

# 2024 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 34 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. It 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 2023 Harbourfest schedule of events

1. We celebrated the 34rd anniversary of HarbourFest in 2023 and it continues to be the "largest multi-week" event on Hilton Head Island each year. Increasing the summer schedule to 12 shows has generated many positive comments of thanks and appreciation from visitors and locals each week.
2. Shelter Cove Harbour & Marina is the **only non-gated location available** for visitors and locals to view July 4th fireworks on Hilton Head Island.
3. Again in 2023, we increased the # of visitors riding the July 4th shuttles by over 400 people. This definitely helped reduce the amount of vehicular traffic on Hwy. 278 before and after the fireworks show.
4. For 2023, we produced 12 shows 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 were finally able to update our research & customer surveys utilizing USCB Research dept in partnership with the VCB.

### 2023 HarbourFest Survey Data Summary:

- 78% attendees live more than 50 miles away (Tourists)
- 8% attendees live less than 50 from HHI (Visitors)
- 14% attendees live on HHI (Residents)

### Top 5 Regions:

#1 South Carolina: 17%

#2 Ohio: 16%

#3 Georgia: 11%

#4 Pennsylvania: 8%

#5 New York: 5%

- 92% of attendees stayed in lodging that generates Atax revenue (vs 84% in 2018)
- 66% booked their trip to HHI 4 months or more in advance
- 79% stayed 6-10+ nights
- 52% were first time visitors (vs 49% in 2018)
- 74% participants indicated that HarbourFest was influential in their decision to vacation in HHI (48% in 2018)
- 61% of 2023 attendees earn \$100k+ compared to 31% in 2018
- 80% of attendees enjoy the event and more plan to return to HarbourFest next year (76% in 2018)
- 90% of attendees responded that HarbourFest remains a HHI tradition that is enjoyed so much that they would recommend it to family and friends (88% in 2018)
- **Key Takeaways:**
  - Harbourfest is a signature event that highly influences family/group decisions to come to Hilton Head Island
  - Participants have higher incomes and able to spend more on accommodations and recreation
  - Harbourfest continues to draw a similar demographic of families planning to stay a week or more
  - Digital marketing targets primary demographic and likely the reason for more first time attendees
  - Growing markets to consider targeted advertising include Ohio/Kentucky/Indiana and International markets of UK & Canada
- **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:**

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*"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*

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*"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***

# 2024 Accommodations Tax Funds Request Application

Date Received: 09/01/2023

Time Received: 11:02 AM

By: Online Submittal

*Applications will not be accepted if submitted after 4 pm on September 1, 2023*

## 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:** \$358,600.00

**Grant Requested:** \$244,600.00

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. fireworks, traffic management, clean-up, off site parking and shuttles, etc.

We are submitting this application for the 2024 HarbourFest & July 4th events. Visitor attendance and vehicle traffic from this year's events were very high and we experienced similiar crowds in 2022 & 2021 with the increased visitors to HHI.

Working in partnership with USCB & the HHI VCB, we were able to update our Visitor Intercept survey in 2023. Survey data and results are included in this application.

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, largest multi-week event" on the Island. See below summary of the 2023



research conducted by the USCB Research Team:

- Visitor Survey participation up 37% with a total of 605 guests surveyed
  - More attendees are staying in lodging that generates A-Tax revenue (92% vs 84% in 2018)
  - 78% of participants live in areas further than 50 miles away from HHI
  - 74% of participants indicated that HarbourFest was influential in their decision to chose to vacation in HHI
- 80% plan to return to HHI next year

A. Total Number of Physical Tourists Served: 58,500 (78%)

*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: 6,000 (8%)

*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: 10,500 (14%)

*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): 75,000+

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

2023 Visitor Intercept Survey conducted by Univ. of South Carolina Beaufort

605 responses collected over four Tuesday nights: June 20, 27, July 11 & 18, 2023

Estimated vehicle traffic counts by Beaufort County Sheriffs Office and Island Security over the 12 week period

## 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 75,000 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 8 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. Shelter Cove Harbour & Marina is 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 BCSO 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 2024, 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: \$45,000**

**Shelter Cove Harbour Company: \$12,500**

**Sponsors estimated: \$53,000**

**Vendors \$ 3,500**

**Total Revenue: \$114,000**

**Projected Expenses:**

**Fireworks - July 4th & eleven (11) Tuesday nights: \$ 215,000**

**Fireworks - Barge Rental: \$ 18,000**

**Boat Transport for fireworks & safety/cleanup: \$ 4,000**

**Traffic Management - Island Security: \$ 49,500**

**July 4th Off-Site Parking/Transportation: \$ 28,000**

**Facilities Maintenance/Cleanup \$ 32,000**

**Portable Restrooms (12 weeks) \$ 11,600**

**Total Expenses: \$ 358,600 variance (\$ 244,600)**

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 our 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 will be celebrating the 35th year of HarbourFest in 2024. This annual summertime event continues to attract an estimated attendance of over 75,000 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 <i>Advertising and promotion of tourism so as to develop and increase tourist attendance through the generation of publicity.</i>	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 %
<b>Total:</b>	<b>100 %</b>

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 34th year-old event to their businesses on 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 & Island Security and the expanded shuttle service were all successfully implemented in 2023 and helped facilitate a safer & smoother visitor traffic experience for all the visitors who came to the Shelter Cove community location in the middle of the island.

**C. FUNDING:**

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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> Government Sources	<u>      </u> Private Contributions, Donations and Grants
<u>      </u> Corporate Support, Sponsors	<u>      </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:**

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Fiscal Year Disclosure: Start Month: **June 1, 2022** End Month: **May 31, 2023**

**Financial Statement Requirements:**

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

Budget Provided: **Yes**

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

Current fiscal year Profit Loss Report Provided: **Yes**

Previous fiscal year Profit Loss Reports Provided:

**P- Previous FY 1**

3. The previous two fiscal years and current year-to-date **balance sheets**.

Current fiscal year Balance Sheet Provided: **Yes**

Previous fiscal year Balance Sheets Provided:

**2022 - Previous FY 1**

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

Current year IRS Form 990 or 990T Provided: **Yes**

Previous IRS Form 990 or 990T Years Provided:

**2021 - Previous FY 1**

**2020 - Previous FY 1**

## **E. FINANCIAL GUARANTEES AND PROCEDURES:**

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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:**

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If you received 2022 or 2023 HHI ATAX funds

1. List any ATAX award amounts received in 2022 and/or 2023.

2021	\$80,000.00	Harbourfest
2022	\$150,000.00	2022 Harbourfest
2023	\$195,000.00	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 2023, we produced twelve (12) total shows on Tuesday nights June 6, 13, 20, 27, July 4, 11, 18, 25 and August 1, 8, 15, 22.

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 34 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 2023 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 stayed in lodging that generate accommodations tax revenue**
  - **66% booked their trip four months or more in advance**
  - **78% of participants (tourists) live further than 50 miles from Hilton Head Island**
  - **74% participants indicated that HarbourFest was influential in their decision to vacation in HHI (48% in 2018)**
  - **More first time attendees 52% vs 40% in 2018 48% were return attendees**
  - **74 % indicated that the Shelter Cove HarbourFest Fireworks event was Very Influential or Influential when initially planning their trip to Hilton Head**
- 80% indicated they would return&a**

## G. EXECUTIVE SUMMARY

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Provide an executive summary using the "ATAX Effectiveness Measurement" form provided via the link on the left, or by utilizing the text area provided below to report uses of the organization's prior ATAX grant, if applicable. If creating your own format, please refer to the "ATAX Effectiveness Measurement" form and use the criteria as a guideline in developing your executive summary below. *(1300 words or less)*

[An ATAX Effectiveness Measurement form has been attached to this application.](#)

For the past 34 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. It 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.

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3. Again in 2023, we increased the # of visitors riding the July 4th shuttles by over 400 people. This definitely helped reduce the amount of vehicular traffic on Hwy. 278 before and after the fireworks show.
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- 8% attendees live less than 50 from HHI (Visitors)
- 14% attendees live on HHI (Residents)

### **Top 5 Regions:**

#1 South Carolina: 17%

#2 Ohio: 16%

#3 Georgia: 11%

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#5 New York: 5%

- 92% of attendees stayed in lodging that generates Atax revenue (vs 84% in 2018)
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### **• Key Takeaways:**

- Harbourfest is a signature event that highly influences family/group decisions to come to Hilton Head Island
- Participants have higher incomes and able to spend more on accommodations and recreation
- Harbourfest continues to draw a similar demographic of families planning to stay a week or more
- Digital marketing targets primary demographic and likely the reason for more first time attendees
- Growing markets to consider targeted advertising include Ohio/Kentucky/Indiana and

International markets of UK & Canada

- 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:

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*"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 Manzollilo, Director of Sales & Marketing - Marriott Hilton Head Resort & Spa*

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*"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*

Signature: Karen Kozemchak

Title/Position: Director of Marketing

Mailing Address: c/o Palmetto Dunes Resort 5 Trent Jones Lane, Hilton Head Island, SC 29928

Email Address: kkozemchak@palmettodunes.com

Office Phone Number: 843-686-9659

Home Phone Number: 843-681-6688





2023

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# HARBOURFEST



CENTER FOR EVENT MANAGEMENT  
AND HOSPITALITY TRAINING



A detailed nautical chart of a coastal area, likely the Savannah Harbor region. The chart shows various waterways, including Middle Marsh Creek, Broad Creek, and Harbour Town. It features depth soundings, navigational aids like buoys and lights, and various geographical features such as marshes and land parcels. A prominent dark blue rectangular box is overlaid on the chart, containing the title 'RESEARCH METHODOLOGY' in large white letters. To the right of the chart, there is a list of bullet points detailing the research methodology. The chart also includes several informational text boxes, such as 'NOTE X' regarding territorial sea boundaries and 'NO DISCHARGE ZONE' regulations.

# RESEARCH METHODOLOGY

- 4 Data Collection Days: *June 20, June 27, July 11, and July 18*
- Attendees completed a 28-question online survey
- QR Code directed respondents to survey
- iPads made available to respondents without mobile devices
- Incentivized with T-Shirts



# RESPONSES



605

# RESPONSES BY WEEK

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June 20



147

June 27



173

July 11



133

July 18



152





# ORIGIN BREAKDOWN

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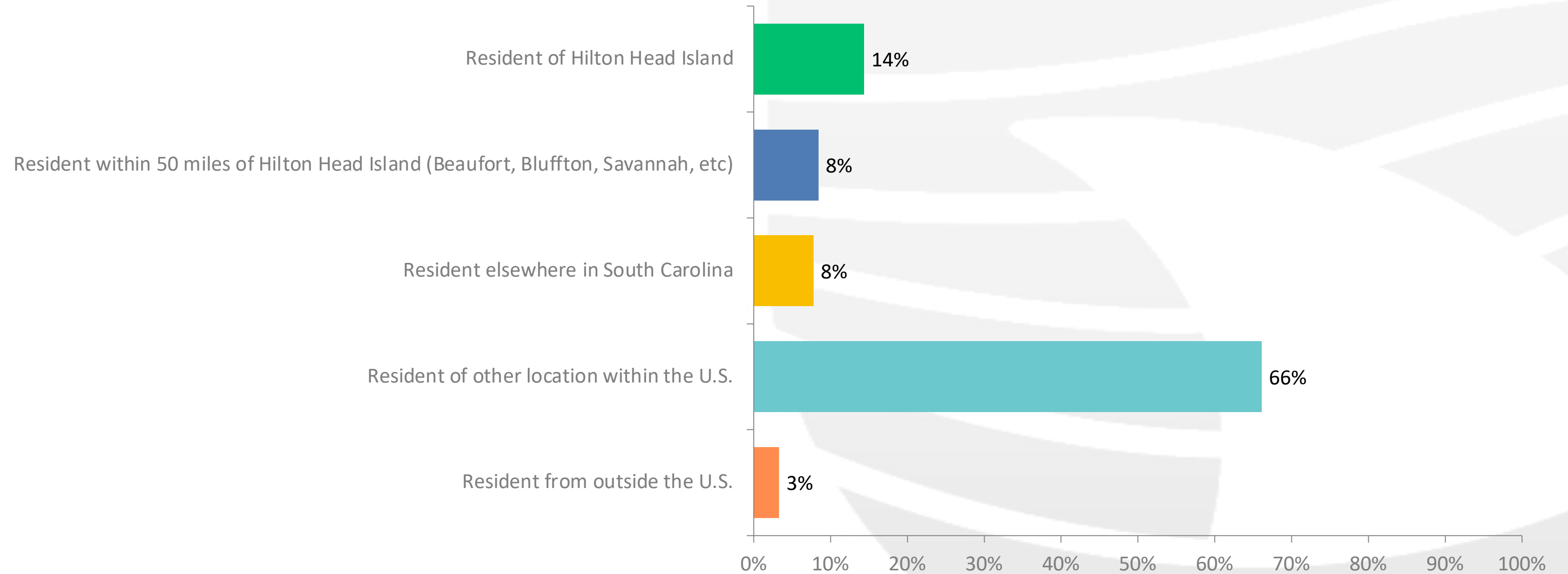
5





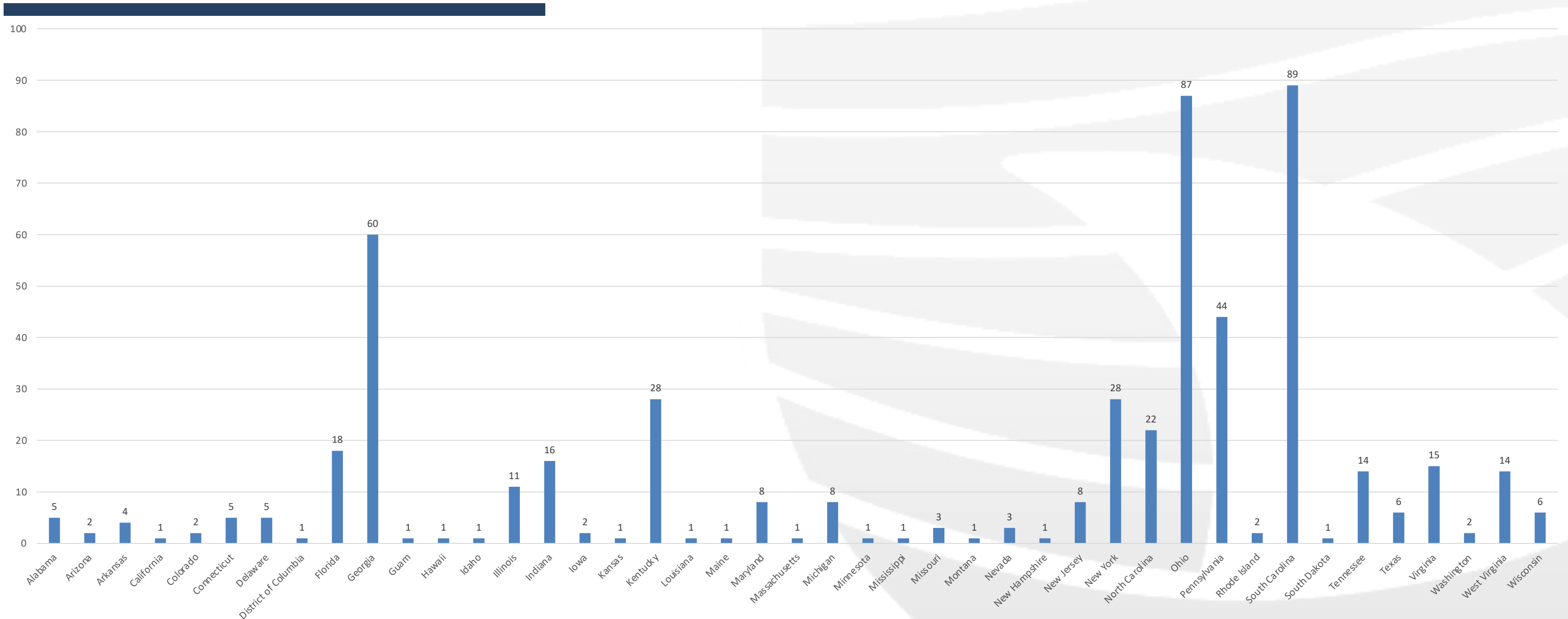
# Please identify the location of your PRIMARY Residence.

