructions - attach statement)	10			
11 Total income. Add lines 3 through 10 ▶	11		1,465,854	
Deductions (See instructions for limitations on deductions.)	12 Compensation of officers (see instructions - attach Form 1125-E) ▶	12		
	13 Salaries and wages (less employment credits)	13		64,721
	14 Repairs and maintenance	14		
	15 Bad debts	15		
	16 Rents	16		
	17 Taxes and licenses Wks. Tax/Lic	17		10,933
	18 Interest (see instructions)	18		
	19 Charitable contributions	19		
	20 Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	20		583,976
	21 Depletion	21		
	22 Advertising	22		
	23 Pension, profit-sharing, etc., plans	23		
	24 Employee benefit programs	24		
	25 Reserved for future use	25		
	26 Other deductions (attach statement) Statement #5.	26		803,416
	27 Total deductions. Add lines 12 through 26 ▶	27		1,463,046
	28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11	28		2,808
29a Net operating loss deduction (see instructions)	29a			
b Special deductions (Schedule C, line 24)	29b	11,426		
c Add lines 29a and 29b	29c		11,426	
Tax, Refundable Credits, & Payments	30 Taxable income. Subtract line 29c from line 28. See instructions	30		(8,618)
	31 Total tax (Schedule J, Part I, line 11)	31		0
	32 Reserved for future use	32		
	33 Total payments and credits (Schedule J, Part III, line 23)	33		
	34 Estimated tax penalty. See instructions. Check if Form 2220 is attached ▶ <input type="checkbox"/>	34		
	35 Amount owed. If line 33 is smaller than the total of lines 31 and 34, enter amount owed	35		
	36 Overpayment. If line 33 is larger than the total of lines 31 and 34, enter amount overpaid	36		
37 Enter amount from line 36 you want: Credited to 2022 estimated tax ▶ Refunded ▶	37			

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.

Alfred Nelson Signature of officer	_____ Date	President Title	May the IRS discuss this return with the preparer shown below? See instructions. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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Paid Preparer Use Only	Print/Type preparer's name Charles E Jernigan CPA	Preparer's signature Charles E Jernigan CPA	Date 09-02-2022	Check <input type="checkbox"/> if self-employed PTIN P00932839
	Firm's name ▶ CE JERNIGAN CPA	Firm's EIN ▶ 81-4276440		Phone no.
	Firm's address ▶ PO BOX 6674	Hilton Head Island SC 29938		(843)290-0083

Schedule C Dividends, Inclusions, and Special Deductions (see instructions)		(a) Dividends and inclusions	(b) %	(c) Special deductions (a) x (b)
1	Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)	22,851	50	11,426
2	Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)		65	
3	Dividends on certain debt-financed stock of domestic and foreign corporations		See instructions	
4	Dividends on certain preferred stock of less-than-20%-owned public utilities		23.3	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities		26.7	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs		50	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs		65	
8	Dividends from wholly owned foreign subsidiaries		100	
9	Subtotal. Add lines 1 through 8. See instructions for limitations	22,851	See instructions	11,426
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		100	
12	Dividends from certain FSCs		100	
13	Foreign-source portion of dividends received from a specified 10%-owned foreign corporation (excluding hybrid dividends) (see instructions)		100	
14	Dividends from foreign corporations not included on line 3, 6, 7, 8, 11, 12, or 13 (including any hybrid dividends)			
15	Reserved for future use			
16a	Subpart F inclusions derived from the sale by a controlled foreign corporation (CFC) of the stock of a lower-tier foreign corporation treated as a dividend (attach Form(s) 5471) (see instructions)		100	
b	Subpart F inclusions derived from hybrid dividends of tiered corporations (attach Form(s) 5471) (see instructions)			
c	Other inclusions from CFCs under subpart F not included on line 16a, 16b, or 17 (attach Form(s) 5471) (see instructions)			
17	Global Intangible Low-Taxed Income (GILTI) (attach Form(s) 5471 and Form 8992)			
18	Gross-up for foreign taxes deemed paid			
19	IC-DISC and former DISC dividends not included on line 1, 2, or 3			
20	Other dividends			
21	Deduction for dividends paid on certain preferred stock of public utilities			
22	Section 250 deduction (attach Form 8993)			
23	Total dividends and inclusions. Add column (a), lines 9 through 20. Enter here and on page 1, line 4	22,851		
24	Total special deductions. Add column (c), lines 9 through 22. Enter here and on page 1, line 29b			11,426

Schedule J Tax Computation and Payment (see instructions)

Part I - Tax Computation

1	Check if the corporation is a member of a controlled group (attach Schedule O (Form 1120)). See instructions	<input type="checkbox"/>		
2	Income tax. See instructions		2	0
3	Base erosion minimum tax amount (attach Form 8991)		3	
4	Add lines 2 and 3		4	0
5a	Foreign tax credit (attach Form 1118)	5a	0	
b	Credit from Form 8834 (see instructions)	5b		
c	General business credit (attach Form 3800)	5c		
d	Credit for prior year minimum tax (attach Form 8827)	5d		
e	Bond credits from Form 8912	5e		
6	Total credits. Add lines 5a through 5e.		6	
7	Subtract line 6 from line 4		7	0
8	Personal holding company tax (attach Schedule PH (Form 1120))		8	0
9a	Recapture of investment credit (attach Form 4255)	9a		
b	Recapture of low-income housing credit (attach Form 8611)	9b		
c	Interest due under the look-back method - completed long-term contracts (attach Form 8697)	9c		
d	Interest due under the look-back method - income forecast method (attach Form 8866)	9d		
e	Alternative tax on qualifying shipping activities (attach Form 8902)	9e		
f	Interest/tax due under Section 453A(c) and/or Section 453(l)	9f		
g	Other (see instructions - attach statement)	9g		
10	Total. Add lines 9a through 9g.		10	
11	Total tax. Add lines 7, 8, and 10. Enter here and on page 1, line 31.		11	0

Part II - Reserved For Future Use

12	Reserved for future use		12	
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Part III - Payments and Refundable Credits

13	2020 overpayment credited to 2021		13	
14	2021 estimated tax payments		14	
15	2021 refund applied for on Form 4466		15	()
16	Combine lines 13, 14, and 15		16	
17	Tax deposited with Form 7004		17	
18	Withholding (see instructions)		18	
19	Total payments. Add lines 16, 17, and 18.		19	
20	Refundable credits from:			
a	Form 2439	20a		
b	Form 4136	20b		
c	Reserved for future use	20c		
d	Other (attach statement - see instructions)	20d		
21	Total credits. Add lines 20a through 20d.		21	
22	Reserved for future use		22	
23	Total payments and credits. Add lines 19 and 21. Enter here and on page 1, line 33.		23	

Schedule K Other Information (see instructions)

- 1 Check accounting method: a Cash b [X] Accrual c Other (specify)
2 See the instructions and enter the:
a Business activity code no. 531310
b Business activity Home Owners Association
c Product or service Home Owners Association
3 Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? X
4 At the end of the tax year:
a Did any foreign or domestic corporation, partnership... X
b Did any individual or estate own directly 20% or more... X
5 At the end of the tax year, did the corporation:
a Own directly 20% or more... X

Table with 2 columns: Yes, No. Contains 'X' marks in the No column for questions 3, 4a, 4b, and 5a.

Table with 4 columns: (i) Name of Corporation, (ii) Employer Identification Number (if any), (iii) Country of Incorporation, (iv) Percentage Owned in Voting Stock.

- b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. X

Table with 2 columns: Yes, No. Contains 'X' mark in the No column.

Table with 4 columns: (i) Name of Entity, (ii) Employer Identification Number (if any), (iii) Country of Organization, (iv) Maximum Percentage Owned in Profit, Loss, or Capital.

- 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
7 At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of the total voting power of all classes of the corporation's stock entitled to vote or at least 25% of the total value of all classes of the corporation's stock? X
8 Check this box if the corporation issued publicly offered debt instruments with original issue discount.
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 (see instructions).
12 Enter the available NOL carryover from prior tax years (do not reduce it by any deduction reported on page 1, line 29a.) \$

Table with 2 columns: Yes, No. Contains 'X' marks in the No column for questions 6 and 7.

Schedule K Other Information (continued from page 4)

Table with 2 columns: Question (13-26) and Yes/No. Contains various tax-related questions and their corresponding 'Yes' or 'No' responses.

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash		172,876		143,467
2a	Trade notes and accounts receivable	14,397		5,294	
b	Less allowance for bad debts	()	14,397	()	5,294
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach statement)				
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach statement)	Statement #9	1,415,681		1,282,418
10a	Buildings and other depreciable assets	1,046,699		1,832,099	
b	Less accumulated depreciation	(593,613)	453,086	(1,177,589)	654,510
11a	Depletable assets				
b	Less accumulated depletion	()		()	
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)				
b	Less accumulated amortization	()		()	
14	Other assets (attach statement)				
15	Total assets		2,056,040		2,085,689
Liabilities and Shareholders' Equity					
16	Accounts payable		33,039		
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (attach statement)	Statement #11	69,704		129,584
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more				
21	Other liabilities (attach statement)				
22	Capital stock: a Preferred stock				
	b Common stock				
23	Additional paid-in capital				
24	Retained earnings-Appropriated (attach statement)				
25	Retained earnings-Unappropriated		1,953,297		1,956,105
26	Adjustments to shareholders' equity (attach statement)				
27	Less cost of treasury stock		()		()
28	Total liabilities and shareholders' equity		2,056,040		2,085,689

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

Note: The corporation may be required to file Schedule M-3. See instructions.

1	Net income (loss) per books	2,808	7	Income recorded on books this year not included on this return (itemize):	
2	Federal income tax per books			Tax-exempt interest \$ _____	
3	Excess of capital losses over capital gains				
4	Income subject to tax not recorded on books this year (itemize): _____				
5	Expenses recorded on books this year not deducted on this return (itemize):		8	Deductions on this return not charged against book income this year (itemize):	
a	Depreciation \$ _____		a	Depreciation \$ _____	
b	Charitable contributions \$ _____		b	Charitable contributions \$ _____	
c	Travel and entertainment \$ _____				
6	Add lines 1 through 5	2,808	9	Add lines 7 and 8	
			10	Income (page 1, line 28)-line 6 less line 9	2,808

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

1	Balance at beginning of year	1,953,297	5	Distributions: a Cash	
2	Net income (loss) per books	2,808		b Stock	
3	Other increases (itemize): _____			c Property	
			6	Other decreases (itemize): _____	
4	Add lines 1, 2, and 3	1,956,105	7	Add lines 5 and 6	
			8	Balance at end of year (line 4 less line 7)	1,956,105

**SCHEDULE D
(Form 1120)**

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

▶ Attach to Form 1120, 1120-C, 1120-F, 1120-FSC, 1120-H, 1120-IC-DISC, 1120-L, 1120-ND, 1120-PC, 1120-POL, 1120-REIT, 1120-RIC, 1120-SF, or certain Forms 990-T.

▶ Go to www.irs.gov/Form1120 for instructions and the latest information.

OMB No. 1545-0123

2021

Name SHELTER COVE COMPANY	Employer identification number 57-0739304
-------------------------------------	---

Did the corporation dispose of any investment(s) in a qualified opportunity fund during the tax year? Yes No
If "Yes," attach Form 8949 and see its instructions for additional requirements for reporting your gain or loss.

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
1a Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b				
1b Totals for all transactions reported on Form(s) 8949 with Box A checked	4,041	4,054	0	(13)
2 Totals for all transactions reported on Form(s) 8949 with Box B checked				
3 Totals for all transactions reported on Form(s) 8949 with Box C checked				
4 Short-term capital gain from installment sales from Form 6252, line 26 or 37			4	
5 Short-term capital gain or (loss) from like-kind exchanges from Form 8824			5	
6 Unused capital loss carryover (attach computation)			6	()
7 Net short-term capital gain or (loss). Combine lines 1a through 6 in column h			7	(13)

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
8a Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b				
8b Totals for all transactions reported on Form(s) 8949 with Box D checked	164,996	79,687	0	85,309
9 Totals for all transactions reported on Form(s) 8949 with Box E checked				
10 Totals for all transactions reported on Form(s) 8949 with Box F checked				
11 Enter gain from Form 4797, line 7 or 9			11	
12 Long-term capital gain from installment sales from Form 6252, line 26 or 37			12	
13 Long-term capital gain or (loss) from like-kind exchanges from Form 8824			13	
14 Capital gain distributions (see instructions)			14	16,528
15 Net long-term capital gain or (loss). Combine lines 8a through 14 in column h			15	101,837

Part III Summary of Parts I and II

16 Enter excess of net short-term capital gain (line 7) over net long-term capital loss (line 15)				16
17 Net capital gain. Enter excess of net long-term capital gain (line 15) over net short-term capital loss (line 7)				17 101,824
18 Add lines 16 and 17. Enter here and on Form 1120, page 1, line 8, or the applicable line on other returns				18 101,824

Note: If losses exceed gains, see *Capital Losses* in the instructions.

For Paperwork Reduction Act Notice, see the Instructions for Form 1120.

Schedule D (Form 1120) 2021

Cost of Goods Sold

▶ **Attach to Form 1120, 1120-C, 1120-F, 1120S, or 1065.**
 ▶ **Go to www.irs.gov/Form1125A for the latest information.**

Name SHELTER COVE COMPANY		Employer identification number 57-0739304
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 Form 1120, page 1, line 2 or the appropriate line of your tax return. See instructions	8
9a Check all methods used for valuing closing inventory:		
(i) <input type="checkbox"/> Cost		
(ii) <input type="checkbox"/> Lower of cost or market		
(iii) <input type="checkbox"/> Other (Specify method used and attach explanation.) ▶ _____		
b	Check if there was a writedown of subnormal goods	<input type="checkbox"/>
c	Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)	<input type="checkbox"/>
d	If the LIFO inventory method was used for this tax year, enter amount 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 entity? See instructions	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
f	Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Depreciation and Amortization

(Including Information on Listed Property)

▶ Attach to your tax return.

▶ Go to www.irs.gov/Form4562 for instructions and the latest information.

Name(s) shown on return SHELTER COVE COMPANY	Business or activity to which this form relates FORM 1120	Identifying number 57-0739304
--	---	---

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 instructions)	1	1,050,000
2	Total cost of section 179 property placed in service (see instructions)	2	785,400
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,620,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	0
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	1,050,000
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
	Phase III Marina Rework Project	785,400	556,874
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	556,874
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	556,874
10	Carryover of disallowed deduction from line 13 of your 2020 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instructions	11	559,682
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	556,874
13	Carryover of disallowed deduction to 2022. Add lines 9 and 10, less line 12 ▶	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property. See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year. See instructions.	14	0
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	10,902

Part III MACRS Depreciation (Don't include listed property. See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2021	17	4,774
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 <input type="checkbox"/>		

Section B - Assets Placed in Service During 2021 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		228,526	15	HY	150 DB	11,426
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	
				MM	S/L	

Section C - Assets Placed in Service During 2021 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 30-year			30 yrs.	MM	S/L	
d 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	583,976
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	

For Paperwork Reduction Act Notice, see separate instructions.

Sales and Other Dispositions of Capital Assets

► Go to www.irs.gov/Form8949 for instructions and the latest information.
► File with your Schedule D to list your transactions for lines 1b, 2, 3, 8b, 9, and 10 of Schedule D.

Name(s) shown on return

SHELTER COVE COMPANY

Social security number or taxpayer identification number

57-0739304

Before you check Box A, B, or C below, see whether you received any Form(s) 1099-B or substitute statement(s) from your broker. A substitute statement will have the same information as Form 1099-B. Either will show whether your basis (usually your cost) was reported to the IRS by your broker and may even tell you which box to check.

Part I **Short-Term.** Transactions involving capital assets you held 1 year or less are generally short-term (see instructions). For long-term transactions, see page 2.

Note: You may aggregate all short-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the totals directly on Schedule D, line 1a; you aren't required to report these transactions on Form 8949 (see instructions).

You must check Box A, B, or C below. Check only one box. If more than one box applies for your short-term transactions, complete a separate Form 8949, page 1, for each applicable box. If you have more short-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

- (A)** Short-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see **Note** above)
- (B)** Short-term transactions reported on Form(s) 1099-B showing basis **wasn't** reported to the IRS
- (C)** Short-term transactions not reported to you on Form 1099-B

1	(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold or disposed of (Mo., day, yr.)	(d) Proceeds (sales price) (see instructions)	(e) Cost or other basis. See the Note below and see <i>Column (e)</i> in the separate instructions	Adjustment, if any, to gain or loss. If you enter an amount in column (g), enter a code in column (f). See the separate instructions.		(h) Gain or (loss). Subtract column (e) from column (d) and combine the result with column (g)	
						(f) Code(s) from instructions	(g) Amount of adjustment		
	Invesco Developing Mkts	12-14-2021	12-15-2021	1,770	1,776			(6)	
	Invesco Develop acct 4829	12-14-2021	12-15-2021	2,271	2,278			(7)	
2	Totals. Add the amounts in columns (d), (e), (g), and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, line 1b (if Box A above is checked), line 2 (if Box B above is checked), or line 3 (if Box C above is checked) ►				4,041	4,054			(13)

Note: If you checked Box A above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See *Column (g)* in the separate instructions for how to figure the amount of the adjustment.

Name(s) shown on return. Name and SSN or taxpayer identification no. not required if shown on other side	Social security number or taxpayer identification number
SHELTER COVE COMPANY	57-0739304

Before you check Box D, E, or F below, see whether you received any Form(s) 1099-B or substitute statement(s) from your broker. A substitute statement will have the same information as Form 1099-B. Either will show whether your basis (usually your cost) was reported to the IRS by your broker and may even tell you which box to check.

Part II Long-Term. Transactions involving capital assets you held more than 1 year are generally long-term (see instructions). For short-term transactions, see page 1.

Note: You may aggregate all long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the totals directly on Schedule D, line 8a; you aren't required to report these transactions on Form 8949 (see instructions).

You must check Box D, E, or F below. Check only one box. If more than one box applies for your long-term transactions, complete a separate Form 8949, page 2, for each applicable box. If you have more long-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

- (D)** Long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see **Note** above)
- (E)** Long-term transactions reported on Form(s) 1099-B showing basis **wasn't** reported to the IRS
- (F)** Long-term transactions not reported to you on Form 1099-B

1	(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold or disposed of (Mo., day, yr.)	(d) Proceeds (sales price) (see instructions)	(e) Cost or other basis. See the Note below and see <i>Column (e)</i> in the separate instructions	Adjustment, if any, to gain or loss. If you enter an amount in column (g), enter a code in column (f). See the separate instructions.		(h) Gain or (loss). Subtract column (e) from column (d) and combine the result with column (g)
						(f) Code(s) from instructions	(g) Amount of adjustment	
	Invesco Developing Mkts	12-11-2020	12-15-2021	32,473	23,958			8,515
	Ishares Russell 1000	09-03-2015	12-15-2021	29,486	9,583			19,903
	Invesco Develop acct 4829	12-11-2020	12-15-2021	41,653	30,832			10,821
	Ishares Russell 1000GRW acct4829	09-25-2015	12-15-2021	47,191	15,314			31,877
	Qualified Dividends	09-25-2015	09-29-2021	14,193				14,193
2 Totals.	Add the amounts in columns (d), (e), (g), and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, line 8b (if Box D above is checked), line 9 (if Box E above is checked), or line 10 (if Box F above is checked) ▶			164,996	79,687			85,309

Note: If you checked Box D above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See *Column (g)* in the separate instructions for how to figure the amount of the adjustment.

For calendar year 2021, or tax year beginning 06-01, 2021, ending 05-30, 2022**2021**Department of the Treasury
Internal Revenue Service▶ **Do not send to the IRS. Keep for your records.**
▶ **Go to www.irs.gov/Form8879C for the latest information.**

Name of corporation

Employer identification number

SHELTER COVE COMPANY**57-0739304****Part I Tax Return Information** (Whole dollars only)

1	Total income (Form 1120, line 11)	1	1,465,854
2	Taxable income (Form 1120, line 30)	2	(8,618)
3	Total tax (Form 1120, line 31)	3	0
4	Amount owed (Form 1120, line 35)	4	0
5	Overpayment (Form 1120, line 36)	5	0

Part II Declaration and Signature Authorization of Officer. Be sure to get a copy of the corporation's return.

Under penalties of perjury, I declare that I am an officer of the above corporation and that I have examined a copy of the corporation's 2021 electronic income tax return and accompanying schedules and statements and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the amounts in Part I above are the amounts shown on the copy of the corporation's electronic income tax return. I consent to allow my electronic return originator (ERO), transmitter, or intermediate service provider to send the corporation's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the corporation's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at **1-888-353-4537** no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the corporation's electronic income tax return and, if applicable, the corporation's consent to electronic funds withdrawal.

Officer's PIN: check one box only

I authorize _____ to enter my PIN _____ as my signature
ERO firm name do not enter all zeros
on the corporation's 2021 electronically filed income tax return.

As an officer of the corporation, I will enter my PIN as my signature on the corporation's 2021 electronically filed income tax return. 39304

Officer's signature ▶ _____ Date ▶ 08-22-2022 Title ▶ President**Part III Certification and Authentication**

ERO's EFIN/PIN. Enter your six-digit EFIN followed by your five-digit self-selected PIN. 579568 57213
do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2021 electronically filed income tax return for the corporation indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 3112**, IRS e-file Application and Participation, and **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶ Charles E Jernigan CPA Date ▶ 09-02-2022

ERO Must Retain This Form - See Instructions
Do Not Submit This Form to the IRS Unless Requested To Do So

For Paperwork Reduction Act Notice, see instructions.

Form **8879-C** (2021)

Special Depreciation Elections

(This page is e-filed with the return. Include it if paper-filing.)

2021 PG01

Name(s) as shown on return

SHELTER COVE COMPANY

Tax ID Number

57-0739304

THE TAXPAYER MAKES THE FOLLOWING ELECTIONS RELATED TO
BONUS DEPRECIATION FOR THE 2021 TAX YEAR.

CLASS LIFE	BONUS	NO BONUS
3 YEAR	X	
5 YEAR	X	
7 YEAR	X	
10 YEAR	X	
15 YEAR		X
20 YEAR	X	

Elections

(This page is e-filed with the return. Include it if paper-filing.)

2021 PG01

Name(s) as shown on return

SSN/EIN

SHELTER COVE COMPANY

57-0739304

Section 1.263(a)-3(h) Safe Harbor Election for Small Taxpayers

NAME: SHELTER COVE COMPANY

ADDRESS: PO BOX 6004, Hilton Head Island, SC 29938

SSN/EIN: 57-0739304

ELECTION: The amounts paid for repairs, maintenance, improvements and similar activities performed on the eligible building(s) described below qualify under the safe harbor provided in Reg. Section 1.263(a)-3(h)(1).

DESCRIPTION: Unit 305 Waters Edge

Federal Supporting Statements

2021 PG01

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

Form 1120 - Line 26 - Other Deductions

Statement #5

Description	Amount
Accounting cost	21,293
Bank charges	796
Liability Insurance	39,295
Legal and professional	4,176
Office expense	3,136
Postage/Shipping	598
Security	307,599
Supplies	3,002
Telephone	2,349
Utilities	40,472
Ground and Road Maintenance	273,491
Irrigation Repairs	3,667
Facility Repairs and Maintenance	49,782
Internet Marketing	16,068
Brokerage Management fees	14,560
Property Owner Association fees	7,693
Gate Pass Fees	11,498
Internet Service	<u>3,941</u>
Total	<u><u>803,416</u></u>

Schedule L - Line 9

PG01
Statement #9

Description	Beg Of Year	End Of Year
Catastrophic Reserve	826,269	708,896
Capital Project Fund	<u>589,412</u>	<u>573,522</u>
Total	<u><u>1,415,681</u></u>	<u><u>1,282,418</u></u>

Federal Supporting Statements

2021 PG01

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

Schedule L - Line 18

Statement #11

Description	Beg Of Year	End Of Year
Compliance Deposit	45,204	46,204
Accrued Road Repair	24,500	49,000
Accrued Catastrophic		33,039
Payroll Taxes		<u>1,341</u>
Total	<u>69,704</u>	<u>129,584</u>

1120

Overflow Statement

2021

Page 1

(This page is not filed with the return. It is for your records only.)

Name(s) as shown on return

SHELTER COVE COMPANY

FEIN

57-0739304

Form 1120, Page 1, Line 26

<u>Description</u>	<u>Amount</u>
Utilities Electricity	\$ 11,581
Utilities Lights	11,423
Utilities Water	17,468
Total:	\$ 40,472

Taxes and Licenses Attachment

Note: This information does not transmit to the IRS with e-filed returns.
Including with a paper filed return is optional.

2021

CORPORATION NAME		EIN
SHELTER COVE COMPANY		57-0739304
Taxes and Licenses		Form 1120, line 17 Form 1120-C, line 15 Form 1120-H, line 12
1 State income taxes	1	
2 State franchise taxes	2	
3 City income taxes	3	
4 City franchise taxes	4	
5 Real estate taxes	5	5,005
6 Local property taxes	6	
7 Intangible property taxes	7	
8 Payroll taxes	8	5,928
9 Less: credit from Form 8846	9	
10 Foreign taxes paid	10	
11 Occupancy taxes	11	
12 Other miscellaneous taxes	12	
13 Licenses	13	
14 Total to Form 1120, Page 1, Line 17	14	10,933

NOL Limitations Worksheet

(This page is not filed with the return. It is for your records only.)

2021

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

Description	Amount
Taxable Income	2,808
80% Limitation	<u>0.8</u>
Post 2017 NOL allowable	2,246
Taxable Income	2,808
Less: pre-2018 losses	<u>0</u>
Remaining Taxable Income	2,808
Less: post-2017 losses allowed	<u>0</u>
Taxable Income (Form 1120, Line 30)	2,808

* Item is included in UBIA
for Section 199A calculations.
See "UBIA" in lower right corner.

Depreciation Detail Listing

FORM 1120
(This page is not filed with the return. It is for your records only.)

2021
PAGE 1

Name(s) as shown on return

Social security number/EIN

SHELTER COVE COMPANY

57-0739304

No.	Description	Date	Cost	Basis Adjustment	Business percentage	Section 179	Bonus depreciation	Depreciable Basis	Life	Method	Rate	Prior Depreciation	Current Depreciation	Accumulated Depreciation	AMT Current
1	Pavillion Building St	05302018	299,800		100.00			299,800	27.5	SL MM	3.636	38,612	10,902	49,514	
2	Unit 305 Waters Edge	12032015	168,453		100.00			168,453	27.5	SL MM	3.636	24,298		24,298	
3	Furniture and Fixtur	12052015	5,174		100.00			5,174	5		0	5,174		5,174	
4	Seawall Restoration	12062019	355,840		100.00	PY 300,000		55,840	15	150 DB HY	8.55	308,097	4,774	312,871	
5	Lighting Renovations	11152019	187,513		100.00	PY 187,513		0	15	150 DB HY	8.55	187,513		187,513	
6	Road Signage	09152019	29,919		100.00	PY 29,919		0	5	200 DB HY	19.2	29,919		29,919	
7	Phase III Marina Rewo	12152021	785,400		100.00	CY 556,874		228,526	15	150 DB HY	5		11,426	568,300	
Totals			1,832,099			CY 556,874		757,793				593,613	27,102	1,177,589	

Land Amount
Net Depreciable Cost

1,832,099

PY 517,432

CY 179 and CY Bonus
TOTAL CY Depr including 179/bonus

556,874
583,976

ST ADJ:

Corporation Business Income Limit Worksheet

Form 1120

(This page is not filed with the return. It is for your records only.)

2021

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

1	Dollar limitation for tax year. Enter amount from Form 4562, line 5	<u>1,050,000</u>
2	Elected 179 expense. Enter amount from Form 4562, line 8	<u>556,874</u>
3	25% Charitable Contributions	_____
4	100% Charitable Contributions	_____
5	Taxable Income (Form 1120, line 28 plus Form 1120, line 19, plus Form(s) 4562, line 12) (If zero or less, enter -0- here and on line 14.)	<u>559,682</u>
6	Less: Credit amts that reduced expenses or increased income _____	
7	Adjusted taxable income (Combine lines 5 and 6)	<u>559,682</u>
8	Preliminary Section 179 expense (Lesser of line 1, line 2 or line 7)	<u>556,874</u>
9	Taxable income before charitable contribution (Line 7 less line 8)	<u>2,808</u>
10	10% Limited Charitable Contributions (Lesser of line 3 or 10% of line 9)	_____
11	100% Charitable Contributions (Lesser of line 4 or (line 9 minus line 10))	_____
12	Total business income (loss) Taxable income after charitable contribution allowed (Line 7 less lines 10 and 11)	<u>559,682</u>
13	Business income limitation. Lesser of line 1 or line 12, but not < zero. Enter here and on Form 4562, line 11	<u>559,682</u>
14	Section 179 expense allowed (Lesser of line 8 or line 13)	<u>556,874</u>

Distribution among assets	Year Acquired	Elected Section 179	Used in prior years	Used in 2021	Remaining carryover
1120 Phase III Marina Rewo	2021	556,874		<u>556,874</u>	
TOTAL ALLOWABLE (4562 LN 12)				<u>556,874</u>	
TOTAL 2021 ELEC. COST (4562 LN 8)			556,874		

Next Year's Depreciation Worksheet

(This page is not filed with the return. It is for your records only.)

2021

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

Form	Multi-Form	Description	Date	Basis	Method	Life	Deduction
1120	1	Pavillion Building Struc	05-30-2018	299,800	SL	27.5	10,902
1120	1	Furniture and Fixtures	12-05-2015	5,174	M	5	
1120	1	Seawall Restoration	12-06-2019	55,840	M	15	4,300
1120	1	Lighting Renovations	11-15-2019		M	15	
1120	1	Road Signage	09-15-2019		M	5	
1120	1	Phase III Marina Rework	12-15-2021	228,526	M	15	21,710
		TOTAL					36,912

**Form 1120, Line 29a, NOL Deduction
Form 1120-C, Schedule G, Line 9a, Column (a),
Patronage NOL Deduction**

(Keep for your records)

2021

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

Year	Loss Carryover/ Carryback	Increase of NOL Due to Sec 170(d)(2)(B) Contribution Reduction*	Loss Applied to 2021	Unused Loss	Unused Sec 170(d)(2)(B)
2001					
2002					
2003					
2004					
2005					
2006					
2007					
2008					
2009					
2010					
2011					
2012					
2013					
2014					
2015					
2016					
2017					
2018					
2019					
2020					
	Current year NOL		Applied to Prior Years	Remaining 2021 NOL carryover	
2021	8,618			8,618	
	Future years NOL		Applied to 2021		
Future Years					
TOTALS	8,618		0	8,618	0

* A corporation having a net operating loss (NOL) carryover from any taxable year must apply the special rule of §170(d)(2)(B). The rules are designed to prevent a double tax benefit through interaction of NOL and charitable contribution carryovers. The excess charitable deduction can reduce taxable income only once. Under these rules, a corporation's charitable contributions carryover (but not the NOL carryover) must be reduced, to the extent the charitable contribution deduction, in computing the taxable income of an intervening year, would increase the NOL to a succeeding year.

Carryover/Carryforward Worksheet

Form 1120

(Keep for your records)

2021

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

	To Next Year
Form 1120	
Contributions carryover	
Net Operating Loss Carryover	<u>8,618</u>
Schedule D (Form 1120)	
Unused capital loss carryover	
Reserved for future use	
Carryover expiring this year	
Capital loss carryover to next year	
Form 2220	
Tax	
Form 3800	
General business credit carryforward	
Form 4562	
Section 179 Carryover	
Form 4797	
Nonrecaptured net section 1231 losses from WK_1231C	
Reserved for future use	
Reserved	
Reserved for future use	
Form 8827	
Minimum tax credit carryforward	

2021 Filing Instructions
SHELTER COVE COMPANY
Tax year ending 05-30-2022

Form filed:

Form 1120 and supplemental forms and schedules

Filing method:

The return has been e-filed, do not mail.

Due date:

09-15-2022

The return reflects neither a refund nor a balance due.

CE JERNIGAN CPA

PO BOX 6674
Hilton Head Island, SC 29938
edward.jernigan1@yahoo.com
Phone: (843)290-0083 | Fax:

September 02, 2022

SHELTER COVE COMPANY
PO BOX 6004
Hilton Head Island, SC 29938

Subject: Preparation of 2021 Tax Returns

SHELTER COVE COMPANY:

Thank you for choosing CE JERNIGAN CPA to assist with the 2021 taxes for SHELTER COVE COMPANY. This letter confirms the terms of the engagement and outlines the nature and extent of the services we will provide.

We will prepare the 2021 federal and state income tax returns for SHELTER COVE COMPANY. We will depend on management to provide the information we need to prepare complete and accurate returns. We may ask management to clarify some items but will not audit or otherwise verify the data submitted.

We will perform accounting services only as needed to prepare the tax returns. Our work will not include procedures to find defalcations or other irregularities. Accordingly, our engagement should not be relied upon to disclose errors, fraud, or other illegal acts, though it may be necessary for management to clarify some of the information submitted. We will inform management of any material errors, fraud, or other illegal acts we discover.

The law imposes penalties when taxpayers underestimate their tax liability. Call us if there are any concerns about such penalties.

Should we encounter instances of unclear tax law, or of potential conflicts in the interpretation of the law, we will outline the reasonable courses of action and the risks and consequences of each. We will ultimately adopt, on the behalf of SHELTER COVE COMPANY, the alternative selected by management.

Our fee is based on the time required at standard billing rates plus out-of-pocket expenses. Invoices are due and payable upon presentation. All accounts not paid within thirty (30) days are subject to interest charges to the extent permitted by state law.

We will return the original records to management at the end of this engagement. Store these records, along with all supporting documents, in a secure location. We retain copies of your records and our work papers from your engagement for up to seven years, after which these documents will be destroyed.

If management has not selected to e-file the returns with our office, management will be solely responsible to file the returns with the appropriate taxing authorities. The tax matters representative should review all tax-return documents carefully before signing them. Our engagement to prepare the 2021 tax returns will conclude with the delivery of the completed returns to management, or with e-filed returns, with the tax matters representative's signature and our subsequent submittal of the tax return.

To affirm that this letter correctly summarizes the arrangements for this work, sign the enclosed copy of this letter in the space indicated and return it to us in the envelope provided.

Thank you for the opportunity to be of service. For further assistance with your tax return needs, contact our office at

(843)290-0083.

Sincerely,

Charles E Jernigan CPA
CE JERNIGAN CPA

Accepted By:

Officer

Date

CE JERNIGAN CPA

PO BOX 6674
Hilton Head Island, SC 29938
edward.jernigan1@yahoo.com
Phone: (843)290-0083 | Fax:

September 02, 2022

SHELTER COVE COMPANY
PO BOX 6004
Hilton Head Island, SC 29938

SHELTER COVE COMPANY:

Enclosed is the 2021 Form 1120, U.S. Corporation Income Tax Return, prepared for SHELTER COVE COMPANY from the information provided. This return was e-filed with the IRS and was accepted on August 22, 2022.

The corporation's federal return reflects neither a refund nor a balance due.

Enclosed is the 2021 South Carolina Income Tax return, prepared for SHELTER COVE COMPANY from the information provided. This return was e-filed with the South Carolina taxing authority and was accepted on August 22, 2022.

The corporation's South Carolina Income Tax return reflects neither a refund nor a balance due.

Thank you for the opportunity to be of service. For further assistance with the corporation's tax return needs, contact this office at (843)290-0083.

Sincerely,

Charles E Jernigan CPA
CE JERNIGAN CPA

CE JERNIGAN CPA

PO BOX 6674
Hilton Head Island, SC 29938
edward.jernigan1@yahoo.com
Phone: (843)290-0083 | Fax:

September 02, 2022

SHELTER COVE COMPANY
PO BOX 6004
Hilton Head Island, SC 29938

Your privacy is important to us. Read the following privacy policy.

We collect nonpublic personal information about you from various sources, including:

- * Interviews regarding your tax situation
- * Applications, organizers, or other documents that supply such information as your name, address, telephone number, Social Security Number, number of dependents, income, and other tax-related data
- * Tax-related documents you provide that are required for processing tax returns, such as Forms W-2, 1099R, 1099-INT and 1099-DIV, and stock transactions

We do not disclose any nonpublic personal information about our clients or former clients to anyone, except as requested by our clients or as required by law.

We restrict access to personal information concerning you, except to our employees who need such information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your personal information.

If you have any questions about our privacy policy, contact our office at (843)290-0083.