Answered: 605 Skipped: 0



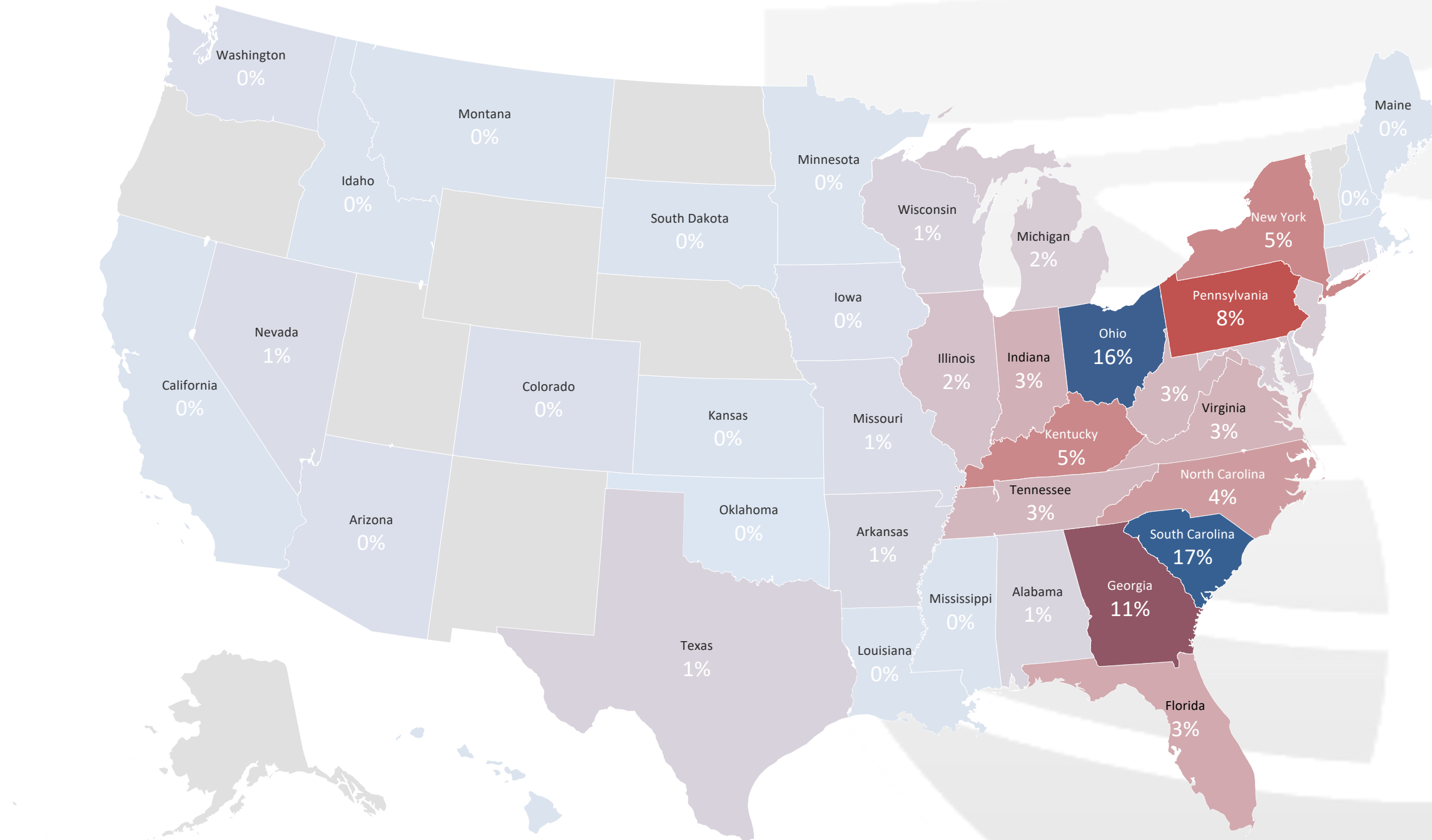
# Please tell us what U.S. state or territory you are visiting from.

Answered: 531 Skipped: 74



# Please tell us what U.S. state or territory you are visiting from.

Answered: 531 Skipped: 74



# Top 5 Regions

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# 1 South Carolina

# 2 Ohio

#3 Georgia

#4 Pennsylvania

#5 New York

# Including this visit, HOW MANY trips have you taken to Hilton Head Island?

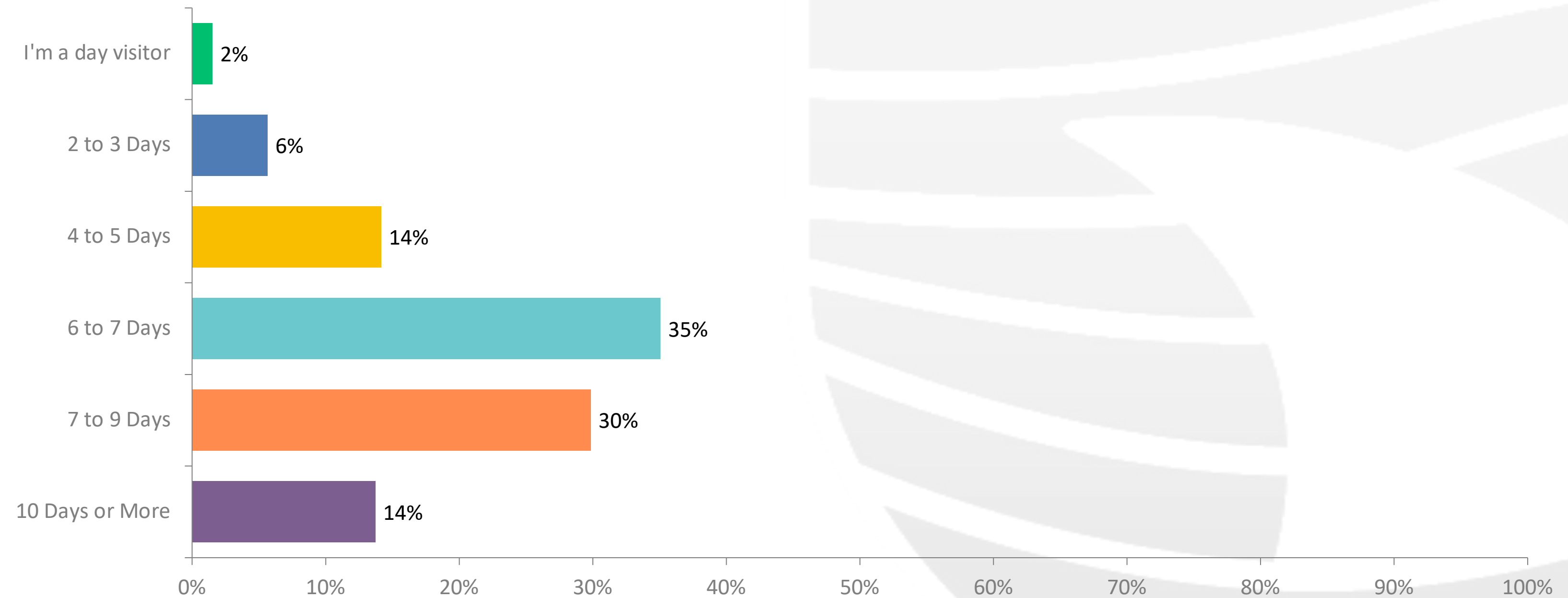
Answered: 410 Skipped: 195

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Average # of visits = 2.8

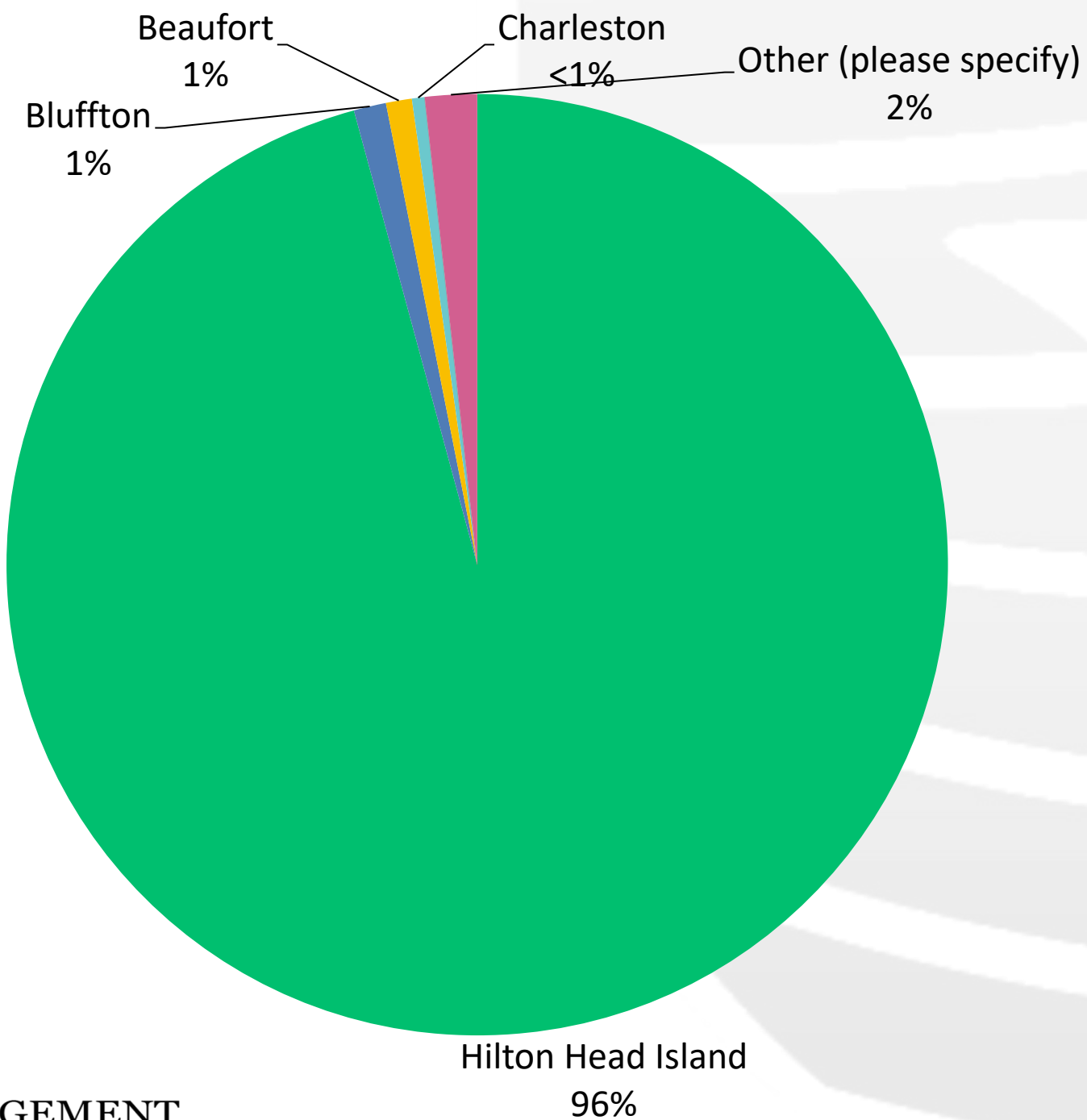
# How many days do you intend to stay in the Hilton Head Island area?

Answered: 459 Skipped: 146



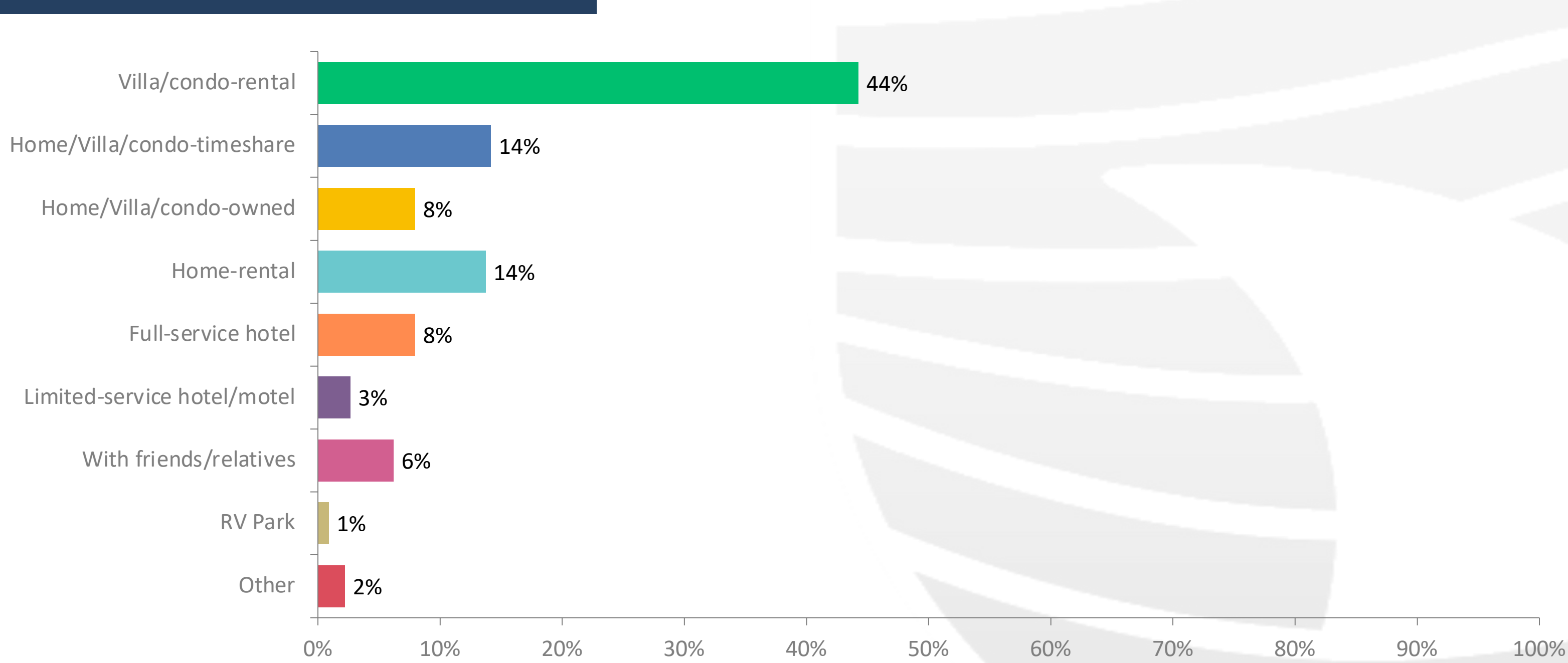
# Where are you staying on this overnight trip?

Answered: 450 Skipped: 155



# What type of accommodations are you using while visiting Hilton Head Island?

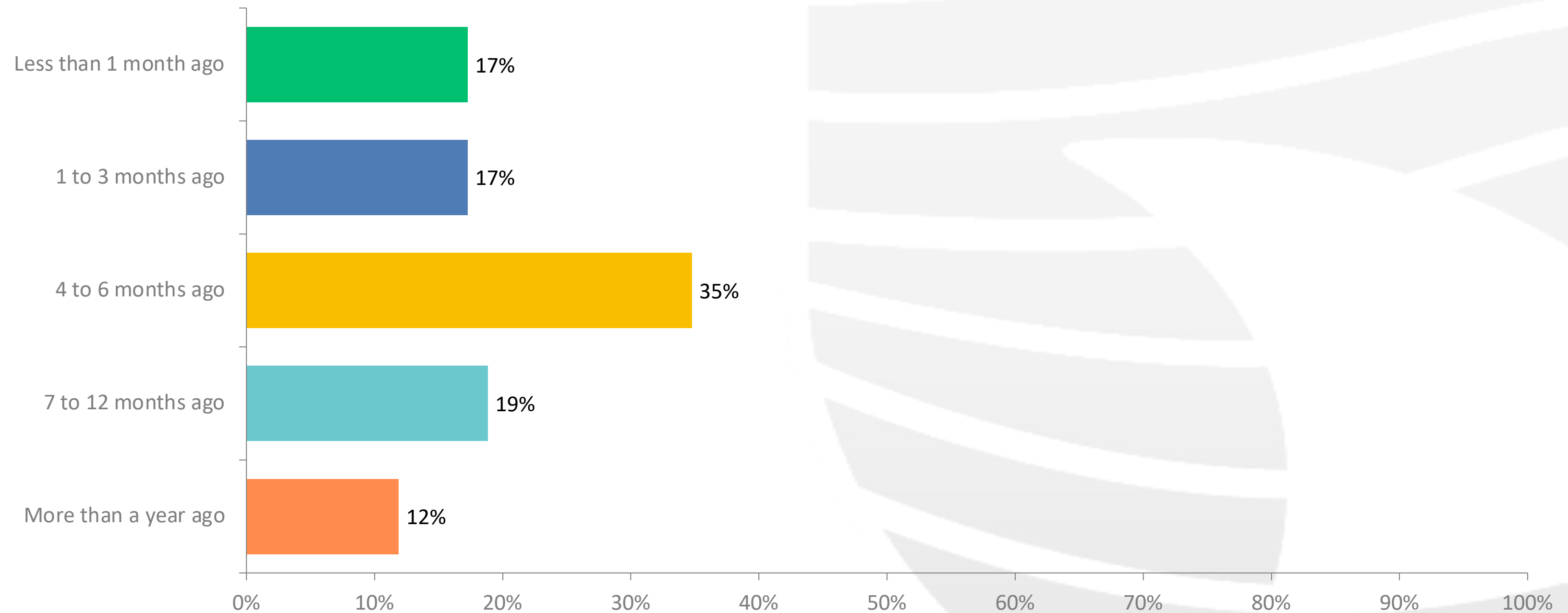
Answered: 452 Skipped: 153





# How many months in advance did you book this trip?

Answered: 452 Skipped: 153



# How influential was the Shelter Cove HarbourFest when initially planning your trip to Hilton Head Island?

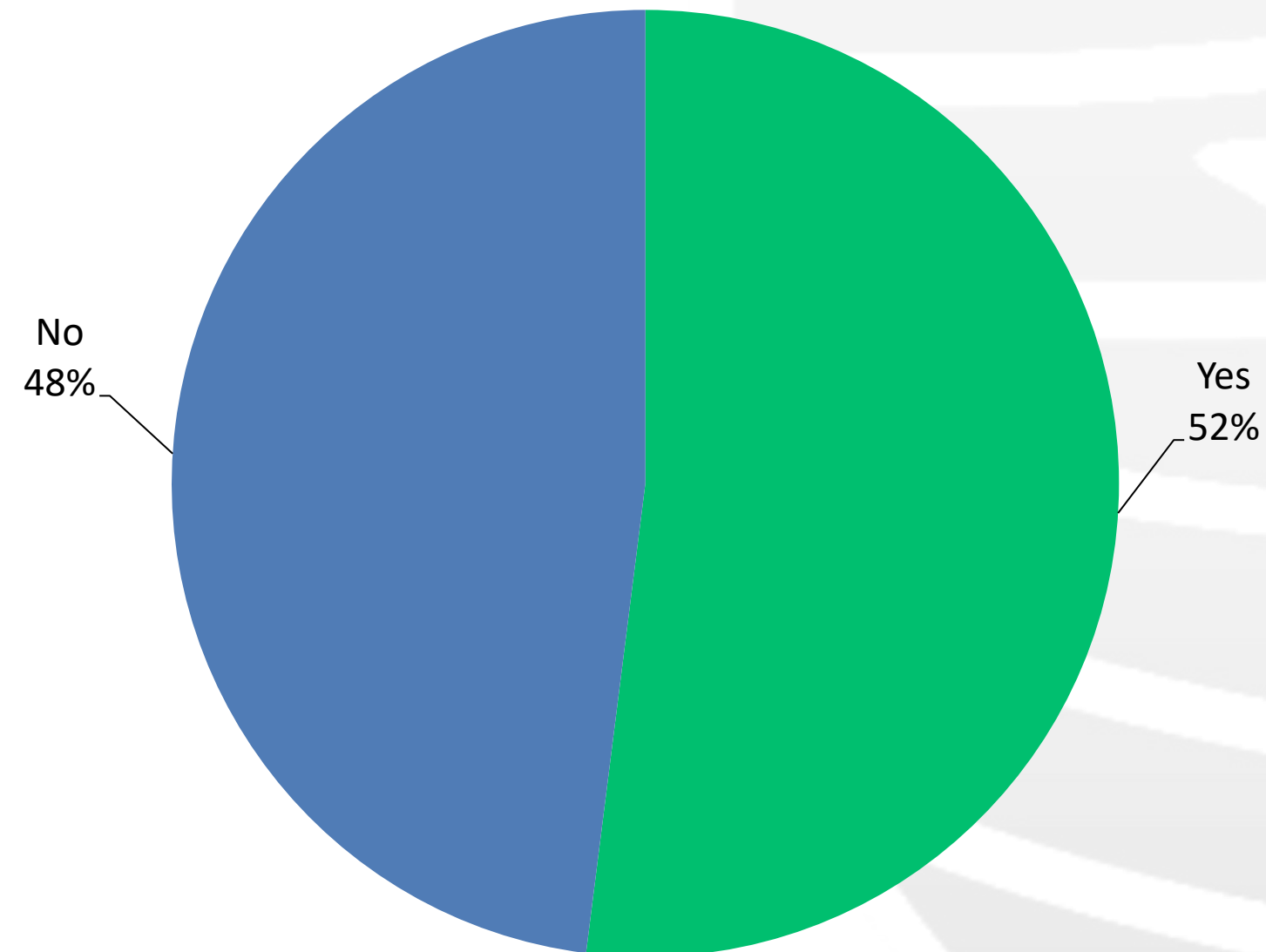
Answered: 449 Skipped: 156

EXTREMELY INFLUENTIAL	VERY INFLUENTIAL	MODERATELY INFLUENTIAL	SLIGHTLY INFLUENTIAL	NOT AT ALL INFLUENTIAL	WEIGHTED AVERAGE
15.37% 69	16.48% 74	26.06% 117	16.48% 74	25.61% 115	2.80

# Is this your **FIRST** time attending the Shelter Cove HarbourFest?

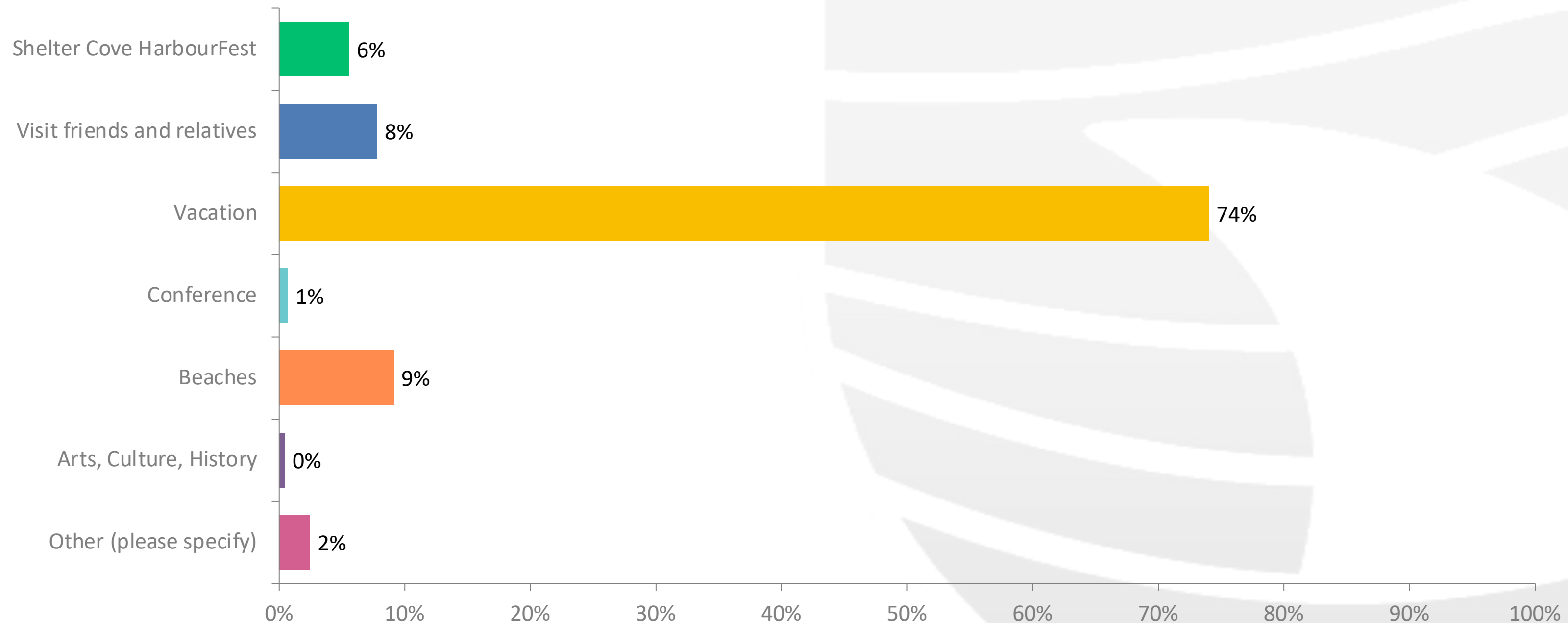
Answered: 450 Skipped: 155

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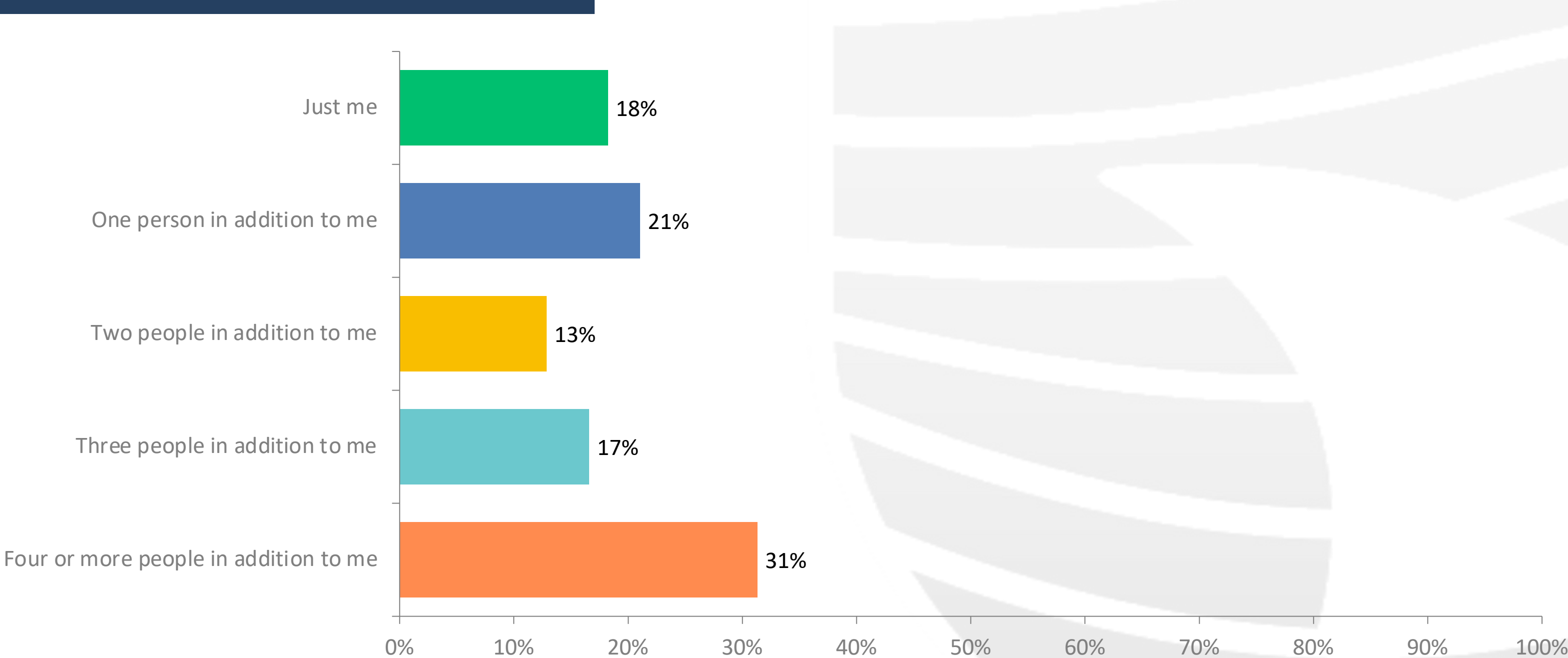
# What was your PRIMARY reason for this visit to Hilton Head Island?