Sincerely,

Charles E Jernigan CPA
CE JERNIGAN CPA

1120

**Corporation
Diagnostic Summary**

2021

Name SHELTER COVE COMPANY	Employer Identification # 57-0739304
------------------------------	---

Demographics

Mailing Address:

Phone:

PO BOX 6004
Hilton Head Island, SC 29938

Resident State: SC

Diagnostics

Preparer: Charles E Jerniga

Invoice:

Date: 09-02-2022

Return Information

Item on Return	2021 Federal	2020 Federal (If available)
Total Assets	2,085,689	2,056,040
Gross Receipts/Sales	1,341,176	1,554,754
Total Income	1,465,854	1,637,765
Total Deductions	1,463,046	1,637,133
Taxable Income	(8,618)	632
Tax		133
Overpayment		
Refund		
Refund Applied to ES		
Balance Due		133
2220 Penalty		
Total Equity	1,956,105	1,953,297

State/City Information

<u>State/City</u>	<u>Gross Income</u>	<u>Taxable Income</u>	<u>Income Tax</u>	<u>Other Tax</u>	<u>Refund/ (Balance Due)</u>
SC1120	(8,618)	(8,618)			

**1120 TAX RETURN COMPARISON
2019 / 2020 / 2021**

2021

(This page is not filed with the return. It is for your records only.)

Name(s) as shown on return
SHELTER COVE COMPANY

Identifying number
57-0739304

	2019 FEDERAL	2020 FEDERAL	2021 FEDERAL	DIFFERENCE BETWEEN 2020 & 2021
Net receipts	1,378,826	1,554,754	1,341,176	(213,578)
Cost of goods sold				
Gross profit	1,378,826	1,554,754	1,341,176	(213,578)
Dividends	30,334	41,114	22,851	(18,263)
Interest	3,924	9	3	(6)
Gross rents				
Gross royalties				
Capital gain net income	13,139	41,888	101,824	59,936
Net gain/loss from 4797	3,622			
Other income				
Total income	1,429,845	1,637,765	1,465,854	(171,911)
Compensation of officers				
Salaries and wages			64,721	64,721
Repairs and maintenance				
Bad debts				
Rents				
Taxes and licenses	7,285	4,778	10,933	6,155
Interest	4,951	143		(143)
Charitable contributions				
Depreciation	536,167	16,207	583,976	567,769
Depletion				
Advertising				
Pension, profit-sharing				
Employee benefits				
Domestic production activities ded				
Other deductions	828,973	1,528,168	803,416	(724,752)
Total deductions	1,377,376	1,549,296	1,463,046	(86,250)
NOL deduction	37,302	68,819		(68,819)
Special deductions	15,167	19,018	11,426	(7,592)
Taxable income		632	(8,618)	(9,250)
Total tax		133		(133)
Estimated taxes paid				
Total payments line 33				
Amount owed		133		(133)
Overpayment				
Applied to estimate				
Refund				
RESIDENT STATE	SC	SC	SC	
Taxable	37,302	632	(8,618)	(9,250)
Tax	1,865	32		(32)
Overpayment				
Balance Due	1,890	32		(32)
	2019	2020	2021	DIFFERENCE

2021 SC1120 Filing Instructions
SHELTER COVE COMPANY

Form filed:

SC1120 and supplemental forms and schedules

Filing method:

Your return has been e-filed, do not mail your return

Due date:

09-15-2022

Other instructions:

The return reflects neither a refund nor a balance due



STATE OF SOUTH CAROLINA
C CORPORATION INCOME TAX RETURN

SC 1120
(Rev.9/23/20)
3091

dor.sc.gov

Due by the 15th day of the fourth month following the close of the taxable year

SC file # 20103662-7
Income Tax period ending 05-30-2022
License Fee period ending 05-30-2023
FEIN 57-0739304
Name SHELTER COVE COMPANY
Mailing address PO BOX 6004
City Hilton Head Isla State SC ZIP 29938

County or counties in SC where property is located
Beaufort
Audit location: Street address
23C Shelter Cove Ln
City State ZIP
Hilton Head Islan SC 29928
Audit contact Phone number
Deborah Faragher

Change of Address Accounting Period Officers

Is the corporation included in a consolidated federal return?
Yes No

Check if you filed a federal or state extension

Name of federal parent company

FEIN of federal parent company

Attach complete copy of federal return

Check if: Initial Return Consolidated Return (Complete Schedule M)
Amended Return Includes Disregarded LLC(s) (Complete Schedule L)
Check if: Merged Reorganized Final
Total gross receipts Total cost of depreciable personal property in SC
1,341,176 1,832,099

PART I COMPUTATION OF INCOME TAX LIABILITY

Table with 18 rows and 3 columns: Description, Line Number, Amount. Includes items like Federal taxable income, Net adjustment, Total net income, Tax, Balance of tax, and Total Income Tax.



PART II
COMPUTATION OF LICENSE FEE

20. Total capital and paid in surplus (multi-state corporations see Schedule E)	▶ 20.	0	00
21. License Fee: multiply line 20 by .001 then add \$15 (Fee cannot be less than \$25 per taxpayer)	▶ 21.	0	00
22. Credit taken this year from SC1120TC, Part II, Column C	▶ 22.	<	0 00 >
23. Balance (subtract line 22 from line 21)	▶ 23.	0	00
24. Payments: (a) Paid with extension	▶ 24a.		00
(b) Credit from line 19b	▶ 24b.		00
25. Total payments (add line 24a and line 24b)	▶ 25.	0	00
26. Balance of License Fee (subtract line 25 from line 23)	▶ 26.	0	00
27. (a) Interest <input type="text" value="00"/> (b) Late file/pay penalty <input type="text" value="00"/>	▶ 27.		00
Total (add line 27a and line 27b) See penalty and interest in SC1120 Instructions	▶ 27.		00
28. Total License Fee, interest, and penalty (add line 26 and line 27)	▶ 28.		0 00
BALANCE DUE			
29. Overpayment (subtract line 23 from line 25) <input type="text" value="00"/> To be applied as follows:			
(a) Estimated Tax <input type="text" value="00"/> (b) Income Tax <input type="text" value="00"/> (c) REFUND <input type="text" value="00"/>			
30. GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add line 18 and line 28)	▶ 30.	0	00

REFUND OPTIONS (select one; subject to program limitations) Direct Deposit Paper Check

If you select Direct Deposit, choose the account type (US accounts only) Checking Savings

Account Routing information: Number (RTN) Must be 9 digits. First two numbers of the RTN must be 01 - 12 or 21 - 32 Bank Account Number (BAN) 1-17 digits

SCHEDULE A AND B ADDITIONS TO FEDERAL TAXABLE INCOME

1. Taxes on or measured by income	1.	0
2. Federal net operating loss	2.	0
3.	3.	
4.	4.	
5. Other additions (attach schedule)	5.	
6. Total additions (add line 1 through line 5)	6.	0

DEDUCTIONS FROM FEDERAL TAXABLE INCOME

7. Interest on US obligations	7.	0
8.	8.	
9.	9.	
10. Other deductions (attach schedule)	10.	
11. Total deductions (add line 7 through line 10)	11.	0
12. Net adjustment (subtract line 11 from line 6) Also enter on SC1120, Part I, line 2	12.	0

SCHEDULE C SUMMARY OF INCOME TAX CREDITS (FROM SC1120TC)

1. Credit carryover from previous year's SC1120, Schedule C (should match SC1120TC Column A, line 13)	1.	0
2. Enter total credits from SC1120TC, Column B, line 13 (attach SC1120TC and tax credit schedules)	2.	0
3. Total credits (add line 1 and line 2)	3.	0
4. Tax from SC1120, Part I, line 9	4.	0
5. Lesser of line 3 or line 4 (enter on SC1120, Part I, line 10; should match SC1120TC, Column C, line 13)	5.	0
6. Enter credits lost due to statute (should match SC1120TC, Column D, line 13)	6.	0
7. Credit carryover (subtract line 5 and line 6 from line 3; should match SC1120TC, Column E, line 13)	7.	0

Under penalty of law, I certify that I have examined this return, including accompanying annual report, statements, and schedules, and it is true and complete to the best of my knowledge.

Sign Here	Signature of officer	President	Officer's title	Email
	<u>Alfred Nelson</u>	<u>09-02-2022</u>	Date	Phone number
Print officer's name		I authorize the Director of the SCDOR or delegate to discuss this return, attachments, and related tax matters with the preparer.		
Preparer's signature		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		Print preparer's name
<u>CE JERNIGAN CPA</u>		Date <u>09-02-2022</u>		<u>Charles E Jernigan</u>
Firm's name (or yours if self-employed) and address		Preparer's phone number		
<u>PO BOX 6674 Hilton Head SC</u>		<u>843-290-0083</u>		
		PTIN or FEIN <u>81-4276440</u>		
		ZIP <u>29938</u>		

If this is a corporation's final return, signing here authorizes the SCDOR to disclose that information to the South Carolina Secretary of State (SCSOS). You must close with the SCSOS and the SCDOR.

Taxpayer's signature
30912067

Date



Only multi-state corporations must complete Schedules E, F, G, and H

SCHEDULE E COMPUTATION OF LICENSE FEE OF MULTI-STATE CORPORATIONS

1. Total capital and paid in surplus at end of year	\$	0
2. SC proportion: (multiply line 1 by the ratio from Schedule H-1, H-2, or H-3, as appropriate) Also enter on SC1120, line 20.	\$	0

SCHEDULE F INCOME SUBJECT TO DIRECT ALLOCATION

	Gross Amounts 1	Less: Related Expenses 2	Net Amounts Allocated Directly to SC and Other States 3	Net Amounts Allocated Directly to SC 4
1. Interest not connected with business				
2. Dividends received				
3. Rents				
4. Gains/losses on real property				
5. Gains/losses on intangible personal property				
6. Investment income directly allocated				
7. Total income directly allocated				
8. Income directly allocated to SC				

SCHEDULE G COMPUTATION OF TAXABLE INCOME OF MULTI-STATE CORPORATIONS

1. Total net income as reconciled from SC1120, page 1, line 3	1.	
2. Income subject to direct allocation to SC and other states from Schedule F, line 7	2.	
3. Total net income subject to apportionment (subtract line 2 from line 1)	3.	
4. Multiply line 3 by appropriate ratio from Schedule H-1, H-2, or H-3	4.	
5. Income subject to direct allocation to SC from Schedule F, line 8	5.	
6. Total SC net income (add line 4 and line 5) Also enter on SC1120, page 1, line 4	6.	

SCHEDULE H-1 COMPUTATION OF SALES RATIO

	Amount	Ratio
1. Total sales within South Carolina (see instructions)		
2. Total sales everywhere (see instructions)		
3. Sales ratio (line 1 divided by line 2)		%

Note: If there are no sales anywhere: Enter 100% on line 3 if South Carolina is the principal place of business.
Enter 0% on line 3 if principal place of business is outside South Carolina.

SCHEDULE H-2 COMPUTATION OF GROSS RECEIPTS RATIO

	Amount	Ratio
1. South Carolina gross receipts		
2. Amounts allocated to South Carolina on Schedule F	< >	
3. South Carolina adjusted gross receipts (subtract line 2 from line 1)		
4. Total gross receipts		
5. Total amounts allocated on Schedule F	< >	
6. Total adjusted gross receipts (subtract line 5 from line 4)		
7. Gross receipts ratio (line 3 divided by line 6)		%

SCHEDULE H-3 COMPUTATION OF RATIO FOR SECTION 12-6-2310 COMPANIES

	Amount	Ratio
1. Total within South Carolina (see instructions)		
2. Total everywhere		
3. Taxable ratio (line 1 divided by line 2)		%



SCHEDULE I **RESERVED**
SCHEDULE J **CORPORATIONS INCLUDED IN CONSOLIDATED RETURN**
AFFILIATED CORPORATION NO.

1. Name _____
2. Incorporated under the laws of the state of _____
3. Location of the registered office of the corporation in South Carolina _____
 In the city of _____ Registered agent at this address _____
4. Principal office address _____
 Nature of principal business in South Carolina _____
5. Total number of **authorized shares** of capital stock, itemized by class and series, if any, within each class:

Number of shares	Class	Series

6. Total number of **issued and outstanding shares** of capital stock itemized by class and series, if any, within each class:
- | Number of shares | Class | Series |
|------------------|-------|--------|
| | | |

7. Names and business addresses of the directors (or individuals functioning as directors) and principal officers in the corporation:
 Attach separate schedules if you need more space.
- | Name | Title | Business address |
|------|-------|------------------|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

8. Date incorporated _____ Date commenced business in South Carolina _____
9. Date of this report _____ FEIN _____ SC file # _____
10. If foreign corporation, the date qualified to do business in South Carolina _____
11. Was the name of the corporation changed during the year? _____ Previous name _____
12. The corporation's books are in the care of _____
 Located at (street address) _____
13. Corporate mailing address _____
14. Total amount of stated capital per balance sheet:

A. Total paid in capital stock (cannot be a negative amount)	\$ _____
B. Total paid in capital surplus (cannot be a negative amount)	\$ _____
C. Total amount of stated capital (cannot be a negative amount)	\$ _____

For additional affiliated corporations, include additional Schedule Js as needed.



SCHEDULE M CONSOLIDATED RETURN AFFILIATIONS SCHEDULE

Include additional Schedule Ms as needed. Include only corporations doing business in South Carolina.

Part 1 General Information

Is the common parent corporation included in the return? Yes No

If no, enter name and FEIN of common parent corporation.

Name	FEIN
Name of each corporation included in this consolidated return	FEIN
Corporation 1	
Corporation 2	
Corporation 3	
Corporation 4	
Corporation 5	
Corporation 6	
Corporation 7	
Corporation 8	

Part 2 Income Tax Information

	Federal Taxable Income	Amounts Directly Allocated	Amounts Allocated to SC	SC Adjustments	SC NOL Prior Year Carryovers
Corporation 1	\$	\$	\$	\$	\$
Corporation 2					
Corporation 3					
Corporation 4					
Corporation 5					
Corporation 6					
Corporation 7					
Corporation 8					
Total					
	Equals page 1, line 1	Equals Sch. F, line 7	Equals Sch. F, line 8	Equals page 1, line 2	Equals page 1, line 5

Part 3 License Fee, Allocation, and Apportionment Information

	Tax Credited on Return	Total Capital and Paid in Surplus	Apportionment Percentage	License Fee
Corporation 1	\$	\$	%	\$
Corporation 2				
Corporation 3				
Corporation 4				
Corporation 5				
Corporation 6				
Corporation 7				
Corporation 8				
Total				
	Equals page 1, line 15	Equals page 2, line 20	From Schedule H	Equals page 2, line 21

Depreciation and Amortization
(Including Information on Listed Property)

State **SC**

▶ See separate instructions. ▶ Keep for your records.

Name(s) shown on return SHELTER COVE COMPANY	Business or activity to which this form relates FORM 1120	Identifying number 57-0739304
--	---	---

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 instructions)	1	1,050,000
2 Total cost of section 179 property placed in service (see instructions)	2	785,400
3 Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,620,000
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	0
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	1,050,000
6 (a) Description of property	(b) Cost (business use only)	(c) Elected cost
Phase III Marina Rework Project	785,400	556,874
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	556,874
9 Tentative deduction. Enter the smaller of line 5 or line 8	9	556,874
10 Carryover of disallowed deduction from line 13 of your 2020 Form 990	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instructions	11	559,682
12 Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	556,874
13 Carryover of disallowed deduction to 2022. Add lines 9 and 10, less line 12 ▶	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property. See instructions.)

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year. See instructions.	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	10,902

Part III MACRS Depreciation (Don't include listed property. See instructions.)

Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2021	17	4,774
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 <input type="checkbox"/>		

Section B - Assets Placed in Service During 2021 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		228,526	15	HY	150 DBHY	11,426
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 - Assets Placed in Service During 2021 Tax Year Using the Alternative Depreciation System

20a Class life						
b 12-year			12 yrs.		S/L	
c 30-year			30 yrs.	MM	S/L	
d 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	583,976
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	

For Paperwork Reduction Act Notice, see separate instructions.

SCEF_ACK

**Acknowledgement and General Information for
Taxpayers Who File Returns Electronically**

2021

Name(s) as shown on return

SHELTER COVE COMPANY

Identification Number

-*9304

Address

PO BOX 6004
Hilton Head Island, SC 29938

Thank you for participating in IRS e-file.

1. Your 2021 state income tax return for SC1120 was filed electronically.
The electronic filing services were provided by CE JERNIGAN CPA.
2. Your return was accepted on 08-22-2022 using a Personal Identification Number (PIN) as your electronic signature. You entered a PIN or authorized the Electronic Return Originator (ERO) to enter or generate a PIN for you.
The submission ID assigned to this return is 5795682022234beqwg4z.

**PLEASE DO NOT SEND A PAPER COPY OF THE TAX RETURN TO THE
STATE. IF YOU DO, IT WILL DELAY THE PROCESSING OF THE RETURN.**

1120EF

EF Transmission Status

2020

(Keep for your records)

Name(s) as shown on return

EIN number

SHELTER COVE COMPANY

57-0739304

The following will be transmitted to the IRS.

1120 7004 Amended FinCEN 114

The following state returns will be transmitted:

SC1120

The following returns have been suppressed or are not eligible and will NOT be transmitted.

EF Notes

- A Check if:**
1a Consolidated return (attach Form 851)
b Life/nonlife consolidated return
2 Personal holding co. (attach Sch. PH)
3 Personal service corp. (see instructions)
4 Schedule M-3 attached

TYPE OR PRINT	Name SHELTER COVE COMPANY
	Number, street, and room or suite no. If a P.O. box, see instructions. PO BOX 6004
	City or town, state or province, country and ZIP or foreign postal code Hilton Head Island SC 29938

B Employer identification number
57-0739304

C Date incorporated
02-19-1982

D Total assets (see instructions)
\$ 2,056,040

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

Income	1a Gross receipts or sales.	1a	1,554,754	
	b Returns and allowances	1b		
	c Balance. Subtract line 1b from line 1a	1c		1,554,754
	2 Cost of goods sold (attach Form 1125-A)	2		
	3 Gross profit. Subtract line 2 from line 1c	3		1,554,754
	4 Dividends and inclusions (Schedule C, line 23)	4		41,114
	5 Interest	5		9
	6 Gross rents	6		
	7 Gross royalties	7		
	8 Capital gain net income (attach Schedule D (Form 1120))	8		41,888
	9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	9		
10 Other income (see instructions - attach statement)	10			
11 Total income. Add lines 3 through 10 ▶	11		1,637,765	
Deductions (See instructions for limitations on deductions.)	12 Compensation of officers (see instructions - attach Form 1125-E) ▶	12		
	13 Salaries and wages (less employment credits)	13		
	14 Repairs and maintenance	14		
	15 Bad debts	15		
	16 Rents	16		
	17 Taxes and licenses Wks. Tax/Lic	17		4,778
	18 Interest (see instructions)	18		143
	19 Charitable contributions	19		
	20 Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	20		16,207
	21 Depletion	21		
	22 Advertising	22		
	23 Pension, profit-sharing, etc., plans	23		
	24 Employee benefit programs	24		
	25 Reserved for future use	25		
	26 Other deductions (attach statement) Statement #5.	26		1,528,168
	27 Total deductions. Add lines 12 through 26 ▶	27		1,549,296
	28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11	28		88,469
29a Net operating loss deduction (see instructions)	29a	68,819		
b Special deductions (Schedule C, line 24)	29b	19,018		
c Add lines 29a and 29b	29c		87,837	
Tax, Refundable Credits, & Payments	30 Taxable income. Subtract line 29c from line 28. See instructions	30		632
	31 Total tax (Schedule J, Part I, line 11)	31		133
	32 2020 net 965 tax liability paid (Schedule J, Part II, line 12)	32		
	33 Total payments, credits, and section 965 net tax liability (Schedule J, Part III, line 23)	33		
	34 Estimated tax penalty. See instructions. Check if Form 2220 is attached ▶ <input type="checkbox"/>	34		
	35 Amount owed. If line 33 is smaller than the total of lines 31, 32, and 34, enter amount owed	35		133
	36 Overpayment. If line 33 is larger than the total of lines 31, 32, and 34, enter amount overpaid	36		
37 Enter amount from line 36 you want: Credited to 2021 estimated tax ▶ Refunded ▶ 37	37			

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.

Alfred Nelson Signature of officer Date **President** Title

May the IRS discuss this return with the preparer shown below? See instructions. Yes No

Paid Preparer Use Only

Print/Type preparer's name Charles E Jernigan CPA	Preparer's signature Charles E Jernigan CPA	Date 08-19-2021	Check <input type="checkbox"/> if self-employed PTIN P00932839
Firm's name ▶ CE JERNIGAN CPA	Firm's EIN ▶ 81-4276440	Phone no. (843)290-0083	
Firm's address ▶ PO BOX 6674	Hilton Head Island SC 29938		

Schedule C Dividends, Inclusions, and Special Deductions (see instructions)		(a) Dividends and inclusions	(b) %	(c) Special deductions (a) x (b)
1	Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)	38,035	50	19,018
2	Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)		65	
3	Dividends on certain debt-financed stock of domestic and foreign corporations		See instructions	
4	Dividends on certain preferred stock of less-than-20%-owned public utilities		23.3	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities		26.7	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs		50	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs		65	
8	Dividends from wholly owned foreign subsidiaries		100	
9	Subtotal. Add lines 1 through 8. See instructions for limitations	38,035	See instructions	19,018
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		100	
12	Dividends from certain FSCs		100	
13	Foreign-source portion of dividends received from a specified 10%-owned foreign corporation (excluding hybrid dividends) (see instructions)		100	
14	Dividends from foreign corporations not included on line 3, 6, 7, 8, 11, 12, or 13 (including any hybrid dividends)	3,079		
15	Section 965(a) inclusion		See instructions	
16a	Subpart F inclusions derived from the sale by a controlled foreign corporation (CFC) of the stock of a lower-tier foreign corporation treated as a dividend (attach Form(s) 5471) (see instructions)		100	
b	Subpart F inclusions derived from hybrid dividends of tiered corporations (attach Form(s) 5471) (see instructions)			
c	Other inclusions from CFCs under subpart F not included on line 15, 16a, 16b, or 17 (attach Form(s) 5471) (see instructions)			
17	Global Intangible Low-Taxed Income (GILTI)(attach Form(s) 5471 and Form 8992)			
18	Gross-up for foreign taxes deemed paid			
19	IC-DISC and former DISC dividends not included on line 1, 2, or 3			
20	Other dividends			
21	Deduction for dividends paid on certain preferred stock of public utilities			
22	Section 250 deduction (attach Form 8993)			
23	Total dividends and inclusions. Add column (a), lines 9 through 20. Enter here and on page 1, line 4	41,114		
24	Total special deductions. Add column (c), lines 9 through 22. Enter here and on page 1, line 29b			19,018

Schedule J Tax Computation and Payment (see instructions)

Part I - Tax Computation

1	Check if the corporation is a member of a controlled group (attach Schedule O (Form 1120)). See instructions	<input type="checkbox"/>		
2	Income tax. See instructions		2	133
3	Base erosion minimum tax amount (attach Form 8991)		3	
4	Add lines 2 and 3		4	133
5a	Foreign tax credit (attach Form 1118)	5a	0	
b	Credit from Form 8834 (see instructions)	5b		
c	General business credit (attach Form 3800)	5c		
d	Credit for prior year minimum tax (attach Form 8827)	5d		
e	Bond credits from Form 8912	5e		
6	Total credits. Add lines 5a through 5e.		6	
7	Subtract line 6 from line 4		7	133
8	Personal holding company tax (attach Schedule PH (Form 1120))		8	0
9a	Recapture of investment credit (attach Form 4255)	9a		
b	Recapture of low-income housing credit (attach Form 8611)	9b		
c	Interest due under the look-back method - completed long-term contracts (attach Form 8697)	9c		
d	Interest due under the look-back method - income forecast method (attach Form 8866)	9d		
e	Alternative tax on qualifying shipping activities (attach Form 8902)	9e		
f	Interest/tax due under Section 453A(c) and/or Section 453(l)	9f		
g	Other (see instructions - attach statement)	9g		
10	Total. Add lines 9a through 9g.		10	
11	Total tax. Add lines 7, 8, and 10. Enter here and on page 1, line 31.		11	133

Part II - Section 965 Payments (see instructions)

12	2020 net 965 tax liability paid from Form 965-B, Part II, column (k), line 4. Enter here and on page 1, line 32	12	
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Part III - Payments, Refundable Credits, and Section 965 Net Tax Liability

13	2019 overpayment credited to 2020	13	
14	2020 estimated tax payments	14	
15	2020 refund applied for on Form 4466	15	()
16	Combine lines 13, 14, and 15	16	
17	Tax deposited with Form 7004	17	
18	Withholding (see instructions)	18	
19	Total payments. Add lines 16, 17, and 18.	19	
20	Refundable credits from:		
a	Form 2439	20a	
b	Form 4136	20b	
c	Reserved for future use	20c	
d	Other (attach statement - see instructions)	20d	
21	Total credits. Add lines 20a through 20d.	21	
22	2020 net 965 tax liability from Form 965-B, Part I, column (d), line 4. See instructions.	22	
23	Total payments, credits, and section 965 net tax liability Add lines 19, 21, and 22. Enter here and on page 1, line 33	23	

Schedule K Other Information (see instructions)

- 1 Check accounting method: a Cash b Accrual c Other (specify) ▶ _____
- 2 See the instructions and enter the:
 - a Business activity code no. ▶ 531310
 - b Business activity ▶ Home Owners Association
 - c Product or service ▶ Home Owners Association
- 3 Is the corporation a subsidiary in an affiliated group or a parent-subsi- dary controlled group?
 If "Yes," enter name and EIN of the parent corporation ▶ _____
- 4 At the end of the tax year:
 - a Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part I of Schedule G (Form 1120) (attach Schedule G)
 - b Did any individual or estate own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part II of Schedule G (Form 1120) (attach Schedule G) . . .
- 5 At the end of the tax year, did the corporation:
 - a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation not included on Form 851, Affiliations Schedule? For rules of constructive ownership, see instructions.
 If "Yes," complete (i) through (iv) below.

Yes	No
	X
	X
	X

(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock

- b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions
 If "Yes," complete (i) through (iv) below.

Yes	No
	X

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Country of Organization	(iv) Maximum Percentage Owned in Profit, Loss, or Capital

- 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
 If "Yes," file Form 5452, Corporate Report of Nondividend Distributions. See the instructions for Form 5452.
 If this is a consolidated return, answer here for the parent corporation and on Form 851 for each subsidiary.
- 7 At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of the total voting power of all classes of the corporation's stock entitled to vote or at least 25% of the total value of all classes of the corporation's stock?
 For rules of attribution, see section 318. 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 the number of Forms 5472 attached ▶ 0
- 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 (see instructions)
 If the corporation is filing a consolidated return, the statement required by Regulations section 1.1502-21(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 reported on page 1, line 29a.) ▶ \$ 68,819

Yes	No
	X
	X

Schedule K Other Information (continued from page 4)

Table with 2 columns: Question (13-26) and Yes/No checkboxes. Includes questions about total receipts, Schedule UTP, Form 1099, ownership changes, asset dispositions, section 351 transfers, cooperative basis, interest/royalty, gross receipts, election under section 163(j), and foreign acquisitions.

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash		198,691		172,876
2a	Trade notes and accounts receivable	13,219		14,397	
b	Less allowance for bad debts	()	13,219	()	14,397
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach statement)	Statement #8	1,317,817		1,415,681
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach statement)				
10a	Buildings and other depreciable assets	1,046,699		1,046,699	
b	Less accumulated depreciation	(577,406)	469,293	(593,613)	453,086
11a	Depletable assets				
b	Less accumulated depletion	()		()	
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)				
b	Less accumulated amortization	()		()	
14	Other assets (attach statement)				
15	Total assets		1,999,020		2,056,040
Liabilities and Shareholders' Equity					
16	Accounts payable		47,191		33,039
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (attach statement)	Statement #11	55,204		69,704
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more		31,664		
21	Other liabilities (attach statement)				
22	Capital stock: a Preferred stock				
	b Common stock				
23	Additional paid-in capital				
24	Retained earnings-Appropriated (attach statement)				
25	Retained earnings-Unappropriated		1,864,961		1,953,297
26	Adjustments to shareholders' equity (attach statement)				
27	Less cost of treasury stock		()		()
28	Total liabilities and shareholders' equity		1,999,020		2,056,040

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

Note: The corporation may be required to file Schedule M-3. See instructions.

1	Net income (loss) per books	88,336	7	Income recorded on books this year not included on this return (itemize):	
2	Federal income tax per books	133		Tax-exempt interest \$ _____	
3	Excess of capital losses over capital gains			_____	
4	Income subject to tax not recorded on books this year (itemize): _____			_____	
5	Expenses recorded on books this year not deducted on this return (itemize):		8	Deductions on this return not charged against book income this year (itemize):	
a	Depreciation \$ _____		a	Depreciation \$ _____	
b	Charitable contributions \$ _____		b	Charitable contributions \$ _____	
c	Travel and entertainment \$ _____			_____	
6	Add lines 1 through 5	88,469	9	Add lines 7 and 8	
			10	Income (page 1, line 28)-line 6 less line 9	88,469

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

1	Balance at beginning of year	1,864,961	5	Distributions: a Cash	
2	Net income (loss) per books	88,336		b Stock	
3	Other increases (itemize): _____			c Property	
			6	Other decreases (itemize): _____	
4	Add lines 1, 2, and 3	1,953,297	7	Add lines 5 and 6	
			8	Balance at end of year (line 4 less line 7)	1,953,297

**SCHEDULE D
(Form 1120)**

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

▶ Attach to Form 1120, 1120-C, 1120-F, 1120-FSC, 1120-H, 1120-IC-DISC, 1120-L, 1120-ND, 1120-PC, 1120-POL, 1120-REIT, 1120-RIC, 1120-SF, or certain Forms 990-T.

▶ Go to www.irs.gov/Form1120 for instructions and the latest information.

OMB No. 1545-0123

2020

Name SHELTER COVE COMPANY	Employer identification number 57-0739304
-------------------------------------	---

Did the corporation dispose of any investment(s) in a qualified opportunity fund during the tax year? ▶ Yes No
If "Yes," attach Form 8949 and see its instructions for additional requirements for reporting your gain or loss.

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
1a Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b				
1b Totals for all transactions reported on Form(s) 8949 with Box A checked	19,530	17,816	0	1,714
2 Totals for all transactions reported on Form(s) 8949 with Box B checked				
3 Totals for all transactions reported on Form(s) 8949 with Box C checked				
4 Short-term capital gain from installment sales from Form 6252, line 26 or 37			4	
5 Short-term capital gain or (loss) from like-kind exchanges from Form 8824			5	
6 Unused capital loss carryover (attach computation)			6	()
7 Net short-term capital gain or (loss). Combine lines 1a through 6 in column h			7	1,714

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
8a Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b				
8b Totals for all transactions reported on Form(s) 8949 with Box D checked	390,461	350,287	0	40,174
9 Totals for all transactions reported on Form(s) 8949 with Box E checked				
10 Totals for all transactions reported on Form(s) 8949 with Box F checked				
11 Enter gain from Form 4797, line 7 or 9			11	
12 Long-term capital gain from installment sales from Form 6252, line 26 or 37			12	
13 Long-term capital gain or (loss) from like-kind exchanges from Form 8824			13	
14 Capital gain distributions (see instructions)			14	
15 Net long-term capital gain or (loss). Combine lines 8a through 14 in column h			15	40,174

Part III Summary of Parts I and II

16 Enter excess of net short-term capital gain (line 7) over net long-term capital loss (line 15)	16	1,714
17 Net capital gain. Enter excess of net long-term capital gain (line 15) over net short-term capital loss (line 7)	17	40,174
18 Add lines 16 and 17. Enter here and on Form 1120, page 1, line 8, or the applicable line on other returns	18	41,888

Note: If losses exceed gains, see *Capital Losses* in the instructions.

For Paperwork Reduction Act Notice, see the Instructions for Form 1120.

Schedule D (Form 1120) 2020

Cost of Goods Sold

▶ **Attach to Form 1120, 1120-C, 1120-F, 1120S, or 1065.**
 ▶ **Go to www.irs.gov/Form1125A for the latest information.**

Name		Employer identification number
SHELTER COVE COMPANY		57-0739304
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 Form 1120, page 1, line 2 or the appropriate line of your tax return. See instructions	8
<p>9a Check all methods used for valuing closing inventory:</p> <p>(i) <input type="checkbox"/> Cost</p> <p>(ii) <input type="checkbox"/> Lower of cost or market</p> <p>(iii) <input type="checkbox"/> Other (Specify method used and attach explanation.) ▶ _____</p>		
<p>b Check if there was a writedown of subnormal goods ▶ <input type="checkbox"/></p>		
<p>c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ▶ <input type="checkbox"/></p>		
<p>d If the LIFO inventory method was used for this tax year, enter amount of closing inventory computed under LIFO</p>		9d
<p>e If property is produced or acquired for resale, do the rules of section 263A apply to the entity? See instructions <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>		
<p>f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>		

Depreciation and Amortization (Including Information on Listed Property)

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to your tax return.

▶ Go to www.irs.gov/Form4562 for instructions and the latest information.

Name(s) shown on return SHELTER COVE COMPANY	Business or activity to which this form relates FORM 1120	Identifying number 57-0739304
--	---	---

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 instructions)		
2	Total cost of section 179 property placed in service (see instructions).		
3	Threshold cost of section 179 property before reduction in limitation (see instructions)		
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-		
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions		
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		
9	Tentative deduction. Enter the smaller of line 5 or line 8		
10	Carryover of disallowed deduction from line 13 of your 2019 Form 4562		
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instructions		
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11		
13	Carryover of disallowed deduction to 2021. Add lines 9 and 10, less line 12 ▶	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property. See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year. See instructions		
15	Property subject to section 168(f)(1) election		
16	Other depreciation (including ACRS)		10,902

Part III MACRS Depreciation (Don't include listed property. See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2020.		5,305
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 <input type="checkbox"/>		

Section B - Assets Placed in Service During 2020 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 2020 Tax Year Using the Alternative Depreciation System

20a	Class life					
b	12-year		12 yrs.		S/L	
c	30-year		30 yrs.	MM	S/L	
d	40-year		40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28		
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		16,207
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	

For Paperwork Reduction Act Notice, see separate instructions.

For calendar year 2020, or tax year beginning 05-30, 2020, ending 05-31 2021

2020

Department of the Treasury
Internal Revenue Service

▶ **Do not send to the IRS. Keep for your records.**
▶ **Go to www.irs.gov/Form8879C for the latest information.**

Name of corporation

Employer identification number

SHELTER COVE COMPANY

57-0739304

Part I Tax Return Information (Whole dollars only)

1	Total income (Form 1120, line 11)	1	1,637,765
2	Taxable income (Form 1120, line 30)	2	632
3	Total tax (Form 1120, line 31)	3	133
4	Amount owed (Form 1120, line 35)	4	133
5	Overpayment (Form 1120, line 36)	5	0

Part II Declaration and Signature Authorization of Officer. Be sure to get a copy of the corporation's return.

Under penalties of perjury, I declare that I am an officer of the above corporation and that I have examined a copy of the corporation's 2020 electronic income tax return and accompanying schedules and statements and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the amounts in Part I above are the amounts shown on the copy of the corporation's electronic income tax return. I consent to allow my electronic return originator (ERO), transmitter, or intermediate service provider to send the corporation's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the corporation's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at **1-888-353-4537** no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the corporation's electronic income tax return and, if applicable, the corporation's consent to electronic funds withdrawal.

Officer's PIN: check one box only

I authorize _____ to enter my PIN _____ as my signature
ERO firm name do not enter all zeros
 on the corporation's 2020 electronically filed income tax return.

As an officer of the corporation, I will enter my PIN as my signature on the corporation's 2020 electronically filed income tax return.

39304

Officer's signature ▶

Date ▶ **08-23-2021**

Title ▶ **President**

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit EFIN followed by your five-digit self-selected PIN.

579568 57213
do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2020 electronically filed income tax return for the corporation indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 3112**, IRS e-file Application and Participation, and **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶ **Charles E Jernigan CPA**

Date ▶ **08-19-2021**

ERO Must Retain This Form - See Instructions
Do Not Submit This Form to the IRS Unless Requested To Do So

ELECTIONS

2020 PG01

Name(s) as shown on return

SSN/EIN

SHELTER COVE COMPANY

57-0739304

Section 1.263(a)-3(h) Safe Harbor Election for Small Taxpayers

NAME: SHELTER COVE COMPANY

ADDRESS: PO BOX 6004, Hilton Head Island, SC 29938

SSN/EIN: 57-0739304

ELECTION: The amounts paid for repairs, maintenance, improvements and similar activities performed on the eligible building(s) described below qualify under the safe harbor provided in Reg. Section 1.263(a)-3(h)(1).

DESCRIPTION: Unit 305 Waters Edge

Federal Supporting Statements

2020 PG01

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

Form 1120 - Line 26 - Other Deductions Statement #5

Description	Amount
Accounting cost	20,823
Bank charges	909
Independent Contractor	57,841
Insurance	33,039
Liability Insurance	22,371
Internet	3,541
Legal and professional	10,894
Postage/Shipping	318
Security	300,496
Supplies	8,664
Telephone	2,230
Utilities	38,694
Repair Harbor Railing Phase II	724,687
Ground and Road Maintenance	205,512
Irrigation Repairs	4,207
Facility Repairs and Maintenance	44,075
Internet Marketing	19,608
Brokerage Management fees	11,413
Property Owner Association fees	7,336
Gate Pass Fees	<u>11,510</u>
Total	<u><u>1,528,168</u></u>

Schedule L - Line 6

PG01
Statement #8

Description	Beg Of Year	End Of Year
Catastrophic Reserve	771,660	826,269
Capital Project Fund	<u>546,157</u>	<u>589,412</u>
Total	<u><u>1,317,817</u></u>	<u><u>1,415,681</u></u>

Federal Supporting Statements

2020 PG01

Name(s) as shown on return

SHELTER COVE COMPANY

Tax ID Number

57-0739304

Schedule L - Line 18

Statement #11

Description	Beg Of Year	End Of Year
Compliance Deposit	55,204	45,204
Accrued Road Repair	<u> </u>	<u>24,500</u>
Total	<u>55,204</u>	<u>69,704</u>

1120

Overflow Statement

2020
Page 1

Name(s) as shown on return

SHELTER COVE COMPANY

FEIN

57-0739304

Form 1120, Page 1, Line 26

<u>Description</u>	<u>Amount</u>
Utilities Electricity	\$ 10,441
Utilities Lights	11,384
Utilities Water	16,869
Total:	\$ 38,694

Taxes and Licenses Attachment

Note: This information does not transmit to the IRS with e-filed returns.
Including with a paper filed return is optional.

2020

CORPORATION NAME SHELTER COVE COMPANY	EIN 57-0739304
---	--------------------------

Taxes and Licenses	Form 1120, line 17 Form 1120-C, line 15 Form 1120-H, line 12
---------------------------	--

1	State income taxes	1	
2	State franchise taxes	2	
3	City income taxes	3	
4	City franchise taxes	4	
5	Real estate taxes	5	4,778
6	Local property taxes	6	
7	Intangible property taxes	7	
8	Payroll taxes	8	
9	Less: credit from Form 8846	9	
10	Foreign taxes paid	10	
11	Occupancy taxes	11	
12	Other miscellaneous taxes	12	
13	Licenses	13	
14	Total to Form 1120, Page 1, Line 17	14	4,778

Dividends Received Deduction Worksheet

Form 1120

(Keep for your records)

2020

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

Worksheet for Schedule C, line 9

- 1. Refigure Form 1120, page 1, line 28, without any adjustment under section 1059 and without any capital loss carryback to the tax year under section 1212(a)(1) 1. 88,469
2. Complete lines 10, 11, 12, 13, and 15, column (c), and enter the total here 2.
3. Subtract line 2 from line 1 3. 88,469
4. Multiply line 3 by 65% (0.65) 4. 57,505
5. Add lines 2, 5, 7, and 8, column (c), and the part of the deduction on line 3, column (c), that is attributable to dividends from 20%-or-more-owned corporations 5.
6. Enter the smaller of line 4 or line 5. If line 5 is greater than line 4, stop here; enter the amount from line 6 on line 9, column (c), and do not complete the rest of this worksheet 6.
7. Enter the total amount of dividends from 20%-or-more-owned corporations that are included on lines 2, 3, 5, 7, and 8, column (a) 7.
8. Subtract line 7 from line 3 8. 88,469
9. Multiply line 8 by 50% (0.50) 9. 44,235
10. Subtract line 5 from line 9, column (c) 10. 19,018
11. Enter the smaller of line 9 or line 10 11. 19,018
12. Dividends-received deduction after limitation (sec. 246(b)). Add lines 6 and 11. Enter the result here and on line 9, column (c) 12. 19,018

* Item is included in UBIA
for Section 199A calculations.
See "UBIA" in lower right corner.

Depreciation Detail Listing

FORM 1120

For your records only

2020

PAGE 1

Name(s) as shown on return

Social security number/EIN

SHELTER COVE COMPANY

57-0739304

No.	Description	Date	Cost	Basis Adjustment	Business percentage	Section 179	Bonus depreciation	Depreciable Basis	Life	Method	Rate	Prior Depreciation	Current Depreciation	Accumulated Depreciation	AMT Current
1	Pavillion Building St	05302018	299,800		100.00			299,800	27.5	SL MM	3.636	27,710	10,902	38,612	
2	Unit 305 Waters Edge	12032015	168,453		100.00			168,453	27.5	SL MM	3.636	24,298		24,298	
3	Furniture and Fixtur	12052015	5,174		100.00			5,174	5	200 DB HY	5.76	5,174		5,174	
4	Seawall Restoration	12062019	355,840		100.00	PY 300,000		55,840	15	150 DB HY	9.5	302,792	5,305	308,097	
5	Lighting Renovations	11152019	187,513		100.00	PY 187,513		0	15	150 DB HY	9.5	187,513		187,513	
6	Road Signage	09152019	29,919		100.00	PY 29,919		0	5	200 DB HY	32	29,919		29,919	
Totals			1,046,699					529,267				577,406	16,207	593,613	

Land Amount
Net Depreciable Cost

1,046,699

PY 517,432

CY 179 and CY Bonus
TOTAL CY Depr including 179/bonus

16,207

ST ADJ:

Next Year's Depreciation Worksheet

(Keep for your records)

2020

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

Form	Multi-Form	Description	Date	Basis	Method	Life	Deduction
1120	1	Pavillion Building Struc	05-30-2018	299,800	SL	27.5	10,902
1120	1	Furniture and Fixtures	12-05-2015	5,174	M	5	
1120	1	Seawall Restoration	12-06-2019	55,840	M	15	4,774
1120	1	Lighting Renovations	11-15-2019		M	15	
1120	1	Road Signage	09-15-2019		M	5	
		TOTAL					15,676

**Form 1120, Line 29a, NOL Deduction
Form 1120-C, Schedule G, Line 9a, Column (a),
Patronage NOL Deduction**

(Keep for your records)

2020

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

Year	Loss Carryover/ Carryback	Increase of NOL Due to Sec 170(d)(2)(B) Contribution Reduction*	Loss Applied to 2020	Unused Loss	Unused Sec 170(d)(2)(B)
2000				Expiring this year	Expiring this year
2001					
2002					
2003					
2004					
2005					
2006					
2007					
2008					
2009					
2010					
2011					
2012					
2013					
2014					
2015					
2016					
2017	68,819		68,819		
2018					
2019					
	Current year NOL		Applied to Prior Years	Remaining 2020 NOL carryover	
2020					
	Future years NOL		Applied to 2020		
Future Years					
TOTALS	68,819		68,819	0	0

* A corporation having a net operating loss (NOL) carryover from any taxable year must apply the special rule of §170(d)(2)(B). The rules are designed to prevent a double tax benefit through interaction of NOL and charitable contribution carryovers. The excess charitable deduction can reduce taxable income only once. Under these rules, a corporation's charitable contributions carryover (but not the NOL carryover) must be reduced, to the extent the charitable contribution deduction, in computing the taxable income of an intervening year, would increase the NOL to a succeeding year.

Carryover/Carryforward Worksheet

Form 1120

(Keep for your records)

2020

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

	To Next Year
Form 1120	
Contributions carryover	_____
Net Operating Loss Carryover	_____
Schedule D (Form 1120)	
Unused capital loss carryover	_____
Reserved for future use	_____
Carryover expiring this year	_____
Capital loss carryover to next year	_____
Form 2220	
Tax	_____ 133
Form 3800	
General business credit carryforward	_____
Form 4562	
Section 179 Carryover	_____
Form 4797	
Nonrecaptured net section 1231 losses from WK_1231C	_____
Reserved for future use	_____
Reserved	
Reserved for future use	_____
Form 8827	
Minimum tax credit carryforward	_____

FOR TAX YEAR 2020

SHELTER COVE COMPANY

CE JERNIGAN CPA

PO BOX 6674

Hilton Head Island, SC 29938

(843)290-0083

2020 Filing Instructions
SHELTER COVE COMPANY
Tax year ending 05-31-2021

Form filed:

Form 1120 and supplemental forms and schedules

Filing method:

Your return will be e-filed once your signed Form 8879-C has been received.

Due date:

09-15-2021

Balance due:

\$133

Transaction method:

Use the Electronic Federal Tax Payment System (EFTPS) to make federal tax deposits. Do not send payments directly to an IRS office.

Other information:

To minimize penalties and interest, make the payment on or before the due date of the return.

CE JERNIGAN CPA

PO BOX 6674
Hilton Head Island, SC 29938
edward.jernigan1@yahoo.com
Phone: (843)290-0083 | Fax:

August 19, 2021

SHELTER COVE COMPANY
PO BOX 6004
Hilton Head Island, SC 29938

Subject: Preparation of 2020 Tax Returns

SHELTER COVE COMPANY:

Thank you for choosing CE JERNIGAN CPA to assist with the 2020 taxes for SHELTER COVE COMPANY. This letter confirms the terms of the engagement and outlines the nature and extent of the services we will provide.

We will prepare the 2020 federal and state income tax returns for SHELTER COVE COMPANY. We will depend on management to provide the information we need to prepare complete and accurate returns. We may ask management to clarify some items but will not audit or otherwise verify the data submitted.

We will perform accounting services only as needed to prepare the tax returns. Our work will not include procedures to find defalcations or other irregularities. Accordingly, our engagement should not be relied upon to disclose errors, fraud, or other illegal acts, though it may be necessary for management to clarify some of the information submitted. We will inform management of any material errors, fraud, or other illegal acts we discover.

The law imposes penalties when taxpayers underestimate their tax liability. Call us if there are any concerns about such penalties.

Should we encounter instances of unclear tax law, or of potential conflicts in the interpretation of the law, we will outline the reasonable courses of action and the risks and consequences of each. We will ultimately adopt, on the behalf of SHELTER COVE COMPANY, the alternative selected by management.

Our fee is based on the time required at standard billing rates plus out-of-pocket expenses. Invoices are due and payable upon presentation. All accounts not paid within thirty (30) days are subject to interest charges to the extent permitted by state law.

We will return the original records to management at the end of this engagement. Store these records, along with all supporting documents, in a secure location. We retain copies of your records and our work papers from your engagement for up to seven years, after which these documents will be destroyed.

If management has not selected to e-file the returns with our office, management will be solely responsible to file the returns with the appropriate taxing authorities. The tax matters representative should review all tax-return documents carefully before signing them. Our engagement to prepare the 2020 tax returns will conclude with the delivery of the completed returns to management, or with e-filed returns, with the tax matters representative's signature and our subsequent submittal of the tax return.

To affirm that this letter correctly summarizes the arrangements for this work, sign the enclosed copy of this letter in the space indicated and return it to us in the envelope provided.

Thank you for the opportunity to be of service. For further assistance with your tax return needs, contact our office at

(843)290-0083.

Sincerely,

Charles E Jernigan CPA
CE JERNIGAN CPA

Accepted By:

Officer

Date

CE JERNIGAN CPA

PO BOX 6674
Hilton Head Island, SC 29938
edward.jernigan1@yahoo.com
Phone: (843)290-0083 | Fax:

August 19, 2021

SHELTER COVE COMPANY
PO BOX 6004
Hilton Head Island, SC 29938

SHELTER COVE COMPANY:

Enclosed is the 2020 Form 1120, U.S. Corporation Income Tax Return, prepared for SHELTER COVE COMPANY from the information provided. The return will be e-filed with the IRS once we receive a signed Form 8879-C, IRS e-file Signature Authorization for Form 1120.

The corporation's federal return reflects a balance due of \$133.

If the corporation uses the Electronic Federal Tax Payment System (EFTPS) to make federal tax deposits, it must use EFTPS to make this tax payment. Do not send payments directly to an IRS office; otherwise, SHELTER COVE COMPANY may have to pay a penalty.

Enclosed is the 2020 South Carolina Income Tax return, prepared for SHELTER COVE COMPANY from the information provided. This return will be e-filed with the South Carolina taxing authority.

The corporation's South Carolina Income Tax return reflects a balance due of \$32.

Make this payment on or before September 15, 2021. Check the state's website for electronic payment options. If not paying electronically, mail this payment to the following address:

SC Department of Revenue
Corporate Voucher
PO Box 100153
Columbia, SC 29202
(Payable to SC Department of Revenue)

Thank you for the opportunity to be of service. For further assistance with your tax return needs, contact our office at (843)290-0083.

Sincerely,

Charles E Jernigan CPA
CE JERNIGAN CPA

CE JERNIGAN CPA

PO BOX 6674
Hilton Head Island, SC 29938
edward.jernigan1@yahoo.com
Phone: (843)290-0083 | Fax:

August 19, 2021

SHELTER COVE COMPANY
PO BOX 6004
Hilton Head Island, SC 29938

Your privacy is important to us. Read the following privacy policy.

We collect nonpublic personal information about you from various sources, including:

- * Interviews regarding your tax situation
- * Applications, organizers, or other documents that supply such information as your name, address, telephone number, Social Security Number, number of dependents, income, and other tax-related data
- * Tax-related documents you provide that are required for processing tax returns, such as Forms W-2, 1099R, 1099-INT and 1099-DIV, and stock transactions

We do not disclose any nonpublic personal information about our clients or former clients to anyone, except as requested by our clients or as required by law.

We restrict access to personal information concerning you, except to our employees who need such information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your personal information.

If you have any questions about our privacy policy, contact our office at (843)290-0083.

Sincerely,

Charles E Jernigan CPA
CE JERNIGAN CPA

CE JERNIGAN CPA

PO BOX 6674
 Hilton Head Island, SC 29938
 edward.jernigan1@yahoo.com
 Phone: (843)290-0083 | Fax:

Customer Name	Customer Information	
SHELTER COVE COMPANY PO BOX 6004 Hilton Head Island, SC 29938	Invoice #:	
	Date:	August 19, 2021
	Phone:	
	E-mail:	

Your 2020 tax return was prepared by Charles E Jernigan CPA.

Description	Fee
Federal And Supplemental Forms	
Form 1120	U.S. Corporation Income Tax Return, page 1
Form 1120 pg 2	U.S. Corporation Income Tax Return, page 2
Form 1120 pg 3	U.S. Corporation Income Tax Return, page 3
Form 1120 pg 4	U.S. Corporation Income Tax Return, page 4
Form 1120 pg 5	U.S. Corporation Income Tax Return, page 5
Form 1120 pg 6	U.S. Corporation Income Tax Return, page 6
Schedule D	Capital Gains and Losses
Form 1125-A	Cost of Goods Sold
Form 4562	Depreciation and Amortization
Form 8879-C	E-File Signature Authorization for Form 1120
Form 8949	Sale and Other Disposition of Capital Assets
Attachment NOL	Schedule of NOL Carryovers
DEPR - Fed Schedule	Federal Depreciation Schedule
DEPR - Next Year	Next Year Depreciation Schedule
Wks DRD	Dividends Received Deduction Worksheet
Wks Tax/Lic	Taxes and Licenses Worksheet
Statement ELEC	Election Statements
Statement 1120	Form 1120 - Other Deductions
Statement Sch L	Schedule L - Itemized Other Current Assets
Statement Sch L	Schedule L - Itemized Other Current Liab's
Overflow	Itemized Listing Attachment
Comparison	Tax Year Comparison Sheet
South Carolina Forms	
SC 1120 PG 1	C Corporation Income Tax Return page 1
SC 1120 PG 2	C Corporation Income Tax Return page 2
SC 1120 PG 3	C Corporation Income Tax Return page 3
SC 1120 PG 4	C Corporation Income Tax Return page 4
SC 1120 PG 5	C Corporation Income Tax Return page 5
SC 1120 PG 6	C Corporation Income Tax Return page 6
SC 1120 PG 7	C Corporation Income Tax Return page 7
SC 1120 PG 8	C Corporation Income Tax Return page 8
SC 1120V	Business Payment Voucher
SC8453	Declaration for Electronic Filing

Total Forms	32	Forms Subtotal	0.00
		Total Balance Due	0.00

Payment due upon receipt. Thank you for your business!

1120

**Corporation
Diagnostic Summary**

2020

Name SHELTER COVE COMPANY	Employer Identification # 57-0739304
------------------------------	---

Demographics

Mailing Address:

Phone:

PO BOX 6004
Hilton Head Island, SC 29938

Resident State: SC

Diagnostics

Preparer: Charles E Jerniga

Invoice:

Date: 08-19-2021

Return Information

Item on Return	2020 Federal	2019 Federal (If available)
Total Assets	2,056,040	1,999,020
Gross Receipts/Sales	1,554,754	1,378,826
Total Income	1,637,765	1,429,845
Total Deductions	1,549,296	1,429,845
Taxable Income	632	
Tax	133	
Overpayment		
Refund		
Refund Applied to ES		
Balance Due	133	
2220 Penalty		
Total Equity	1,953,297	1,864,961

State/City Information

<u>State/City</u>	<u>Gross Income</u>	<u>Taxable Income</u>	<u>Income Tax</u>	<u>Other Tax</u>	<u>Refund/ (Balance Due)</u>
SC1120	632	632		32	(32)

**1120 TAX RETURN COMPARISON
2018 / 2019 / 2020**

2020

Name(s) as shown on return
SHELTER COVE COMPANY

Identifying number
57-0739304

	2018 FEDERAL	2019 FEDERAL	2020 FEDERAL	DIFFERENCE BETWEEN 2019 & 2020
Net receipts	1,218,357	1,378,826	1,554,754	175,928
Cost of goods sold				
Gross profit	1,218,357	1,378,826	1,554,754	175,928
Dividends	21,005	30,334	41,114	10,780
Interest	93	3,924	9	(3,915)
Gross rents				
Gross royalties				
Capital gain net income	34,792	13,139	41,888	28,749
Net gain/loss from 4797		3,622		(3,622)
Other income				
Total income	1,274,247	1,429,845	1,637,765	207,920
Compensation of officers				
Salaries and wages				
Repairs and maintenance				
Bad debts				
Rents	12,573			
Taxes and licenses	7,130	7,285	4,778	(2,507)
Interest	8,934	4,951	143	(4,808)
Charitable contributions				
Depreciation	20,205	536,167	16,207	(519,960)
Depletion				
Advertising				
Pension, profit-sharing				
Employee benefits				
Domestic production activities ded				
Other deductions	1,148,072	828,973	1,528,168	699,195
Total deductions	1,196,914	1,377,376	1,549,296	171,920
NOL deduction	66,830	37,302	68,819	31,517
Special deductions	10,503	15,167	19,018	3,851
Taxable income			632	632
Total tax			133	133
Estimated taxes paid				
Total payments line 33				
Amount owed			133	133
Overpayment				
Applied to estimate				
Refund				
RESIDENT STATE	SC	SC	SC	
Taxable		37,302	632	(36,670)
Tax		1,865	32	(1,833)
Overpayment				
Balance Due		1,890	32	(1,858)
	2018	2019	2020	DIFFERENCE

SCNOTES	Notes about the return	2020 PAGE 1
Name(s) as shown on return SHELTER COVE COMPANY		SSN/FEIN 57-0739304
8	<p>SC Account ID Number If e-filing the SC return then the Account ID Number entered must be the one assigned by the DOR. If e-filing and using a different number then the return will be rejected. If the taxpayer is unsure of the ID number then the information below is listed in the SC instructions to request the number.</p> <p>S.C. FILE NUMBER. Your South Carolina Corporate Income Tax File Number is printed on your postcard. Please include on return. If using preparer software, the file number should be entered in this area. To request your SCFile Number, Email your corporate name and FEIN # to corptax@sctax.org</p>	
50	<p>By using a computer system and software to prepare and transmit my client's return electronically, I consent to the disclosure of all information pertaining to my use of the system and software to create my client's return and to the electronic transmission of my client's tax return to the South Carolina Department of Revenue, as applicable by law.</p>	

2020 SC1120 Filing Instructions
SHELTER COVE COMPANY

Form filed:

SC1120 and supplemental forms and schedules

Filing method:

Your return will be e-filed, do not mail your return

Due date:

09-15-2021

Payment:

\$32.00



STATE OF SOUTH CAROLINA
C CORPORATION INCOME TAX RETURN

SC 1120
(Rev.9/23/20)
3091

dor.sc.gov

Due by the 15th day of the fourth month following the close of the taxable year

SC file # 20103662-7
Income Tax period ending 05-31-2021
License Fee period ending 05-31-2022
FEIN 57-0739304
Name SHELTER COVE COMPANY
Mailing address PO BOX 6004
City Hilton Head Isla State SC ZIP 29938

County or counties in SC where property is located
Beaufort
Audit location: Street address
23C Shelter Cove Ln
City State ZIP
Hilton Head Islan SC 29928
Audit contact Phone number
Deborah Faragher
Is the corporation included in a consolidated federal return?
Yes No

Change of Address Accounting Period Officers

Check if you filed a federal or state extension
Check if: Initial Return Consolidated Return (Complete Schedule M)
Amended Return Includes Disregarded LLC(s) (Complete Schedule L)
Check if: Merged Reorganized Final
Total gross receipts Total cost of depreciable personal property in SC
1,554,754 1,046,699

Name of federal parent company
FEIN of federal parent company
Attach complete copy of federal return

PART I COMPUTATION OF INCOME TAX LIABILITY

Table with 3 columns: Line number, Description, Amount. Includes rows for Federal taxable income, net adjustment, total net income, tax, and balance due.



PART II
COMPUTATION OF LICENSE FEE

20. Total capital and paid in surplus (multi-state corporations see Schedule E)	▶ 20.	0	00
21. License Fee: multiply line 20 by .001 then add \$15 (Fee cannot be less than \$25 per taxpayer)	▶ 21.	0	00
22. Credit taken this year from SC1120TC, Part II, Column C	▶ 22.	<	0 00 >
23. Balance (subtract line 22 from line 21)	▶ 23.	0	00
24. Payments: (a) Paid with extension	▶ 24a.		00
(b) Credit from line 19b	▶ 24b.		00
25. Total payments (add line 24a and line 24b)	▶ 25.	0	00
26. Balance of License Fee (subtract line 25 from line 23)	▶ 26.	0	00
27. (a) Interest <input type="text" value="00"/> (b) Late file/pay penalty <input type="text" value="00"/>	▶ 27.		00
Total (add line 27a and line 27b) See penalty and interest in SC1120 Instructions	▶ 27.		00
28. Total License Fee, interest, and penalty (add line 26 and line 27)	▶ 28.	0	00
29. Overpayment (subtract line 23 from line 25) <input type="text" value="00"/> To be applied as follows:			
(a) Estimated Tax ▶ <input type="text" value="00"/>	(b) Income Tax ▶ <input type="text" value="00"/>	(c) REFUND ▶ <input type="text" value="00"/>	00
30. GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add line 18 and line 28)	▶ 30.	32	00

REFUND OPTIONS (select one; subject to program limitations) Direct Deposit Paper Check

If you select Direct Deposit, choose the account type (US accounts only) Checking Savings

Account Routing information: Number (RTN) Must be 9 digits. First two numbers of the RTN must be 01 - 12 or 21 - 32 Bank Account Number (BAN) 1-17 digits

SCHEDULE A AND B ADDITIONS TO FEDERAL TAXABLE INCOME

1. Taxes on or measured by income	1.	0
2. Federal net operating loss	2.	68,819
3.	3.	
4.	4.	
5. Other additions (attach schedule)	5.	
6. Total additions (add line 1 through line 5)	6.	68,819

DEDUCTIONS FROM FEDERAL TAXABLE INCOME

7. Interest on US obligations	7.	0
8.	8.	
9.	9.	
10. Other deductions (attach schedule)	10.	
11. Total deductions (add line 7 through line 10)	11.	0
12. Net adjustment (subtract line 11 from line 6) Also enter on SC1120, Part I, line 2	12.	68,819

SCHEDULE C SUMMARY OF INCOME TAX CREDITS (FROM SC1120TC)

1. Credit carryover from previous year's SC1120, Schedule C (should match SC1120TC Column A, line 13)	1.	0
2. Enter total credits from SC1120TC, Column B, line 13 (attach SC1120TC and tax credit schedules)	2.	0
3. Total credits (add line 1 and line 2)	3.	0
4. Tax from SC1120, Part I, line 9	4.	0
5. Lesser of line 3 or line 4 (enter on SC1120, Part I, line 10; should match SC1120TC, Column C, line 13)	5.	0
6. Enter credits lost due to statute (should match SC1120TC, Column D, line 13)	6.	0
7. Credit carryover (subtract line 5 and line 6 from line 3; should match SC1120TC, Column E, line 13)	7.	0

Under penalty of law, I certify that I have examined this return, including accompanying annual report, statements, and schedules, and it is true and complete to the best of my knowledge.

Sign Here	Signature of officer	President	Email
	Alfred Nelson	08-19-2021	
	Print officer's name	Date	Phone number
I authorize the Director of the SCDOR or delegate to discuss this return, attachments, and related tax matters with the preparer.		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Print preparer's name
			Charles E Jernigan

Paid Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's phone number
	08-19-2021		843-290-0083
Use Only Firm's name (or yours if self-employed) and address	CE JERNIGAN CPA	PTIN or FEIN	81-4276440
	PO BOX 6674 Hilton Head SC	ZIP	29938

If this is a corporation's final return, signing here authorizes the SCDOR to disclose that information to the South Carolina Secretary of State (SCSOS). You must close with the SCSOS and the SCDOR.

Taxpayer's signature
30912067

Date



SCHEDULE D ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

- 1. Name SHELTER COVE COMPANY
- 2. Incorporated under the laws of the state of SC
- 3. Location of the registered office of the corporation in South Carolina PO BOX 6004
In the city of Hilton Head Island Registered agent at this address Walter Nester
- 4. Principal office address PO BOX 6004 Hilton Head Island SC 2
Nature of principal business in South Carolina Home Owners Association

5. Total number of **authorized shares** of capital stock, itemized by class and series, if any, within each class:

Number of shares	Class	Series
	<u>COMMON</u>	<u>0</u>

6. Total number of **issued and outstanding shares** of capital stock itemized by class and series, if any, within each class:

Number of shares	Class	Series
	<u>COMMON</u>	<u>0</u>

7. Names and business addresses of the directors (or individuals functioning as directors) and principal officers in the corporation:
Attach separate schedules if you need more space.
- | Name | Title | Business address |
|--|-------|------------------|
| <u>Officers and Directors; President; 19 SHelter Cove Ln Suite 305; Hilton Hea</u> | | |
| <u>are elected annually; Vice Pres; 19 Shelter Cove Ln Suite 305; Hilton Head</u> | | |

- 8. Date incorporated 02-19-1982 Date commenced business in South Carolina 02-19-1982
- 9. Date of this report 08-19-2021 FEIN 57-0739304
- 10. If foreign corporation, the date qualified to do business in South Carolina _____
- 11. Was the name of the corporation changed during the year? NO Previous name _____
- 12. The corporation's books are in the care of % Deborah Faragher
Located at (street address) PO Box 6004
- 13. If filing consolidated, complete and attach Schedule J for each corporation included in the consolidation.
- 14. Total amount of stated capital per balance sheet:
 - A. Total paid in capital stock (cannot be a negative amount) \$ _____
 - B. Total paid in capital surplus (cannot be a negative amount) \$ _____
 - C. Total amount of stated capital (cannot be a negative amount) \$ _____

Attach a complete copy of your federal return.

File electronically using Modernized Electronic Filing (MeF).

Payments: Pay online using our free tax portal, MyDORWAY, at dor.sc.gov/pay. Select **Business Income Tax Payment** to get started.

If you pay by check, make your check payable to SCDOR, and include your name, FEIN, tax year, and SC1120 in the memo.

Mail Balance Due returns to:
 SCDOR
 Corporate Taxable
 PO Box 100151
 Columbia, SC 29202

Mail Refund or Zero Tax returns to:
 SCDOR
 Corporate Refund
 PO Box 125
 Columbia, SC 29214-0032



Only multi-state corporations must complete Schedules E, F, G, and H

SCHEDULE E COMPUTATION OF LICENSE FEE OF MULTI-STATE CORPORATIONS

Table with 2 columns: Description and Amount. Row 1: Total capital and paid in surplus at end of year \$ 0. Row 2: SC proportion: (multiply line 1 by the ratio from Schedule H-1, H-2, or H-3, as appropriate) Also enter on SC1120, line 20. \$ 0

SCHEDULE F INCOME SUBJECT TO DIRECT ALLOCATION

Table with 5 columns: Description, Gross Amounts (1), Less: Related Expenses (2), Net Amounts Allocated Directly to SC and Other States (3), Net Amounts Allocated Directly to SC (4). Rows include Interest not connected with business, Dividends received, Rents, Gains/losses on real property, Gains/losses on intangible personal property, Investment income directly allocated, Total income directly allocated, and Income directly allocated to SC.

SCHEDULE G COMPUTATION OF TAXABLE INCOME OF MULTI-STATE CORPORATIONS

Table with 2 columns: Description and Line Number. Rows include Total net income as reconciled from SC1120, page 1, line 3 (1); Income subject to direct allocation to SC and other states from Schedule F, line 7 (2); Total net income subject to apportionment (3); Multiply line 3 by appropriate ratio from Schedule H-1, H-2, or H-3 (4); Income subject to direct allocation to SC from Schedule F, line 8 (5); Total SC net income (6).

SCHEDULE H-1 COMPUTATION OF SALES RATIO

Table with 3 columns: Description, Amount, Ratio. Rows include Total sales within South Carolina (1), Total sales everywhere (2), and Sales ratio (line 1 divided by line 2) (3) %

Note: If there are no sales anywhere: Enter 100% on line 3 if South Carolina is the principal place of business. Enter 0% on line 3 if principal place of business is outside South Carolina.

SCHEDULE H-2 COMPUTATION OF GROSS RECEIPTS RATIO

Table with 3 columns: Description, Amount, Ratio. Rows include South Carolina gross receipts (1), Amounts allocated to South Carolina on Schedule F (2), South Carolina adjusted gross receipts (3), Total gross receipts (4), Total amounts allocated on Schedule F (5), Total adjusted gross receipts (6), and Gross receipts ratio (line 3 divided by line 6) (7) %

SCHEDULE H-3 COMPUTATION OF RATIO FOR SECTION 12-6-2310 COMPANIES

Table with 3 columns: Description, Amount, Ratio. Rows include Total within South Carolina (1), Total everywhere (2), and Taxable ratio (line 1 divided by line 2) (3) %



SCHEDULE I **RESERVED**
SCHEDULE J **CORPORATIONS INCLUDED IN CONSOLIDATED RETURN**
AFFILIATED CORPORATION NO.

1. Name _____
2. Incorporated under the laws of the state of _____
3. Location of the registered office of the corporation in South Carolina _____
 In the city of _____ Registered agent at this address _____
4. Principal office address _____
 Nature of principal business in South Carolina _____
5. Total number of **authorized shares** of capital stock, itemized by class and series, if any, within each class:

Number of shares	Class	Series

6. Total number of **issued and outstanding shares** of capital stock itemized by class and series, if any, within each class:
- | Number of shares | Class | Series |
|------------------|-------|--------|
| | | |

7. Names and business addresses of the directors (or individuals functioning as directors) and principal officers in the corporation:
 Attach separate schedules if you need more space.
- | Name | Title | Business address |
|------|-------|------------------|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

8. Date incorporated _____ Date commenced business in South Carolina _____
9. Date of this report _____ FEIN _____ SC file # _____
10. If foreign corporation, the date qualified to do business in South Carolina _____
11. Was the name of the corporation changed during the year? _____ Previous name _____
12. The corporation's books are in the care of _____
 Located at (street address) _____
13. Corporate mailing address _____
14. Total amount of stated capital per balance sheet:

A. Total paid in capital stock (cannot be a negative amount)	\$ _____
B. Total paid in capital surplus (cannot be a negative amount)	\$ _____
C. Total amount of stated capital (cannot be a negative amount)	\$ _____

For additional affiliated corporations, include additional Schedule Js as needed.



SCHEDULE M CONSOLIDATED RETURN AFFILIATIONS SCHEDULE

Include additional Schedule Ms as needed. Include only corporations doing business in South Carolina.

Part 1 General Information

Is the common parent corporation included in the return? Yes No

If no, enter name and FEIN of common parent corporation.

Name	FEIN
Name of each corporation included in this consolidated return	FEIN
Corporation 1	
Corporation 2	
Corporation 3	
Corporation 4	
Corporation 5	
Corporation 6	
Corporation 7	
Corporation 8	

Part 2 Income Tax Information

	Federal Taxable Income	Amounts Directly Allocated	Amounts Allocated to SC	SC Adjustments	SC NOL Prior Year Carryovers
Corporation 1	\$	\$	\$	\$	\$
Corporation 2					
Corporation 3					
Corporation 4					
Corporation 5					
Corporation 6					
Corporation 7					
Corporation 8					
Total					
	Equals page 1, line 1	Equals Sch. F, line 7	Equals Sch. F, line 8	Equals page 1, line 2	Equals page 1, line 5

Part 3 License Fee, Allocation, and Apportionment Information

	Tax Credited on Return	Total Capital and Paid in Surplus	Apportionment Percentage	License Fee
Corporation 1	\$	\$	%	\$
Corporation 2				
Corporation 3				
Corporation 4				
Corporation 5				
Corporation 6				
Corporation 7				
Corporation 8				
Total				
	Equals page 1, line 15	Equals page 2, line 20	From Schedule H	Equals page 2, line 21

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STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

SC1120-V

(Rev. 6/11/20)
3416

dor.sc.gov

CORPORATE INCOME TAX PAYMENT VOUCHER

INSTRUCTIONS

- Pay online using our free tax portal, MyDORWAY, at dor.sc.gov/pay. Select **Business Income Tax Payment** to get started. Do not mail a paper copy of the SC1120-V if you pay online.
- If you owe \$15,000 or more in connection with any SCDOR return, you must file and pay electronically according to SC Code Section 12-54-250.
- If you file by paper, use only black ink on the SC1120-V and on your check.
- Enter your SC corporate file number, Federal Employer Identification Number (FEIN), name, and address.
- Enter the Income Tax and License Fee period ending in the MM-YY format.
- Enter your payment amount in whole dollars without a dollar sign (example: 154.00).
- Your payment amount should match the balance due on your Corporate Tax Return.
- If the total tax due is not paid in full by the original due date, penalty and interest will result until the return is filed and the full amount of tax is paid.
- If you filed your Corporate Tax Return electronically with a balance due, **do not** include a paper copy of your return when you mail your SC1120-V.
- If you file your Corporate Tax Return by paper and have a balance due, submit your payment with the return. **Do not** mail your payment separately with the SC1120-V.
- Make your check payable to SCDOR. Include your name, FEIN, tax year, and SC1120-V in the memo line of the check. **Do not send cash.**
- Mail your SC1120-V and payment in one envelope. Staple your payment to the SC1120-V.

Mail your SC1120-V and payment to: SCDOR, Corporate Voucher, PO Box 100153, Columbia, SC 29202

cut along dotted line

1024

dor.sc.gov



SC DEPARTMENT OF REVENUE

CORPORATE INCOME TAX PAYMENT VOUCHER

SC1120-V

(Rev. 6/11/20)
3416

SC corporate file #

Income Tax period ending (MM-YY)

20103662 7

05-21

1. Income Tax due ▶

32.00

57-0739304

05-22

2. License Fee due ▶

0.00

FEIN

License Fee period ending (MM-YY)

Corporate name and address

SHELTER COVE COMPANY

3. Payment amount ▶

32.00

PO BOX 6004

Hilton Head Island SC 29938

Pay online at dor.sc.gov/pay.

34161026 201036627 570739304 0521 00000003200 00000000000 1

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE
CORPORATE INCOME TAX
DECLARATION FOR ELECTRONIC FILING

SC8453C

(Rev. 7/22/09)

3415

Part 1: Corporation and Tax Return Information

Corporation Name SHELTER COVE COMPANY	FEIN 57-0739304
--	--------------------

1. Federal taxable income	Check form filed: <input checked="" type="checkbox"/> SC1120, line 1; <input type="checkbox"/> SC1120S, line 1	1	632	00
2. SC Corporate Income Tax (SC1120, line 7; SC1120S, line 7)		2	32	00
3. Total Payments and Refundable Credits (SC1120, line 15, SC1120S line 9)		3		00

Part 2: Declaration of Taxpayer/Corporate Officer

Under penalties of perjury, I declare I am an officer of the above corporation and to the best of my knowledge and belief, the information on this South Carolina Corporate Income Tax Return is true, correct, and complete.

If I have filed a balance due return, I understand that if the SC Department of Revenue does not receive full and timely payment of the tax liability, I will remain liable for the tax liability and all applicable interest and penalties.