Answered: 450 Skipped: 155



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

Answered: 428 Skipped: 177



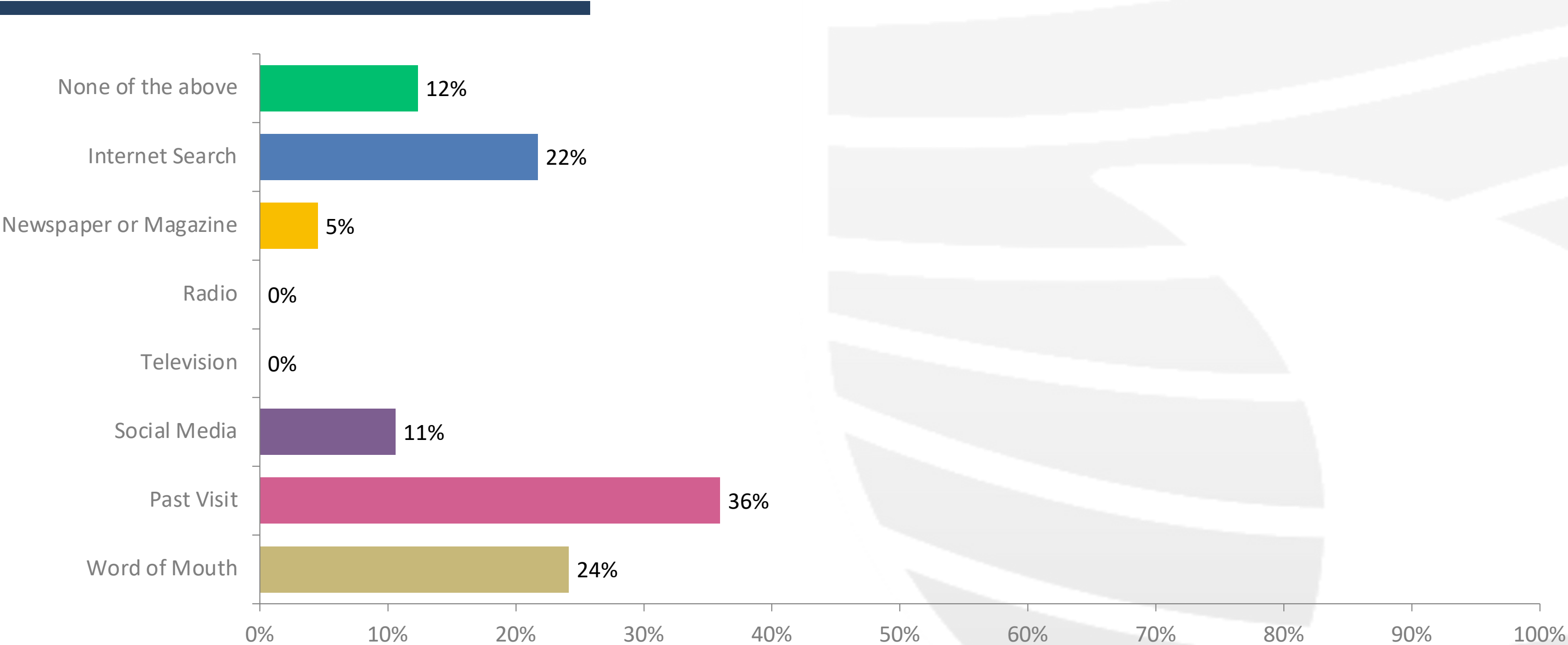
# On average, how much will your party spend EACH DAY while visiting?

Answered: 439 Skipped: 166

	UNDER \$100	\$100 - \$199	\$200 - \$299	\$300 - \$399	\$400 OR MORE
Lodging	20.95% 88	19.76% 83	22.62% 95	14.05% 59	22.62% 95
Restaurant Dining	25.42% 106	41.01% 171	17.27% 72	7.91% 33	8.39% 35
Recreation (Golf, Bicycling, Etc)	54.59% 220	26.55% 107	8.44% 34	4.71% 19	5.71% 23
Retail (i.e., Gifts, Souvenirs)	50.36% 209	26.27% 109	13.98% 58	4.82% 20	4.58% 19

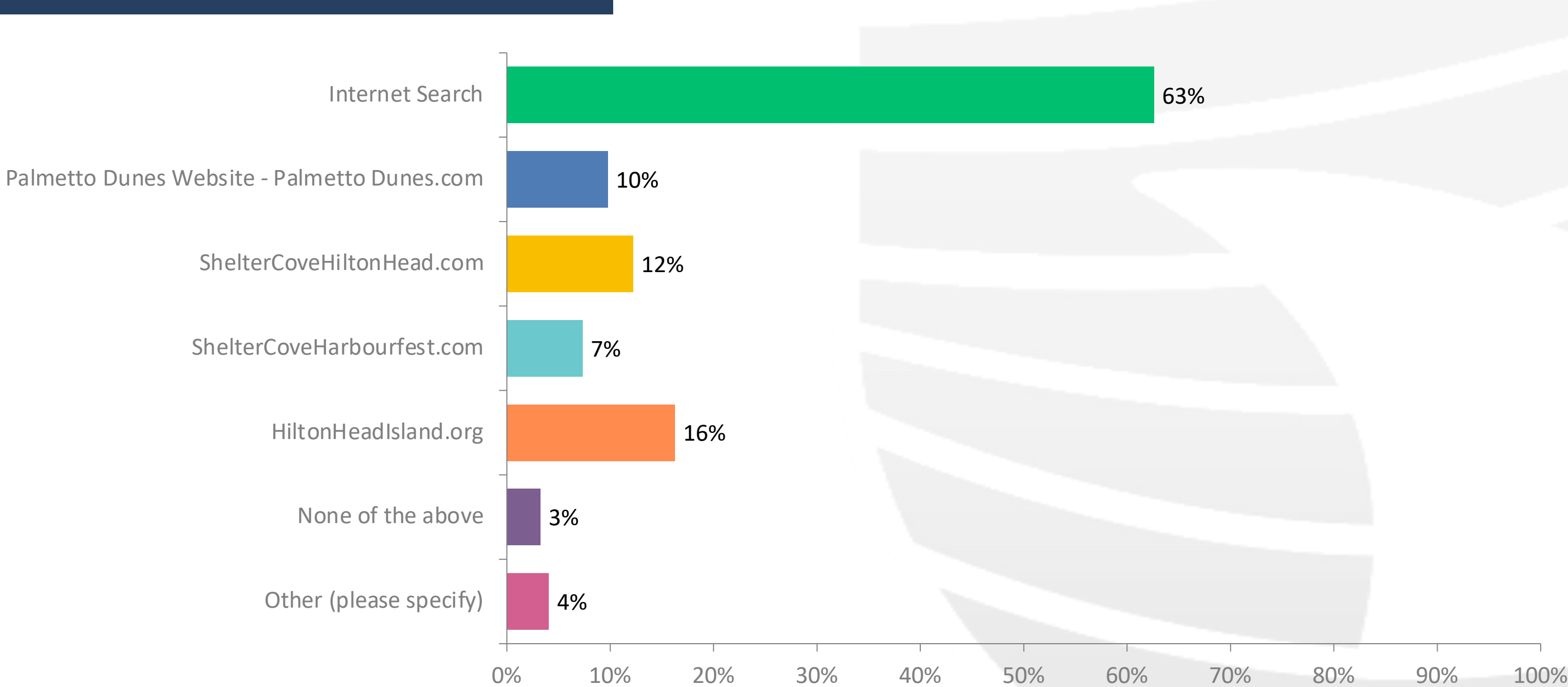
# How did you FIRST learn about the 2023 Shelter Cover HarbourFest?

Answered: 576 Skipped: 29



# From which Website or Internet source did you learn about the 2023 Shelter Cove HarbourFest?

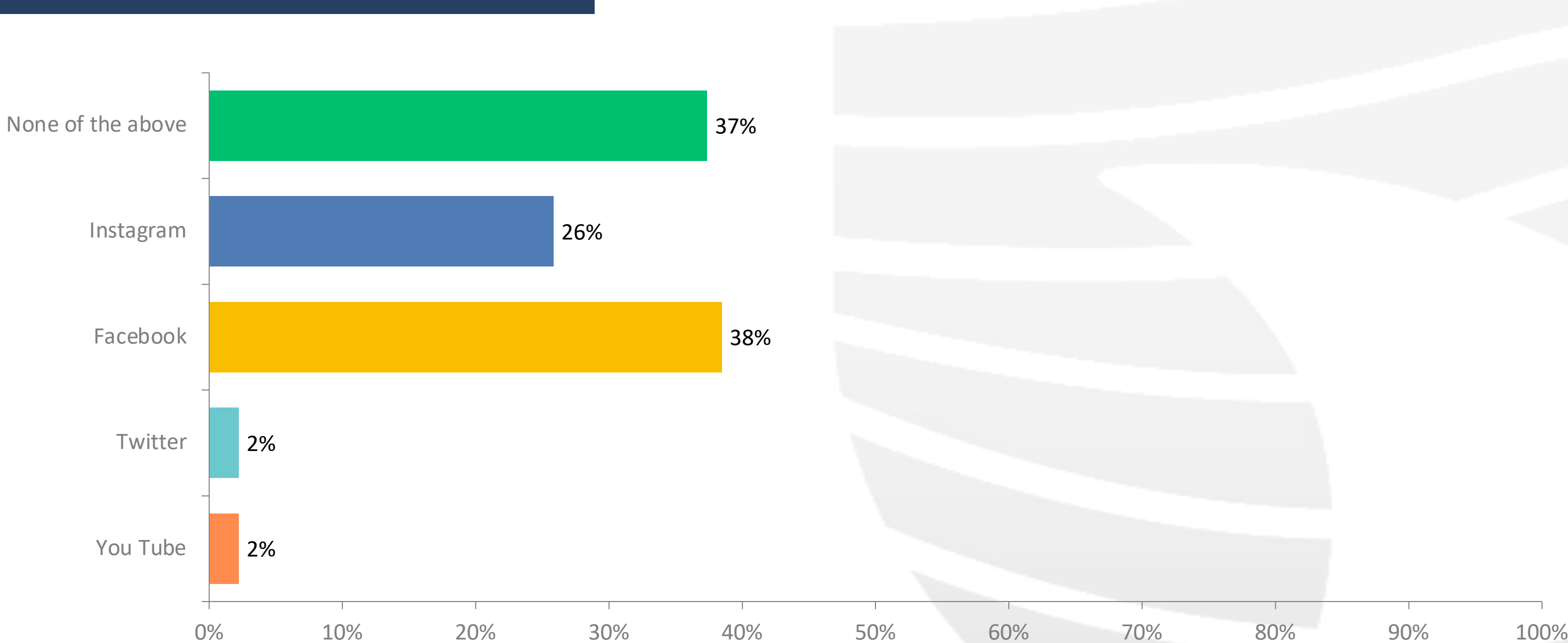
Answered: 123 Skipped: 482





# From which Social Network source did you learn about the 2023 Shelter Cove HarbourFest?

Answered: 182 Skipped: 423



# How would you rate the following festival characteristics?

Answered: 569 Skipped: 36

	VERY GOOD	GOOD	AVERAGE	POOR	VERY POOR	N/A	WEIGHTED AVERAGE
Food Quality and Variety	52.11% 296	31.69% 180	8.45% 48	0.53% 3	0.88% 5	6.34% 36	4.43
Beverage Selection (wine, beer, spirits, non-alcoholic)	47.13% 263	34.77% 194	8.96% 50	1.25% 7	0.18% 1	7.71% 43	4.38
Retail Vendor Variety	48.38% 268	32.13% 178	13.72% 76	1.08% 6	1.08% 6	3.61% 20	4.30

# How would you rate the following festival characteristics?

Answered: 570 Skipped: 35

	VERY GOOD	GOOD	AVERAGE	POOR	VERY POOR	N/A	WEIGHTED AVERAGE
Children's Entertainment	66.96% 379	23.32% 132	5.65% 32	0.71% 4	0.53% 3	2.83% 16	4.6
Live Performances	63.08% 352	27.78% 155	6.27% 35	1.08% 6	0% 0	1.79% 10	4.56
Fireworks	64.08% 355	19.68% 109	4.69% 26	1.26% 7	0.36% 2	9.93% 55	4.62

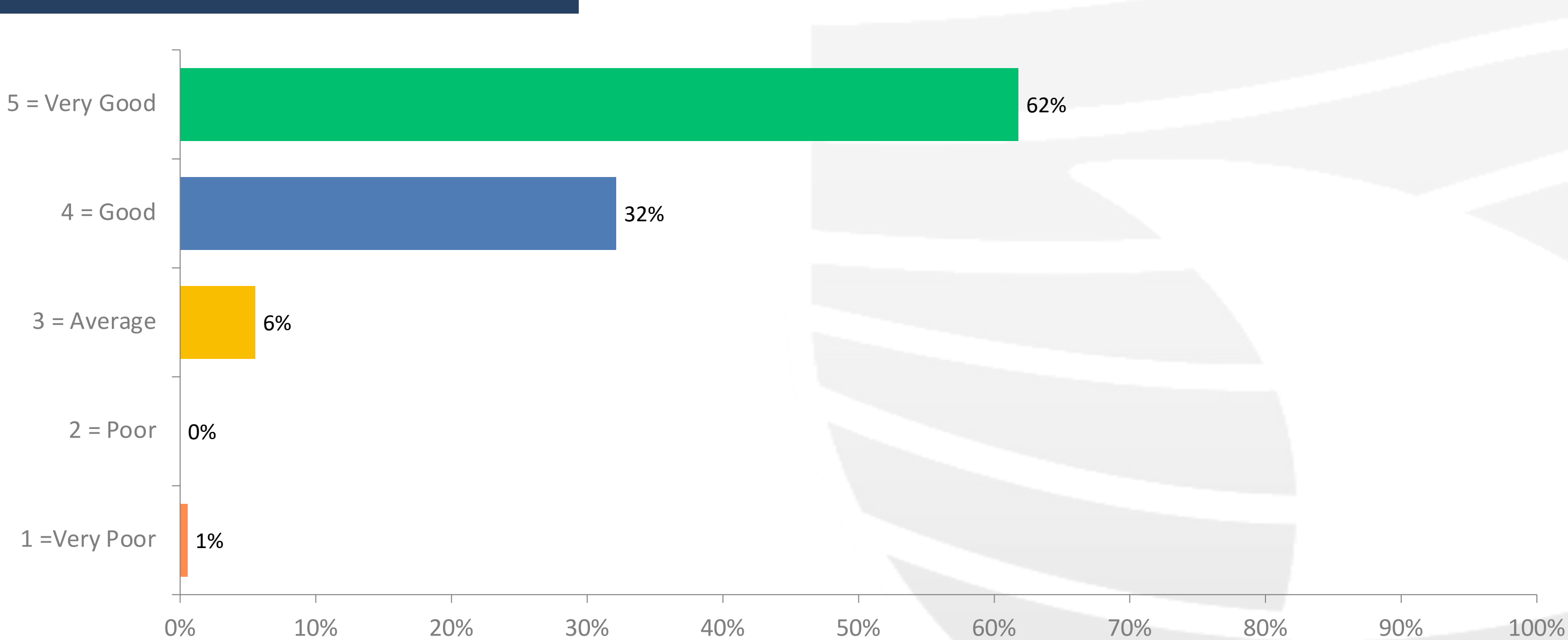
# How would you rate the following festival characteristics?