I declare that I have compared the information on the corporate return with the information provided to the electronic return originator (ERO) and the amount agrees with the amounts on the South Carolina corporate tax return. To the best of my knowledge, the return is true and complete. I consent that the return and accompanying schedules and statements be sent to the Internal Revenue Service (IRS) by the ERO, and subsequently by the IRS to the SC Department of Revenue.

Sign Here	Signature	Date 08-19-2021
	Title President	Paid Preparer Authorization:* <input type="checkbox"/> Check here if the Department of Revenue may discuss the return with the preparer shown below.

Part 3: Declaration of Electronic Return Originator (ERO)/Paid Preparer

Under penalties of perjury, I declare that I have reviewed the above corporation's return and to the best of my knowledge and belief, the information on this South Carolina Corporate Income Tax Return is true, correct, and complete.

I declare that I have received the above taxpayer's return and the entries on this form are complete and correct to the best of my knowledge. I have obtained the corporate officer's signature on this form before submitting the return to the SC Department of Revenue. I have provided the taxpayer with a copy of all forms and information to be filed with the SC Department of Revenue, and have followed all IRS requirements specified by the IRS and SC Department of Revenue. If I am the preparer, I declare that I have examined the above taxpayer's return and accompanying schedules and statements, and to the best of my knowledge, they are true and complete. This declaration is based on all information of which I have knowledge.

ERO's Use Only	ERO signature	Date 08-19-2021	Check if also paid preparer <input checked="" type="checkbox"/>	Check if self-employed <input type="checkbox"/>	PTIN or FEIN 81-4276440
	Firm name (or yours if self-employed)	CE JERNIGAN CPA Hilton Head Island SC			29938
Paid Preparer's Use Only	Preparer signature	Date	Check if self-employed <input type="checkbox"/>	PTIN or FEIN	
	Firm name (or yours if self-employed) and address	ZIP Code			

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1120EF

EF Transmission Status

2020

(Keep for your records)

Name(s) as shown on return

EIN number

SHELTER COVE COMPANY

57-0739304

The following will be transmitted to the IRS.

1120 7004 Amended FinCEN 114

The following state returns will be transmitted:

SC1120

The following returns have been suppressed or are not eligible and will NOT be transmitted.

EF Notes

- A Check if:**
1a Consolidated return (attach Form 851)
b Life/nonlife consolidated return
2 Personal holding co. (attach Sch. PH)
3 Personal service corp. (see instructions)
4 Schedule M-3 attached

TYPE OR PRINT	Name SHELTER COVE COMPANY
	Number, street, and room or suite no. If a P.O. box, see instructions. PO BOX 6004
	City or town, state or province, country and ZIP or foreign postal code Hilton Head Island SC 29938

B Employer identification number
57-0739304

C Date incorporated
02-19-1982

D Total assets (see instructions)
\$ **2,056,040**

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

Income	1a Gross receipts or sales.	1a	1,554,754	
	b Returns and allowances	1b		
	c Balance. Subtract line 1b from line 1a	1c		1,554,754
	2 Cost of goods sold (attach Form 1125-A)	2		
	3 Gross profit. Subtract line 2 from line 1c	3		1,554,754
	4 Dividends and inclusions (Schedule C, line 23)	4		41,114
	5 Interest	5		9
	6 Gross rents	6		
	7 Gross royalties	7		
	8 Capital gain net income (attach Schedule D (Form 1120))	8		41,888
	9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	9		
10 Other income (see instructions - attach statement)	10			
11 Total income. Add lines 3 through 10 ▶	11		1,637,765	
Deductions (See instructions for limitations on deductions.)	12 Compensation of officers (see instructions - attach Form 1125-E) ▶	12		
	13 Salaries and wages (less employment credits)	13		
	14 Repairs and maintenance	14		
	15 Bad debts	15		
	16 Rents	16		
	17 Taxes and licenses Wks. Tax/Lic	17		4,778
	18 Interest (see instructions)	18		143
	19 Charitable contributions	19		
	20 Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	20		16,207
	21 Depletion	21		
	22 Advertising	22		
	23 Pension, profit-sharing, etc., plans	23		
	24 Employee benefit programs	24		
	25 Reserved for future use	25		
	26 Other deductions (attach statement) Statement #5.	26		1,528,168
	27 Total deductions. Add lines 12 through 26 ▶	27		1,549,296
	28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11	28		88,469
29a Net operating loss deduction (see instructions)	29a	68,819		
b Special deductions (Schedule C, line 24)	29b	19,018		
c Add lines 29a and 29b	29c		87,837	
Tax, Refundable Credits, & Payments	30 Taxable income. Subtract line 29c from line 28. See instructions	30		632
	31 Total tax (Schedule J, Part I, line 11)	31		133
	32 2020 net 965 tax liability paid (Schedule J, Part II, line 12)	32		
	33 Total payments, credits, and section 965 net tax liability (Schedule J, Part III, line 23)	33		
	34 Estimated tax penalty. See instructions. Check if Form 2220 is attached ▶ <input type="checkbox"/>	34		
	35 Amount owed. If line 33 is smaller than the total of lines 31, 32, and 34, enter amount owed	35		133
	36 Overpayment. If line 33 is larger than the total of lines 31, 32, and 34, enter amount overpaid	36		
37 Enter amount from line 36 you want: Credited to 2021 estimated tax ▶ Refunded ▶ 37	37			

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.

Alfred Nelson Signature of officer	_____ Date	President Title	_____ Date	Check <input type="checkbox"/> if self-employed	PTIN P00932839
--	------------	---------------------------	------------	---	-----------------------

May the IRS discuss this return with the preparer shown below? See instructions. Yes No

Paid Preparer Use Only

Print/Type preparer's name Charles E Jernigan CPA	Preparer's signature Charles E Jernigan CPA	Date 08-19-2021	Firm's name ▶ CE JERNIGAN CPA	Firm's EIN ▶ 81-4276440
Firm's address ▶ PO BOX 6674			Phone no. (843)290-0083	
Hilton Head Island SC 29938				

Schedule C Dividends, Inclusions, and Special Deductions (see instructions)		(a) Dividends and inclusions	(b) %	(c) Special deductions (a) x (b)
1	Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)	38,035	50	19,018
2	Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)		65	
3	Dividends on certain debt-financed stock of domestic and foreign corporations		See instructions	
4	Dividends on certain preferred stock of less-than-20%-owned public utilities		23.3	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities		26.7	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs		50	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs		65	
8	Dividends from wholly owned foreign subsidiaries		100	
9	Subtotal. Add lines 1 through 8. See instructions for limitations	38,035	See instructions	19,018
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		100	
12	Dividends from certain FSCs		100	
13	Foreign-source portion of dividends received from a specified 10%-owned foreign corporation (excluding hybrid dividends) (see instructions)		100	
14	Dividends from foreign corporations not included on line 3, 6, 7, 8, 11, 12, or 13 (including any hybrid dividends)	3,079		
15	Section 965(a) inclusion		See instructions	
16a	Subpart F inclusions derived from the sale by a controlled foreign corporation (CFC) of the stock of a lower-tier foreign corporation treated as a dividend (attach Form(s) 5471) (see instructions)		100	
b	Subpart F inclusions derived from hybrid dividends of tiered corporations (attach Form(s) 5471) (see instructions)			
c	Other inclusions from CFCs under subpart F not included on line 15, 16a, 16b, or 17 (attach Form(s) 5471) (see instructions)			
17	Global Intangible Low-Taxed Income (GILTI)(attach Form(s) 5471 and Form 8992)			
18	Gross-up for foreign taxes deemed paid			
19	IC-DISC and former DISC dividends not included on line 1, 2, or 3			
20	Other dividends			
21	Deduction for dividends paid on certain preferred stock of public utilities			
22	Section 250 deduction (attach Form 8993)			
23	Total dividends and inclusions. Add column (a), lines 9 through 20. Enter here and on page 1, line 4	41,114		
24	Total special deductions. Add column (c), lines 9 through 22. Enter here and on page 1, line 29b			19,018

Schedule J Tax Computation and Payment (see instructions)

Part I - Tax Computation

1	Check if the corporation is a member of a controlled group (attach Schedule O (Form 1120)). See instructions	<input type="checkbox"/>		
2	Income tax. See instructions		2	133
3	Base erosion minimum tax amount (attach Form 8991)		3	
4	Add lines 2 and 3		4	133
5a	Foreign tax credit (attach Form 1118)	5a	0	
b	Credit from Form 8834 (see instructions)	5b		
c	General business credit (attach Form 3800)	5c		
d	Credit for prior year minimum tax (attach Form 8827)	5d		
e	Bond credits from Form 8912	5e		
6	Total credits. Add lines 5a through 5e.		6	
7	Subtract line 6 from line 4		7	133
8	Personal holding company tax (attach Schedule PH (Form 1120))		8	0
9a	Recapture of investment credit (attach Form 4255)	9a		
b	Recapture of low-income housing credit (attach Form 8611)	9b		
c	Interest due under the look-back method - completed long-term contracts (attach Form 8697)	9c		
d	Interest due under the look-back method - income forecast method (attach Form 8866)	9d		
e	Alternative tax on qualifying shipping activities (attach Form 8902)	9e		
f	Interest/tax due under Section 453A(c) and/or Section 453(l)	9f		
g	Other (see instructions - attach statement)	9g		
10	Total. Add lines 9a through 9g.		10	
11	Total tax. Add lines 7, 8, and 10. Enter here and on page 1, line 31.		11	133

Part II - Section 965 Payments (see instructions)

12	2020 net 965 tax liability paid from Form 965-B, Part II, column (k), line 4. Enter here and on page 1, line 32	12	
----	---	----	--

Part III - Payments, Refundable Credits, and Section 965 Net Tax Liability

13	2019 overpayment credited to 2020	13	
14	2020 estimated tax payments	14	
15	2020 refund applied for on Form 4466	15	()
16	Combine lines 13, 14, and 15	16	
17	Tax deposited with Form 7004	17	
18	Withholding (see instructions)	18	
19	Total payments. Add lines 16, 17, and 18.	19	
20	Refundable credits from:		
a	Form 2439	20a	
b	Form 4136	20b	
c	Reserved for future use	20c	
d	Other (attach statement - see instructions)	20d	
21	Total credits. Add lines 20a through 20d.	21	
22	2020 net 965 tax liability from Form 965-B, Part I, column (d), line 4. See instructions.	22	
23	Total payments, credits, and section 965 net tax liability Add lines 19, 21, and 22. Enter here and on page 1, line 33	23	

Schedule K Other Information (see instructions)

- 1 Check accounting method: a [] Cash b [X] Accrual c [] Other (specify)
2 See the instructions and enter the:
a Business activity code no. 531310
b Business activity Home Owners Association
c Product or service Home Owners Association
3 Is the corporation a subsidiary in an affiliated group or a parent-subsiary controlled group? X
4 At the end of the tax year:
a Did any foreign or domestic corporation, partnership... X
b Did any individual or estate own directly 20% or more... X
5 At the end of the tax year, did the corporation:
a Own directly 20% or more... X

Table with 2 columns: Yes, No. Contains 'X' marks in the No column for questions 3, 4a, 4b, and 5a.

Table with 4 columns: (i) Name of Corporation, (ii) Employer Identification Number, (iii) Country of Incorporation, (iv) Percentage Owned in Voting Stock.

- b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in any foreign or domestic partnership... X

Table with 2 columns: Yes, No. Contains 'X' mark in the No column for question b.

Table with 4 columns: (i) Name of Entity, (ii) Employer Identification Number, (iii) Country of Organization, (iv) Maximum Percentage Owned in Profit, Loss, or Capital.

- 6 During this tax year, did the corporation pay dividends... X
7 At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of the total voting power... X
8 Check this box if the corporation issued publicly offered debt instruments with original issue discount []
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 []
12 Enter the available NOL carryover from prior tax years (do not reduce it by any deduction reported on page 1, line 29a.) \$ 68,819

Table with 2 columns: Yes, No. Contains 'X' marks in the No column for questions 6 and 7.

Schedule K Other Information (continued from page 4)

	Yes	No
13 Are the corporation's total receipts (page 1, line 1a, plus lines 4 through 10) for the tax year and its total assets at the end of the tax year less than \$250,000?		X
If "Yes," the corporation is not required to complete Schedules L, M-1, and M-2. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year ▶ \$ _____		
14 Is the corporation required to file Schedule UTP (Form 1120), Uncertain Tax Position Statement? See instructions		X
If "Yes," complete and attach Schedule UTP.		
15a Did the corporation make any payments in 2020 that would require it to file Form(s) 1099?	X	
b If "Yes," did or will the corporation file required Form(s) 1099?	X	
16 During this tax year, did the corporation have an 80%-or-more change in ownership, including a change due to redemption of its own stock?		X
17 During or subsequent to this tax year, but before the filing of this return, did the corporation dispose of more than 65% (by value) of its assets in a taxable, non-taxable, or tax deferred transaction?		X
18 Did the corporation receive assets in a section 351 transfer in which any of the transferred assets had a fair market basis or fair market value of more than \$1 million?		X
19 During the corporation's tax year, did the corporation make any payments that would require it to file Forms 1042 and 1042-S under chapter 3 (sections 1441 through 1464) or chapter 4 (sections 1471 through 1474) of the Code?		X
20 Is the corporation operating on a cooperative basis?		X
21 During the tax year, did the corporation pay or accrue any interest or royalty for which the deducton is not allowed under section 267A? See instructions		X
If "Yes," enter the total amount of the disallowed deductions ▶ \$ _____		
22 Does the corporation have gross receipts of at least \$500 million in any of the 3 preceding tax years? (See sections 59A(e)(2) and (3))		X
If "Yes," complete and attach Form 8991.		
23 Did the corporation have an election under section 163(j) for any real property trade or business or any farming business in effect during the tax year? See instructions		X
24 Does the corporation satisfy one or more of the following conditions? See instructions.		X
a The corporation owns a pass-through entity with current, or prior year carryover, excess business interest expense.		
b The corporation's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year are more than \$26 million and the corporation has business interest expense.		
c The corporation is a tax shelter and the corporation has business interest expense.		
If "Yes," complete and attach Form 8990.		
25 Is the corporation attaching Form 8996 to certify as a Qualified Opportunity Fund?		X
If "Yes," enter amount from Form 8996, line 15 ▶ \$ 0		
26 Since December 22, 2017, did a foreign corporation directly or indirectly acquire substantially all of the properties held directly or indirectly by the corporation, and was the ownership percentage (by vote or value) for purposes of section 7874 greater than 50% (for example, the shareholders held more than 50% of the stock of the foreign corporation)? If "Yes," list the ownership percentage by vote and by value. See instructions		X
Percentage: By Vote		
By Value		

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash		198,691		172,876
2a	Trade notes and accounts receivable	13,219		14,397	
b	Less allowance for bad debts	()	13,219	()	14,397
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach statement)	Statement #8	1,317,817		1,415,681
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach statement)				
10a	Buildings and other depreciable assets	1,046,699		1,046,699	
b	Less accumulated depreciation	(577,406)	469,293	(593,613)	453,086
11a	Depletable assets				
b	Less accumulated depletion	()		()	
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)				
b	Less accumulated amortization	()		()	
14	Other assets (attach statement)				
15	Total assets		1,999,020		2,056,040
Liabilities and Shareholders' Equity					
16	Accounts payable		47,191		33,039
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (attach statement)	Statement #11	55,204		69,704
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more		31,664		
21	Other liabilities (attach statement)				
22	Capital stock: a Preferred stock				
	b Common stock				
23	Additional paid-in capital				
24	Retained earnings-Appropriated (attach statement)				
25	Retained earnings-Unappropriated		1,864,961		1,953,297
26	Adjustments to shareholders' equity (attach statement)				
27	Less cost of treasury stock		()		()
28	Total liabilities and shareholders' equity		1,999,020		2,056,040

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

Note: The corporation may be required to file Schedule M-3. See instructions.

1	Net income (loss) per books	88,336	7	Income recorded on books this year not included on this return (itemize):	
2	Federal income tax per books	133		Tax-exempt interest \$ _____	
3	Excess of capital losses over capital gains			_____	
4	Income subject to tax not recorded on books this year (itemize): _____			_____	
5	Expenses recorded on books this year not deducted on this return (itemize):		8	Deductions on this return not charged against book income this year (itemize):	
a	Depreciation \$ _____		a	Depreciation \$ _____	
b	Charitable contributions \$ _____		b	Charitable contributions \$ _____	
c	Travel and entertainment \$ _____			_____	
6	Add lines 1 through 5	88,469	9	Add lines 7 and 8	
			10	Income (page 1, line 28)-line 6 less line 9	88,469

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

1	Balance at beginning of year	1,864,961	5	Distributions: a Cash	
2	Net income (loss) per books	88,336		b Stock	
3	Other increases (itemize): _____			c Property	
	_____		6	Other decreases (itemize): _____	
	_____		7	Add lines 5 and 6	
4	Add lines 1, 2, and 3	1,953,297	8	Balance at end of year (line 4 less line 7)	1,953,297

**SCHEDULE D
(Form 1120)**

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

▶ Attach to Form 1120, 1120-C, 1120-F, 1120-FSC, 1120-H, 1120-IC-DISC, 1120-L, 1120-ND, 1120-PC, 1120-POL, 1120-REIT, 1120-RIC, 1120-SF, or certain Forms 990-T.

▶ Go to www.irs.gov/Form1120 for instructions and the latest information.

OMB No. 1545-0123

2020

Name SHELTER COVE COMPANY	Employer identification number 57-0739304
-------------------------------------	---

Did the corporation dispose of any investment(s) in a qualified opportunity fund during the tax year? ▶ Yes No
If "Yes," attach Form 8949 and see its instructions for additional requirements for reporting your gain or loss.

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
1a Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b				
1b Totals for all transactions reported on Form(s) 8949 with Box A checked	19,530	17,816	0	1,714
2 Totals for all transactions reported on Form(s) 8949 with Box B checked				
3 Totals for all transactions reported on Form(s) 8949 with Box C checked				
4 Short-term capital gain from installment sales from Form 6252, line 26 or 37			4	
5 Short-term capital gain or (loss) from like-kind exchanges from Form 8824			5	
6 Unused capital loss carryover (attach computation)			6	()
7 Net short-term capital gain or (loss). Combine lines 1a through 6 in column h			7	1,714

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
8a Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b				
8b Totals for all transactions reported on Form(s) 8949 with Box D checked	390,461	350,287	0	40,174
9 Totals for all transactions reported on Form(s) 8949 with Box E checked				
10 Totals for all transactions reported on Form(s) 8949 with Box F checked				
11 Enter gain from Form 4797, line 7 or 9			11	
12 Long-term capital gain from installment sales from Form 6252, line 26 or 37			12	
13 Long-term capital gain or (loss) from like-kind exchanges from Form 8824			13	
14 Capital gain distributions (see instructions)			14	
15 Net long-term capital gain or (loss). Combine lines 8a through 14 in column h			15	40,174

Part III Summary of Parts I and II

16 Enter excess of net short-term capital gain (line 7) over net long-term capital loss (line 15)	16	1,714
17 Net capital gain. Enter excess of net long-term capital gain (line 15) over net short-term capital loss (line 7)	17	40,174
18 Add lines 16 and 17. Enter here and on Form 1120, page 1, line 8, or the applicable line on other returns	18	41,888

Note: If losses exceed gains, see *Capital Losses* in the instructions.

For Paperwork Reduction Act Notice, see the Instructions for Form 1120.

Schedule D (Form 1120) 2020

Cost of Goods Sold

▶ **Attach to Form 1120, 1120-C, 1120-F, 1120S, or 1065.**
 ▶ **Go to www.irs.gov/Form1125A for the latest information.**

Name		Employer identification number
SHELTER COVE COMPANY		57-0739304
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 Form 1120, page 1, line 2 or the appropriate line of your tax return. See instructions	8
<p>9a Check all methods used for valuing closing inventory:</p> <p>(i) <input type="checkbox"/> Cost</p> <p>(ii) <input type="checkbox"/> Lower of cost or market</p> <p>(iii) <input type="checkbox"/> Other (Specify method used and attach explanation.) ▶ _____</p>		
<p>b Check if there was a writedown of subnormal goods ▶ <input type="checkbox"/></p>		
<p>c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ▶ <input type="checkbox"/></p>		
<p>d If the LIFO inventory method was used for this tax year, enter amount of closing inventory computed under LIFO</p>		<p>9d _____</p>
<p>e If property is produced or acquired for resale, do the rules of section 263A apply to the entity? See instructions <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>		
<p>f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>		

Depreciation and Amortization (Including Information on Listed Property)

2020

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to your tax return.

▶ Go to www.irs.gov/Form4562 for instructions and the latest information.

Attachment
Sequence No. **179**

Name(s) shown on return SHELTER COVE COMPANY	Business or activity to which this form relates FORM 1120	Identifying number 57-0739304
--	---	---

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 instructions)		1
2	Total cost of section 179 property placed in service (see instructions)		2
3	Threshold cost of section 179 property before reduction in limitation (see instructions)		3
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 2019 Form 4562		10
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instructions		11
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11		12
13	Carryover of disallowed deduction to 2021. Add lines 9 and 10, less line 12	▶ 13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property. See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year. See instructions		14
15	Property subject to section 168(f)(1) election		15
16	Other depreciation (including ACRS)		16 10,902

Part III MACRS Depreciation (Don't include listed property. See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2020		17 5,305
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 <input type="checkbox"/>		

Section B - Assets Placed in Service During 2020 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 2020 Tax Year Using the Alternative Depreciation System

20a	Class life					S/L
b	12-year		12 yrs.			S/L
c	30-year		30 yrs.	MM		S/L
d	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 16,207
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	

For Paperwork Reduction Act Notice, see separate instructions.

Name(s) shown on return. Name and SSN or taxpayer identification no. not required if shown on other side

Social security number or taxpayer identification number

SHELTER COVE COMPANY

57-0739304

Before you check Box D, E, or F below, see whether you received any Form(s) 1099-B or substitute statement(s) from your broker. A substitute statement will have the same information as Form 1099-B. Either will show whether your basis (usually your cost) was reported to the IRS by your broker and may even tell you which box to check.

Part II Long-Term. Transactions involving capital assets you held more than 1 year are generally long-term (see instructions). For short-term transactions, see page 1.

Note: You may aggregate all long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the totals directly on Schedule D, line 8a; you aren't required to report these transactions on Form 8949 (see instructions).

You must check Box D, E, or F below. Check only one box. If more than one box applies for your long-term transactions, complete a separate Form 8949, page 2, for each applicable box. If you have more long-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

- (D)** Long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see **Note** above)
- (E)** Long-term transactions reported on Form(s) 1099-B showing basis **wasn't** reported to the IRS
- (F)** Long-term transactions not reported to you on Form 1099-B

1	(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold or disposed of (Mo., day, yr.)	(d) Proceeds (sales price) (see instructions)	(e) Cost or other basis. See the Note below and see <i>Column (e)</i> in the separate instructions	Adjustment, if any, to gain or loss. If you enter an amount in column (g), enter a code in column (f). See the separate instructions.		(h) Gain or (loss). Subtract column (e) from column (d) and combine the result with column (g)
						(f) Code(s) from instructions	(g) Amount of adjustment	
	American EuroPacific Clearbridge Aggressive	06-12-2019	12-03-2020	90,989	64,860			26,129
	Janus Henderson GLB	12-19-2018	12-03-2020	20,149	18,226			1,923
	Tortoise MLP	09-30-2019	12-03-2020	50,983	53,690			(2,707)
	Vanguard Mid Cap ETF	05-23-2019	07-27-2020	16,398	26,041			(9,643)
	American Europacific	09-03-2015	12-03-2020	7,691	4,638			3,053
	Janus Henderson GLB	06-12-2019	12-03-2020	130,522	93,530			36,992
	Tortoise MLP	09-30-2019	12-03-2020	50,868	52,958			(2,090)
		06-26-2019	07-27-2020	22,861	36,344			(13,483)
2 Totals. Add the amounts in columns (d), (e), (g), and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, line 8b (if Box D above is checked), line 9 (if Box E above is checked), or line 10 (if Box F above is checked) ▶				390,461	350,287			40,174

Note: If you checked Box D above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See *Column (g)* in the separate instructions for how to figure the amount of the adjustment.

For calendar year 2020, or tax year beginning 05-30, 2020, ending 05-31 2021

2020

Department of the Treasury
Internal Revenue Service

▶ **Do not send to the IRS. Keep for your records.**
▶ **Go to www.irs.gov/Form8879C for the latest information.**

Name of corporation

Employer identification number

SHELTER COVE COMPANY

57-0739304

Part I Tax Return Information (Whole dollars only)

1	Total income (Form 1120, line 11)	1	1,637,765
2	Taxable income (Form 1120, line 30)	2	632
3	Total tax (Form 1120, line 31)	3	133
4	Amount owed (Form 1120, line 35)	4	133
5	Overpayment (Form 1120, line 36)	5	0

Part II Declaration and Signature Authorization of Officer. Be sure to get a copy of the corporation's return.

Under penalties of perjury, I declare that I am an officer of the above corporation and that I have examined a copy of the corporation's 2020 electronic income tax return and accompanying schedules and statements and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the amounts in Part I above are the amounts shown on the copy of the corporation's electronic income tax return. I consent to allow my electronic return originator (ERO), transmitter, or intermediate service provider to send the corporation's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the corporation's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at **1-888-353-4537** no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the corporation's electronic income tax return and, if applicable, the corporation's consent to electronic funds withdrawal.

Officer's PIN: check one box only

I authorize _____ to enter my PIN _____ as my signature
ERO firm name do not enter all zeros
 on the corporation's 2020 electronically filed income tax return.

As an officer of the corporation, I will enter my PIN as my signature on the corporation's 2020 electronically filed income tax return.

39304

Officer's signature ▶

Date ▶ **08-23-2021**

Title ▶ **President**

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit EFIN followed by your five-digit self-selected PIN.

579568 57213
do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2020 electronically filed income tax return for the corporation indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 3112**, IRS e-file Application and Participation, and **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶ **Charles E Jernigan CPA**

Date ▶ **08-19-2021**

ERO Must Retain This Form - See Instructions
Do Not Submit This Form to the IRS Unless Requested To Do So

ELECTIONS

2020 PG01

Name(s) as shown on return

SSN/EIN

SHELTER COVE COMPANY

57-0739304

Section 1.263(a)-3(h) Safe Harbor Election for Small Taxpayers

NAME: SHELTER COVE COMPANY

ADDRESS: PO BOX 6004, Hilton Head Island, SC 29938

SSN/EIN: 57-0739304

ELECTION: The amounts paid for repairs, maintenance, improvements and similar activities performed on the eligible building(s) described below qualify under the safe harbor provided in Reg. Section 1.263(a)-3(h)(1).

DESCRIPTION: Unit 305 Waters Edge

Federal Supporting Statements

2020 PG01

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

Form 1120 - Line 26 - Other Deductions Statement #5

Description	Amount
Accounting cost	20,823
Bank charges	909
Independent Contractor	57,841
Insurance	33,039
Liability Insurance	22,371
Internet	3,541
Legal and professional	10,894
Postage/Shipping	318
Security	300,496
Supplies	8,664
Telephone	2,230
Utilities	38,694
Repair Harbor Railing Phase II	724,687
Ground and Road Maintenance	205,512
Irrigation Repairs	4,207
Facility Repairs and Maintenance	44,075
Internet Marketing	19,608
Brokerage Management fees	11,413
Property Owner Association fees	7,336
Gate Pass Fees	<u>11,510</u>
Total	<u><u>1,528,168</u></u>

Schedule L - Line 6

PG01
Statement #8

Description	Beg Of Year	End Of Year
Catastrophic Reserve	771,660	826,269
Capital Project Fund	<u>546,157</u>	<u>589,412</u>
Total	<u><u>1,317,817</u></u>	<u><u>1,415,681</u></u>

Federal Supporting Statements

2020 PG01

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

Schedule L - Line 18

Statement #11

Description	Beg Of Year	End Of Year
Compliance Deposit	55,204	45,204
Accrued Road Repair	<u> </u>	<u>24,500</u>
Total	<u>55,204</u>	<u>69,704</u>

1120

Overflow Statement

2020
Page 1

Name(s) as shown on return

SHELTER COVE COMPANY

FEIN

57-0739304

Form 1120, Page 1, Line 26

<u>Description</u>	<u>Amount</u>
Utilities Electricity	\$ 10,441
Utilities Lights	11,384
Utilities Water	16,869
Total:	\$ 38,694

Taxes and Licenses Attachment

Note: This information does not transmit to the IRS with e-filed returns.
Including with a paper filed return is optional.

2020

CORPORATION NAME SHELTER COVE COMPANY	EIN 57-0739304
--	---------------------------------

Taxes and Licenses	Form 1120, line 17 Form 1120-C, line 15 Form 1120-H, line 12
---------------------------	---

1 State income taxes	1	
2 State franchise taxes	2	
3 City income taxes	3	
4 City franchise taxes	4	
5 Real estate taxes	5	4,778
6 Local property taxes	6	
7 Intangible property taxes	7	
8 Payroll taxes	8	
9 Less: credit from Form 8846	9	
10 Foreign taxes paid	10	
11 Occupancy taxes	11	
12 Other miscellaneous taxes	12	
13 Licenses	13	
14 Total to Form 1120, Page 1, Line 17	14	4,778

Dividends Received Deduction Worksheet

Form 1120

(Keep for your records)

2020

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

Worksheet for Schedule C, line 9

- 1. Refigure Form 1120, page 1, line 28, without any adjustment under section 1059 and without any capital loss carryback to the tax year under section 1212(a)(1) 1. 88,469
2. Complete lines 10, 11, 12, 13, and 15, column (c), and enter the total here 2.
3. Subtract line 2 from line 1 3. 88,469
4. Multiply line 3 by 65% (0.65) 4. 57,505
5. Add lines 2, 5, 7, and 8, column (c), and the part of the deduction on line 3, column (c), that is attributable to dividends from 20%-or-more-owned corporations 5.
6. Enter the smaller of line 4 or line 5. If line 5 is greater than line 4, stop here; enter the amount from line 6 on line 9, column (c), and do not complete the rest of this worksheet 6.
7. Enter the total amount of dividends from 20%-or-more-owned corporations that are included on lines 2, 3, 5, 7, and 8, column (a) 7.
8. Subtract line 7 from line 3 8. 88,469
9. Multiply line 8 by 50% (0.50) 9. 44,235
10. Subtract line 5 from line 9, column (c) 10. 19,018
11. Enter the smaller of line 9 or line 10 11. 19,018
12. Dividends-received deduction after limitation (sec. 246(b)). Add lines 6 and 11. Enter the result here and on line 9, column (c) 12. 19,018

* Item is included in UBIA
for Section 199A calculations.
See "UBIA" in lower right corner.

Depreciation Detail Listing

FORM 1120

For your records only

2020

PAGE 1

Name(s) as shown on return

Social security number/EIN

SHELTER COVE COMPANY

57-0739304

No.	Description	Date	Cost	Basis Adjustment	Business percentage	Section 179	Bonus depreciation	Depreciable Basis	Life	Method	Rate	Prior Depreciation	Current Depreciation	Accumulated Depreciation	AMT Current
1	Pavillion Building St	05302018	299,800		100.00			299,800	27.5	SL MM	3.636	27,710	10,902	38,612	
2	Unit 305 Waters Edge	12032015	168,453		100.00			168,453	27.5	SL MM	3.636	24,298		24,298	
3	Furniture and Fixtur	12052015	5,174		100.00			5,174	5	200 DB HY	5.76	5,174		5,174	
4	Seawall Restoration	12062019	355,840		100.00	PY 300,000		55,840	15	150 DB HY	9.5	302,792	5,305	308,097	
5	Lighting Renovations	11152019	187,513		100.00	PY 187,513		0	15	150 DB HY	9.5	187,513		187,513	
6	Road Signage	09152019	29,919		100.00	PY 29,919		0	5	200 DB HY	32	29,919		29,919	
Totals			1,046,699					529,267				577,406	16,207	593,613	

Land Amount
Net Depreciable Cost

1,046,699

PY 517,432

CY 179 and CY Bonus
TOTAL CY Depr including 179/bonus

16,207

ST ADJ:

Next Year's Depreciation Worksheet

(Keep for your records)

2020

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

Form	Multi-Form	Description	Date	Basis	Method	Life	Deduction
1120	1	Pavillion Building Struc	05-30-2018	299,800	SL	27.5	10,902
1120	1	Furniture and Fixtures	12-05-2015	5,174	M	5	
1120	1	Seawall Restoration	12-06-2019	55,840	M	15	4,774
1120	1	Lighting Renovations	11-15-2019		M	15	
1120	1	Road Signage	09-15-2019		M	5	
		TOTAL					15,676

**Form 1120, Line 29a, NOL Deduction
Form 1120-C, Schedule G, Line 9a, Column (a),
Patronage NOL Deduction**

(Keep for your records)

2020

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

Year	Loss Carryover/ Carryback	Increase of NOL Due to Sec 170(d)(2)(B) Contribution Reduction*	Loss Applied to 2020	Unused Loss	Unused Sec 170(d)(2)(B)
2000				Expiring this year	Expiring this year
2001					
2002					
2003					
2004					
2005					
2006					
2007					
2008					
2009					
2010					
2011					
2012					
2013					
2014					
2015					
2016					
2017	68,819		68,819		
2018					
2019					
	Current year NOL		Applied to Prior Years	Remaining 2020 NOL carryover	
2020					
	Future years NOL		Applied to 2020		
Future Years					
TOTALS	68,819		68,819	0	0

* A corporation having a net operating loss (NOL) carryover from any taxable year must apply the special rule of §170(d)(2)(B). The rules are designed to prevent a double tax benefit through interaction of NOL and charitable contribution carryovers. The excess charitable deduction can reduce taxable income only once. Under these rules, a corporation's charitable contributions carryover (but not the NOL carryover) must be reduced, to the extent the charitable contribution deduction, in computing the taxable income of an intervening year, would increase the NOL to a succeeding year.

Carryover/Carryforward Worksheet

Form 1120

(Keep for your records)

2020

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

	To Next Year
Form 1120	
Contributions carryover	_____
Net Operating Loss Carryover	_____
Schedule D (Form 1120)	
Unused capital loss carryover	_____
Reserved for future use	_____
Carryover expiring this year	_____
Capital loss carryover to next year	_____
Form 2220	
Tax	_____ 133
Form 3800	
General business credit carryforward	_____
Form 4562	
Section 179 Carryover	_____
Form 4797	
Nonrecaptured net section 1231 losses from WK_1231C	_____
Reserved for future use	_____
Reserved	
Reserved for future use	_____
Form 8827	
Minimum tax credit carryforward	_____

FOR TAX YEAR 2020

SHELTER COVE COMPANY

CE JERNIGAN CPA

PO BOX 6674

Hilton Head Island, SC 29938

(843)290-0083

2020 Filing Instructions
SHELTER COVE COMPANY
Tax year ending 05-31-2021

Form filed:

Form 1120 and supplemental forms and schedules

Filing method:

Your return will be e-filed once your signed Form 8879-C has been received.

Due date:

09-15-2021

Balance due:

\$133

Transaction method:

Use the Electronic Federal Tax Payment System (EFTPS) to make federal tax deposits. Do not send payments directly to an IRS office.

Other information:

To minimize penalties and interest, make the payment on or before the due date of the return.

CE JERNIGAN CPA

PO BOX 6674
Hilton Head Island, SC 29938
edward.jernigan1@yahoo.com
Phone: (843)290-0083 | Fax:

August 19, 2021

SHELTER COVE COMPANY
PO BOX 6004
Hilton Head Island, SC 29938

Subject: Preparation of 2020 Tax Returns

SHELTER COVE COMPANY:

Thank you for choosing CE JERNIGAN CPA to assist with the 2020 taxes for SHELTER COVE COMPANY. This letter confirms the terms of the engagement and outlines the nature and extent of the services we will provide.

We will prepare the 2020 federal and state income tax returns for SHELTER COVE COMPANY. We will depend on management to provide the information we need to prepare complete and accurate returns. We may ask management to clarify some items but will not audit or otherwise verify the data submitted.

We will perform accounting services only as needed to prepare the tax returns. Our work will not include procedures to find defalcations or other irregularities. Accordingly, our engagement should not be relied upon to disclose errors, fraud, or other illegal acts, though it may be necessary for management to clarify some of the information submitted. We will inform management of any material errors, fraud, or other illegal acts we discover.

The law imposes penalties when taxpayers underestimate their tax liability. Call us if there are any concerns about such penalties.

Should we encounter instances of unclear tax law, or of potential conflicts in the interpretation of the law, we will outline the reasonable courses of action and the risks and consequences of each. We will ultimately adopt, on the behalf of SHELTER COVE COMPANY, the alternative selected by management.