Answered: 568 Skipped: 37

	VERY GOOD	GOOD	AVERAGE	POOR	VERY POOR	N/A	WEIGHTED AVERAGE
Waterfront Location	77.22% 434	16.01% 90	3.91% 22	1.42% 8	0.53% 3	0.89% 5	4.69
Parking	38.18% 210	22.73% 125	24.73% 136	7.45% 41	4.55% 25	2.36% 13	3.85
Crowd Flow	44.46% 245	32.85% 181	19.60% 108	2.18% 12	0.36% 2	0.54% 3	4.20
Availability of Public Seating	42.73% 238	30.88% 172	18.49% 103	5.92% 33	0.72% 4	1.26% 7	4.10
Staff Friendliness	67.99% 376	24.05% 133	6.15% 34	0.72% 4	0.36% 2	0.72% 4	4.60

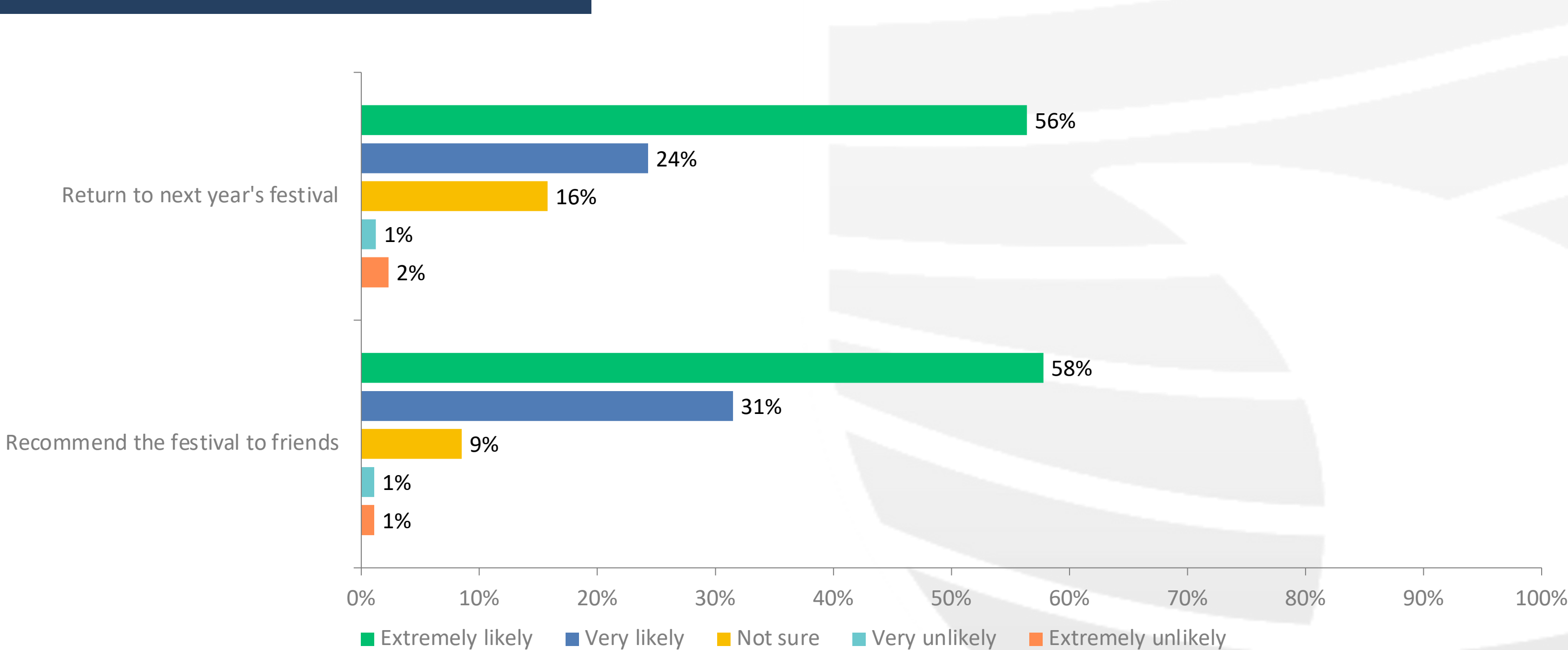
# On a scale of 1 to 5, with 5 being the BEST, please rate the 2023 Shelter Cove HarbourFest experience.

Answered: 560 Skipped: 45



# How likely are you to return to next year's festival and recommend the festival to friends?

Answered: 565 Skipped: 40







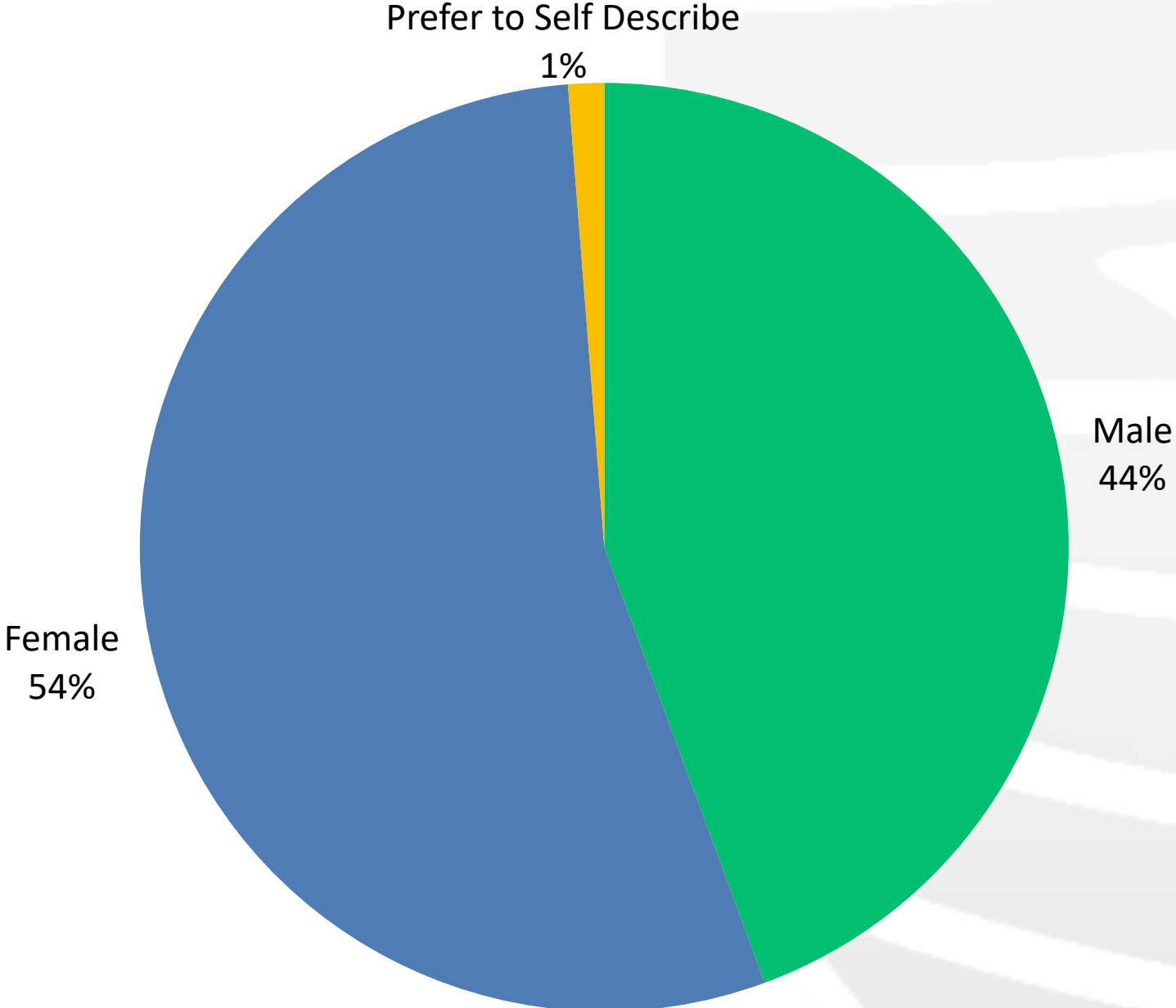
# DEMOGRAPHICS

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# How do you identify?

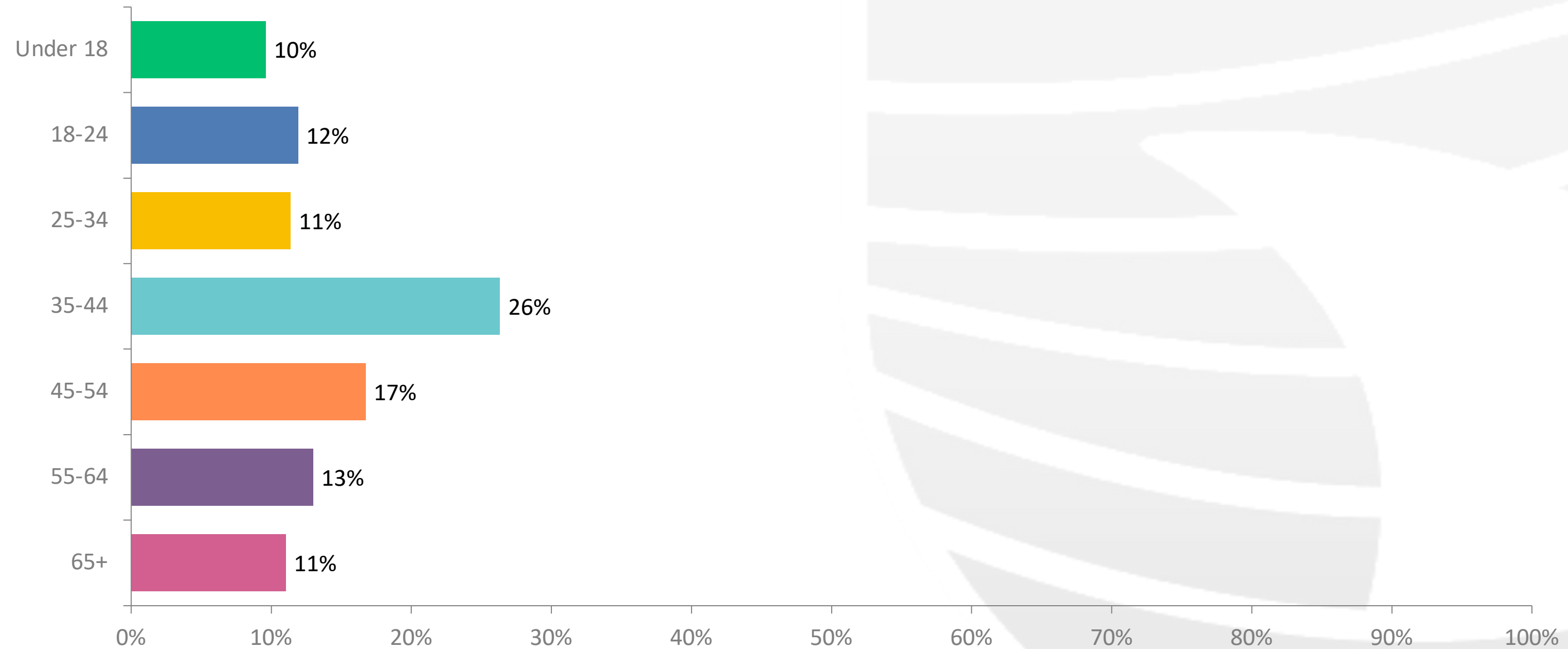
Answered: 565 Skipped: 40





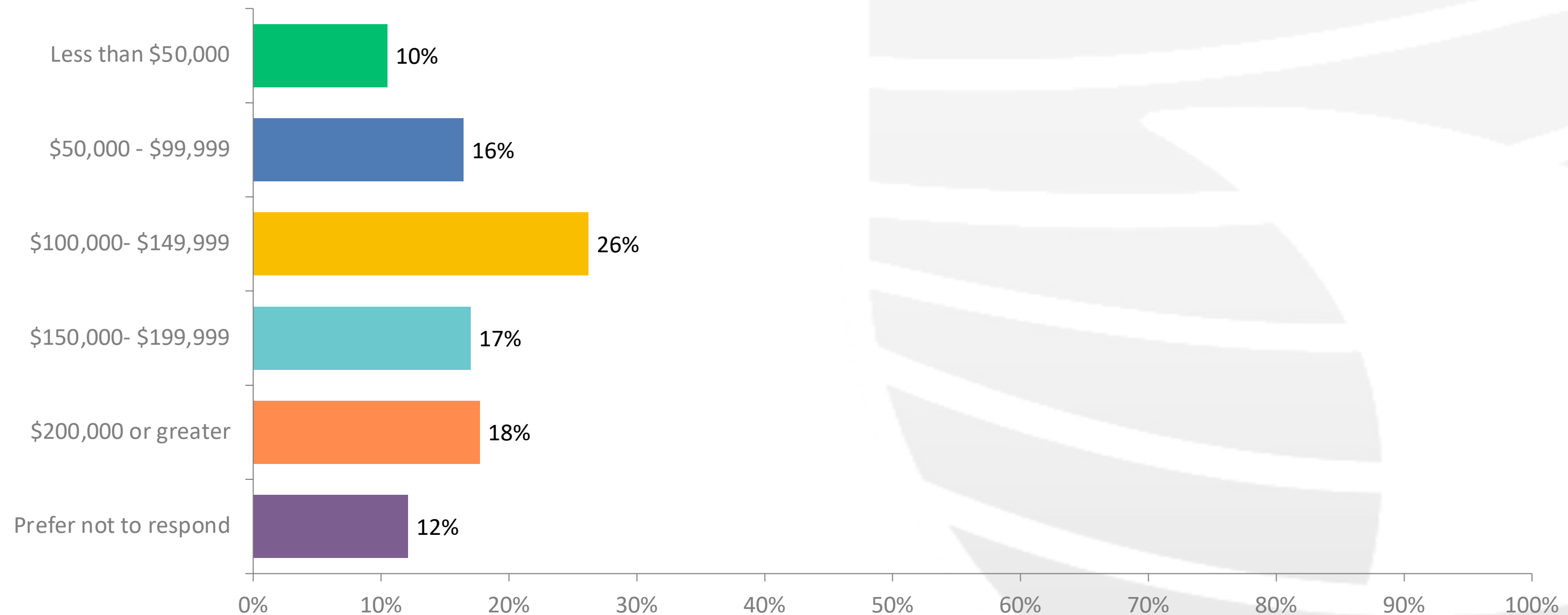
# Please indicate your age below.