Our fee is based on the time required at standard billing rates plus out-of-pocket expenses. Invoices are due and payable upon presentation. All accounts not paid within thirty (30) days are subject to interest charges to the extent permitted by state law.

We will return the original records to management at the end of this engagement. Store these records, along with all supporting documents, in a secure location. We retain copies of your records and our work papers from your engagement for up to seven years, after which these documents will be destroyed.

If management has not selected to e-file the returns with our office, management will be solely responsible to file the returns with the appropriate taxing authorities. The tax matters representative should review all tax-return documents carefully before signing them. Our engagement to prepare the 2020 tax returns will conclude with the delivery of the completed returns to management, or with e-filed returns, with the tax matters representative's signature and our subsequent submittal of the tax return.

To affirm that this letter correctly summarizes the arrangements for this work, sign the enclosed copy of this letter in the space indicated and return it to us in the envelope provided.

Thank you for the opportunity to be of service. For further assistance with your tax return needs, contact our office at

(843)290-0083.

Sincerely,

Charles E Jernigan CPA
CE JERNIGAN CPA

Accepted By:

Officer

Date

CE JERNIGAN CPA

PO BOX 6674
Hilton Head Island, SC 29938
edward.jernigan1@yahoo.com
Phone: (843)290-0083 | Fax:

August 19, 2021

SHELTER COVE COMPANY
PO BOX 6004
Hilton Head Island, SC 29938

SHELTER COVE COMPANY:

Enclosed is the 2020 Form 1120, U.S. Corporation Income Tax Return, prepared for SHELTER COVE COMPANY from the information provided. The return will be e-filed with the IRS once we receive a signed Form 8879-C, IRS e-file Signature Authorization for Form 1120.

The corporation's federal return reflects a balance due of \$133.

If the corporation uses the Electronic Federal Tax Payment System (EFTPS) to make federal tax deposits, it must use EFTPS to make this tax payment. Do not send payments directly to an IRS office; otherwise, SHELTER COVE COMPANY may have to pay a penalty.

Enclosed is the 2020 South Carolina Income Tax return, prepared for SHELTER COVE COMPANY from the information provided. This return will be e-filed with the South Carolina taxing authority.

The corporation's South Carolina Income Tax return reflects a balance due of \$32.

Make this payment on or before September 15, 2021. Check the state's website for electronic payment options. If not paying electronically, mail this payment to the following address:

SC Department of Revenue
Corporate Voucher
PO Box 100153
Columbia, SC 29202
(Payable to SC Department of Revenue)

Thank you for the opportunity to be of service. For further assistance with your tax return needs, contact our office at (843)290-0083.

Sincerely,

Charles E Jernigan CPA
CE JERNIGAN CPA

CE JERNIGAN CPA

PO BOX 6674
Hilton Head Island, SC 29938
edward.jernigan1@yahoo.com
Phone: (843)290-0083 | Fax:

August 19, 2021

SHELTER COVE COMPANY
PO BOX 6004
Hilton Head Island, SC 29938

Your privacy is important to us. Read the following privacy policy.

We collect nonpublic personal information about you from various sources, including:

- * Interviews regarding your tax situation
- * Applications, organizers, or other documents that supply such information as your name, address, telephone number, Social Security Number, number of dependents, income, and other tax-related data
- * Tax-related documents you provide that are required for processing tax returns, such as Forms W-2, 1099R, 1099-INT and 1099-DIV, and stock transactions

We do not disclose any nonpublic personal information about our clients or former clients to anyone, except as requested by our clients or as required by law.

We restrict access to personal information concerning you, except to our employees who need such information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your personal information.

If you have any questions about our privacy policy, contact our office at (843)290-0083.

Sincerely,

Charles E Jernigan CPA
CE JERNIGAN CPA

CE JERNIGAN CPA

PO BOX 6674
 Hilton Head Island, SC 29938
 edward.jernigan1@yahoo.com
 Phone: (843)290-0083 | Fax:

Customer Name	Customer Information	
SHELTER COVE COMPANY PO BOX 6004 Hilton Head Island, SC 29938	Invoice #:	
	Date:	August 19, 2021
	Phone:	
	E-mail:	

Your 2020 tax return was prepared by Charles E Jernigan CPA.

Description	Fee
Federal And Supplemental Forms	
Form 1120	U.S. Corporation Income Tax Return, page 1
Form 1120 pg 2	U.S. Corporation Income Tax Return, page 2
Form 1120 pg 3	U.S. Corporation Income Tax Return, page 3
Form 1120 pg 4	U.S. Corporation Income Tax Return, page 4
Form 1120 pg 5	U.S. Corporation Income Tax Return, page 5
Form 1120 pg 6	U.S. Corporation Income Tax Return, page 6
Schedule D	Capital Gains and Losses
Form 1125-A	Cost of Goods Sold
Form 4562	Depreciation and Amortization
Form 8879-C	E-File Signature Authorization for Form 1120
Form 8949	Sale and Other Disposition of Capital Assets
Attachment NOL	Schedule of NOL Carryovers
DEPR - Fed Schedule	Federal Depreciation Schedule
DEPR - Next Year	Next Year Depreciation Schedule
Wks DRD	Dividends Received Deduction Worksheet
Wks Tax/Lic	Taxes and Licenses Worksheet
Statement ELEC	Election Statements
Statement 1120	Form 1120 - Other Deductions
Statement Sch L	Schedule L - Itemized Other Current Assets
Statement Sch L	Schedule L - Itemized Other Current Liab's
Overflow	Itemized Listing Attachment
Comparison	Tax Year Comparison Sheet
South Carolina Forms	
SC 1120 PG 1	C Corporation Income Tax Return page 1
SC 1120 PG 2	C Corporation Income Tax Return page 2
SC 1120 PG 3	C Corporation Income Tax Return page 3
SC 1120 PG 4	C Corporation Income Tax Return page 4
SC 1120 PG 5	C Corporation Income Tax Return page 5
SC 1120 PG 6	C Corporation Income Tax Return page 6
SC 1120 PG 7	C Corporation Income Tax Return page 7
SC 1120 PG 8	C Corporation Income Tax Return page 8
SC 1120V	Business Payment Voucher
SC8453	Declaration for Electronic Filing

Total Forms	32	Forms Subtotal	0.00
		Total Balance Due	0.00

Payment due upon receipt. Thank you for your business!

1120

**Corporation
Diagnostic Summary**

2020

Name SHELTER COVE COMPANY	Employer Identification # 57-0739304
------------------------------	---

Demographics

Mailing Address:

Phone:

PO BOX 6004
Hilton Head Island, SC 29938

Resident State: SC

Diagnostics

Preparer: Charles E Jerniga

Invoice:

Date: 08-19-2021

Return Information

Item on Return	2020 Federal	2019 Federal (If available)
Total Assets	2,056,040	1,999,020
Gross Receipts/Sales	1,554,754	1,378,826
Total Income	1,637,765	1,429,845
Total Deductions	1,549,296	1,429,845
Taxable Income	632	
Tax	133	
Overpayment		
Refund		
Refund Applied to ES		
Balance Due	133	
2220 Penalty		
Total Equity	1,953,297	1,864,961

State/City Information

<u>State/City</u>	<u>Gross Income</u>	<u>Taxable Income</u>	<u>Income Tax</u>	<u>Other Tax</u>	<u>Refund/ (Balance Due)</u>
SC1120	632	632		32	(32)

**1120 TAX RETURN COMPARISON
2018 / 2019 / 2020**

2020

Name(s) as shown on return
SHELTER COVE COMPANY

Identifying number
57-0739304

	2018 FEDERAL	2019 FEDERAL	2020 FEDERAL	DIFFERENCE BETWEEN 2019 & 2020
Net receipts	1,218,357	1,378,826	1,554,754	175,928
Cost of goods sold				
Gross profit	1,218,357	1,378,826	1,554,754	175,928
Dividends	21,005	30,334	41,114	10,780
Interest	93	3,924	9	(3,915)
Gross rents				
Gross royalties				
Capital gain net income	34,792	13,139	41,888	28,749
Net gain/loss from 4797		3,622		(3,622)
Other income				
Total income	1,274,247	1,429,845	1,637,765	207,920
Compensation of officers				
Salaries and wages				
Repairs and maintenance				
Bad debts				
Rents	12,573			
Taxes and licenses	7,130	7,285	4,778	(2,507)
Interest	8,934	4,951	143	(4,808)
Charitable contributions				
Depreciation	20,205	536,167	16,207	(519,960)
Depletion				
Advertising				
Pension, profit-sharing				
Employee benefits				
Domestic production activities ded				
Other deductions	1,148,072	828,973	1,528,168	699,195
Total deductions	1,196,914	1,377,376	1,549,296	171,920
NOL deduction	66,830	37,302	68,819	31,517
Special deductions	10,503	15,167	19,018	3,851
Taxable income			632	632
Total tax			133	133
Estimated taxes paid				
Total payments line 33				
Amount owed			133	133
Overpayment				
Applied to estimate				
Refund				
RESIDENT STATE	SC	SC	SC	
Taxable		37,302	632	(36,670)
Tax		1,865	32	(1,833)
Overpayment				
Balance Due		1,890	32	(1,858)
	2018	2019	2020	DIFFERENCE

SCNOTES	Notes about the return	2020 PAGE 1
Name(s) as shown on return SHELTER COVE COMPANY		SSN/FEIN 57-0739304
8	<p>SC Account ID Number If e-filing the SC return then the Account ID Number entered must be the one assigned by the DOR. If e-filing and using a different number then the return will be rejected. If the taxpayer is unsure of the ID number then the information below is listed in the SC instructions to request the number.</p> <p>S.C. FILE NUMBER. Your South Carolina Corporate Income Tax File Number is printed on your postcard. Please include on return. If using preparer software, the file number should be entered in this area. To request your SCFile Number, Email your corporate name and FEIN # to corptax@sctax.org</p>	
50	<p>By using a computer system and software to prepare and transmit my client's return electronically, I consent to the disclosure of all information pertaining to my use of the system and software to create my client's return and to the electronic transmission of my client's tax return to the South Carolina Department of Revenue, as applicable by law.</p>	

2020 SC1120 Filing Instructions
SHELTER COVE COMPANY

Form filed:

SC1120 and supplemental forms and schedules

Filing method:

Your return will be e-filed, do not mail your return

Due date:

09-15-2021

Payment:

\$32.00



STATE OF SOUTH CAROLINA
C CORPORATION INCOME TAX RETURN

SC 1120
(Rev.9/23/20)
3091

dor.sc.gov

Due by the 15th day of the fourth month following the close of the taxable year

SC file # 20103662-7
Income Tax period ending 05-31-2021
License Fee period ending 05-31-2022
FEIN 57-0739304
Name SHELTER COVE COMPANY
Mailing address PO BOX 6004
City Hilton Head Isla State SC ZIP 29938

County or counties in SC where property is located
Beaufort
Audit location: Street address
23C Shelter Cove Ln
City Hilton Head Islan SC State ZIP 29928
Audit contact Deborah Faragher Phone number
Is the corporation included in a consolidated federal return?
Yes No

Change of Address Accounting Period Officers

Check if you filed a federal or state extension
Check if: Initial Return Consolidated Return (Complete Schedule M)
Amended Return Includes Disregarded LLC(s) (Complete Schedule L)
Check if: Merged Reorganized Final
Total gross receipts 1,554,754 Total cost of depreciable personal property in SC 1,046,699

Name of federal parent company
FEIN of federal parent company
Attach complete copy of federal return

PART I COMPUTATION OF INCOME TAX LIABILITY

Table with 18 rows and 3 columns: Description, Line Number, Amount. Includes items like Federal taxable income, Net adjustment, Total net income, Tax, Balance, Payments, and Refundable Credits. Final BALANCE DUE is 32.00.



PART II
COMPUTATION OF LICENSE FEE

20. Total capital and paid in surplus (multi-state corporations see Schedule E)	▶ 20.	0	00
21. License Fee: multiply line 20 by .001 then add \$15 (Fee cannot be less than \$25 per taxpayer)	▶ 21.	0	00
22. Credit taken this year from SC1120TC, Part II, Column C	▶ 22.	< 0	00 >
23. Balance (subtract line 22 from line 21)	▶ 23.	0	00
24. Payments: (a) Paid with extension	▶ 24a.		00
(b) Credit from line 19b	▶ 24b.		00
25. Total payments (add line 24a and line 24b)	▶ 25.	0	00
26. Balance of License Fee (subtract line 25 from line 23)	▶ 26.	0	00
27. (a) Interest <input type="text" value="00"/> (b) Late file/pay penalty <input type="text" value="00"/>	▶ 27.		00
Total (add line 27a and line 27b) See penalty and interest in SC1120 Instructions	▶ 27.		00
28. Total License Fee, interest, and penalty (add line 26 and line 27)	▶ 28.	0	00
29. Overpayment (subtract line 23 from line 25) <input type="text" value="00"/> To be applied as follows:			
(a) Estimated Tax <input type="text" value="00"/> (b) Income Tax <input type="text" value="00"/> (c) REFUND <input type="text" value="00"/>			00
30. GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add line 18 and line 28)	▶ 30.	32	00

REFUND OPTIONS (select one; subject to program limitations) Direct Deposit Paper Check

If you select Direct Deposit, choose the account type (US accounts only) Checking Savings

Account Routing information: Number (RTN) Must be 9 digits. First two numbers of the RTN must be 01 - 12 or 21 - 32 Bank Account Number (BAN) 1-17 digits

SCHEDULE A AND B ADDITIONS TO FEDERAL TAXABLE INCOME

1. Taxes on or measured by income	1.	0
2. Federal net operating loss	2.	68,819
3.	3.	
4.	4.	
5. Other additions (attach schedule)	5.	
6. Total additions (add line 1 through line 5)	6.	68,819

DEDUCTIONS FROM FEDERAL TAXABLE INCOME

7. Interest on US obligations	7.	0
8.	8.	
9.	9.	
10. Other deductions (attach schedule)	10.	
11. Total deductions (add line 7 through line 10)	11.	0
12. Net adjustment (subtract line 11 from line 6) Also enter on SC1120, Part I, line 2	12.	68,819

SCHEDULE C SUMMARY OF INCOME TAX CREDITS (FROM SC1120TC)

1. Credit carryover from previous year's SC1120, Schedule C (should match SC1120TC Column A, line 13)	1.	0
2. Enter total credits from SC1120TC, Column B, line 13 (attach SC1120TC and tax credit schedules)	2.	0
3. Total credits (add line 1 and line 2)	3.	0
4. Tax from SC1120, Part I, line 9	4.	0
5. Lesser of line 3 or line 4 (enter on SC1120, Part I, line 10; should match SC1120TC, Column C, line 13)	5.	0
6. Enter credits lost due to statute (should match SC1120TC, Column D, line 13)	6.	0
7. Credit carryover (subtract line 5 and line 6 from line 3; should match SC1120TC, Column E, line 13)	7.	0

Under penalty of law, I certify that I have examined this return, including accompanying annual report, statements, and schedules, and it is true and complete to the best of my knowledge.

Sign Here

Signature of officer	President	Officer's title	Email
Alfred Nelson	08-19-2021	Date	Phone number
Print officer's name	I authorize the Director of the SCDOR or delegate to discuss this return, attachments, and related tax matters with the preparer.		Print preparer's name
	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Charles E Jernigan
Paid Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's phone number
	08-19-2021		843-290-0083
Use Only Firm's name (or yours if self-employed) and address	CE JERNIGAN CPA	PTIN or FEIN	81-4276440
	PO BOX 6674 Hilton Head SC	ZIP	29938

If this is a corporation's final return, signing here authorizes the SCDOR to disclose that information to the South Carolina Secretary of State (SCSOS). You must close with the SCSOS and the SCDOR.

Taxpayer's signature
30912067

Date



Only multi-state corporations must complete Schedules E, F, G, and H

SCHEDULE E COMPUTATION OF LICENSE FEE OF MULTI-STATE CORPORATIONS

1. Total capital and paid in surplus at end of year	\$	0
2. SC proportion: (multiply line 1 by the ratio from Schedule H-1, H-2, or H-3, as appropriate) Also enter on SC1120, line 20.	\$	0

SCHEDULE F INCOME SUBJECT TO DIRECT ALLOCATION

	Gross Amounts 1	Less: Related Expenses 2	Net Amounts Allocated Directly to SC and Other States 3	Net Amounts Allocated Directly to SC 4
1. Interest not connected with business				
2. Dividends received				
3. Rents				
4. Gains/losses on real property				
5. Gains/losses on intangible personal property				
6. Investment income directly allocated				
7. Total income directly allocated				
8. Income directly allocated to SC				

SCHEDULE G COMPUTATION OF TAXABLE INCOME OF MULTI-STATE CORPORATIONS

1. Total net income as reconciled from SC1120, page 1, line 3	1.	
2. Income subject to direct allocation to SC and other states from Schedule F, line 7	2.	
3. Total net income subject to apportionment (subtract line 2 from line 1)	3.	
4. Multiply line 3 by appropriate ratio from Schedule H-1, H-2, or H-3	4.	
5. Income subject to direct allocation to SC from Schedule F, line 8	5.	
6. Total SC net income (add line 4 and line 5) Also enter on SC1120, page 1, line 4	6.	

SCHEDULE H-1 COMPUTATION OF SALES RATIO

	Amount	Ratio
1. Total sales within South Carolina (see instructions)		
2. Total sales everywhere (see instructions)		
3. Sales ratio (line 1 divided by line 2)		%

Note: If there are no sales anywhere: Enter 100% on line 3 if South Carolina is the principal place of business.
Enter 0% on line 3 if principal place of business is outside South Carolina.

SCHEDULE H-2 COMPUTATION OF GROSS RECEIPTS RATIO

	Amount	Ratio
1. South Carolina gross receipts		
2. Amounts allocated to South Carolina on Schedule F	< >	
3. South Carolina adjusted gross receipts (subtract line 2 from line 1)		
4. Total gross receipts		
5. Total amounts allocated on Schedule F	< >	
6. Total adjusted gross receipts (subtract line 5 from line 4)		
7. Gross receipts ratio (line 3 divided by line 6)		%

SCHEDULE H-3 COMPUTATION OF RATIO FOR SECTION 12-6-2310 COMPANIES

	Amount	Ratio
1. Total within South Carolina (see instructions)		
2. Total everywhere		
3. Taxable ratio (line 1 divided by line 2)		%



SCHEDULE I **RESERVED**
SCHEDULE J **CORPORATIONS INCLUDED IN CONSOLIDATED RETURN**
AFFILIATED CORPORATION NO.

1. Name _____
2. Incorporated under the laws of the state of _____
3. Location of the registered office of the corporation in South Carolina _____
 In the city of _____ Registered agent at this address _____
4. Principal office address _____
 Nature of principal business in South Carolina _____
5. Total number of **authorized shares** of capital stock, itemized by class and series, if any, within each class:

Number of shares	Class	Series

6. Total number of **issued and outstanding shares** of capital stock itemized by class and series, if any, within each class:
- | Number of shares | Class | Series |
|------------------|-------|--------|
| | | |

7. Names and business addresses of the directors (or individuals functioning as directors) and principal officers in the corporation:
 Attach separate schedules if you need more space.
- | Name | Title | Business address |
|------|-------|------------------|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

8. Date incorporated _____ Date commenced business in South Carolina _____
9. Date of this report _____ FEIN _____ SC file # _____
10. If foreign corporation, the date qualified to do business in South Carolina _____
11. Was the name of the corporation changed during the year? _____ Previous name _____
12. The corporation's books are in the care of _____
 Located at (street address) _____
13. Corporate mailing address _____
14. Total amount of stated capital per balance sheet:

A. Total paid in capital stock (cannot be a negative amount)	\$ _____
B. Total paid in capital surplus (cannot be a negative amount)	\$ _____
C. Total amount of stated capital (cannot be a negative amount)	\$ _____

For additional affiliated corporations, include additional Schedule Js as needed.



SCHEDULE M CONSOLIDATED RETURN AFFILIATIONS SCHEDULE

Include additional Schedule Ms as needed. Include only corporations doing business in South Carolina.

Part 1 General Information

Is the common parent corporation included in the return? Yes No

If no, enter name and FEIN of common parent corporation.

Name	FEIN
Name of each corporation included in this consolidated return	FEIN
Corporation 1	
Corporation 2	
Corporation 3	
Corporation 4	
Corporation 5	
Corporation 6	
Corporation 7	
Corporation 8	

Part 2 Income Tax Information

	Federal Taxable Income	Amounts Directly Allocated	Amounts Allocated to SC	SC Adjustments	SC NOL Prior Year Carryovers
Corporation 1	\$	\$	\$	\$	\$
Corporation 2					
Corporation 3					
Corporation 4					
Corporation 5					
Corporation 6					
Corporation 7					
Corporation 8					
Total					
	Equals page 1, line 1	Equals Sch. F, line 7	Equals Sch. F, line 8	Equals page 1, line 2	Equals page 1, line 5

Part 3 License Fee, Allocation, and Apportionment Information

	Tax Credited on Return	Total Capital and Paid in Surplus	Apportionment Percentage	License Fee
Corporation 1	\$	\$	%	\$
Corporation 2				
Corporation 3				
Corporation 4				
Corporation 5				
Corporation 6				
Corporation 7				
Corporation 8				
Total				
	Equals page 1, line 15	Equals page 2, line 20	From Schedule H	Equals page 2, line 21

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STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

SC1120-V

(Rev. 6/11/20)
3416

dor.sc.gov

CORPORATE INCOME TAX PAYMENT VOUCHER

INSTRUCTIONS

- Pay online using our free tax portal, MyDORWAY, at dor.sc.gov/pay. Select **Business Income Tax Payment** to get started. Do not mail a paper copy of the SC1120-V if you pay online.
- If you owe \$15,000 or more in connection with any SCDOR return, you must file and pay electronically according to SC Code Section 12-54-250.
- If you file by paper, use only black ink on the SC1120-V and on your check.
- Enter your SC corporate file number, Federal Employer Identification Number (FEIN), name, and address.
- Enter the Income Tax and License Fee period ending in the MM-YY format.
- Enter your payment amount in whole dollars without a dollar sign (example: 154.00).
- Your payment amount should match the balance due on your Corporate Tax Return.
- If the total tax due is not paid in full by the original due date, penalty and interest will result until the return is filed and the full amount of tax is paid.
- If you filed your Corporate Tax Return electronically with a balance due, **do not** include a paper copy of your return when you mail your SC1120-V.
- If you file your Corporate Tax Return by paper and have a balance due, submit your payment with the return. **Do not** mail your payment separately with the SC1120-V.
- Make your check payable to SCDOR. Include your name, FEIN, tax year, and SC1120-V in the memo line of the check. **Do not send cash.**
- Mail your SC1120-V and payment in one envelope. Staple your payment to the SC1120-V.

Mail your SC1120-V and payment to: SCDOR, Corporate Voucher, PO Box 100153, Columbia, SC 29202

cut along dotted line

1024

dor.sc.gov



SC DEPARTMENT OF REVENUE

CORPORATE INCOME TAX PAYMENT VOUCHER

SC1120-V

(Rev. 6/11/20)
3416

SC corporate file #

Income Tax period ending (MM-YY)

20103662 7

05-21

1. Income Tax due ▶

32.00

57-0739304

05-22

2. License Fee due ▶

0.00

FEIN

License Fee period ending (MM-YY)

Corporate name and address

SHELTER COVE COMPANY

3. Payment amount ▶

32.00

PO BOX 6004

Hilton Head Island SC 29938

Pay online at dor.sc.gov/pay.

34161026 201036627 570739304 0521 00000003200 00000000000 1

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE
CORPORATE INCOME TAX
DECLARATION FOR ELECTRONIC FILING

SC8453C

(Rev. 7/22/09)

3415

Part 1: Corporation and Tax Return Information

Corporation Name SHELTER COVE COMPANY	FEIN 57-0739304
--	--------------------

1. Federal taxable income	Check form filed: <input checked="" type="checkbox"/> SC1120, line 1; <input type="checkbox"/> SC1120S, line 1	1	632	00
2. SC Corporate Income Tax (SC1120, line 7; SC1120S, line 7)		2	32	00
3. Total Payments and Refundable Credits (SC1120, line 15, SC1120S line 9)		3		00

Part 2: Declaration of Taxpayer/Corporate Officer

Under penalties of perjury, I declare I am an officer of the above corporation and to the best of my knowledge and belief, the information on this South Carolina Corporate Income Tax Return is true, correct, and complete.

If I have filed a balance due return, I understand that if the SC Department of Revenue does not receive full and timely payment of the tax liability, I will remain liable for the tax liability and all applicable interest and penalties.

I declare that I have compared the information on the corporate return with the information provided to the electronic return originator (ERO) and the amount agrees with the amounts on the South Carolina corporate tax return. To the best of my knowledge, the return is true and complete. I consent that the return and accompanying schedules and statements be sent to the Internal Revenue Service (IRS) by the ERO, and subsequently by the IRS to the SC Department of Revenue.

Sign Here	Signature	Date 08-19-2021
	Title President	Paid Preparer Authorization:* <input type="checkbox"/> Check here if the Department of Revenue may discuss the return with the preparer shown below.

Part 3: Declaration of Electronic Return Originator (ERO)/Paid Preparer

Under penalties of perjury, I declare that I have reviewed the above corporation's return and to the best of my knowledge and belief, the information on this South Carolina Corporate Income Tax Return is true, correct, and complete.

I declare that I have received the above taxpayer's return and the entries on this form are complete and correct to the best of my knowledge. I have obtained the corporate officer's signature on this form before submitting the return to the SC Department of Revenue. I have provided the taxpayer with a copy of all forms and information to be filed with the SC Department of Revenue, and have followed all IRS requirements specified by the IRS and SC Department of Revenue. If I am the preparer, I declare that I have examined the above taxpayer's return and accompanying schedules and statements, and to the best of my knowledge, they are true and complete. This declaration is based on all information of which I have knowledge.

ERO's Use Only	ERO signature	Date 08-19-2021	Check if also paid preparer <input checked="" type="checkbox"/>	Check if self-employed <input type="checkbox"/>	PTIN or FEIN 81-4276440
	Firm name (or yours if self-employed)	CE JERNIGAN CPA Hilton Head Island SC			29938
Paid Preparer's Use Only	Preparer signature	Date	Check if self-employed <input type="checkbox"/>	PTIN or FEIN	
	Firm name (or yours if self-employed) and address	ZIP Code			

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- A Check if:**
1a Consolidated return (attach Form 851)
b Life/nonlife consolidated return
2 Personal holding co. (attach Sch. PH)
3 Personal service corp. (see instructions)
4 Schedule M-3 attached

TYPE OR PRINT	Name SHELTER COVE COMPANY
	Number, street, and room or suite no. If a P.O. box, see instructions. PO BOX 6004
	City or town, state or province, country and ZIP or foreign postal code Hilton Head Island SC 29938

B Employer identification number
57-0739304

C Date incorporated
02-19-1982

D Total assets (see instructions)
\$ 1,999,020

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

Income	1a Gross receipts or sales.	1a	1,392,791	
	b Returns and allowances	1b	13,965	
	c Balance. Subtract line 1b from line 1a	1c		1,378,826
	2 Cost of goods sold (attach Form 1125-A)	2		
	3 Gross profit. Subtract line 2 from line 1c	3		1,378,826
	4 Dividends and inclusions (Schedule C, line 23)	4		30,334
	5 Interest	5		3,924
	6 Gross rents	6		
	7 Gross royalties	7		
	8 Capital gain net income (attach Schedule D (Form 1120))	8		13,139
	9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	9		3,622
10 Other income (see instructions - attach statement)	10			
11 Total income. Add lines 3 through 10 ▶	11		1,429,845	
Deductions (See instructions for limitations on deductions.)	12 Compensation of officers (see instructions - attach Form 1125-E) ▶	12		
	13 Salaries and wages (less employment credits)	13		
	14 Repairs and maintenance	14		
	15 Bad debts	15		
	16 Rents	16		
	17 Taxes and licenses Wks. Tax/Lic	17		7,285
	18 Interest (see instructions)	18		4,951
	19 Charitable contributions	19		
	20 Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	20		536,167
	21 Depletion	21		
	22 Advertising	22		
	23 Pension, profit-sharing, etc., plans	23		
	24 Employee benefit programs	24		
	25 Reserved for future use	25		
26 Other deductions (attach statement) Statement #5.	26		828,973	
27 Total deductions. Add lines 12 through 26 ▶	27		1,377,376	
28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11	28		52,469	
29a Net operating loss deduction (see instructions)	29a	37,302		
b Special deductions (Schedule C, line 24)	29b	15,167		
c Add lines 29a and 29b	29c		52,469	
Tax, Refundable Credits, & Payments	30 Taxable income. Subtract line 29c from line 28. See instructions	30		0
	31 Total tax (Schedule J, Part I, line 11)	31		0
	32 2019 net 965 tax liability paid (Schedule J, Part II, line 12)	32		
	33 Total payments, credits, and section 965 net tax liability (Schedule J, Part III, line 23)	33		
	34 Estimated tax penalty. See instructions. Check if Form 2220 is attached ▶ <input type="checkbox"/>	34		
	35 Amount owed. If line 33 is smaller than the total of lines 31, 32, and 34, enter amount owed	35		
	36 Overpayment. If line 33 is larger than the total of lines 31, 32, and 34, enter amount overpaid	36		
37 Enter amount from line 36 you want: Credited to 2020 estimated tax ▶ Refunded ▶ 37	37			

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.

Alfred Nelson Signature of officer	_____ Date	President Title	May the IRS discuss this return with the preparer shown below? See instructions. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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Paid Preparer Use Only	Print/Type preparer's name Charles E Jernigan CPA	Preparer's signature Charles E Jernigan CPA	Date 09-01-2020	Check <input type="checkbox"/> if self-employed PTIN P00932839
	Firm's name ▶ CE JERNIGAN CPA	Firm's EIN ▶ 81-4276440		Phone no.
	Firm's address ▶ PO BOX 6674 Hilton Head Island SC 29938	(843) 290-0083		

Schedule C Dividends, Inclusions, and Special Deductions (see instructions)		(a) Dividends and inclusions	(b) %	(c) Special deductions (a) x (b)
1	Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)	30,334	50	15,167
2	Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)		65	
3	Dividends on certain debt-financed stock of domestic and foreign corporations		see instructions	
4	Dividends on certain preferred stock of less-than-20%-owned public utilities		23.3	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities		26.7	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs		50	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs		65	
8	Dividends from wholly owned foreign subsidiaries		100	
9	Subtotal. Add lines 1 through 8. See instructions for limitations	30,334	see instructions	15,167
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		100	
12	Dividends from certain FSCs		100	
13	Foreign-source portion of dividends received from a specified 10%-owned foreign corporation (excluding hybrid dividends) (see instructions)		100	
14	Dividends from foreign corporations not included on line 3, 6, 7, 8, 11, 12, or 13 (including any hybrid dividends)			
15	Section 965(a) inclusion		see instructions	
16a	Subpart F inclusions derived from the sale by a controlled foreign corporation (CFC) of the stock of a lower-tier foreign corporation treated as a dividend (attach Form(s) 5471) (see instructions)		100	
b	Subpart F inclusions derived from hybrid dividends of tiered corporations (attach Form(s) 5471) (see instructions)			
c	Other inclusions from CFCs under subpart F not included on line 15, 16a, 16b, or 17 (attach Form(s) 5471) (see instructions)			
17	Global Intangible Low-Taxed Income (GILTI)(attach Form(s) 5471 and Form 8992)			
18	Gross-up for foreign taxes deemed paid			
19	IC-DISC and former DISC dividends not included on line 1, 2, or 3			
20	Other dividends			
21	Deduction for dividends paid on certain preferred stock of public utilities			
22	Section 250 deduction (attach Form 8993)			
23	Total dividends and inclusions. Add column (a), lines 9 through 20. Enter here and on page 1, line 4	30,334		
24	Total special deductions. Add column (c), lines 9 through 22. Enter here and on page 1, line 29b			15,167

Schedule J Tax Computation and Payment (see instructions)

Part I - Tax Computation

1	Check if the corporation is a member of a controlled group (attach Schedule O (Form 1120)). See instructions ▶ <input type="checkbox"/>		
2	Income tax. See instructions		0
3	Base erosion minimum tax (attach Form 8991)		
4	Add lines 2 and 3		0
5a	Foreign tax credit (attach Form 1118)	5a	0
b	Credit from Form 8834 (see instructions)	5b	
c	General business credit (attach Form 3800)	5c	
d	Credit for prior year minimum tax (attach Form 8827)	5d	
e	Bond credits from Form 8912	5e	
6	Total credits. Add lines 5a through 5e.	6	
7	Subtract line 6 from line 4	7	0
8	Personal holding company tax (attach Schedule PH (Form 1120))	8	0
9a	Recapture of investment credit (attach Form 4255)	9a	
b	Recapture of low-income housing credit (attach Form 8611)	9b	
c	Interest due under the look-back method - completed long-term contracts (attach Form 8697)	9c	
d	Interest due under the look-back method - income forecast method (attach Form 8866)	9d	
e	Alternative tax on qualifying shipping activities (attach Form 8902)	9e	
f	Other (see instructions - attach statement)	9f	
10	Total. Add lines 9a through 9f.	10	
11	Total tax. Add lines 7, 8, and 10. Enter here and on page 1, line 31.	11	0

Part II - Section 965 Payments (see instructions)

12	2019 net 965 tax liability paid from Form 965-B, Part II, column (k), line 3. Enter here and on page 1, line 32	12	
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Part III - Payments, Refundable Credits, and Section 965 Net Tax Liability

13	2018 overpayment credited to 2019	13	
14	2019 estimated tax payments	14	
15	2019 refund applied for on Form 4466	15	()
16	Combine lines 13, 14, and 15	16	
17	Tax deposited with Form 7004	17	
18	Withholding (see instructions)	18	
19	Total payments. Add lines 16, 17, and 18.	19	
20	Refundable credits from:		
a	Form 2439	20a	
b	Form 4136	20b	
c	Form 8827, line 5c	20c	
d	Other (attach statement - see instructions)	20d	
21	Total credits. Add lines 20a through 20d	21	
22	2019 net 965 tax liability from Form 965-B, Part I, column (d), line 3. See instructions.	22	
23	Total payments, credits, and section 965 net tax liability Add lines 19, 21, and 22. Enter here and on page 1, line 33	23	

Schedule K Other Information (see instructions)

1 Check accounting method: a [] Cash b [x] Accrual c [] Other (specify) ▶
2 See the instructions and enter the:
a Business activity code no. ▶ 531310
b Business activity ▶ Home Owners Association
c Product or service ▶ Home Owners Association
3 Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? X
4 At the end of the tax year:
a Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part I of Schedule G (Form 1120) (attach Schedule G) X
b Did any individual or estate own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part II of Schedule G (Form 1120) (attach Schedule G) X
5 At the end of the tax year, did the corporation:
a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation not included on Form 851, Affiliations Schedule? For rules of constructive ownership, see instructions. X
If "Yes," complete (i) through (iv) below.

Table with 4 columns: (i) Name of Corporation, (ii) Employer Identification Number (if any), (iii) Country of Incorporation, (iv) Percentage Owned in Voting Stock

b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions X
If "Yes," complete (i) through (iv) below.

Table with 4 columns: (i) Name of Entity, (ii) Employer Identification Number (if any), (iii) Country of Organization, (iv) Maximum Percentage Owned in Profit, Loss, or Capital

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. See the instructions for Form 5452.
If this is a consolidated return, answer here for the parent corporation and on Form 851 for each subsidiary.
7 At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of the total voting power of all classes of the corporation's stock entitled to vote or at least 25% of the total value of all classes of the corporation's stock? X
For rules of attribution, see section 318. 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 the number of Forms 5472 attached ▶ 0
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 (see instructions) []
If the corporation is filing a consolidated return, the statement required by Regulations section 1.1502-21(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 reported on page 1, line 29a.) ▶ \$ 106,121

Schedule K Other Information (continued from page 4)

	Yes	No
13 Are the corporation's total receipts (page 1, line 1a, plus lines 4 through 10) for the tax year and its total assets at the end of the tax year less than \$250,000?		X
If "Yes," the corporation is not required to complete Schedules L, M-1, and M-2. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year ▶ \$ _____		
14 Is the corporation required to file Schedule UTP (Form 1120), Uncertain Tax Position Statement? See instructions		X
If "Yes," complete and attach Schedule UTP.		
15a Did the corporation make any payments in 2019 that would require it to file Form(s) 1099?	X	
b If "Yes," did or will the corporation file required Form(s) 1099?	X	
16 During this tax year, did the corporation have an 80% or more change in ownership, including a change due to redemption of its own stock?		X
17 During or subsequent to this tax year, but before the filing of this return, did the corporation dispose of more than 65% (by value) of its assets in a taxable, non-taxable, or tax deferred transaction?		X
18 Did the corporation receive assets in a section 351 transfer in which any of the transferred assets had a fair market basis or fair market value of more than \$1 million?		X
19 During the corporation's tax year, did the corporation make any payments that would require it to file Forms 1042 and 1042-S under chapter 3 (sections 1441 through 1464) or chapter 4 (sections 1471 through 1474) of the Code?		X
20 Is the corporation operating on a cooperative basis?		X
21 During the tax year, did the corporation pay or accrue any interest or royalty for which the deducton is not allowed under section 267A? See instructions		X
If "Yes," enter the total amount of the disallowed deductions ▶ \$ _____		
22 Does the corporation have gross receipts of at least \$500 million in any of the 3 preceding tax years? (See sections 59A(e)(2) and (3))		X
If "Yes," complete and attach Form 8991.		
23 Did the corporation have an election under section 163(j) for any real property trade or business or any farming business in effect during the tax year? See instructions		X
24 Does the corporation satisfy one or more of the following conditions? See instructions.		X
a The corporation owns a pass-through entity with current, or prior year carryover, excess business interest expense.		
b The corporation's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year are more than \$26 million and the corporation has business interest expense.		
c The corporation is a tax shelter and the corporation has business interest expense.		
If "Yes," to any, complete and attach Form 8990.		
25 Is the corporation attaching Form 8996 to certify as a Qualified Opportunity Fund?		X
If "Yes," enter amount from Form 8996, line 14 ▶ \$ 0		

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash		157,624		198,691
2a	Trade notes and accounts receivable	32,122		13,219	
b	Less allowance for bad debts	()	32,122	()	13,219
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach statement)	Statement #8	1,275,594		1,317,817
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach statement)				
10a	Buildings and other depreciable assets	560,837		1,046,699	
b	Less accumulated depreciation	(53,768)	507,069	(577,406)	469,293
11a	Depletable assets				
b	Less accumulated depletion	()		()	
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)				
b	Less accumulated amortization	()		()	
14	Other assets (attach statement)				
15	Total assets		1,972,409		1,999,020
Liabilities and Shareholders' Equity					
16	Accounts payable				47,191
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (attach statement)	Statement #11	50,204		55,204
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more		109,713		31,664
21	Other liabilities (attach statement)				
22	Capital stock: a Preferred stock				
	b Common stock				
23	Additional paid-in capital				
24	Retained earnings-Appropriated (attach statement)				
25	Retained earnings-Unappropriated		1,812,492		1,864,961
26	Adjustments to shareholders' equity (attach statement)				
27	Less cost of treasury stock		()		()
28	Total liabilities and shareholders' equity		1,972,409		1,999,020

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

Note: The corporation may be required to file Schedule M-3. See instructions.

1	Net income (loss) per books	52,469	7	Income recorded on books this year not included on this return (itemize): Tax-exempt interest \$ _____	
2	Federal income tax per books				
3	Excess of capital losses over capital gains				
4	Income subject to tax not recorded on books this year (itemize): _____				
5	Expenses recorded on books this year not deducted on this return (itemize): a Depreciation \$ _____ b Charitable contributions \$ _____ c Travel and entertainment \$ _____		8	Deductions on this return not charged against book income this year (itemize): a Depreciation \$ _____ b Charitable contributions \$ _____	
6	Add lines 1 through 5	52,469	9	Add lines 7 and 8	
			10	Income (page 1, line 28)-line 6 less line 9	52,469

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

1	Balance at beginning of year	1,812,492	5	Distributions: a Cash	
2	Net income (loss) per books	52,469		b Stock	
3	Other increases (itemize): _____			c Property	
			6	Other decreases (itemize): _____	
4	Add lines 1, 2, and 3	1,864,961	7	Add lines 5 and 6	
			8	Balance at end of year (line 4 less line 7)	1,864,961

**SCHEDULE D
(Form 1120)**

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

▶ Attach to Form 1120, 1120-C, 1120-F, 1120-FSC, 1120-H, 1120-IC-DISC, 1120-L, 1120-ND, 1120-PC, 1120-POL, 1120-REIT, 1120-RIC, 1120-SF, or certain Forms 990-T.

▶ Go to www.irs.gov/Form1120 for instructions and the latest information.

OMB No. 1545-0123

2019

Name SHELTER COVE COMPANY	Employer identification number 57-0739304
-------------------------------------	---

Did the corporation dispose of any investment(s) in a qualified opportunity fund during the tax year? ▶ Yes No
If "Yes," attach Form 8949 and see its instructions for additional requirements for reporting your gain or loss.

Part I Short-Term Capital Gains and Losses (See instructions.)

See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
1a Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b				
1b Totals for all transactions reported on Form(s) 8949 with Box A checked	7,831	1,392	0	6,439
2 Totals for all transactions reported on Form(s) 8949 with Box B checked				
3 Totals for all transactions reported on Form(s) 8949 with Box C checked				
4 Short-term capital gain from installment sales from Form 6252, line 26 or 37			4	
5 Short-term capital gain or (loss) from like-kind exchanges from Form 8824			5	
6 Unused capital loss carryover (attach computation)			6	()
7 Net short-term capital gain or (loss). Combine lines 1a through 6 in column h			7	6,439

Part II Long-Term Capital Gains and Losses (See instructions.)

See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
8a Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b				
8b Totals for all transactions reported on Form(s) 8949 with Box D checked	9,149	10,048	0	(899)
9 Totals for all transactions reported on Form(s) 8949 with Box E checked				
10 Totals for all transactions reported on Form(s) 8949 with Box F checked				
11 Enter gain from Form 4797, line 7 or 9			11	7,599
12 Long-term capital gain from installment sales from Form 6252, line 26 or 37			12	
13 Long-term capital gain or (loss) from like-kind exchanges from Form 8824			13	
14 Capital gain distributions (see instructions)			14	
15 Net long-term capital gain or (loss). Combine lines 8a through 14 in column h			15	6,700

Part III Summary of Parts I and II

16 Enter excess of net short-term capital gain (line 7) over net long-term capital loss (line 15)	16	6,439
17 Net capital gain. Enter excess of net long-term capital gain (line 15) over net short-term capital loss (line 7)	17	6,700
18 Add lines 16 and 17. Enter here and on Form 1120, page 1, line 8, or the proper line on other returns	18	13,139

Note: If losses exceed gains, see *Capital Losses* in the instructions.

For Paperwork Reduction Act Notice, see the Instructions for Form 1120.

Schedule D (Form 1120) 2019

Cost of Goods Sold

▶ **Attach to Form 1120, 1120-C, 1120-F, 1120S, or 1065.**
 ▶ **Go to www.irs.gov/Form1125A for the latest information.**

Name		Employer identification number
SHELTER COVE COMPANY		57-0739304
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 Form 1120, page 1, line 2 or the appropriate line of your tax return. See instructions	8
9a Check all methods used for valuing closing inventory:		
(i) <input type="checkbox"/> Cost		
(ii) <input type="checkbox"/> Lower of cost or market		
(iii) <input type="checkbox"/> Other (Specify method used and attach explanation.) ▶ _____		
b Check if there was a writedown of subnormal goods ▶ <input type="checkbox"/>		
c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ▶ <input type="checkbox"/>		
d If the LIFO inventory method was used for this tax year, enter amount 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 entity? See instructions		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Depreciation and Amortization (Including Information on Listed Property)

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to your tax return.

▶ Go to www.irs.gov/Form4562 for instructions and the latest information.

Attachment
Sequence No. **179**

Name(s) shown on return SHELTER COVE COMPANY	Business or activity to which this form relates FORM 1120	Identifying number 57-0739304
--	---	---

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 instructions)		1,020,000
2	Total cost of section 179 property placed in service (see instructions)		573,272
3	Threshold cost of section 179 property before reduction in limitation (see instructions)		2,550,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-		0
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions		1,020,000
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
	Statement #568	573,272	517,432
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		517,432
9	Tentative deduction. Enter the smaller of line 5 or line 8		517,432
10	Carryover of disallowed deduction from line 13 of your 2018 Form 4562		
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instructions		569,901
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11		517,432
13	Carryover of disallowed deduction to 2020. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property. See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year. See instructions		0
15	Property subject to section 168(f)(1) election		
16	Other depreciation (including ACRS)		10,902

Part III MACRS Depreciation (Don't include listed property. See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2019		5,041
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 <input type="checkbox"/>		

Section B - Assets Placed in Service During 2019 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		55,840	15	HY	150 DB	2,792
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 - Assets Placed in Service During 2019 Tax Year Using the Alternative Depreciation System

20a	Class life					S/L
b	12-year			12 yrs.		S/L
c	30-year			30 yrs.	MM	S/L
d	40-year			40 yrs.	MM	S/L

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28		
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		536,167
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	

For Paperwork Reduction Act Notice, see separate instructions.

Sales of Business Property
(Also Involuntary Conversions and Recapture Amounts
Under Sections 179 and 280F(b)(2))

▶ **Attach to your tax return.**
▶ **Go to www.irs.gov/Form4797 for instructions and the latest information.**

Name(s) shown on return SHELTER COVE COMPANY	Identifying number 57-0739304
--	---

1 Enter the gross proceeds from sales or exchanges reported to you for 2019 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20. See instructions **1** **90,000**

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft - Most Property Held More Than 1 Year (see instructions)

2	(a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)	
3	Gain, if any, from Form 4684, line 39						3	
4	Section 1231 gain from installment sales from Form 6252, line 26 or 37						4	
5	Section 1231 gain or (loss) from like-kind exchanges from Form 8824.						5	
6	Gain, if any, from line 32, from other than casualty or theft						6	7,599
7	Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows						7	7,599
Partnerships and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below.								
Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you didn't have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.								
8	Nonrecaptured net section 1231 losses from prior years. See instructions						8	
9	Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return. See instructions						9	

Part II Ordinary Gains and Losses (see instructions)

10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):

11	Loss, if any, from line 7						11	()
12	Gain, if any, from line 7 or amount from line 8, if applicable						12	
13	Gain, if any, from line 31						13	3,622
14	Net gain or (loss) from Form 4684, lines 31 and 38a						14	
15	Ordinary gain from installment sales from Form 6252, line 25 or 36						15	
16	Ordinary gain or (loss) from like-kind exchanges from Form 8824						16	
17	Combine lines 10 through 16						17	3,622
18 For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below.								
a If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the loss from income-producing property on Schedule A (Form 1040 or Form 1040-SR), line 16. (Do not include any loss on property used as an employee.) Identify as from "Form 4797, line 18a." See instructions							18a	
b Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Schedule 1 (Form 1040 or Form 1040-SR), Part I, line 4							18b	

For Paperwork Reduction Act Notice, see separate instructions. Form **4797** (2019)

Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255
(see instructions)

19 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property:		(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)		
A Unit 304 Waters Edge		12-03-2015	12-06-2019		
B					
C					
D					
These columns relate to the properties on lines 19A through 19D. ▶		Property A	Property B	Property C	Property D
20	Gross sales price (Note: See line 1 before completing.)	20 90,000			
21	Cost or other basis plus expense of sale	21 91,308			
22	Depreciation (or depletion) allowed or allowable	22 12,529			
23	Adjusted basis. Subtract line 22 from line 21	23 78,779			
24	Total gain. Subtract line 23 from line 20	24 11,221			
25 If section 1245 property:					
a	Depreciation allowed or allowable from line 22	25a			
b	Enter the smaller of line 24 or 25a	25b			
26 If section 1250 property: If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291.					
a	Additional depreciation after 1975. See instructions	26a 1,722			
b	Applicable percentage multiplied by the smaller of line 24 or line 26a. See instructions	26b 1,722			
c	Subtract line 26a from line 24. If residential rental property or line 24 isn't more than line 26a, skip lines 26d and 26e	26c 9,499			
d	Additional depreciation after 1969 and before 1976	26d			
e	Enter the smaller of line 26c or 26d	26e			
f	Section 291 amount (corporations only)	26f 1,900			
g	Add lines 26b, 26e, and 26f	26g 3,622			
27 If section 1252 property: Skip this section if you didn't dispose of farmland or if this form is being completed for a partnership.					
a	Soil, water, and land clearing expenses	27a			
b	Line 27a multiplied by applicable percentage. See instructions	27b			
c	Enter the smaller of line 24 or 27b	27c			
28 If section 1254 property:					
a	Intangible drilling and development costs, expenditures for development of mines and other natural deposits, mining exploration costs, and depletion. See instructions	28a			
b	Enter the smaller of line 24 or 28a	28b			
29 If section 1255 property:					
a	Applicable percentage of payments excluded from income under section 126. See instructions	29a			
b	Enter the smaller of line 24 or 29a. See instructions.	29b			

Summary of Part III Gains. Complete property columns A through D through line 29b before going to line 30.

30	Total gains for all properties. Add property columns A through D, line 24	30 11,221
31	Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13	31 3,622
32	Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6	32 7,599

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less
(see instructions)

		(a) Section 179	(b) Section 280F(b)(2)
33	Section 179 expense deduction or depreciation allowable in prior years	33	
34	Recomputed depreciation. See instructions	34	
35	Recapture amount. Subtract line 34 from line 33. See the instructions for where to report	35	

Name(s) shown on return. Name and SSN or taxpayer identification no. not required if shown on other side

Social security number or taxpayer identification number

SHELTER COVE COMPANY

57-0739304

Before you check Box D, E, or F below, see whether you received any Form(s) 1099-B or substitute statement(s) from your broker. A substitute statement will have the same information as Form 1099-B. Either will show whether your basis (usually your cost) was reported to the IRS by your broker and may even tell you which box to check.

Part II Long-Term. Transactions involving capital assets you held more than 1 year are generally long-term (see instructions). For short-term transactions, see page 1.

Note: You may aggregate all long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the totals directly on Schedule D, line 8a; you aren't required to report these transactions on Form 8949 (see instructions).

You must check Box D, E, or F below. Check only one box. If more than one box applies for your long-term transactions, complete a separate Form 8949, page 2, for each applicable box. If you have more long-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

- (D)** Long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see **Note** above)
- (E)** Long-term transactions reported on Form(s) 1099-B showing basis **wasn't** reported to the IRS
- (F)** Long-term transactions not reported to you on Form 1099-B

1	(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold or disposed of (Mo., day, yr.)	(d) Proceeds (sales price) (see instructions)	(e) Cost or other basis. See the Note below and see <i>Column (e)</i> in the separate instructions	Adjustment, if any, to gain or loss. If you enter an amount in column (g), enter a code in column (f). See the separate instructions.		(h) Gain or (loss). Subtract column (e) from column (d) and combine the result with column (g)
						(f) Code(s) from instructions	(g) Amount of adjustment	
	Clearbridge Aggressive Gwth	02-16-2018	06-26-2019	8,973	9,929			(956)
	Invesco Develop Mkts	02-16-2018	06-26-2019	176	119			57
2 Totals. Add the amounts in columns (d), (e), (g), and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, line 8b (if Box D above is checked), line 9 (if Box E above is checked), or line 10 (if Box F above is checked) ►				9,149	10,048			(899)

Note: If you checked Box D above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See *Column (g)* in the separate instructions for how to figure the amount of the adjustment.

For calendar year 2019, or tax year beginning 06-01, 2019, ending 05-29 2020

2019

Department of the Treasury
Internal Revenue Service

▶ **Do not send to the IRS. Keep for your records.**
▶ **Go to www.irs.gov/Form8879C for the latest information.**

Name of corporation

Employer identification number

SHELTER COVE COMPANY

57-0739304

Part I Tax Return Information (Whole dollars only)

1	Total income (Form 1120, line 11)	1	1,429,845
2	Taxable income (Form 1120, line 30)	2	
3	Total tax (Form 1120, line 31)	3	
4	Amount owed (Form 1120, line 35)	4	
5	Overpayment (Form 1120, line 36)	5	

Part II Declaration and Signature Authorization of Officer. Be sure to get a copy of the corporation's return.

Under penalties of perjury, I declare that I am an officer of the above corporation and that I have examined a copy of the corporation's 2019 electronic income tax return and accompanying schedules and statements and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the amounts in Part I above are the amounts shown on the copy of the corporation's electronic income tax return. I consent to allow my electronic return originator (ERO), transmitter, or intermediate service provider to send the corporation's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the corporation's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at **1-888-353-4537** no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the corporation's electronic income tax return and, if applicable, the corporation's consent to electronic funds withdrawal.

Officer's PIN: check one box only

I authorize _____ to enter my PIN _____ as my signature
ERO firm name do not enter all zeros
on the corporation's 2019 electronically filed income tax return.

As an officer of the corporation, I will enter my PIN as my signature on the corporation's 2019 electronically filed income tax return.

39304

Officer's signature ▶

Date ▶ **08-28-2020**

Title ▶ **President**

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit EFIN followed by your five-digit self-selected PIN.

579568 57213
do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2019 electronically filed income tax return for the corporation indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 3112**, IRS e-file Application and Participation, and **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶ **Charles E Jernigan CPA**

Date ▶ **09-01-2020**

ERO Must Retain This Form - See Instructions
Do Not Submit This Form to the IRS Unless Requested To Do So

Special Depreciation Elections

2019 PG01

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

THE TAXPAYER MAKES THE FOLLOWING ELECTIONS RELATED TO
BONUS DEPRECIATION FOR THE 2019 TAX YEAR.

CLASS LIFE	BONUS	NO BONUS
3 YEAR	X	
5 YEAR		X
7 YEAR	X	
10 YEAR	X	
15 YEAR		X
20 YEAR	X	

ELECTIONS

2019 PG01

Name(s) as shown on return

SSN/EIN

SHELTER COVE COMPANY

57-0739304

Section 1.263(a)-3(h) Safe Harbor Election for Small Taxpayers

NAME: SHELTER COVE COMPANY

ADDRESS: PO BOX 6004, Hilton Head Island, SC 29938

SSN/EIN: 57-0739304

ELECTION: The amounts paid for repairs, maintenance, improvements and similar activities performed on the eligible building(s) described below qualify under the safe harbor provided in Reg. Section 1.263(a)-3(h)(1).

DESCRIPTION: Unit 305 Waters Edge

Federal Supporting Statements

2019 PG01

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

Form 1120 - Line 26 - Other Deductions

Statement #5

Description	Amount
Accounting cost	19,959
Bank charges	1,015
Independent Contractor	60,595
Liability Insurance	34,321
Internet	24,398
Legal and professional	9,835
Office expense	5,126
Postage/Shipping	1,542
Printing	110
Security	291,054
Supplies	7,220
Telephone	5,873
Utilities	44,830
Community Promotion	16,500
Ground and Road Maintenance	207,338
Irrigation Repairs	5,853
Facility Repairs and Maintenance	59,500
Brokerage Management fees	10,624
Property Owner Association fees	11,775
Gate Pass Fees	<u>11,505</u>
Total	<u><u>828,973</u></u>

Schedule L - Line 6

PG01
Statement #8

Description	Beg Of Year	End Of Year
Catastrophic Reserve	721,479	771,660
Capital Project Fund	531,819	546,157
Notes Recievable	<u>22,296</u>	<u> </u>
Total	<u><u>1,275,594</u></u>	<u><u>1,317,817</u></u>

Federal Supporting Statements

2019 PG01

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

Schedule L - Line 18

Statement #11

Description	Beg Of Year	End Of Year
Compliance Deposit	<u>50,204</u>	<u>55,204</u>
Total	<u>50,204</u>	<u>55,204</u>

FORM 4562 - LINE 6

PG01
Statement #568

DESCRIPTION OF PROPERTY	COST	ELECTED COST
Seawall Restoration	355,840	300,000
Lighting Renovations	187,513	187,513
Road Signage	<u>29,919</u>	<u>29,919</u>
Total	<u>573,272</u>	<u>517,432</u>

1120

Overflow Statement

2019
Page 1

Name(s) as shown on return

SHELTER COVE COMPANY

FEIN

57-0739304

Form 1120, Page 1, Line 26

<u>Description</u>	<u>Amount</u>
Utilities Electricity	\$ 17,736
Utilities Lights	10,614
Utilities Water	16,480
Total:	\$ 44,830

Taxes and Licenses Attachment

Note: This information does not transmit to the IRS with e-filed returns.
Including with a paper filed return is optional.

2019

CORPORATION NAME SHELTER COVE COMPANY	EIN 57-0739304
--	---------------------------------

Taxes and Licenses	Form 1120, line 17 Form 1120-C, line 15 Form 1120-H, line 12
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1 State income taxes	1	
2 State franchise taxes	2	
3 City income taxes	3	
4 City franchise taxes	4	
5 Real estate taxes	5	7,285
6 Local property taxes	6	
7 Intangible property taxes	7	
8 Payroll taxes	8	
9 Less: credit from Form 8846	9	
10 Foreign taxes paid	10	
11 Occupancy taxes	11	
12 Other miscellaneous taxes	12	
13 Licenses	13	
14 Total to Form 1120, Page 1, Line 17	14	7,285

Dividends Received Deduction Worksheet

Form 1120

(Keep for your records)

2019

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

Worksheet for Schedule C, line 9

- 1. Refigure Form 1120, page 1, line 28, without any adjustment under section 1059 and without any capital loss carryback to the tax year under section 1212(a)(1) 1. 52,469
- 2. Complete lines 10, 11, 12, and 13, column (c), and enter the total here 2. _____
- 3. Subtract line 2 from line 1 3. 52,469
- 4. Multiply line 3 by 65% (0.65) 4. 34,105
- 5. Add lines 2, 5, 7, and 8, column (c), and the part of the deduction on line 3, column (c), that is attributable to dividends from 20%-or-more-owned corporations 5. _____
- 6. Enter the smaller of line 4 or line 5. If line 5 is greater than line 4, stop here; enter the amount from line 6 on line 9, column (c), and do not complete the rest of this worksheet 6. _____
- 7. Enter the total amount of dividends from 20%-or-more-owned corporations that are included on lines 2, 3, 5, 7, and 8, column (a) 7. _____
- 8. Subtract line 7 from line 3 8. 52,469
- 9. Multiply line 8 by 50% (0.50) 9. 26,235
- 10. Subtract line 5 from line 9, column (c) 10. 15,167
- 11. Enter the smaller of line 9 or line 10 11. 15,167
- 12. **Dividends-received deduction after limitation (sec. 246(b)).** Add lines 6 and 11. Enter the result here and on line 9, column (c) 12. 15,167

* Item is included in UBIA
for Section 199A calculations.
See "UBIA" in lower right corner.

Depreciation Detail Listing

FORM 1120

For your records only

2019

PAGE 1

Name(s) as shown on return

Social security number/EIN

SHELTER COVE COMPANY

57-0739304

No.	Description	Date	Cost	Basis Adjustment	Business percentage	Section 179	Bonus depreciation	Depreciable Basis	Life	Method	Rate	Prior Depreciation	Current Depreciation	Accumulated Depreciation	AMT Current
1	Pavillion Building St	05302018	299,800		100.00			299,800	27.5	SL MM	3.636	16,808	10,902	27,710	
2	Unit 305 Waters Edge	12032015	168,453		100.00			168,453	27.5	SL MM	1.97	20,979	3,319	24,298	
3	Furniture and Fixtur	12052015	5,174		100.00			5,174	5	200 DB HY	11.52	5,174		5,174	
4	Seawall Restoration	12062019	355,840		100.00	CY 300,000		55,840	15	150 DB HY	5		2,792	302,792	
5	Lighting Renovations	11152019	187,513		100.00	CY 187,513		0	15	150 DB HY	0			187,513	
6	Road Signage	09152019	29,919		100.00	CY 29,919		0	5	200 DB HY	0			29,919	
Assets Sold/Abandoned															
7	Unit 304 Waters Edge	12032015	87,410		100.00			87,410	27.5	SL MM	1.97	10,807	1,722	12,529	
Totals			1,134,109			CY 517,432		616,677				53,768	18,735	589,935	

Land Amount
Net Depreciable Cost

1,134,109

CY 179 and CY Bonus
TOTAL CY Depr including 179/bonus

517,432
536,167

ST ADJ:

Depreciation Reconciliation for SHELTER COVE COMPANY

	Cost	Basis	Current Depreciation	Accumulated Depreciation	Bonus Depreciation
Beginning of Year	560,837	560,837	15,943	69,711	
Placed in Service in Current Year	573,272	55,840	520,224	520,224	
Removed from Service in Current Year	87,410	87,410	1,722	12,529	
End of Year	1,046,699	529,267	534,445	577,406	

Corporation Business Income Limit Worksheet

Form 1120

(Do not file. Keep for your records.)

2019

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

1	Dollar limitation for tax year. Enter amount from Form 4562, line 5	<u>1,020,000</u>
2	Elected 179 expense. Enter amount from Form 4562, line 8	<u>517,432</u>
3	10% Charitable Contributions	_____
4	100% Charitable Contributions	_____
5	Taxable Income (Form 1120, line 28 plus Form 1120, line 19, plus Form(s) 4562, line 12) (If zero or less, enter -0- here and on line 14.)	<u>569,901</u>
6	Less: Credit amts that reduced expenses or increased income _____	
7	Adjusted taxable income (Combine lines 5 and 6)	<u>569,901</u>
8	Preliminary Section 179 expense (Lesser of line 1, line 2 or line 7)	<u>517,432</u>
9	Taxable income before charitable contribution (Line 7 less line 8)	<u>52,469</u>
10	10% Limited Charitable Contributions (Lesser of line 3 or 10% of line 9)	_____
11	100% Charitable Contributions (Lesser of line 4 or (line 9 minus line 10))	_____
12	Total business income (loss) Taxable income after charitable contribution allowed (Line 7 less lines 10 and 11)	<u>569,901</u>
13	Business income limitation. Lesser of line 1 or line 12, but not < zero. Enter here and on Form 4562, line 11	<u>569,901</u>
14	Section 179 expense allowed (Lesser of line 8 or line 13)	<u>517,432</u>

Distribution among assets	Year Acquired	Elected Section 179	Used in prior years	Used in 2019	Remaining carryover
1120 Road Signage	2019	29,919		29,919	
1120 Lighting Renovations	2019	187,513		187,513	
1120 Seawall Restoration	2019	300,000		<u>300,000</u>	
TOTAL ALLOWABLE (4562 LN 12)				<u><u>517,432</u></u>	
TOTAL 2019 ELEC. COST (4562 LN 8)			517,432		

Next Year's Depreciation Worksheet

(Keep for your records)

2019

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

Form	Multi-Form	Description	Date	Basis	Method	Life	Deduction
1120	1	Pavillion Building Struc	05-30-2018	299,800	SL	27.5	10,902
1120	1	Furniture and Fixtures	12-05-2015	5,174	M	5	
1120	1	Seawall Restoration	12-06-2019	55,840	M	15	5,305
1120	1	Lighting Renovations	11-15-2019		M	15	
1120	1	Road Signage	09-15-2019		M	5	
		TOTAL					16,207

**Form 1120, Line 29a, NOL Deduction
Form 1120-C, Schedule G, Line 9a, Column (a),
Patronage NOL Deduction**

(Keep for your records)

2019

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

Year	Loss Carryover/ Carryback	Increase of NOL Due to Sec 170(d)(2)(B) Contribution Reduction*	Loss Applied to 2019	Unused Loss	Unused Sec 170(d)(2)(B)
1999				Expiring this year	Expiring this year
2000					
2001					
2002					
2003					
2004					
2005					
2006					
2007					
2008					
2009					
2010					
2011					
2012					
2013					
2014					
2015					
2016					
2017	106,121		37,302	68,819	
2018					
	Current year NOL		Applied to Prior Years	Remaining 2019 NOL carryover	
2019					
	Future years NOL		Applied to 2019		
Future Years					
TOTALS	106,121		37,302	68,819	0

* A corporation having a net operating loss (NOL) carryover from any taxable year must apply the special rule of §170(d)(2)(B). The rules are designed to prevent a double tax benefit through interaction of NOL and charitable contribution carryovers. The excess charitable deduction can reduce taxable income only once. Under these rules, a corporation's charitable contributions carryover (but not the NOL carryover) must be reduced, to the extent the charitable contribution deduction, in computing the taxable income of an intervening year, would increase the NOL to a succeeding year.

Carryover/Carryforward Worksheet

Form 1120

(Keep for your records)

2019

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

	To Next Year
Form 1120	
Contributions carryover	
Net Operating Loss Carryover	68,819
Schedule D (Form 1120)	
Unused capital loss carryover	
Reserved for future use	
Carryover expiring this year	
Capital loss carryover to next year	
Form 2220	
Tax	
Form 3800	
General business credit carryforward	
Form 4562	
Section 179 Carryover	
Form 4797	
Nonrecaptured net section 1231 losses from WK_1231C	
Reserved for future use	
Reserved	
Reserved for future use	
Form 8827	
Minimum tax credit carryforward	

FOR TAX YEAR 2019

SHELTER COVE COMPANY

CE JERNIGAN CPA

PO BOX 6674

Hilton Head Island, SC 29938

(843)290-0083

2019 Filing Instructions
SHELTER COVE COMPANY
Tax year ending 05-29-2020

Form filed:

Form 1120 and supplemental forms and schedules

Filing method:

Your return will be e-filed once your signed Form 8879-C has been received.

Due date:

09-15-2020

The return reflects neither a refund nor a balance due.

CE JERNIGAN CPA

PO BOX 6674
Hilton Head Island, SC 29938
edward.jernigan1@yahoo.com
Phone: (843)290-0083 | Fax:

September 01, 2020

SHELTER COVE COMPANY
PO BOX 6004
Hilton Head Island, SC 29938

Subject: Preparation of 2019 Tax Returns

SHELTER COVE COMPANY:

Thank you for choosing CE JERNIGAN CPA to assist with the 2019 taxes for SHELTER COVE COMPANY. This letter confirms the terms of the engagement and outlines the nature and extent of the services we will provide.

We will prepare the 2019 federal and state income tax returns for SHELTER COVE COMPANY. We will depend on management to provide the information we need to prepare complete and accurate returns. We may ask management to clarify some items but will not audit or otherwise verify the data submitted.

We will perform accounting services only as needed to prepare the tax returns. Our work will not include procedures to find defalcations or other irregularities. Accordingly, our engagement should not be relied upon to disclose errors, fraud, or other illegal acts, though it may be necessary for management to clarify some of the information submitted. We will inform management of any material errors, fraud, or other illegal acts we discover.

The law imposes penalties when taxpayers underestimate their tax liability. Call us if there are any concerns about such penalties.

Should we encounter instances of unclear tax law, or of potential conflicts in the interpretation of the law, we will outline the reasonable courses of action and the risks and consequences of each. We will ultimately adopt, on the behalf of SHELTER COVE COMPANY, the alternative selected by management.

Our fee is based on the time required at standard billing rates plus out-of-pocket expenses. Invoices are due and payable upon presentation. All accounts not paid within thirty (30) days are subject to interest charges to the extent permitted by state law.

We will return the original records to management at the end of this engagement. Store these records, along with all supporting documents, in a secure location. We retain copies of your records and our work papers from your engagement for up to seven years, after which these documents will be destroyed.

If management has not selected to e-file the returns with our office, management will be solely responsible to file the returns with the appropriate taxing authorities. The tax matters representative should review all tax-return documents carefully before signing them. Our engagement to prepare the 2019 tax returns will conclude with the delivery of the completed returns to management, or with e-filed returns, with the tax matters representative's signature and our subsequent submittal of the tax return.

To affirm that this letter correctly summarizes the arrangements for this work, sign the enclosed copy of this letter in the space indicated and return it to us in the envelope provided.

Thank you for the opportunity to be of service. For further assistance with your tax return needs, contact our office at

(843)290-0083.

Sincerely,

Charles E Jernigan CPA
CE JERNIGAN CPA

Accepted By:

Officer

Date

CE JERNIGAN CPA

PO BOX 6674
Hilton Head Island, SC 29938
edward.jernigan1@yahoo.com
Phone: (843)290-0083 | Fax:

September 01, 2020

SHELTER COVE COMPANY
PO BOX 6004
Hilton Head Island, SC 29938

SHELTER COVE COMPANY:

Enclosed is the 2019 Form 1120, U.S. Corporation Income Tax Return, prepared for SHELTER COVE COMPANY from the information provided. The return will be e-filed with the IRS once we receive a signed Form 8879-C, IRS e-file Signature Authorization for Form 1120.

The corporation's federal return reflects neither a refund nor a balance due.

Enclosed is the 2019 South Carolina Income Tax return, prepared for SHELTER COVE COMPANY from the information provided. This return will be e-filed with the South Carolina taxing authority.

The corporation's South Carolina Income Tax return reflects a balance due of \$1,890.

The corporation's payment was due on July 15, 2020. To avoid further penalties and interest, make the payment as soon as possible. Check the state's website for electronic payment options. If not paying electronically, mail this payment to the following address:

SC Department of Revenue
Corporate Voucher
PO Box 100153
Columbia, SC 29202
(Payable to SC Department of Revenue)

Thank you for the opportunity be of service. For further assistance with your tax return needs, contact our office at (843)290-0083.

Sincerely,

Charles E Jernigan CPA
CE JERNIGAN CPA

CE JERNIGAN CPA

PO BOX 6674
Hilton Head Island, SC 29938
edward.jernigan1@yahoo.com
Phone: (843)290-0083 | Fax:

September 01, 2020

SHELTER COVE COMPANY
PO BOX 6004
Hilton Head Island, SC 29938

Your privacy is important to us. Read the following privacy policy.

We collect nonpublic personal information about you from various sources, including:

- * Interviews regarding your tax situation
- * Applications, organizers, or other documents that supply such information as your name, address, telephone number, Social Security Number, number of dependents, income, and other tax-related data
- * Tax-related documents you provide that are required for processing tax returns, such as Forms W-2, 1099R, 1099-INT and 1099-DIV, and stock transactions

We do not disclose any nonpublic personal information about our clients or former clients to anyone, except as requested by our clients or as required by law.

We restrict access to personal information concerning you, except to our employees who need such information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your personal information.

If you have any questions about our privacy policy, contact our office at (843)290-0083.

Sincerely,

Charles E Jernigan CPA
CE JERNIGAN CPA

CE JERNIGAN CPA

PO BOX 6674
 Hilton Head Island, SC 29938
 edward.jernigan1@yahoo.com
 Phone: (843)290-0083 | Fax:

Customer Name	Customer Information	
SHELTER COVE COMPANY PO BOX 6004 Hilton Head Island, SC 29938	Invoice #:	
	Date:	September 01, 2020
	Phone:	
	E-mail:	

Your 2019 tax return was prepared by Charles E Jernigan CPA.

Description	Fee
Federal And Supplemental Forms	
Form 1120	U.S. Corporation Income Tax Return, page 1
Form 1120 pg 2	U.S. Corporation Income Tax Return, page 2
Form 1120 pg 3	U.S. Corporation Income Tax Return, page 3
Form 1120 pg 4	U.S. Corporation Income Tax Return, page 4
Form 1120 pg 5	U.S. Corporation Income Tax Return, page 5
Form 1120 pg 6	U.S. Corporation Income Tax Return, page 6
Schedule D	Capital Gains and Losses
Form 1125-A	Cost of Goods Sold
Form 4562	Depreciation and Amortization
Form 4797	Sales of Business Property
Form 8879-C	E-File Signature Authorization for Form 1120
Form 8949	Sale and Other Disposition of Capital Assets
Attachment NOL	Schedule of NOL Carryovers
DEPR REC	Depreciation Reconciliation
FED DEPR Schedule	Federal Depreciation Schedule
Next Year Depr	Next Year Depreciation Schedule
Wks 179 Limit	Business Income Limitation for Section 179
Wks DRD	Dividends Received Deduction Worksheet
Wks Tax/Lic	Taxes and Licenses Worksheet
Bonus	Bonus Depreciation Election
Statement ELEC	Election Statements
Statement 1120	Form 1120 - Other Deductions
Statement Sch L	Schedule L - Itemized Other Current Assets
Statement Sch L	Schedule L - Itemized Other Current Liab's
Statement 4562	Form 4562 - Amortization Election Statement
Overflow	Itemized Listing Attachment
Comparison	Tax Year Comparison Sheet
South Carolina Forms	
SC 1120 PG 1	C Corporation Income Tax Return page 1
SC 1120 PG 2	C Corporation Income Tax Return page 2
SC 1120 PG 3	C Corporation Income Tax Return page 3
SC 1120 PG 4	C Corporation Income Tax Return page 4
SC 1120 PG 5	C Corporation Income Tax Return page 5

SC 1120 PG 6	C Corporation Income Tax Return page 6	
SC 1120 PG 7	C Corporation Income Tax Return page 7	
SC 1120 PG 8	C Corporation Income Tax Return page 8	
SC 4562	State 4562/Gain/DepDif	
SC 1120V	Business Payment Voucher	
SC 2220 PG 1	Underpayment of Estimated Tax	
SC 2220 PG 2	Underpayment of Estimated Tax	
SC8453	Declaration for Electronic Filing	

Total Forms	40	Forms Subtotal	0.00
		Total Balance Due	0.00

Payment due upon receipt. Thank you for your business!