Answered: 562 Skipped: 43



# What is your approximate household income?

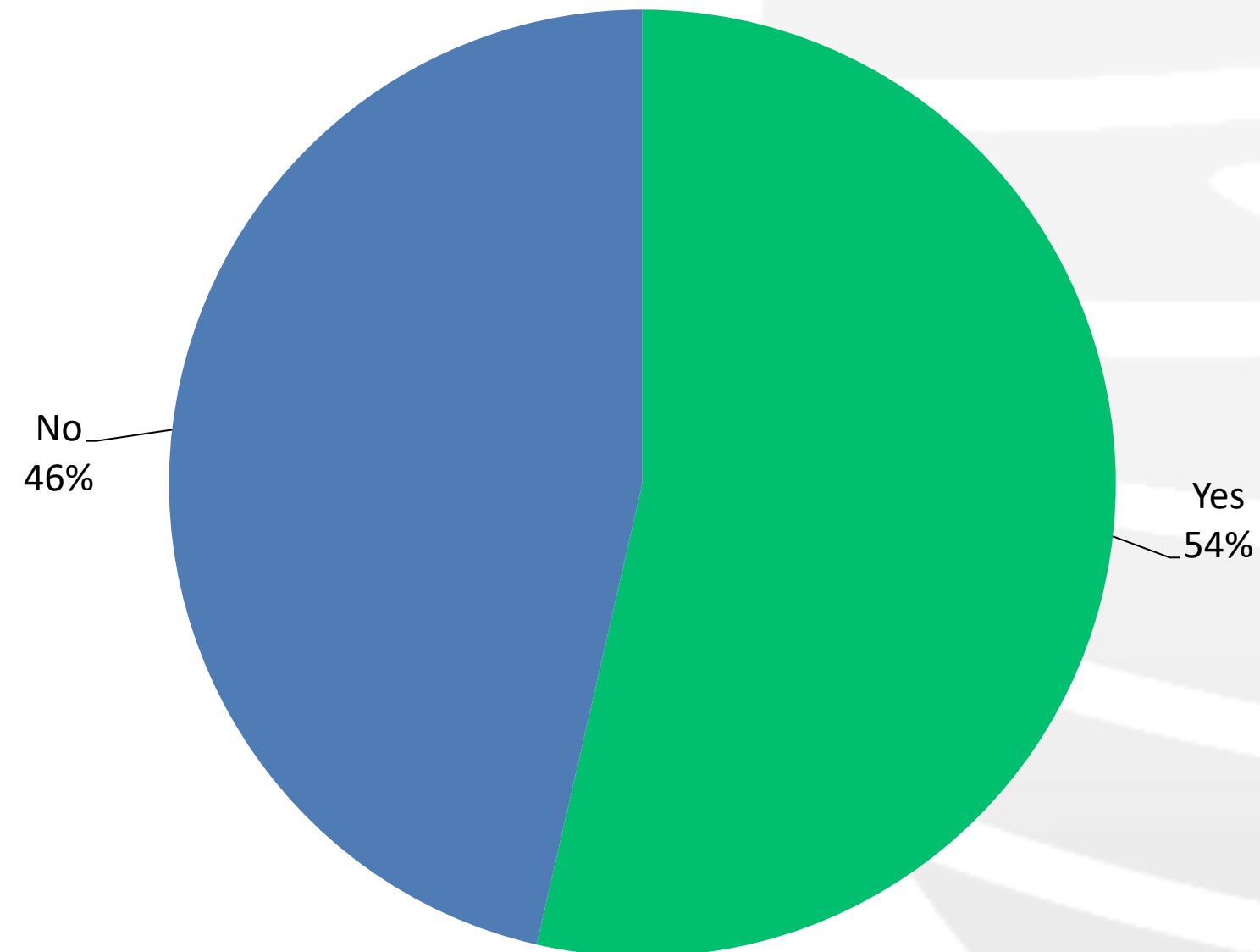
Answered: 553 Skipped: 52



# Do you have children under the age of 18 living at home?

Answered: 543 Skipped: 62

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# SURVEY DATA SUMMARY

## Comparison of 2023 vs. 2018

- Participation ↑ **37.5%** (+ 165)
- More attendees are staying in lodging that generate A-tax revenue (**92%** vs 84%)
- **61%** of 2023 attendees earn \$100K +, compared to 31% in 2018
- 78% of participants live > 50 miles from HHI (92% in 2018)
- Fewer participants from other U.S. location (**66%** vs. 87%) but increase in international visitors (**3%** vs. 1%)
- **Ohio / Kentucky / Indiana Market** is much larger in comparison to 2018 (**#1 market** vs. #2 market)



# SURVEY DATA SUMMARY

## Comparison of 2023 vs. 2018

- More attendees staying in villa/condo/home rentals (**58%** vs 52%) and more visitors staying in full-service hotels (**8%** vs 5%)
- **74%** of participants indicated HarbourFest was influential in decision to vacation in HHI at this time, compared to 48% in 2018
- Many participants are using digital sources to find information about HarbourFest
- More first-time attendees (**52%** vs. 40%)
- Attendees enjoy the event and more plan to return to Harbourfest next year (**80%** vs 76%)
- Harbourfest continues to remain a HHI event that is enjoyed so much that they would recommend it to family and friends (**90%** vs 88%)



# KEY TAKEAWAYS



- HarbourFest is a *signature event* that highly influences family/group decisions to come to Hilton Head
- Participants have higher incomes and are able to spend more on accommodations and recreation
- HarbourFest continues to draw a similar demographic of families planning to stay a week or more
- Digital marketing targets primary demographic and likely the reason for more first-time attendees
- Growing markets to consider targeted advertising include Ohio / Kentucky / Indiana and International (primarily UK and Canada)





CENTER FOR EVENT MANAGEMENT  
AND HOSPITALITY TRAINING

© 2023

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
<b>Total Income</b>	<b>\$ 1,443,763.49</b>	<b>\$ 1,509,977.71</b>
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
<b>Total Expenditures</b>	<b>\$ 1,443,763.49</b>	<b>\$ 1,509,977.71</b>
	<b>\$ 0.00</b>	<b>\$ 0.00</b>



# Shelter Cove Company

## Profit and Loss

June 2022 - May 2023

	TOTAL	
	JUN 2022 - MAY 2023	JUN 2021 - MAY 2022 (PY)
<b>Income</b>		
40000 Villa Community Service Income	1,219,394.00	1,162,916.00
41000 Commercial Community Service Income	160,080.89	151,090.56
47000 Late Fee Income	500.00	1,300.00
48000 Interest Income	43.08	3.29
48100 Community Enhancement Income	139,467.38	164,631.63
48740 Brick Project fund Raising	14,207.71	14,243.63
48750 Miscellaneous Income	9,478.64	34,731.77
48752 Communication Licensing	3,856.04	4,297.43
49510 Process Fee Income	8,400.00	10,535.00
49512 Road Repair Income	28,665.00	26,916.68
49530 Unrealized Gain/Loss on Investments	-2,014.34	-113,685.20
<b>Total Income</b>	<b>\$1,582,078.40</b>	<b>\$1,456,980.79</b>
<b>GROSS PROFIT</b>	<b>\$1,582,078.40</b>	<b>\$1,456,980.79</b>
<b>Expenses</b>		
60000 Community Manager	67,269.00	66,945.00
60100 Accounting Services	22,178.50	21,293.00
60110 Payroll Taxes	5,403.06	5,927.85
60200 Internet Marketing	16,068.00	16,068.00
60300 Grounds/Roadside Maintenance Contract	141,635.15	170,368.62
60301 Ground/Road Maint Other	48,052.01	103,122.35
60310 Board Expenses	6,463.90	3,228.59
60400 Security Services Administration-Contracted	331,448.11	301,654.58
60410 Security Services- Other Cameras	23,956.91	5,944.83
60500 Street Lights-Lease Contract	11,472.00	11,423.00
60700 Electricity	12,100.00	11,581.00
60800 Water for Irrigation	11,657.16	17,467.77
60900 Administrative	20,600.09	19,654.64
61000 Legal Expense	7,544.30	4,176.38
61010 Property Taxes	6,073.24	4,870.92
61100 Taxes Paid		133.94
61200 Security Services-Pass Fee	11,497.50	11,497.50
61400 HarbourFest	12,500.00	12,500.00
61500 Christmas Decorations	4,271.45	4,000.00
61600 Liability/D&O Insurance	51,223.50	39,294.50
61750 Irrigation Repairs	3,676.89	3,666.70
61800 Facility Repairs & Maintenance	42,890.58	50,294.25
61900 *CAPITAL EXPENDITURES*	718,284.02	785,400.68
61920 Legacy Paver Project	5,545.46	3,002.00
61930 Road Repair Fund	26,366.00	24,500.00

# Shelter Cove Company

## Profit and Loss

June 2022 - May 2023

	TOTAL	
	JUN 2022 - MAY 2023	JUN 2021 - MAY 2022 (PY)
61940 Catastrophic Fund Allocation	33,039.00	33,039.00
<b>Total Expenses</b>	<b>\$1,641,215.83</b>	<b>\$1,731,055.10</b>
NET OPERATING INCOME	<b>\$ -59,137.43</b>	<b>\$ -274,074.31</b>
NET INCOME	<b>\$ -59,137.43</b>	<b>\$ -274,074.31</b>

# Shelter Cove Company

## Statement of Financial Position

As of May 31, 2022

	As of May 31, 2022	As of May 31, 2021 (PY)
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Bank Accounts</b>		
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
<b>Total 10010 Operating</b>	<b>\$ 138,260.35</b>	<b>\$ 142,253.40</b>
10180 Wells Fargo7385	3,605.22	1,500.00
11200 Wellsfargo 3596 ( BrickProject)	1,602.10	29,725.76
<b>Total Bank Accounts</b>	<b>\$ 143,467.67</b>	<b>\$ 173,479.16</b>
<b>Accounts Receivable</b>		
12000 Accounts Receivable	7,560.29	17,890.78
12010 Allowance for Doubtful Accounts	-2,266.00	-3,494.00
<b>Total 12000 Accounts Receivable</b>	<b>\$ 5,294.29</b>	<b>\$ 14,396.78</b>
<b>Total Accounts Receivable</b>	<b>\$ 5,294.29</b>	<b>\$ 14,396.78</b>
<b>Other Current Assets</b>		
10079 Catastrophic Investment Fund 383	943,087.21	1,008,745.44
10140 Capital Project Investment Fund	573,521.79	721,548.76
<b>Total Other Current Assets</b>	<b>\$ 1,516,609.00</b>	<b>\$ 1,730,294.20</b>
<b>Total Current Assets</b>	<b>\$ 1,665,370.96</b>	<b>\$ 1,918,170.14</b>
<b>Fixed Assets</b>		
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
<b>Total Fixed Assets</b>	<b>\$ 469,292.29</b>	<b>\$ 469,292.29</b>
<b>TOTAL ASSETS</b>	<b>\$ 2,134,663.25</b>	<b>\$ 2,387,462.43</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
22000 ARB Compliance Deposits	46,203.75	45,203.75
<b>Total Accounts Payable</b>	<b>\$ 46,203.75</b>	<b>\$ 45,203.75</b>
<b>Other Current Liabilities</b>		
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	
<b>Total Other Current Liabilities</b>	<b>\$ 83,380.19</b>	<b>\$ 63,336.30</b>
<b>Total Current Liabilities</b>	<b>\$ 129,583.94</b>	<b>\$ 108,540.05</b>
<b>Total Liabilities</b>	<b>\$ 129,583.94</b>	<b>\$ 108,540.05</b>
<b>Equity</b>		
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
<b>Total Net Assets</b>	<b>\$ 2,005,079.31</b>	<b>\$ 2,278,922.38</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 2,134,663.25</b>	<b>\$ 2,387,462.43</b>

Tuesday, Jun 28, 2022 06:09:09 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)
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Bank Accounts</b>		
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
<b>Total 10010 Operating</b>	<b>\$ 138,260.35</b>	<b>\$ 142,253.40</b>
10180 Wells Fargo7385	3,605.22	1,500.00
11200 Wellsfargo 3596 ( BrickProject)	1,602.10	29,725.76
<b>Total Bank Accounts</b>	<b>\$ 143,467.67</b>	<b>\$ 173,479.16</b>
<b>Accounts Receivable</b>		
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16000 Buildings	468,252.83	468,252.83
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<b>Total Fixed Assets</b>	<b>\$ 469,292.29</b>	<b>\$ 469,292.29</b>
<b>TOTAL ASSETS</b>	<b>\$ 2,134,663.25</b>	<b>\$ 2,387,462.43</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
22000 ARB Compliance Deposits	46,203.75	45,203.75
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Tuesday, Jun 28, 2022 06:09:09 PM GMT-7 - Accrual Basis