1120

**Corporation
Diagnostic Summary**

2019

Name

SHELTER COVE COMPANY

Employer Identification #

57-0739304

Demographics

Mailing Address:

Phone:

PO BOX 6004
Hilton Head Island, SC 29938

Resident State: SC

Diagnostics

Preparer: Charles E Jerniga

Invoice:

Date: 09-01-2020

Return Information

Item on Return	2019 Federal	2018 Federal (If available)
Total Assets	1,999,020	1,972,409
Gross Receipts/Sales	1,392,791	1,218,357
Total Income	1,429,845	1,274,247
Total Deductions	1,377,376	1,274,247
Taxable Income		
Tax		
Overpayment		
Refund		
Refund Applied to ES		
Balance Due		
2220 Penalty		
Total Equity	1,864,961	1,812,492

State/City Information

<u>State/City</u>	<u>Gross Income</u>	<u>Taxable Income</u>	<u>Income Tax</u>	<u>Other Tax</u>	<u>Refund/ (Balance Due)</u>
SC1120		37,302		1,865	(1,890)

**1120 TAX RETURN COMPARISON
2017 / 2018 / 2019**

2019

Name(s) as shown on return
SHELTER COVE COMPANY

Identifying number
57-0739304

	2017 FEDERAL	2018 FEDERAL	2019 FEDERAL	DIFFERENCE BETWEEN 2018 & 2019
Net receipts	232,129	1,218,357	1,378,826	160,469
Cost of goods sold				
Gross profit	232,129	1,218,357	1,378,826	160,469
Dividends	6,860	21,005	30,334	9,329
Interest	2,345	93	3,924	3,831
Gross rents				
Gross royalties				
Capital gain net income		34,792	13,139	(21,653)
Net gain/loss from 4797			3,622	3,622
Other income				
Total income	241,334	1,274,247	1,429,845	155,598
Compensation of officers				
Salaries and wages				
Repairs and maintenance	121,569			
Bad debts	15,402			
Rents		12,573		(12,573)
Taxes and licenses		7,130	7,285	155
Interest		8,934	4,951	(3,983)
Charitable contributions				
Depreciation	9,783	20,205	536,167	515,962
Depletion				
Advertising				
Pension, profit-sharing				
Employee benefits				
Domestic production activities ded				
Other deductions	261,616	1,148,072	828,973	(319,099)
Total deductions	408,370	1,196,914	1,377,376	180,462
NOL deduction		66,830	37,302	(29,528)
Special deductions	4,802	10,503	15,167	4,664
Taxable income	(171,838)			
Total tax				
Estimated taxes paid				
Total payments line 33				
Amount owed				
Overpayment				
Applied to estimate				
Refund				
RESIDENT STATE	SC	SC	SC	
Taxable	(177,264)		37,302	37,302
Tax			1,865	1,865
Overpayment				
Balance Due			1,890	1,890
	2017	2018	2019	DIFFERENCE



STATE OF SOUTH CAROLINA
C CORPORATION INCOME TAX RETURN

SC 1120
(Rev.8/15/19)
3091

dor.sc.gov

Return is due on or before the 15th day of the 4th month following the close of the taxable year.

SC file # 20103662-7

Income Tax period ending 05-29-2020

License Fee period ending 05-29-2021

FEIN 57-0739304

Name SHELTER COVE COMPANY

Mailing address PO BOX 6004

City Hilton Hea State SC ZIP 29938

Change of Address Accounting Period Officers

Attach complete copy of federal return
Check if you filed a federal or state extension



Check if: Initial Return Consolidated Return Amended Return Includes Disregarded LLC(s)

County or counties in SC where property is located Beaufort

Check if: Merged Reorganized Final

Audit location: Street address, city, state, and ZIP
23C Shelter Cove Ln
Hilton Head Islan SC

Total gross receipts 1,378,826 Total cost of depreciable personal property in SC 1,046,699

Audit contact Deborah Faragher Phone number

PART I COMPUTATION OF INCOME TAX LIABILITY

Table with 18 rows and 3 columns: Description, Line Number, Amount. Includes items like Federal taxable income, net adjustment, total net income, tax, and balance due.



SC1120

Page 2

PART II
COMPUTATION OF LICENSE FEE

20. Total capital and paid in surplus (Multi-state corporations see Schedule E)	▶ 20.	0	00
21. License Fee: multiply line 20 by .001 then add \$15 (Fee cannot be less than \$25 per taxpayer)	▶ 21.	0	00
22. Credit carryover ▶ <input type="text" value="00"/> Credit taken this year from SC1120TC, Part II, Column C	▶ 22.	<	0 00 >
23. Balance (subtract line 22 from line 21)	▶ 23.	0	00
24. Payments: (a) Paid with extension	▶ 24a.		00
(b) Credit from line 19b	▶ 24b.		00
25. Total payments (add line 24a and line 24b)	▶ 25.	0	00
26. Balance of License Fee (subtract line 25 from line 23)	▶ 26.	0	00
27. (a) Interest <input type="text" value="00"/> (b) Late file/pay penalty <input type="text" value="00"/>	▶ 27.		00
Total (add line 27a and line 27b) See penalty and interest in SC1120 Instructions	▶ 27.		00
28. Total License Fee, interest, and penalty (add line 26 and line 27)	▶ 28.	0	00
BALANCE DUE			
29. Overpayment (subtract line 23 from line 25) <input type="text" value="00"/> To be applied as follows:			
(a) Estimated Tax ▶ <input type="text" value="00"/> (b) Income Tax ▶ <input type="text" value="00"/> (c) REFUND ▶			00
30. GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add line 18 and line 28)	▶ 30.	1,890	00

SCHEDULE A AND B ADDITIONS TO FEDERAL TAXABLE INCOME

1. Taxes on or measured by income	1.	0
2. Federal net operating loss	2.	37,302
3.	3.	
4.	4.	
5. Other additions (attach schedule)	5.	
6. Total additions (add lines 1 through line 5)	6.	37,302

DEDUCTIONS FROM FEDERAL TAXABLE INCOME

7. Interest on US obligations	7.	0
8.	8.	
9.	9.	
10. Other deductions (attach schedule)	10.	
11. Total deductions (add line 7 through line 10)	11.	0
12. Net adjustment (subtract line 11 from line 6) Also enter on SC1120, Part 1, line 2	12.	37,302

SCHEDULE C SUMMARY OF INCOME TAX CREDITS (FROM SC1120TC)

1. Credit carryover from previous year's SC1120, Schedule C (should match SC1120TC Column A, line 13)	1.	0
2. Enter total credits from SC1120TC, Column B, line 13 (attach SC1120TC and schedules for each tax credit claimed)	2.	0
3. Total credits (add line 1 and line 2)	3.	0
4. Tax from SC1120, Part 1, line 9	4.	0
5. Lesser of line 3 or line 4 (enter on SC1120, Part 1, line 10; should match SC1120TC, Column C, line 13)	5.	0
6. Enter credits lost due to statute (should match SC1120TC, Column D, line 13)	6.	0
7. Credit carryover (subtract lines 5 and 6 from line 3; should match SC1120TC, Column E, line 13)	7.	0

As a principal officer of the corporation for which this return is made, I declare that this return, including accompanying annual report, statements, and schedules, has been examined by me and is to the best of my knowledge and belief true and complete.

Sign Here	Signature of officer	<u>Alfred Nelson</u>	Officer's title	<u>President</u>	Email
	Print officer's name		Date	<u>09-01-2020</u>	Phone number
Paid Preparer's Use Only	I authorize the Director of the SCDOR or delegate to discuss this return, attachments, and related tax matters with the preparer.			Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Print preparer's name
	Preparer's signature	<u>CE JERNIGAN CPA</u>	Date	<u>09-01-2020</u>	Preparer's phone number
	Firm's name (or yours if self-employed) and address	<u>PO BOX 6674 Hilton Head SC</u>	PTIN or FEIN	<u>81-4276440</u>	ZIP
				<u>29938</u>	

If this is a corporation's final return, signing here authorizes the SCDOR to disclose that information to the South Carolina Secretary of State (SCSOS). You must close with the SCSOS and the SCDOR.

Taxpayer's signature

Date

30912059



ONLY MULTI-STATE CORPORATIONS MUST COMPLETE SCHEDULES E, F, G, AND H

SCHEDULE E COMPUTATION OF LICENSE FEE OF MULTI-STATE CORPORATIONS

- 1. Total capital and paid in surplus at end of year \$ 0
- 2. SC Proportion: (multiply line 1 by the ratio from Schedule H-1, H-2, or H-3, as appropriate) Also enter on SC1120, line 20. \$ 0

SCHEDULE F INCOME SUBJECT TO DIRECT ALLOCATION

	Gross Amounts 1	Less: Related Expenses 2	Net Amounts Allocated Directly to SC and Other States 3	Net Amounts Allocated Directly to SC 4
1. Interest not connected with business				
2. Dividends received				
3. Rents				
4. Gains/losses on real property				
5. Gains/losses on intangible personal property				
6. Investment income directly allocated				
7. Total income directly allocated				
8. Income directly allocated to SC				

SCHEDULE G COMPUTATION OF TAXABLE INCOME OF MULTI-STATE CORPORATIONS

- 1. Total net income as reconciled from SC1120, page 1, line 3 1. _____
- 2. Income subject to direct allocation to SC and other states from Schedule F, line 7 2. _____
- 3. Total net income subject to apportionment (subtract line 2 from line 1) 3. _____
- 4. Multiply line 3 by appropriate ratio from Schedule H-1, H-2, or H-3 4. _____
- 5. Income subject to direct allocation to SC from Schedule F, line 8 5. _____
- 6. Total SC net income (add line 4 and line 5) Also enter on SC1120, page 1, line 4 6. _____

SCHEDULE H-1 COMPUTATION OF SALES RATIO

	Amount	Ratio
1. Total sales within South Carolina (see instructions)		
2. Total sales everywhere (see instructions)		
3. Sales ratio (line 1 divided by line 2)		%

Note: If there are no sales anywhere: Enter 100% on line 3 if South Carolina is the principal place of business.
 Enter 0% on Line 3 if principal place of business is outside South Carolina.

SCHEDULE H-2 COMPUTATION OF GROSS RECEIPTS RATIO

	Amount	Ratio
1. South Carolina gross receipts		
2. Amounts allocated to South Carolina on Schedule F	< >	
3. South Carolina adjusted gross receipts (subtract line 2 from line 1)		
4. Total gross receipts		
5. Total amounts allocated on Schedule F	< >	
6. Total adjusted gross receipts (subtract line 5 from line 4)		
7. Gross receipts ratio (line 3 divided by line 6)		%

SCHEDULE H-3 COMPUTATION OF RATIO FOR SECTION 12-6-2310 COMPANIES

	Amount	Ratio
1. Total within South Carolina (see instructions)		
2. Total everywhere		
3. Taxable ratio (line 1 divided by line 2)		%



SCHEDULE I **RESERVED**
SCHEDULE J **CORPORATIONS INCLUDED IN CONSOLIDATED RETURN**
AFFILIATED CORPORATION NO.

1. Name _____
2. Incorporated under the laws of the state of _____
3. Location of the registered office of the corporation in South Carolina _____
 In the city of _____ Registered agent at this address _____
4. Location of principal office (street address) _____
 Nature of principal business in SC _____
5. Total number of **authorized shares** of capital stock, itemized by class and series, if any, within each class:

Number of shares	Class	Series

6. The total number of **issued and outstanding shares** of capital stock itemized by class and series, if any, within each class:

Number of shares	Class	Series

7. Names and business addresses of the directors (or individuals functioning as directors) and principal officers in the corporation:
 Attach separate schedules if you need more space.

Name	Title	Business address

8. Date incorporated _____ Date commenced business in South Carolina _____
9. Date of this report _____ FEIN _____ SC file # _____
10. If foreign corporation, the date qualified to do business in South Carolina _____
11. Was the name of the corporation changed during the year? _____ Previous name _____
12. The corporation's books are in the care of _____
 Located at (street address) _____
13. Corporate mailing address _____
14. Total amount of stated capital per balance sheet:
 - A. Total paid in capital stock (cannot be a negative amount) \$ _____
 - B. Total paid in capital surplus (cannot be a negative amount) \$ _____
 - C. Total amount of stated capital (cannot be a negative amount) \$ _____

For additional affiliated corporations, include additional Schedule Js as needed.



SCHEDULE M CONSOLIDATED RETURN AFFILIATIONS SCHEDULE

Include additional Schedule Ms as needed. Include only corporations doing business in South Carolina.

Part 1 General Information

Is the common parent corporation included in the return?
Yes No

If no, enter name and FEIN of common parent corporation.

Name	FEIN
Name of each corporation included in this consolidated return	FEIN
Corporation 1	
Corporation 2	
Corporation 3	
Corporation 4	
Corporation 5	
Corporation 6	
Corporation 7	
Corporation 8	

Part 2 Income Tax Information

	Federal Taxable Income	Amounts Directly Allocated	Amounts Allocated to SC	SC Adjustments	SC NOL Prior Year Carryovers
Corporation 1	\$	\$	\$	\$	\$
Corporation 2					
Corporation 3					
Corporation 4					
Corporation 5					
Corporation 6					
Corporation 7					
Corporation 8					
Total					
	Equals page 1, line 1	Equals Sch. F, line 7	Equals Sch. F, line 8	Equals page 1, line 2	Equals page 1, line 5

Part 3 License Fee, Allocation, and Apportionment Information

	Tax Credited on Return	Total Capital and Paid in Surplus	Apportionment Percentage	License Fee
Corporation 1	\$	\$	%	\$
Corporation 2				
Corporation 3				
Corporation 4				
Corporation 5				
Corporation 6				
Corporation 7				
Corporation 8				
Total				
	Equals page 1, line 15	Equals page 2, line 20	From Schedule H	Equals page 2, line 21

1024

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

SC1120-V

(Rev. 8/27/19)
3416

dor.sc.gov

CORPORATE INCOME TAX PAYMENT VOUCHER

If you owe \$15,000 or more in connection with any SCDOR return, you must file and pay electronically according to SC Code Section 12-54-250.

Pay online using our free tax portal, MYDORWAY, at dor.sc.gov/pay. Select Business Income Tax Payment to get started. Do not mail the SC1120-V if you pay online.

INSTRUCTIONS

1. Use only black ink on this form and your check.
2. Enter your Federal Employer Identification Number (FEIN) and corporate file number.
3. Enter the Income Tax and License Fee period ending in the MM-YY format.
4. Enter your name and address.
5. Enter the payment amount from your Corporate Tax return in whole dollars without a dollar sign (example: 154.00).
6. If you are filing your return electronically, do not mail a copy of your return with the SC1120-V.
7. If you are filing your return by paper and have a balance due, submit your payment with your return. Do not mail payment separately with the SC1120-V.
8. Make your check payable to SCDOR. Include the FEIN, tax year, and "SC1120-V" in the memo.
9. Mail your SC1120-V and payment in one envelope. Staple the SC1120-V to the payment.

The total tax due must be paid in full.

Failure to file the return and pay the tax due by the original due date will result in penalties and interest until the return is filed and the tax is paid.

Mail your SC1120-V and payment to:

**SCDOR
Corporate Voucher
PO Box 100153
Columbia, SC 29202**

cut along dotted line

1024

dor.sc.gov



SC DEPARTMENT OF REVENUE

CORPORATE INCOME TAX PAYMENT VOUCHER

SC1120-V

(Rev. 8/27/19)
3416

SC corporate file #

Income Tax period ending (MM-YY)

20103662 7

05-20

1. Income Tax due

1,890.00

57-0739304

05-21

2. License Fee due

0.00

FEIN

License Fee period ending (MM-YY)

Corporate name and address

SHELTER COVE COMPANY

3. Payment amount

1,890.00

PO BOX 6004

Hilton Head Island SC 29938

Pay online at dor.sc.gov/pay.

34161026 201036627 570739304 0520 00000189000 00000000000 2

**UNDERPAYMENT OF ESTIMATED TAX
BY CORPORATIONS**

2019

dor.sc.gov

Name SHELTER COVE COMPANY	FEIN 57-0739304
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Part I Required annual payment	
1 Total tax (line 11, of the SC1120; or comparable line for other Income Tax returns) If the result is less than \$100, do not complete this form. You do not owe a penalty	1 1,865
2 Enter the tax from the corporation's 2018 Income Tax return (see instructions) If the tax is zero or the tax year was for less than 12 months, skip this line	2
3 Enter the lesser of line 1 or line 2. If the corporation is required to skip line 2, enter the amount from line 1	3 1,865

Part II Reasons for filing

Check the boxes below that apply. If any box is checked, the corporation **must** file the SC2220 with the corporation's tax return, even if no penalty is due. If the box on line 4 or line 5 applies, the corporation may be able to lower or eliminate the penalty.

4 The corporation is using the adjusted seasonal installment method.

5 The corporation is using the annualized income installment method.

6 The corporation is a **large corporation** calculating its first required installment based on the prior year's tax.

Part III Calculating your underpayment		A	B	C	D
7 Installment due dates: Enter in columns A through D the 15th day of the 4th, 6th, 9th, and 12th months of the corporation's tax year	7	09-16-2019	11-15-2019	02-18-2020	05-15-2020
8 Required installments: If you checked the boxes on line 4, line 5, and/or line 6, see the instructions for the amount to enter in each column. If none of these boxes are checked, enter 25% of line 3 in each column	8	466	466	466	467
9 Estimated Tax paid or credited for each period. For column A only, enter the amount from line 9 on line 13	9				
Complete line 10 through line 16 of one column before going to line 10 of the next column.					
10 Enter amount from line 16 of the previous column	10				
11 Add line 9 and line 10	11				
12 Add amounts on line 14 and line 15 of the previous column	12		466	932	1,398
13 Subtract line 12 from line 11. If zero or less, enter 0	13				
14 If the amount on line 13 is zero, subtract line 11 from line 12. Otherwise, enter 0	14		466	932	
15 Underpayment: If line 13 is less than or equal to line 8, subtract line 13 from line 8	15	466	466	466	467
16 Overpayment. If line 8 is less than line 13, subtract line 8 from line 13. Enter here and on line 10 of the next column	16				

If there are amounts on line 15 in any column, go to Part IV on page 2 to calculate the penalty.

Part IV		Calculating the penalty				
		(a)	(b)	(c)	(d)	
17	Enter the date of payment or the 15th day of the 4th month after the close of the tax year, whichever is earlier. (SC1120S filers: use the 3rd month. SC 990-T filers: use the 5th month.)	17	09-15-2020	09-15-2020	09-15-2020	09-15-2020
18	Number of days from due date of installment on line 7 to the date on line 17	18	365	305	210	123
19	Number of days on line 18 after 4/15/19 and before 7/1/19	19				
20	Underpayment on line 15 x $\frac{\text{Number of days on line 19}}{365}$ x 6%	20	\$	\$	\$	\$
21	Number of days on line 18 after 6/30/19 and before 10/1/19	21	14			
22	Underpayment on line 15 x $\frac{\text{Number of days on line 21}}{365}$ x 5%	22	\$ 1	\$	\$	\$
23	Number of days on line 18 after 9/30/19 and before 1/1/20	23	92	46		
24	Underpayment on line 15 x $\frac{\text{Number of days on line 23}}{365}$ x 5%	24	\$ 6	\$ 3	\$	\$
25	Number of days on line 18 after 12/31/19 and before 4/1/20	25	91	91	42	
26	Underpayment on line 15 x $\frac{\text{Number of days on line 25}}{366}$ x 5%	26	\$ 6	\$ 6	\$ 3	\$
27	Number of days on line 18 after 3/31/20 and before 7/1/20	27	91	91	91	46
28	Underpayment on line 15 x $\frac{\text{Number of days on line 27}}{366}$ *%	28	\$	\$	\$	\$
29	Number of days on line 18 after 6/30/20 and before 10/1/20	29	77	77	77	77
30	Underpayment on line 15 x $\frac{\text{Number of days on line 29}}{366}$ x *%	30	\$	\$	\$	\$
31	Number of days on line 18 after 9/30/20 and before 1/1/21	31				
32	Underpayment on line 15 x $\frac{\text{Number of days on line 31}}{366}$ x *%	32	\$	\$	\$	\$
33	Number of days on line 18 after 12/31/20 and before 3/16/21	33				
34	Underpayment on line 15 x $\frac{\text{Number of days on line 33}}{365}$ x *%	34	\$	\$	\$	\$
35	Add lines 20, 22, 24, 26, 28, 30, 32, and 34	35	\$ 13	\$ 9	\$ 3	\$
36	Penalty: Add columns (a) through (d), of line 35. Enter the total here and on line 17 of the SC1120; or the comparable line for other Income Tax returns	36	\$			25

* Use the penalty interest rate for each calendar quarter. The SCDOR will determine these rates during the first month in the preceding quarter. These rates are published quarterly in Information Letters, available at dor.sc.gov/policy.

Depreciation and Amortization (Including Information on Listed Property)

State SC

▶ See separate instructions. ▶ Keep for your records.

Name(s) shown on return SHELTER COVE COMPANY	Business or activity to which this form relates FORM 1120	Identifying number 57-0739304
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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 instructions)	1	1,020,000
2	Total cost of section 179 property placed in service (see instructions).	2	573,272
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,550,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	0
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	1,020,000
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
	Statement #568		517,432
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	517,432
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	517,432
10	Carryover of disallowed deduction from line 13 of your 2018 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instructions	11	569,901
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	517,432
13	Carryover of disallowed deduction to 2020. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property. See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year. See instructions	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	10,902

Part III MACRS Depreciation (Don't include listed property. See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2019.	17	5,041
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 <input type="checkbox"/>		

Section B - Assets Placed in Service During 2019 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		55,840	15	HY	150 DB	2,792
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 - Assets Placed in Service During 2019 Tax Year Using the Alternative Depreciation System

20a	Class life					S/L
b	12-year			12 yrs.		S/L
c	30-year			30 yrs.	MM	S/L
d	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	536,167
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	

For Paperwork Reduction Act Notice, see separate instructions.

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE
CORPORATE INCOME TAX
DECLARATION FOR ELECTRONIC FILING

SC8453C
(Rev. 7/22/09)
3415

Part 1: Corporation and Tax Return Information

Corporation Name SHELTER COVE COMPANY		FEIN 57-0739304	
1. Federal taxable income	Check form filed: <input checked="" type="checkbox"/> SC1120, line 1; <input type="checkbox"/> SC1120S, line 1	1	00
2. SC Corporate Income Tax (SC1120, line 7; SC1120S, line 7)		2	1,865 00
3. Total Payments and Refundable Credits (SC1120, line 15, SC1120S line 9)		3	00

Part 2: Declaration of Taxpayer/Corporate Officer

Under penalties of perjury, I declare I am an officer of the above corporation and to the best of my knowledge and belief, the information on this South Carolina Corporate Income Tax Return is true, correct and complete.

If I have filed a balance due return, I understand that if the SC Department of Revenue does not receive full and timely payment of the tax liability, I will remain liable for the tax liability and all applicable interest and penalties.

I declare that I have compared the information on the corporate return with the information provided to the electronic return originator (ERO) and the amount agrees with the amounts on the South Carolina corporate tax return. To the best of my knowledge, the return is true and complete. I consent that the return and accompanying schedules and statements be sent to the Internal Revenue Service (IRS) by the ERO, and subsequently by the IRS to the SC Department of Revenue.

Sign Here	Signature	Date
	Title President	09-01-2020 Paid Preparer Authorization:* <input type="checkbox"/> Check here if the Dept. of Revenue may discuss the return with the prep. shown below.

Part 3: Declaration of Electronic Return Originator (ERO)/Paid Preparer

Under penalties of perjury, I declare that I have reviewed the above corporation's return and to the best of my knowledge and belief, the information on this South Carolina Corporate Income Tax Return is true, correct, and complete.

I declare that I have received the above taxpayer's return and the entries on this form are complete and correct to the best of my knowledge. I have obtained the corporate officer's signature on this form before submitting the return to the SC Department of Revenue. I have provided the taxpayer with a copy of all forms and information to be filed with the SC Department of Revenue, and have followed all IRS requirements specified by the IRS and SC Department of Revenue. If I am the preparer, I declare that I have examined the above taxpayer's return and accompanying schedules and statements, and to the best of my knowledge, they are true and complete. This declaration is based on all information of which I have knowledge.

ERO's Use Only	ERO signature	Date	Check if also paid preparer	Check if self-employed	PTIN or FEIN
	Firm name (or yours if self-employed)	09-01-2020	<input checked="" type="checkbox"/>	<input type="checkbox"/>	81-4276440
Paid Preparer's Use Only	Preparer signature	Date	Check if self-employed	PTIN or FEIN	
	Firm name (or yours if self-employed) and address		<input type="checkbox"/>		29938 ZIP Code

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- A Check if:**
1a Consolidated return (attach Form 851)
b Life/nonlife consolidated return
2 Personal holding co. (attach Sch. PH)
3 Personal service corp. (see instructions)
4 Schedule M-3 attached

TYPE OR PRINT	Name SHELTER COVE COMPANY
	Number, street, and room or suite no. If a P.O. box, see instructions. PO BOX 6004
	City or town, state or province, country and ZIP or foreign postal code Hilton Head Island SC 29938

B Employer identification number
57-0739304

C Date incorporated
02-19-1982

D Total assets (see instructions)
\$ 1,972,409

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

Income	1a Gross receipts or sales	1a	1,218,357	
	b Returns and allowances	1b		
	c Balance. Subtract line 1b from line 1a	1c		1,218,357
	2 Cost of goods sold (attach Form 1125-A)	2		
	3 Gross profit. Subtract line 2 from line 1c	3		1,218,357
	4 Dividends and inclusions (Schedule C, line 23, column (a))	4		21,005
	5 Interest	5		93
	6 Gross rents	6		
	7 Gross royalties	7		
	8 Capital gain net income (attach Schedule D (Form 1120))	8		34,792
	9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	9		
10 Other income (see instructions - attach statement)	10			
11 Total income. Add lines 3 through 10	11		1,274,247	
Deductions (See instructions for limitations on deductions.)	12 Compensation of officers (see instructions - attach Form 1125-E)	12		
	13 Salaries and wages (less employment credits)	13		
	14 Repairs and maintenance	14		
	15 Bad debts	15		
	16 Rents	16		12,573
	17 Taxes and licenses	17	Wks. Tax/Lic	7,130
	18 Interest (see instructions)	18		8,934
	19 Charitable contributions	19		
	20 Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	20		20,205
	21 Depletion	21		
	22 Advertising	22		
	23 Pension, profit-sharing, etc., plans	23		
	24 Employee benefit programs	24		
	25 Reserved for future use	25		
26 Other deductions (attach statement)	26	Statement #5.	1,148,072	
27 Total deductions. Add lines 12 through 26	27		1,196,914	
28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11	28		77,333	
29a Net operating loss deduction (see instructions)	29a	66,830		
b Special deductions (Schedule C, line 24, column (c))	29b	10,503		
c Add lines 29a and 29b	29c		77,333	
Tax, Refundable Credits, & Payments	30 Taxable income. Subtract line 29c from line 28. See instructions	30		0
	31 Total tax (Schedule J, Part I, line 11)	31		0
	32 2018 net 965 tax liability paid (Schedule J, Part II, line 12)	32		
	33 Total payments, credits, and section 965 net tax liability (Schedule J, Part III, line 23)	33		
	34 Estimated tax penalty. See instructions. Check if Form 2220 is attached <input type="checkbox"/>	34		
	35 Amount owed. If line 33 is smaller than the total of lines 31, 32, and 34, enter amount owed	35		
	36 Overpayment. If line 33 is larger than the total of lines 31, 32, and 34, enter amount overpaid	36		
37 Enter amount from line 36 you want: Credited to 2019 estimated tax ▶ Refunded ▶	37			

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 of officer: Alfred Nelson Date: _____ Title: President

May the IRS discuss this return with the preparer shown below? See instructions. Yes No

Paid Preparer Use Only	Print/Type preparer's name Charles E Jernigan CPA	Preparer's signature Charles E Jernigan CPA	Date 08-26-2019	Check <input type="checkbox"/> if self-employed PTIN P00932839
	Firm's name ▶ CE JERNIGAN CPA	Firm's EIN ▶ 81-4276440		Phone no.
	Firm's address ▶ PO BOX 6674 Hilton Head Island SC 29938	(843) 290-0083		

Schedule C Dividends, Inclusions, and Special Deductions (see instructions)		(a) Dividends and inclusions	(b) %	(c) Special deductions (a) x (b)
1	Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)	21,005	50	10,503
2	Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)		65	
3	Dividends on certain debt-financed stock of domestic and foreign corporations		see instructions	
4	Dividends on certain preferred stock of less-than-20%-owned public utilities		23.3	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities		26.7	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs		50	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs		65	
8	Dividends from wholly owned foreign subsidiaries		100	
9	Subtotal. Add lines 1 through 8. See instructions for limitations		see instructions	10,503
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		100	
12	Dividends from certain FSCs		100	
13	Foreign-source portion of dividends received from a specified 10%-owned foreign corporation (excluding hybrid dividends) (see instructions)		100	
14	Dividends from foreign corporations not included on line 3, 6, 7, 8, 11, 12, or 13 (including any hybrid dividends)			
15	Section 965(a) inclusion		see instructions	
16a	Subpart F inclusions derived from the sale by a controlled foreign corporation (CFC) of the stock of a lower-tier foreign corporation treated as a dividend (attach Form(s) 5471) (see instructions)		100	
b	Subpart F inclusions derived from hybrid dividends of tiered corporations (attach Form(s) 5471) (see instructions)			
c	Other inclusions from CFCs under subpart F not included on line 15, 16a, 16b, or 17 (attach Form(s) 5471) (see instructions)			
17	Global Intangible Low-Taxed Income (GILTI)(attach Form(s) 5471 and Form 8992)			
18	Gross-up for foreign taxes deemed paid			
19	IC-DISC and former DISC dividends not included on line 1, 2, or 3			
20	Other dividends			
21	Deduction for dividends paid on certain preferred stock of public utilities.			
22	Section 250 deduction (attach Form 8993)			
23	Total dividends and inclusions. Add lines 9 through 20. Enter here and on page 1, line 4	21,005		
24	Total special deductions. Add lines 9 through 22, column (c). Enter here and on page 1, line 29b			10,503

Schedule J Tax Computation and Payment (see instructions)

Part I - Tax Computation

1	Check if the corporation is a member of a controlled group (attach Schedule O (Form 1120)). See instructions ▶ <input type="checkbox"/>		
2	Income tax. See instructions	2	0
3	Base erosion minimum tax (attach Form 8991)	3	
4	Add lines 2 and 3	4	0
5a	Foreign tax credit (attach Form 1118)	5a	0
b	Credit from Form 8834 (see instructions)	5b	
c	General business credit (attach Form 3800)	5c	
d	Credit for prior year minimum tax (attach Form 8827)	5d	
e	Bond credits from Form 8912	5e	
6	Total credits. Add lines 5a through 5e	6	
7	Subtract line 6 from line 4	7	0
8	Personal holding company tax (attach Schedule PH (Form 1120))	8	0
9a	Recapture of investment credit (attach Form 4255)	9a	
b	Recapture of low-income housing credit (attach Form 8611)	9b	
c	Interest due under the look-back method - completed long-term contracts (attach Form 8697)	9c	
d	Interest due under the look-back method - income forecast method (attach Form 8866)	9d	
e	Alternative tax on qualifying shipping activities (attach Form 8902)	9e	
f	Other (see instructions - attach statement)	9f	
10	Total. Add lines 9a through 9f	10	
11	Total tax. Add lines 7, 8, and 10. Enter here and on page 1, line 31	11	0

Part II - Section 965 Payments (see instructions)

12	2018 net 965 tax liability paid from Form 965-B, Part II, column (k), line 2. Enter here and on page 1, line 32	12	
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Part III - Payments, Refundable Credits, and Section 965 Net Tax Liability

13	2017 overpayment credited to 2018	13	
14	2018 estimated tax payments	14	
15	2018 refund applied for on Form 4466	15	()
16	Combine lines 13, 14, and 15	16	
17	Tax deposited with Form 7004	17	
18	Withholding (see instructions)	18	
19	Total payments. Add lines 16, 17, and 18	19	
20	Refundable credits from:		
a	Form 2439	20a	
b	Form 4136	20b	
c	Form 8827, line 8c	20c	
d	Other (attach statement - see instructions)	20d	
21	Total credits. Add lines 20a through 20d	21	
22	2018 net 965 tax liability from Form 965-B, Part I, column (d), line 2. See instructions	22	
23	Total payments, credits, and section 965 net tax liability Add lines 19, 21, and 22. Enter here and on page 1, line 33	23	

Schedule K Other Information (see instructions)

1 Check accounting method: a [] Cash b [x] Accrual c [] Other (specify) ▶
2 See the instructions and enter the:
a Business activity code no. ▶ 531310
b Business activity ▶ Home Owners Association
c Product or service ▶ Home Owners Association
3 Is the corporation a subsidiary in an affiliated group or a parent-subsiary controlled group? X
If "Yes," enter name and EIN of the parent corporation ▶
4 At the end of the tax year:
a Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part I of Schedule G (Form 1120) (attach Schedule G) X
b Did any individual or estate own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part II of Schedule G (Form 1120) (attach Schedule G) X
5 At the end of the tax year, did the corporation:
a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation not included on Form 851, Affiliations Schedule? For rules of constructive ownership, see instructions X
If "Yes," complete (i) through (iv) below.

Table with 4 columns: (i) Name of Corporation, (ii) Employer Identification Number (if any), (iii) Country of Incorporation, (iv) Percentage Owned in Voting Stock

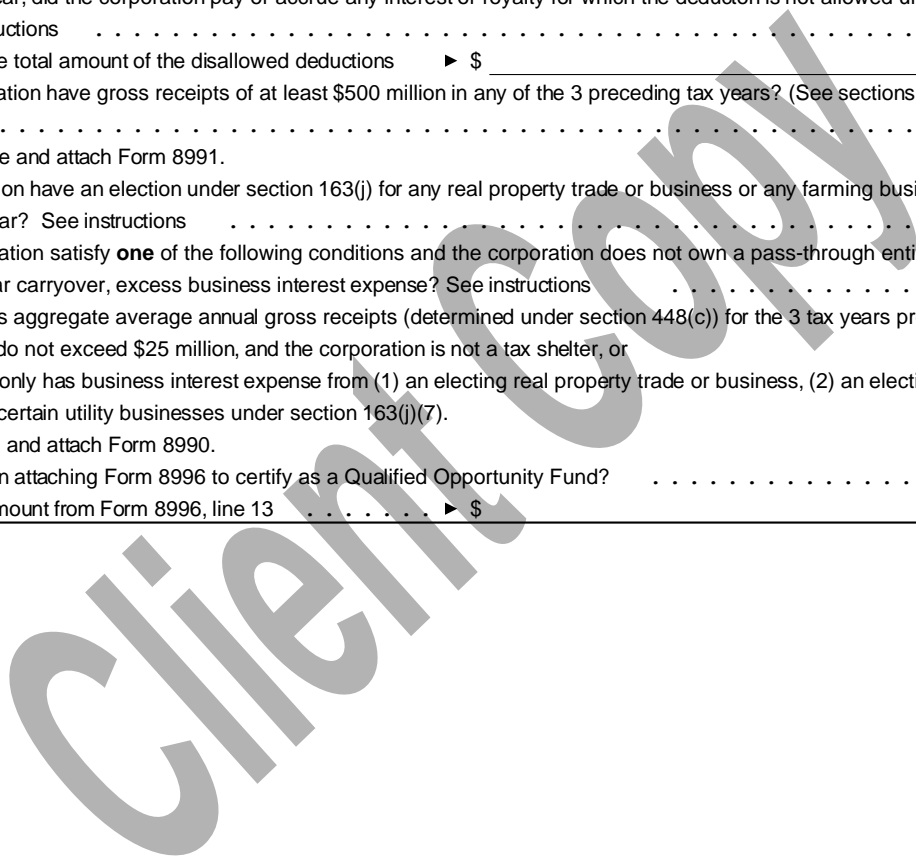
b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions X
If "Yes," complete (i) through (iv) below.