# Shelter Cove Company

## Profit and Loss

June 2022 - May 2023

	TOTAL	
	JUN 2022 - MAY 2023	JUN 2021 - MAY 2022 (PY)
<b>Income</b>		
40000 Villa Community Service Income	1,219,394.00	1,162,916.00
41000 Commercial Community Service Income	160,080.89	151,090.56
47000 Late Fee Income	500.00	1,300.00
48000 Interest Income	43.08	3.29
48100 Community Enhancement Income	139,467.38	164,631.63
48740 Brick Project fund Raising	14,207.71	14,243.63
48750 Miscellaneous Income	9,478.64	34,731.77
48752 Communication Licensing	3,856.04	4,297.43
49510 Process Fee Income	8,400.00	10,535.00
49512 Road Repair Income	28,665.00	26,916.68
49530 Unrealized Gain/Loss on Investments	-2,014.34	-113,685.20
<b>Total Income</b>	<b>\$1,582,078.40</b>	<b>\$1,456,980.79</b>
<b>GROSS PROFIT</b>	<b>\$1,582,078.40</b>	<b>\$1,456,980.79</b>
<b>Expenses</b>		
60000 Community Manager	67,269.00	66,945.00
60100 Accounting Services	22,178.50	21,293.00
60110 Payroll Taxes	5,403.06	5,927.85
60200 Internet Marketing	16,068.00	16,068.00
60300 Grounds/Roadside Maintenance Contract	141,635.15	170,368.62
60301 Ground/Road Maint Other	48,052.01	103,122.35
60310 Board Expenses	6,463.90	3,228.59
60400 Security Services Administration-Contracted	331,448.11	301,654.58
60410 Security Services- Other Cameras	23,956.91	5,944.83
60500 Street Lights-Lease Contract	11,472.00	11,423.00
60700 Electricity	12,100.00	11,581.00
60800 Water for Irrigation	11,657.16	17,467.77
60900 Administrative	20,600.09	19,654.64
61000 Legal Expense	7,544.30	4,176.38
61010 Property Taxes	6,073.24	4,870.92
61100 Taxes Paid		133.94
61200 Security Services-Pass Fee	11,497.50	11,497.50
61400 HarbourFest	12,500.00	12,500.00
61500 Christmas Decorations	4,271.45	4,000.00
61600 Liability/D&O Insurance	51,223.50	39,294.50
61750 Irrigation Repairs	3,676.89	3,666.70
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61900 *CAPITAL EXPENDITURES*	718,284.02	785,400.68
61920 Legacy Paver Project	5,545.46	3,002.00
61930 Road Repair Fund	26,366.00	24,500.00

# Shelter Cove Company

## Profit and Loss

June 2022 - May 2023

	TOTAL	
	JUN 2022 - MAY 2023	JUN 2021 - MAY 2022 (PY)
61940 Catastrophic Fund Allocation	33,039.00	33,039.00
<b>Total Expenses</b>	<b>\$1,641,215.83</b>	<b>\$1,731,055.10</b>
NET OPERATING INCOME	<b>\$ -59,137.43</b>	<b>\$ -274,074.31</b>
NET INCOME	<b>\$ -59,137.43</b>	<b>\$ -274,074.31</b>



- 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

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

<b>B Employer identification number</b> <b>57-0739304</b>
<b>C Date incorporated</b> <b>02-19-1982</b>
<b>D Total assets (see instructions)</b> \$ <b>2,103,581</b>

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

<b>Income</b>	<b>1a</b> Gross receipts or sales. . . . .	<b>1a</b>	<b>1,584,092</b>	
	<b>b</b> Returns and allowances . . . . .	<b>1b</b>		
	<b>c</b> Balance. Subtract line 1b from line 1a . . . . .	<b>1c</b>	<b>1,584,092</b>	
	<b>2</b> Cost of goods sold (attach Form 1125-A) . . . . .	<b>2</b>	<b>5,545</b>	
	<b>3</b> Gross profit. Subtract line 2 from line 1c . . . . .	<b>3</b>	<b>1,578,547</b>	
	<b>4</b> Dividends and inclusions (Schedule C, line 23) . . . . .	<b>4</b>	<b>41,854</b>	
	<b>5</b> Interest . . . . .	<b>5</b>		
	<b>6</b> Gross rents . . . . .	<b>6</b>		
	<b>7</b> Gross royalties . . . . .	<b>7</b>		
	<b>8</b> Capital gain net income (attach Schedule D (Form 1120)) . . . . .	<b>8</b>	<b>22,435</b>	
	<b>9</b> Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797) . . . . .	<b>9</b>		
<b>10</b> Other income (see instructions - attach statement) . . . . .	<b>10</b>			
<b>11 Total income.</b> Add lines 3 through 10 . . . . .	<b>11</b>	<b>1,642,836</b>		
<b>Deductions (See instructions for limitations on deductions.)</b>	<b>12</b> Compensation of officers (see instructions - attach Form 1125-E) . . . . .	<b>12</b>		
	<b>13</b> Salaries and wages (less employment credits) . . . . .	<b>13</b>	<b>65,879</b>	
	<b>14</b> Repairs and maintenance . . . . .	<b>14</b>	<b>718,284</b>	
	<b>15</b> Bad debts . . . . .	<b>15</b>		
	<b>16</b> Rents . . . . .	<b>16</b>		
	<b>17</b> Taxes and licenses . . . . . <b>Wks. Tax/Lic</b> . . . . .	<b>17</b>	<b>11,050</b>	
	<b>18</b> Interest (see instructions) . . . . .	<b>18</b>		
	<b>19</b> Charitable contributions . . . . .	<b>19</b>		
	<b>20</b> Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562) . . . . .	<b>20</b>	<b>36,912</b>	
	<b>21</b> Depletion . . . . .	<b>21</b>		
	<b>22</b> Advertising . . . . .	<b>22</b>	<b>22,179</b>	
	<b>23</b> Pension, profit-sharing, etc., plans . . . . .	<b>23</b>		
	<b>24</b> Employee benefit programs . . . . .	<b>24</b>		
	<b>25</b> Reserved for future use . . . . .	<b>25</b>		
	<b>26</b> Other deductions (attach statement) . . . . . <b>Statement #5.</b> . . . . .	<b>26</b>	<b>770,338</b>	
	<b>27 Total deductions.</b> Add lines 12 through 26 . . . . .	<b>27</b>	<b>1,624,642</b>	
	<b>28</b> Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11 . . . . .	<b>28</b>	<b>18,194</b>	
	<b>29a</b> Net operating loss deduction (see instructions) . . . . .	<b>29a</b>		
<b>b</b> Special deductions (Schedule C, line 24) . . . . .	<b>29b</b>	<b>20,927</b>		
<b>c</b> Add lines 29a and 29b . . . . .	<b>29c</b>	<b>20,927</b>		
<b>Tax, Refundable Credits, &amp; Payments</b>	<b>30 Taxable income.</b> Subtract line 29c from line 28. See instructions . . . . .	<b>30</b>	<b>(2,733)</b>	
	<b>31</b> Total tax (Schedule J, Part I, line 11) . . . . .	<b>31</b>	<b>0</b>	
	<b>32</b> Reserved for future use . . . . .	<b>32</b>		
	<b>33</b> Total payments and credits (Schedule J, Part III, line 23) . . . . .	<b>33</b>		
	<b>34</b> Estimated tax penalty. See instructions. Check if Form 2220 is attached <input type="checkbox"/> . . . . .	<b>34</b>		
	<b>35 Amount owed.</b> If line 33 is smaller than the total of lines 31 and 34, enter amount owed . . . . .	<b>35</b>		
	<b>36 Overpayment.</b> If line 33 is larger than the total of lines 31 and 34, enter amount overpaid . . . . .	<b>36</b>		
<b>37</b> Enter amount from line 36 you want: <b>Credited to 2023 estimated tax</b> <b>Refunded</b> . . . . .	<b>37</b>			

**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.

<b>Alfred Nelson</b>	<b>President</b>	May the IRS discuss this return with the preparer shown below? See instructions. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Signature of officer	Title	

<b>Paid Preparer Use Only</b>	Print/Type preparer's name <b>Charles E Jernigan CPA</b>	Preparer's signature <b>Charles E Jernigan CPA</b>	Date <b>07-24-2023</b>	Check <input type="checkbox"/> if self-employed	PTIN <b>P00932839</b>	
	Firm's name <b>CE JERNIGAN CPA</b>	Firm's EIN <b>81-4276440</b>		Phone no.		
	Firm's address <b>PO BOX 6674</b>	Firm's address <b>Hilton Head Island SC 29938</b>				
				<b>(843)290-0083</b>		

<b>Schedule C Dividends, Inclusions, and Special Deductions</b> (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)	41,854	50	20,927
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	<b>Subtotal.</b> Add lines 1 through 8. See instructions for limitations	41,854	See instructions	20,927
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	<b>Total dividends and inclusions.</b> Add column (a), lines 9 through 20. Enter here and on page 1, line 4	41,854		
24	<b>Total special deductions.</b> Add column (c), lines 9 through 22. Enter here and on page 1, line 29b			20,927

**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	<b>Total credits.</b> 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	<b>Total.</b> Add lines 9a through 9g.		10	
11	<b>Total tax.</b> 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	2021 overpayment credited to 2022		13	
14	2022 estimated tax payments		14	
15	2022 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	<b>Total payments.</b> 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	<b>Total credits.</b> Add lines 20a through 20d.		21	
22	Reserved for future use		22	
23	<b>Total payments and credits.</b> 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-subsiary 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.) . . . . . \$ 8,618



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)
<b>Assets</b>					
1	Cash . . . . .		143,467		144,811
2a	Trade notes and accounts receivable . . . . .	5,294		7,516	
b	Less allowance for bad debts . . . . .	( )	5,294	( )	7,516
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	1,282,418		1,333,656
10a	Buildings and other depreciable assets . . . . .	1,832,099		1,832,099	
b	Less accumulated depreciation . . . . .	( 1,177,589 )	654,510	( 1,214,501 )	617,598
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	<b>Total assets</b> . . . . .		2,085,689		2,103,581
<b>Liabilities and Shareholders' Equity</b>					
16	Accounts payable . . . . .				
17	Mortgages, notes, bonds payable in less than 1 year . . . . .				
18	Other current liabilities (attach statement) . . . . .	Statement #11	129,584		129,282
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 . . . . .		1,956,105		1,974,299
26	Adjustments to shareholders' equity (attach statement) . . . . .				
27	Less cost of treasury stock . . . . .		( )		( )
28	<b>Total liabilities and shareholders' equity</b> . . . . .		2,085,689		2,103,581

**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 . . . . .	18,194	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 . . . . .	18,194	9	Add lines 7 and 8 . . . . .	
			10	Income (page 1, line 28)-line 6 less line 9	18,194

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

1	Balance at beginning of year . . . . .	1,956,105	5	Distributions: a Cash . . . . .	
2	Net income (loss) per books . . . . .	18,194		b Stock . . . . .	
3	Other increases (itemize): _____			c Property . . . . .	
			6	Other decreases (itemize): _____	
4	Add lines 1, 2, and 3 . . . . .	1,974,299	7	Add lines 5 and 6 . . . . .	
			8	Balance at end of year (line 4 less line 7)	1,974,299

**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](http://www.irs.gov/Form1120) for instructions and the latest information.

OMB No. 1545-0123

**2022**

Name <b>SHELTER COVE COMPANY</b>	Employer identification number <b>57-0739304</b>
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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)
<b>1a</b> 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 . . . . .				
<b>1b</b> Totals for all transactions reported on Form(s) 8949 with <b>Box A</b> checked . . . . .	<b>110,789</b>	<b>122,929</b>	<b>0</b>	<b>(12,140)</b>
<b>2</b> Totals for all transactions reported on Form(s) 8949 with <b>Box B</b> checked . . . . .				
<b>3</b> Totals for all transactions reported on Form(s) 8949 with <b>Box C</b> checked . . . . .				
<b>4</b> Short-term capital gain from installment sales from Form 6252, line 26 or 37 . . . . .			<b>4</b>	
<b>5</b> Short-term capital gain or (loss) from like-kind exchanges from Form 8824 . . . . .			<b>5</b>	
<b>6</b> Unused capital loss carryover (attach computation) . . . . .			<b>6</b>	( )
<b>7</b> Net short-term capital gain or (loss). Combine lines 1a through 6 in column h . . . . .			<b>7</b>	<b>(12,140)</b>

**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)
<b>8a</b> 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 . . . . .				
<b>8b</b> Totals for all transactions reported on Form(s) 8949 with <b>Box D</b> checked . . . . .	<b>534,068</b>	<b>500,203</b>	<b>25</b>	<b>33,890</b>
<b>9</b> Totals for all transactions reported on Form(s) 8949 with <b>Box E</b> checked . . . . .				
<b>10</b> Totals for all transactions reported on Form(s) 8949 with <b>Box F</b> checked . . . . .				
<b>11</b> Enter gain from Form 4797, line 7 or 9 . . . . .			<b>11</b>	
<b>12</b> Long-term capital gain from installment sales from Form 6252, line 26 or 37 . . . . .			<b>12</b>	
<b>13</b> Long-term capital gain or (loss) from like-kind exchanges from Form 8824 . . . . .			<b>13</b>	
<b>14</b> Capital gain distributions (see instructions) . . . . .			<b>14</b>	<b>685</b>
<b>15</b> Net long-term capital gain or (loss). Combine lines 8a through 14 in column h . . . . .			<b>15</b>	<b>34,575</b>

**Part III Summary of Parts I and II**

<b>16</b> Enter excess of net short-term capital gain (line 7) over net long-term capital loss (line 15) . . . . .				
<b>17</b> Net capital gain. Enter excess of net long-term capital gain (line 15) over net short-term capital loss (line 7) . . . . .				<b>22,435</b>
<b>18</b> Add lines 16 and 17. Enter here and on Form 1120, page 1, line 8, or the applicable line on other returns . . . . .				<b>22,435</b>

**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) 2022

**Cost of Goods Sold**

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

Name <b>SHELTER COVE COMPANY</b>		Employer identification number <b>57-0739304</b>
<b>1</b>	Inventory at beginning of year . . . . .	<b>1</b>
<b>2</b>	Purchases . . . . .	<b>2</b> 5,545
<b>3</b>	Cost of labor . . . . .	<b>3</b>
<b>4</b>	Additional section 263A costs (attach schedule) . . . . .	<b>4</b>
<b>5</b>	Other costs (attach schedule) . . . . .	<b>5</b>
<b>6</b>	<b>Total.</b> Add lines 1 through 5 . . . . .	<b>6</b> 5,545
<b>7</b>	Inventory at end of year . . . . .	<b>7</b>
<b>8</b>	<b>Cost of goods sold.</b> 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 . . . . .	<b>8</b> 5,545
<b>9a</b> Check all methods used for valuing closing inventory:		
(i) <input checked="" type="checkbox"/> Cost		
(ii) <input type="checkbox"/> Lower of cost or market		
(iii) <input type="checkbox"/> Other (Specify method used and attach explanation.) ▶ _____		
<b>b</b> Check if there was a writedown of subnormal goods . . . . . ▶ <input type="checkbox"/>		
<b>c</b> Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . . . . ▶ <input type="checkbox"/>		
<b>d</b> If the LIFO inventory method was used for this tax year, enter amount of closing inventory computed under LIFO . . . . .		<b>9d</b> _____
<b>e</b> 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
<b>f</b> 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](http://www.irs.gov/Form4562) for instructions and the latest information.