Table with 4 columns: (i) Name of Entity, (ii) Employer Identification Number (if any), (iii) Country of Organization, (iv) Maximum Percentage Owned in Profit, Loss, or Capital

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. See the instructions for Form 5452.
If this is a consolidated return, answer here for the parent corporation and on Form 851 for each subsidiary.
7 At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of the total voting power of all classes of the corporation's stock entitled to vote or at least 25% of the total value of all classes of the corporation's stock? X
For rules of attribution, see section 318. 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 the number of Forms 5472 attached ▶ 0
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 (see instructions) []
If the corporation is filing a consolidated return, the statement required by Regulations section 1.1502-21(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 reported on page 1, line 29a.) ▶ \$ 172,951

Schedule K Other Information (continued from page 4)

	Yes	No
13 Are the corporation's total receipts (page 1, line 1a, plus lines 4 through 10) 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. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year ▶ \$ _____		X
14 Is the corporation required to file Schedule UTP (Form 1120), Uncertain Tax Position Statement? See instructions If "Yes," complete and attach Schedule UTP.		X
15a Did the corporation make any payments in 2018 that would require it to file Form(s) 1099?	X	
b If "Yes," did or will the corporation file required Forms 1099?	X	
16 During this tax year, did the corporation have an 80% or more change in ownership, including a change due to redemption of its own stock?		X
17 During or subsequent to this tax year, but before the filing of this return, did the corporation dispose of more than 65% (by value) of its assets in a taxable, non-taxable, or tax deferred transaction?		X
18 Did the corporation receive assets in a section 351 transfer in which any of the transferred assets had a fair market basis or fair market value of more than \$1 million?		X
19 During the corporation's tax year, did the corporation make any payments that would require it to file Forms 1042 and 1042-S under chapter 3 (sections 1441 through 1464) or chapter 4 (sections 1471 through 1474) of the Code?		X
20 Is the corporation operating on a cooperative basis?		
21 During the tax year, did the corporation pay or accrue any interest or royalty for which the deducton is not allowed under section 267A? See instructions If "Yes," enter the total amount of the disallowed deductions ▶ \$ _____		X
22 Does the corporation have gross receipts of at least \$500 million in any of the 3 preceding tax years? (See sections 59A(e)(2) and (3)) If "Yes," complete and attach Form 8991.		X
23 Did the corporation have an election under section 163(j) for any real property trade or business or any farming business in effect during the tax year? See instructions		X
24 Does the corporation satisfy one of the following conditions and the corporation does not own a pass-through entity with current year, or prior year carryover, excess business interest expense? See instructions a The corporation's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year do not exceed \$25 million, and the corporation is not a tax shelter, or b The corporation only has business interest expense from (1) an electing real property trade or business, (2) an electing farming business, or (3) certain utility businesses under section 163(j)(7). If "No," complete and attach Form 8990.	X	
25 Is the corporation attaching Form 8996 to certify as a Qualified Opportunity Fund? If "Yes," enter amount from Form 8996, line 13 ▶ \$ _____		X



Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash		191,514		157,624
2a	Trade notes and accounts receivable	29,547		32,122	
b	Less allowance for bad debts	()	29,547	()	32,122
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach statement)	Statement #8	1,271,485		1,275,594
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach statement)				
10a	Buildings and other depreciable assets	560,837		560,837	
b	Less accumulated depreciation	(33,563)	527,274	(53,768)	507,069
11a	Depletable assets				
b	Less accumulated depletion	()		()	
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)				
b	Less accumulated amortization	()		()	
14	Other assets (attach statement)				
15	Total assets		2,019,820		1,972,409
Liabilities and Shareholders' Equity					
16	Accounts payable				
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (attach statement)	Statement #11	50,204		50,204
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more		181,905		109,713
21	Other liabilities (attach statement)				
22	Capital stock: a Preferred stock				
	b Common stock				
23	Additional paid-in capital				
24	Retained earnings-Appropriated (attach statement)				
25	Retained earnings-Unappropriated		1,787,711		1,812,492
26	Adjustments to shareholders' equity (attach statement)				
27	Less cost of treasury stock	()		()	
28	Total liabilities and shareholders' equity		2,019,820		1,972,409

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

Note: The corporation may be required to file Schedule M-3. See instructions.

1	Net income (loss) per books	24,781	7	Income recorded on books this year not included on this return (itemize): Tax-exempt interest \$ _____	
2	Federal income tax per books				
3	Excess of capital losses over capital gains				
4	Income subject to tax not recorded on books this year (itemize): _____				
5	Expenses recorded on books this year not deducted on this return (itemize): a Depreciation \$ _____ b Charitable contributions \$ _____ c Travel and entertainment \$ _____		8	Deductions on this return not charged against book income this year (itemize): a Depreciation \$ _____ b Charitable contributions \$ _____	
	Statement #16 52,552	52,552	9	Add lines 7 and 8	
6	Add lines 1 through 5	77,333	10	Income (page 1, line 28)-line 6 less line 9	77,333

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

1	Balance at beginning of year	1,787,711	5	Distributions: a Cash	
2	Net income (loss) per books	24,781		b Stock	
3	Other increases (itemize): _____			c Property	
			6	Other decreases (itemize): _____	
4	Add lines 1, 2, and 3	1,812,492	7	Add lines 5 and 6	
			8	Balance at end of year (line 4 less line 7)	1,812,492

**SCHEDULE D
(Form 1120)**

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

▶ Attach to Form 1120, 1120-C, 1120-F, 1120-FSC, 1120-H, 1120-IC-DISC, 1120-L, 1120-ND, 1120-PC, 1120-POL, 1120-REIT, 1120-RIC, 1120-SF, or certain Forms 990-T.

▶ Go to www.irs.gov/Form1120 for instructions and the latest information.

OMB No. 1545-0123

2018

Name SHELTER COVE COMPANY	Employer identification number 57-0739304
-------------------------------------	---

Part I Short-Term Capital Gains and Losses (See instructions.)

See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
1a Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b				
1b Totals for all transactions reported on Form(s) 8949 with Box A checked	40,351	40,070	0	281
2 Totals for all transactions reported on Form(s) 8949 with Box B checked				
3 Totals for all transactions reported on Form(s) 8949 with Box C checked				
4 Short-term capital gain from installment sales from Form 6252, line 26 or 37				4
5 Short-term capital gain or (loss) from like-kind exchanges from Form 8824				5
6 Unused capital loss carryover (attach computation)				6 ()
7 Net short-term capital gain or (loss). Combine lines 1a through 6 in column h				7 281

Part II Long-Term Capital Gains and Losses (See instructions.)

See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
8a Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b				
8b Totals for all transactions reported on Form(s) 8949 with Box D checked	387,846	353,335	0	34,511
9 Totals for all transactions reported on Form(s) 8949 with Box E checked				
10 Totals for all transactions reported on Form(s) 8949 with Box F checked				
11 Enter gain from Form 4797, line 7 or 9				11
12 Long-term capital gain from installment sales from Form 6252, line 26 or 37				12
13 Long-term capital gain or (loss) from like-kind exchanges from Form 8824				13
14 Capital gain distributions (see instructions)				14
15 Net long-term capital gain or (loss). Combine lines 8a through 14 in column h				15 34,511

Part III Summary of Parts I and II

16 Enter excess of net short-term capital gain (line 7) over net long-term capital loss (line 15)				16 281
17 Net capital gain. Enter excess of net long-term capital gain (line 15) over net short-term capital loss (line 7)				17 34,511
18 Add lines 16 and 17. Enter here and on Form 1120, page 1, line 8, or the proper line on other returns				18 34,792

Note: If losses exceed gains, see **Capital losses** in the instructions.

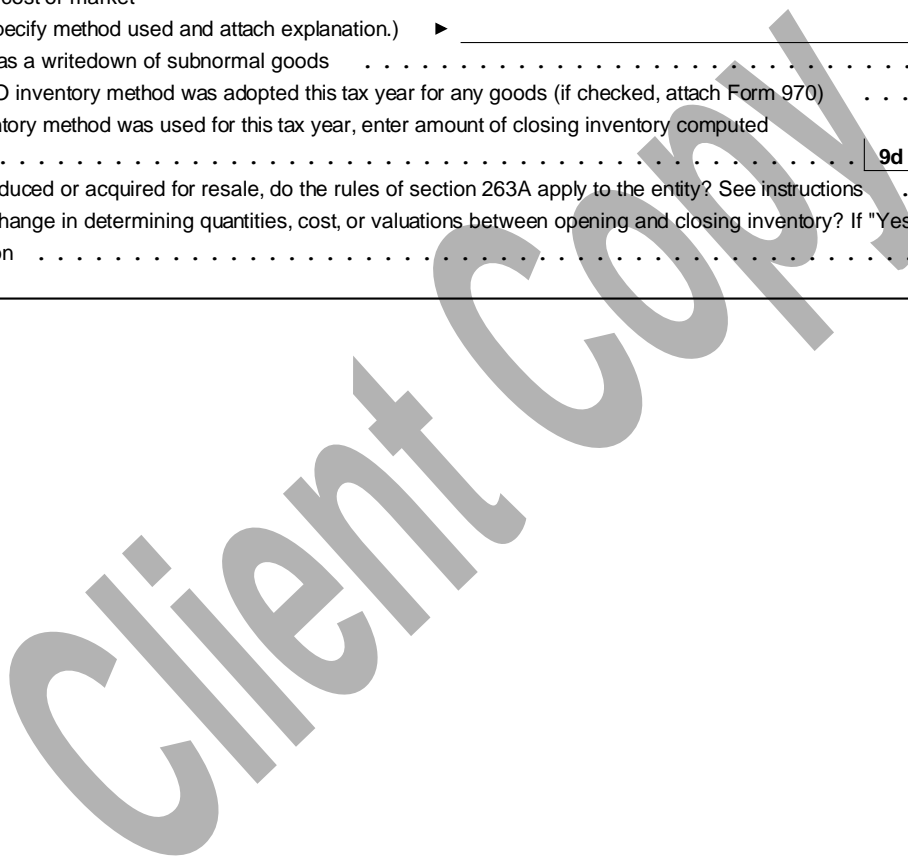
For Paperwork Reduction Act Notice, see the Instructions for Form 1120.

Schedule D (Form 1120) 2018

Cost of Goods Sold

▶ **Attach to Form 1120, 1120-C, 1120-F, 1120S, or 1065.**
 ▶ **Go to www.irs.gov/Form1125A for the latest information.**

Name SHELTER COVE COMPANY		Employer identification number 57-0739304
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 Form 1120, page 1, line 2 or the appropriate line of your tax return. See instructions	8
9a Check all methods used for valuing closing inventory:		
(i) <input type="checkbox"/> Cost		
(ii) <input type="checkbox"/> Lower of cost or market		
(iii) <input type="checkbox"/> Other (Specify method used and attach explanation.) ▶ _____		
b	Check if there was a writedown of subnormal goods ▶	<input type="checkbox"/>
c	Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ▶	<input type="checkbox"/>
d	If the LIFO inventory method was used for this tax year, enter amount 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 entity? See instructions	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
f	Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No



Depreciation and Amortization
(Including Information on Listed Property)

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to your tax return.
▶ Go to www.irs.gov/Form4562 for instructions and the latest information.

Name(s) shown on return SHELTER COVE COMPANY	Business or activity to which this form relates FORM 1120	Identifying number 57-0739304
--	---	---

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 instructions)	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
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 2017 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instructions	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2019. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property. See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year. See instructions	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	10,902

Part III MACRS Depreciation (Don't include listed property. See instructions.)

Section A			
17	MACRS deductions for assets placed in service in tax years beginning before 2018	17	9,303
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		<input type="checkbox"/>

Section B - Assets Placed in Service During 2018 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	
i	Nonresidential real property		39 yrs.	MM	S/L	

Section C - Assets Placed in Service During 2018 Tax Year Using the Alternative Depreciation System

20a	Class life				S/L	
b	12-year		12 yrs.		S/L	
c	30-year		30 yrs.	MM	S/L	
d	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	20,205
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	

For Paperwork Reduction Act Notice, see separate instructions. Form **4562** (2018)

Name(s) shown on return. Name and SSN or taxpayer identification no. not required if shown on other side

Social security number or taxpayer identification number

SHELTER COVE COMPANY

57-0739304

Before you check Box D, E, or F below, see whether you received any Form(s) 1099-B or substitute statement(s) from your broker. A substitute statement will have the same information as Form 1099-B. Either will show whether your basis (usually your cost) was reported to the IRS by your broker and may even tell you which box to check.

Part II Long-Term. Transactions involving capital assets you held more than 1 year are generally long-term (see instructions). For short-term transactions, see page 1.

Note: You may aggregate all long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the totals directly on Schedule D, line 8a; you aren't required to report these transactions on Form 8949 (see instructions).

You must check Box D, E, or F below. Check only one box. If more than one box applies for your long-term transactions, complete a separate Form 8949, page 2, for each applicable box. If you have more long-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

- (D)** Long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see **Note** above)
- (E)** Long-term transactions reported on Form(s) 1099-B showing basis **wasn't** reported to the IRS
- (F)** Long-term transactions not reported to you on Form 1099-B

1	(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold or disposed of (Mo., day, yr.)	(d) Proceeds (sales price) (see instructions)	(e) Cost or other basis. See the Note below and see <i>Column (e)</i> in the separate instructions	Adjustment, if any, to gain or loss. If you enter an amount in column (g), enter a code in column (f). See the separate instructions.		(h) Gain or (loss). Subtract column (e) from column (d) and combine the result with column (g)
						(f) Code(s) from instructions	(g) Amount of adjustment	
	Morgan Stanley Trades 3534	09-03-2015	11-07-2018	165,136	150,402			14,734
	Morgan Stanley Trades 1534	11-21-2016	11-07-2018	222,710	202,933			19,777
2 Totals.	Add the amounts in columns (d), (e), (g), and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, line 8b (if Box D above is checked), line 9 (if Box E above is checked), or line 10 (if Box F above is checked) ▶			387,846	353,335			34,511

Note: If you checked Box D above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See *Column (g)* in the separate instructions for how to figure the amount of the adjustment.

Federal Supporting Statements

2018 PG01

Name(s) as shown on return

Tax ID Number

SHELTER COVE COMPANY

57-0739304

Form 1120 - Line 26 - Other Deductions Statement #5

Description	Amount
Accounting cost	18,546
Bank charges	672
Independent Contractor	58,330
Liability Insurance	15,032
Internet	23,615
Legal and professional	5,740
Office expense	4,451
Postage/Shipping	783
Printing	1,681
Security	302,186
Supplies	3,441
Telephone	6,471
Utilities	42,258
Community Promotion	16,000
Ground and Road Maintenance	185,741
Irrigation Repairs	2,260
Facility Repairs and Maintenance	52,083
Community Repairs	398,615
Brokerage Management fees	<u>10,167</u>
Total	<u><u>1,148,072</u></u>

Schedule L - Line 6

PG01
Statement #8

Description	Beg Of Year	End Of Year
Catastrophic Reserve	692,768	721,479
Capital Project Fund	537,425	531,819
Notes Recievable	<u>41,292</u>	<u>22,296</u>
Total	<u><u>1,271,485</u></u>	<u><u>1,275,594</u></u>

Federal Supporting Statements

2018 PG01

Name(s) as shown on return

SHELTER COVE COMPANY

Tax ID Number

57-0739304

Schedule L - Line 18

Statement #11

Description	Beg Of Year	End Of Year
Compliance Deposit	<u>50,204</u>	<u>50,204</u>
Total	<u>50,204</u>	<u>50,204</u>

Schedule M-1 Line 5C
Expenses recorded on Books

PG01
Statement #16

DESCRIPTION	AMOUNT
Adjustment Marketable Securities	<u>52,552</u>
Total	<u>52,552</u>

Client Copy

Federal Filing Instructions**2018**

Name as shown on return

SHELTER COVE COMPANY

Tax ID Number

57-0739304

Date to file by: 09-16-2019

Form to be filed: Form 1120 and supplemental forms and schedules

Sign and date: An officer must sign and date Form 1120 on page 1.

Address to file: If you are not e-filing, mail to:
Department of the Treasury
Internal Revenue Service Center
Kansas City, MO 64999-0012

Refund: Neither a refund nor a balance due

Client Copy

SCNOTES	Notes about the return	2018 PAGE 1
Name(s) as shown on return SHELTER COVE COMPANY		SSN/FEIN 57-0739304
<p>1. SC Account ID Number If e-filing the SC return then the Account ID Number entered must be the one assigned by the DOR. If e-filing and using a different number then the return will be rejected. If the taxpayer is unsure of the ID number then the information below is listed in the SC instructions to request the number.</p> <p>S.C. FILE NUMBER. Your South Carolina Corporate Income Tax File Number is printed on your postcard. Please include on return. If using preparer software, the file number should be entered in this area. To request your SCFile Number, Email your corporate name and FEIN # to corptax@sctax.org</p> <p>2. By using a computer system and software to prepare and transmit my client's return electronically, I consent to the disclosure of all information pertaining to my use of the system and software to create my client's return and to the electronic transmission of my client's tax return to the South Carolina Department of Revenue, as applicable by law.</p>		

Client Copy

Name(s) as shown on return

SHELTER COVE COMPANY

SSN or EIN

57-0739304

Date to file by: 09-16-2019

Form to be filed: SC1120 and supplemental forms and schedules

Refund: \$0.00

Return is eligible for efiling

Other instructions: If you are not e-filing this return, you must MAIL the return to the SC DOR.

Client Copy



STATE OF SOUTH CAROLINA 'C' CORPORATION INCOME TAX RETURN

SC 1120 (Rev.9/21/18) 3091

dor.sc.gov

Return is due on or before the 15th day of the 4th month following the close of the taxable year.

SC FILE # - 20103662-7
INCOME TAX PERIOD ENDING 05-31-2019
LICENSE FEE PERIOD ENDING 05-31-2020
FEIN 57-0739304
NAME SHELTER COVE COMPANY
MAILING ADDRESS PO BOX 6004
CITY Hilton Hea STATE SC ZIP CODE 29938
Change of Address Accounting Period Officers
Attach complete copy of Federal Return
Check here if you filed a federal or state extension



Check if Initial Return Consolidated Return Amended Return Includes Disregarded LLC(s)
County or Counties in SC Where Property is Located: Beaufort
City Audit Location State
Hilton Head Islan SC
Total Gross Receipts 1,218,357 Total cost of depreciable personal property in SC 560,837
Audit Contact Telephone Number
Paul Miller

PART I COMPUTATION OF INCOME TAX LIABILITY

Table with 18 rows for tax liability computation. Columns include line number, description, and amounts. Total tax due is 0.00. Includes sections for payments and refundable credits.



SC1120

Page 2

PART II
COMPUTATION OF LICENSE FEE

20. Total Capital And Paid in Surplus (Multi-State Corporations See Schedule E)	▶ 20.	0	00
21. FEE DUE - Line 20 x .001, plus \$15.00 (Fee cannot be less than \$25.00 per taxpayer)	▶ 21.	0	00
22. Credit Carryover ▶ [] 00 Credit taken this year from SC1120TC, Part II, Column C	▶ 22.	< 0	00 >
23. Balance (line 21 less line 22)	▶ 23.	0	00
24. Payments: (a) Paid with Extension	▶ 24a.		00
(b) Credit from line 19b	▶ 24b.		00
25. Total Payments (add line 24a and 24b)	▶ 25.	0	00
26. Balance of Fee Due (line 23 less line 25)	▶ 26.	0	00
27. (a) Interest Due ▶ [] 00 (b) Late File/Pay Penalty Due ▶ [] 00 (See penalty and interest instructions.) Enter Total	▶ 27.		00
28. TOTAL LICENSE FEE, Interest and Penalty Due (add lines 26 and 27)	▶ 28.	0	00
29. OVERPAYMENT (line 25 less line 23) [] 00 To be applied as follows:			
(a) Estimated Tax ▶ [] 00 (b) Income Tax ▶ [] 00 (c) REFUND ▶ []			00
30. GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 18 and 28)	▶ 30.	0	00

SCHEDULE A AND B ADDITIONS TO FEDERAL TAXABLE INCOME

1. Taxes on or Measured By Income	1.	0
2. Federal Net Operating Loss	2.	66,830
3.	3.	
4.	4.	
5. Other Additions (attach schedule)	5.	
6. Total Additions (add lines 1 through 5)	6.	66,830

DEDUCTIONS FROM FEDERAL TAXABLE INCOME

7. Interest On Obligations Of The U.S.	7.	0
8.	8.	
9.	9.	
10. Other Deductions (attach schedule)	10.	
11. Total Deductions (add lines 7 through 10)	11.	0
12. Net Adjustment (line 6 less line 11) Also enter on line 2, Part 1, SC1120	12.	66,830

SCHEDULE C SUMMARY OF INCOME TAX CREDITS (FROM SC1120-TC)

1. Credit Carryover From Previous Year's SC1120, Schedule C (NOTE: Should agree to SC1120-TC Column A, line 13)	1.	0
2. Enter Total Credits from SC1120-TC, Col. B, line 13. The SC1120-TC and schedule for each tax credit claimed must be attached to the return	2.	0
3. Total Credits (add lines 1 and 2)	3.	0
4. Tax (line 9, Part 1, SC1120)	4.	0
5. Lesser of line 3 or 4 (enter on line 10, Part 1, SC1120) (NOTE: Should agree to SC1120-TC, Column C, line 13.)	5.	0
6. Enter Credits Lost Due to Statute (NOTE: Should agree to SC1120-TC, Column D, line 13.)	6.	0
7. Credit Carryover (line 3 less lines 5 and 6) (NOTE: Should agree to SC1120-TC, Column E, line 13.)	7.	0

I, the undersigned, a principal officer of the corporation for which this return is made declare that this return, including accompanying Annual Report, statements and schedules, has been examined by me and is to the best of my knowledge and belief, a true and complete return.

Sign Here	Signature of officer	Officer's title	Email
	Alfred Nelson	President	
Paid Preparer's Use Only	Officer's printed name	Date	Telephone Number
		08-26-2019	
I authorize the Director of the Department of Revenue or delegate to discuss this return, attachments and related tax matters with the preparer.		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Preparer's Printed Name
			Charles E Jernigan
Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's Telephone Number
	08-26-2019		843-290-0083
Firm's name (or yours if self-employed) and address		PTIN or FEIN	ZIP Code
CE JERNIGAN CPA PO BOX 6674 Hilton Head SC		81-4276440	29938

If this is a corporation's final return, signing here authorizes the Department of Revenue to disclose that information with the Secretary of State. You must close with the Secretary of State as well as the Department of Revenue and complete I-349.

Taxpayer's Signature
30912059

Date



SCHEDULE D ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

1. Name SHELTER COVE COMPANY
2. Incorporated under the laws of the State of SC
3. Location of the Registered Office of the Corporation in the State of South Carolina is PO BOX 6004
In the City of Hilton Head Island Registered Agent at such address is Walter Nester
4. Location of principal office (street address) PO BOX 6004 Hilton Head Island SC 2
Nature of principal business in SC Home Owners Association
5. The total number of **authorized shares** of capital stock, itemized by class and series, if any, within each class is as follows:
NUMBER OF SHARES: _____ CLASS: _____ SERIES: _____
6. The total number of **issued and outstanding shares** of capital stock itemized by class and series, if any, within each class is as follows:
NUMBER OF SHARES: _____ CLASS: _____ SERIES: _____
7. The names and business addresses of the directors (or individuals functioning as directors) and principal officers in the Corporation are:
(If additional space is necessary, attach separate schedule).

NAME	TITLE	BUSINESS ADDRESS
<u>Officers and Directors; ; Unit 304 Waters Edge; Hilton Head Isl, SC 29926</u>		
<u>are elected annually; ; Uit 304 Waters Edge; Hilton Head Isl, SC 29926</u>		
8. Date Incorporated 02-19-1982 Date commenced business in the State of South Carolina was 02-19-1982
9. Date of this report 08-26-2019 FEIN 57-0739304
10. If Foreign Corporation, the date qualified to do business in the State of South Carolina is _____
11. Was the name of the Corporation changed during the year? NO Give old name _____
12. The Corporation's books are in the care of % Paul Miller
Located at (street address) PO Box 6004
13. If filing consolidated, complete and attach Schedule J for each Corporation included in the consolidation.
14. The total amount of stated capital per balance sheet is:

A. Total paid in Capital Stock (cannot be a negative amount)	. . \$ _____
B. Total paid in Capital Surplus (cannot be a negative amount)	. . \$ _____
C. Total amount of stated Capital (cannot be a negative amount)	\$ _____

ATTACH COMPLETE COPY OF FEDERAL RETURN

File electronically using Modernized Electronic Filing (MeF).

Pay online by credit card or electronic check using our free tax portal, MyDORWAY, at dor.sc.gov/pay. Select Business Income Tax Payment to get started.

MAIL RETURN TO THE PROPER ADDRESS

BALANCE DUE:
SC DEPARTMENT OF REVENUE
CORPORATE TAXABLE
PO BOX 100151
COLUMBIA, SC 29202

REFUNDS OR ZERO TAX:
SC DEPARTMENT OF REVENUE
CORPORATE REFUND
PO BOX 125
COLUMBIA, SC 29214-0032

Note: If submitting payment by check, make check payable to SC Department of Revenue. Include Business Name and FEIN on check.



ONLY MULTI-STATE CORPORATIONS MUST COMPLETE SCHEDULES E, F, G, AND H

SCHEDULE E COMPUTATION OF LICENSE FEE OF MULTI-STATE CORPORATIONS

- 1. Total Capital and Paid-in-Surplus at end of Year \$ 0
- 2. SC PROPORTION: (line 1 X ratio from Schedule H-1, H-2 or H-3, as appropriate). Also enter on line 20, Part II . . . \$ 0

SCHEDULE F INCOME SUBJECT TO DIRECT ALLOCATION

	Gross Amounts 1	Less: Related Expenses 2	Net Amounts Allocated Directly to SC and Other States 3	Net Amounts Allocated Directly to SC 4
1. Interest not connected with business				
2. Dividends received				
3. Rents				
4. Gains/losses on real property				
5. Gains/losses on intangible pers. prop.				
6. Investment income directly allocated				
7. TOTAL INCOME DIRECTLY ALLOCATED				
8. INCOME DIRECTLY ALLOCATED TO SC				

SCHEDULE G COMPUTATION OF TAXABLE INCOME OF MULTI-STATE CORPORATIONS

- 1. Total net income as reconciled. Enter amount from line 3, Page 1 1.
- 2. Less: Income subject to direct allocation to SC and other states from Schedule F, line 7 2.
- 3. Total net income subject to apportionment (line 1 less line 2) 3.
- 4. Multiply amount on line 3 by appropriate ratio from Schedule H-1, H-2, or H-3 and enter result here 4.
- 5. Add: Income subject to direct allocation to SC from Schedule F, line 8 5.
- 6. Total SC Net Income (sum of lines 4 and 5 above) also enter on line 4, Part 1 of Page 1 6.

SCHEDULE H-1 COMPUTATION OF SALES RATIO

	Amount	Ratio
1. Total Sales Within South Carolina (see instructions)		
2. Total Sales Everywhere (see instructions)		
3. Sales Ratio (line 1 ÷ line 2)		%

Note: If there are no sales anywhere: Enter 100% on Line 3, if South Carolina is the principal place of business OR Enter 0% on Line 3, if principal place of business is outside South Carolina.

SCHEDULE H-2 COMPUTATION OF GROSS RECEIPTS RATIO

	Amount	Ratio
1. South Carolina Gross Receipts		
2. Amounts Allocated to South Carolina on Schedule F	< >	
3. South Carolina Adjusted Gross Receipts (line 1 - line 2)		
4. Total Gross Receipts		
5. Total Amounts Allocated on Schedule F	< >	
6. Total Adjusted Gross Receipts (line 4 - line 5)		
7. Gross Receipts Ratio (line 3 ÷ line 6)		%

SCHEDULE H-3 COMPUTATION OF RATIO FOR SECTION 12-6-2310 COMPANIES

	Amount	Ratio
1. Total Within South Carolina (see instructions)		
2. Total Everywhere		
3. Taxable Ratio (line 1 ÷ line 2)		%



SCHEDULE I **RESERVED**
SCHEDULE J **CORPORATIONS INCLUDED IN CONSOLIDATED RETURN**
AFFILIATED CORPORATION NO.

1. Name _____
2. Incorporated under the laws of the State of _____
3. Location of the Registered Office of the Corporation in the State of South Carolina is _____
 In the City of _____ Registered Agent at such address is _____
4. Location of principal office (street address) _____
 Nature of principal business in S.C. _____
5. The total number of **authorized shares** of capital stock, itemized by class and series, if any, within each class is as follows:

NUMBER OF SHARES	CLASS	SERIES
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6. The total number of **issued and outstanding shares** of capital stock itemized by class and series, if any, within each class is as follows:

NUMBER OF SHARES	CLASS	SERIES
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7. The names and business addresses of the directors (or individuals functioning as directors) and principal officers in the Corporation are:
 (If additional space is necessary, attach separate schedule).

NAME	TITLE	BUSINESS ADDRESS
------	-------	------------------

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

8. Date Incorporated _____ Date commenced business in the State of South Carolina was _____
9. Date of this report _____ FEIN _____ SC File # _____
10. If Foreign Corporation, the date qualified to do business in the State of South Carolina is _____
11. Was the name of the Corporation changed during the year? _____ Give old name _____
12. The Corporation's books are in the care of _____
 Located at (street address) _____
13. Corporate Mailing Address _____
14. The total amount of stated capital per balance sheet is:

A. Total paid in Capital Stock (cannot be a negative amount) \$	_____
B. Total paid in Capital Surplus (cannot be a negative amount) \$	_____
C. Total amount of stated Capital (cannot be a negative amount) \$	_____

For additional affiliated corporations, include additional Schedule Js as needed.



SCHEDULE M CONSOLIDATED RETURN AFFILIATIONS SCHEDULE

Include additional Schedule Ms as needed. Include only corporations doing business in SC.

Part 1 General Information

Is the Common Parent Corporation included in the return?
Yes No

If NO, enter Name and Federal Employer Identification Number (FEIN) of Common Parent Corporation.

NAME OF COMMON PARENT CORPORATION	FEIN
Name of Each Corporation Included in This Consolidated Return	FEIN
Corporation 1	
Corporation 2	
Corporation 3	
Corporation 4	
Corporation 5	
Corporation 6	
Corporation 7	
Corporation 8	

Part 2 Income Tax Information

	Federal Taxable Income	Amounts Directly Allocated	Amounts Allocated to SC	SC Adjustments	SC NOL Prior Year Carryovers
Corporation 1	\$	\$	\$	\$	\$
Corporation 2					
Corporation 3					
Corporation 4					
Corporation 5					
Corporation 6					
Corporation 7					
Corporation 8					
Total					
	Equals page 1, line 1	Equals Sch. F, line 7	Equals Sch. F, line 8	Equals page 1, line 2	Equals page 1, line 5

Part 3 License Fee, Allocation, and Apportionment Information

	Tax Credited on Return	Total Capital and Paid in Surplus	Apportionment Percentage	License Fee
Corporation 1	\$	\$	%	\$
Corporation 2				
Corporation 3				
Corporation 4				
Corporation 5				
Corporation 6				
Corporation 7				
Corporation 8				
Total				
	Equals page 1, line 15	Equals page 2, line 20	Per Schedule H	Equals page 2, line 21

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE
CORPORATE INCOME TAX
DECLARATION FOR ELECTRONIC FILING

SC8453C
(Rev. 7/22/09)
3415

Part 1: Corporation and Tax Return Information

Corporation Name SHELTER COVE COMPANY	FEIN 57-0739304
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1. Federal taxable income	Check form filed: <input checked="" type="checkbox"/> SC1120, line 1; <input type="checkbox"/> SC1120S, line 1	1	00
2. SC Corporate Income Tax (SC1120, line 7; SC1120S, line 7)		2	00
3. Total Payments and Refundable Credits (SC1120, line 15, SC1120S line 9)		3	00

Part 2: Declaration of Taxpayer/Corporate Officer

Under penalties of perjury, I declare I am an officer of the above corporation and to the best of my knowledge and belief, the information on this South Carolina Corporate Income Tax Return is true, correct and complete.

If I have filed a balance due return, I understand that if the SC Department of Revenue does not receive full and timely payment of the tax liability, I will remain liable for the tax liability and all applicable interest and penalties.

I declare that I have compared the information on the corporate return with the information provided to the electronic return originator (ERO) and the amount agrees with the amounts on the South Carolina corporate tax return. To the best of my knowledge, the return is true and complete. I consent that the return and accompanying schedules and statements be sent to the Internal Revenue Service (IRS) by the ERO, and subsequently by the IRS to the SC Department of Revenue.

Sign Here	Signature	Date 08-26-2019
	Title President	Paid Preparer Authorization:* <input type="checkbox"/> Check here if the Dept. of Revenue may discuss the return with the prep. shown below.

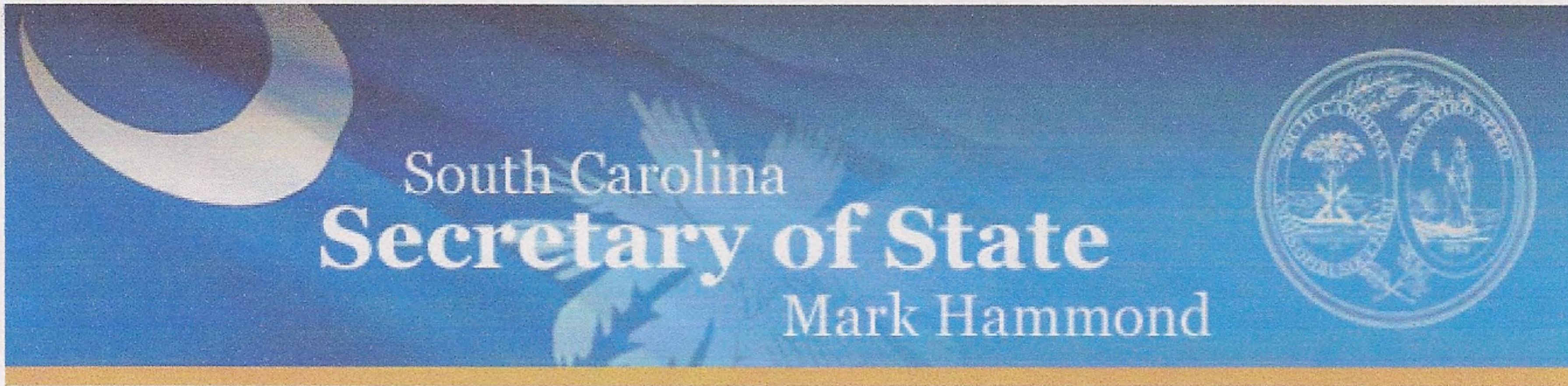
Part 3: Declaration of Electronic Return Originator (ERO)/Paid Preparer

Under penalties of perjury, I declare that I have reviewed the above corporation's return and to the best of my knowledge and belief, the information on this South Carolina Corporate Income Tax Return is true, correct, and complete.

I declare that I have received the above taxpayer's return and the entries on this form are complete and correct to the best of my knowledge. I have obtained the corporate officer's signature on this form before submitting the return to the SC Department of Revenue. I have provided the taxpayer with a copy of all forms and information to be filed with the SC Department of Revenue, and have followed all IRS requirements specified by the IRS and SC Department of Revenue. If I am the preparer, I declare that I have examined the above taxpayer's return and accompanying schedules and statements, and to the best of my knowledge, they are true and complete. This declaration is based on all information of which I have knowledge.

ERO's Use Only	ERO signature	Date 08-26-2019	Check if also paid preparer <input checked="" type="checkbox"/>	Check if self-employed <input type="checkbox"/>	PTIN or FEIN 81-4276440
	Firm name (or yours if self-employed)	CE JERNIGAN CPA Hilton Head Island SC			29938
Paid Preparer's Use Only	Preparer signature	Date	Check if self-employed <input type="checkbox"/>	PTIN or FEIN	
	Firm name (or yours if self-employed) and address	ZIP Code			

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SHELTER COVE HARBOUR COMPANY

*Note: This online database was last updated on 9/22/2010 6:01:43 PM.
 See our Disclaimer.*

DOMESTIC / FOREIGN: Domestic
 STATUS: Good Standing
 STATE OF INCORPORATION SOUTH CAROLINA
 / ORGANIZATION: Non Profit

REGISTERED AGENT INFORMATION

REGISTERED AGENT NAME: H.H. JOHNSON
 ADDRESS: 6 OFFICE WAY STE 945
 CITY: HILTON HEAD ISLAND
 STATE: SC
 ZIP: 29928
 SECOND ADDRESS:

FILE DATE: 02/19/1982
 EFFECTIVE DATE: 02/19/1982
 DISSOLVED DATE: //

Corporation History Records

CODE	FILE DATE	COMMENT	Document
Agent	12/03/2007	CHG AGT & ADD FR JULIAN J NEXSEN JR	
Eleemosynary Amendment	04/20/1995	AMD-ADD AGT/ADD	Image
Incorporation	02/19/1982	ELEE	Film

Disclaimer: The South Carolina Secretary of State's Business Filings database is provided as a convenience to our customers to research information on business entities filed with our office. Updates are uploaded every 48 hours. Users are advised that the Secretary of State, the State of South Carolina or any agency, officer or employee of the State of South Carolina does not guarantee the accuracy, reliability or timeliness of such information, as it is the responsibility of the business entity to inform the Secretary of State of any updated information. While every effort is made to insure the reliability of this information, portions may be