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

**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) . . . . .	<b>1</b>	
2 Total cost of section 179 property placed in service (see instructions) . . . . .	<b>2</b>	
3 Threshold cost of section 179 property before reduction in limitation (see instructions) . . . . .	<b>3</b>	
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- . . . . .	<b>4</b>	
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions . . . . .	<b>5</b>	
<b>6</b> (a) Description of property	(b) Cost (business use only)	(c) Elected cost
7 Listed property. Enter the amount from line 29 . . . . .	<b>7</b>	
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7 . . . . .	<b>8</b>	
9 Tentative deduction. Enter the <b>smaller</b> of line 5 or line 8 . . . . .	<b>9</b>	
10 Carryover of disallowed deduction from line 13 of your 2021 Form 4562 . . . . .	<b>10</b>	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instructions . . . . .	<b>11</b>	
12 Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11 . . . . .	<b>12</b>	
13 Carryover of disallowed deduction to 2023. Add lines 9 and 10, less line 12 . . . . .	<b>13</b>	

**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. . . . .	<b>14</b>	
15 Property subject to section 168(f)(1) election . . . . .	<b>15</b>	
16 Other depreciation (including ACRS) . . . . .	<b>16</b>	<b>10,902</b>

**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 2022 . . . . .	<b>17</b>	<b>26,010</b>
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 2022 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
<b>19a</b> 3-year property						
<b>b</b> 5-year property						
<b>c</b> 7-year property						
<b>d</b> 10-year property						
<b>e</b> 15-year property						
<b>f</b> 20-year property						
<b>g</b> 25-year property			25 yrs.		S/L	
<b>h</b> Residential rental property			27.5 yrs.	MM	S/L	
			27.5 yrs.	MM	S/L	
<b>i</b> Nonresidential real property			39 yrs.	MM	S/L	
				MM	S/L	

**Section C - Assets Placed in Service During 2022 Tax Year Using the Alternative Depreciation System**

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

**Part IV Summary (See instructions.)**

21 Listed property. Enter amount from line 28 . . . . .	<b>21</b>	
22 <b>Total.</b> 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 . . . . .	<b>22</b>	<b>36,912</b>
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs . . . . .	<b>23</b>	

**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 <b>SHELTER COVE COMPANY</b>	Social security number or taxpayer identification number <b>57-0739304</b>
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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 <b>Note</b> 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). <b>See the separate instructions.</b>		(h) <b>Gain or (loss).</b> Subtract column (e) from column (d) and combine the result with column (g).
						(f) Code(s) from instructions	(g) Amount of adjustment	
	Blackrock Inflat Prot Bond	10-29-2021	11-30-2022	27,854	28,859			(1,005)
	Clearbridge Intl Growth I	12-22-2020	11-30-2022	56,401	65,411			(9,010)
	Ishares Russell 1000	02-24-2016	11-30-2022	48,829	20,309			28,520
	Ishares Russell 1000 Value	02-24-2016	11-30-2022	49,981	30,280			19,701
	JP Morgan Strat Inc	09-03-2015	11-30-2022	1,907	1,932	W	5	(20)
	Lord Abbot Sht Duration	04-30-2021	05-03-2022	42,416	44,499			(2,083)
	Putnam Ultra Sht Dur	04-30-2021	05-03-2022	24,664	24,853			(189)
	Vanguard Mid Cap	10-16-2015	11-30-2022	27,863	15,646			12,217
	Vanguard Small Cap eft	10-12-2015	11-30-2022	14,451	8,364			6,087
	American Cap Wrld Gr	12-03-2020	11-30-2022	28,022	30,176	W	20	(2,134)
	Blackrock Inflat Prot Bond	10-29-2021	11-30-2022	37,228	38,630			(1,402)
	Clearbridge Intl Growth	12-22-2020	11-30-2022	78,899	91,503			(12,604)
	Ishares Russell 1000 GRW	09-25-2015	11-30-2022	1,156	477			679
	Lord Abbett Sht Duration Inc	10-29-2021	11-30-2022	58,383	63,390			(5,007)
	Putnam Ultra Sht Dur	10-29-2021	11-30-2022	34,844	35,193			(349)
	Vanguard Small Cap	09-03-2015	11-30-2022	1,170	681			489
<b>2</b>	<b>Totals.</b> Add the amounts in columns (d), (e), (g), and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, <b>line 8b</b> (if <b>Box D</b> above is checked), <b>line 9</b> (if <b>Box E</b> above is checked), or <b>line 10</b> (if <b>Box F</b> above is checked) . . . .			534,068	500,203		25	33,890

**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.

Form **8879-CORP**  
(December 2022)

# E-file Authorization for Corporations

For calendar year 2022, or tax year beginning 06-01, 2022, ending 05-31, 20 23

Use for efile authorizations for Form 1120, 1120-F or 1120S.

Do not send to the IRS. Keep for your records.

Go to [www.irs.gov/Form8879CORP](http://www.irs.gov/Form8879CORP) for the latest information.

OMB No. 1545-0123

Department of the Treasury  
Internal Revenue Service

Name of corporation

Employer identification number

**SHELTER COVE COMPANY**

**57-0739304**

## Part I Information (Whole dollars only)

1	Total income (Form 1120, line 11) . . . . .	1	1,642,836
2	Total income (Form 1120-F, Section II, line 11) . . . . .	2	
3	Total income (loss) (Form 1120-S, line 6) . . . . .	3	

## 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 electronic income tax return and accompanying schedules and statements, and to the best of my knowledge and belief, they are 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 electronically filed income tax return.

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

Officer's signature \_\_\_\_\_ Date 07-15-2023 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 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 07-24-2023

**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-CORP** (12-2022)

**Elections**

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

**2022** 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**

**2022 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
Bank charges	469
Liability Insurance	51,224
Legal and professional	7,544
Marketing	16,771
Office expense	10,869
Postage/Shipping	1,395
Security	355,405
Telephone	2,471
Utilities	35,229
Ground and Road Maintenance	189,687
Irrigation Repairs	3,677
Facility Repairs and Maintenance	42,891
Internet Marketing	16,068
Brokerage Management fees	13,281
Property Owner Association fees	7,903
Gate Pass Fees	11,498
Internet Service	<u>3,956</u>
<b>Total</b>	<b><u><u>770,338</u></u></b>

Schedule L - Line 9

**PG01**  
Statement #9

Description	Beg Of Year	End Of Year
Catastrophic Reserve	708,896	761,508
Capital Project Fund	<u>573,522</u>	<u>572,148</u>
<b>Total</b>	<b><u><u>1,282,418</u></u></b>	<b><u><u>1,333,656</u></u></b>

**Federal Supporting Statements**

**2022 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	46,204	47,204
Accrued Road Repair	49,000	49,000
Accrued Catastrophic	33,039	33,039
Payroll Taxes	<u>1,341</u>	<u>39</u>
<b>Total</b>	<b><u>129,584</u></b>	<b><u>129,282</u></b>

1120

Overflow Statement

2022

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

1099 Composit

Description	Amount
Catastrophic account 1534 Cap Gain Distribution	\$ 393
Capital Project account 3534 Cap Gain Distribution	292
<b>Total:</b>	<b>\$ 685</b>

Other Deductions - Utilities

Description	Amount
Utilities Electricity	\$ 12,100
Utilities Lights	11,472
Utilities Water	11,657
<b>Total:</b>	<b>\$ 35,229</b>

Description	Amount
Capital Project Morgan Stanley account 3534	\$ 15,658
Catastrophic Morgan Stanley account 1534	26,196
<b>Total:</b>	<b>\$ 41,854</b>

<b>SCNOTES</b>	<b>Notes about the return</b>	<b>2022</b> PAGE 1
Name(s) as shown on return SHELTER COVE COMPANY		SSN/FEIN 57-0739304
<p>50 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>		



STATE OF SOUTH CAROLINA
C CORPORATION INCOME TAX RETURN

SC 1120
(Rev.5/18/22)
3091

dor.sc.gov

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

Income Tax period ending 05-31-2023
License Fee period ending 05-31-2024
FEIN 57-0739304
Name SHELTER COVE COMPANY
Mailing address PO BOX 6004
City Hilton Head Isla State SC ZIP 29938
Change of Address Accounting Period Officers

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: Name Phone number
Deborah Faragher
Email

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 1,584,092
Total cost of depreciable personal property in SC 1,832,099

Is the corporation included in a consolidated federal return?
Yes No
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 final balance due of 0.00.





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

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	Email
	Alfred Nelson	07-24-2023	
	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	07-24-2023	Check if self-employed	<input type="checkbox"/>	Preparer's phone number	843-290-0083
Use Only	Firm's name (or yours if self-employed) and address	CE JERNIGAN CPA	PO BOX 6674 Hilton Head SC	PTIN or FEIN	81-4276440	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  
30912075

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					
<b>Total</b>					
	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				
<b>Total</b>				
	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 <b>SHELTER COVE COMPANY</b>	Business or activity to which this form relates <b>FORM 1120</b>	Identifying number <b>57-0739304</b>
--	---	---

**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.

<b>1</b>	Maximum amount (see instructions) . . . . .	<b>1</b>	1,080,000
<b>2</b>	Total cost of section 179 property placed in service (see instructions) . . . . .	<b>2</b>	
<b>3</b>	Threshold cost of section 179 property before reduction in limitation (see instructions) . . . . .	<b>3</b>	2,700,000
<b>4</b>	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- . . . . .	<b>4</b>	0
<b>5</b>	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions . . . . .	<b>5</b>	1,080,000
<b>6</b>	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
<b>7</b>	Listed property. Enter the amount from line 29 . . . . .	<b>7</b>	
<b>8</b>	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7 . . . . .	<b>8</b>	
<b>9</b>	Tentative deduction. Enter the <b>smaller</b> of line 5 or line 8 . . . . .	<b>9</b>	
<b>10</b>	Carryover of disallowed deduction from line 13 of your 2021 Form <b>990</b> . . . . .	<b>10</b>	
<b>11</b>	Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instructions . . . . .	<b>11</b>	
<b>12</b>	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11 . . . . .	<b>12</b>	
<b>13</b>	Carryover of disallowed deduction to 2023. Add lines 9 and 10, less line 12 . . . . .	<b>13</b>	

**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.)**

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

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

**Section A**

<b>17</b>	MACRS deductions for assets placed in service in tax years beginning before 2022 . . . . .	<b>17</b>	26,010
<b>18</b>	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 2022 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
<b>19a</b> 3-year property						
<b>b</b> 5-year property						
<b>c</b> 7-year property						
<b>d</b> 10-year property						
<b>e</b> 15-year property						
<b>f</b> 20-year property						
<b>g</b> 25-year property			25 yrs.		S/L	
<b>h</b> Residential rental property			27.5 yrs.	MM	S/L	
			27.5 yrs.	MM	S/L	
<b>i</b> Nonresidential real property			39 yrs.	MM	S/L	
				MM	S/L	

**Section C - Assets Placed in Service During 2022 Tax Year Using the Alternative Depreciation System**

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

**Part IV Summary (See instructions.)**

<b>21</b>	Listed property. Enter amount from line 28 . . . . .	<b>21</b>	
<b>22</b>	<b>Total.</b> 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 . . . . .	<b>22</b>	36,912
<b>23</b>	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs . . . . .	<b>23</b>	

**For Paperwork Reduction Act Notice, see separate instructions.**

SCEF\_ACK

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

**2022**

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 2022 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 07-07-2023 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 5795682023188voclval.

**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.**

- 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

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

**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

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

**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.

<b>Alfred Nelson</b>	<b>President</b>	May the IRS discuss this return with the preparer shown below? See instructions. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Signature of officer	Title	

<b>Paid Preparer Use Only</b>	Print/Type preparer's name <b>Charles E Jernigan CPA</b>	Preparer's signature <b>Charles E Jernigan CPA</b>	Date <b>07-24-2023</b>	Check <input type="checkbox"/> if self-employed	PTIN <b>P00932839</b>
	Firm's name ▶ <b>CE JERNIGAN CPA</b>	Firm's EIN ▶ <b>81-4276440</b>			Phone no.
	Firm's address ▶ <b>PO BOX 6674</b>	<b>Hilton Head Island SC 29938</b>			<b>(843)290-0083</b>



<b>Schedule C Dividends, Inclusions, and Special Deductions</b> (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	<b>Subtotal.</b> 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	<b>Total dividends and inclusions.</b> Add column (a), lines 9 through 20. Enter here and on page 1, line 4	22,851		
24	<b>Total special deductions.</b> 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	<b>Total credits.</b> 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	<b>Total.</b> Add lines 9a through 9g.		10	
11	<b>Total tax.</b> 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	<b>Total payments.</b> 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	<b>Total credits.</b> Add lines 20a through 20d.		21	
22	Reserved for future use		22	
23	<b>Total payments and credits.</b> Add lines 19 and 21. Enter here and on page 1, line 33.		23	



Schedule K Other Information (continued from page 4)

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

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
<b>Assets</b>					
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
<b>Liabilities and Shareholders' Equity</b>					
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](http://www.irs.gov/Form1120) for instructions and the latest information.

OMB No. 1545-0123

**2021**

Name <b>SHELTER COVE COMPANY</b>	Employer identification number <b>57-0739304</b>
-------------------------------------	---

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)
<b>1a</b> 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 . . . . .				
<b>1b</b> Totals for all transactions reported on Form(s) 8949 with <b>Box A</b> checked . . . . .	<b>4,041</b>	<b>4,054</b>	<b>0</b>	<b>(13)</b>
<b>2</b> Totals for all transactions reported on Form(s) 8949 with <b>Box B</b> checked . . . . .				
<b>3</b> Totals for all transactions reported on Form(s) 8949 with <b>Box C</b> checked . . . . .				
<b>4</b> Short-term capital gain from installment sales from Form 6252, line 26 or 37 . . . . .			<b>4</b>	
<b>5</b> Short-term capital gain or (loss) from like-kind exchanges from Form 8824 . . . . .			<b>5</b>	
<b>6</b> Unused capital loss carryover (attach computation) . . . . .			<b>6</b>	( )
<b>7</b> Net short-term capital gain or (loss). Combine lines 1a through 6 in column h . . . . .			<b>7</b>	<b>(13)</b>

**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)
<b>8a</b> 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 . . . . .				
<b>8b</b> Totals for all transactions reported on Form(s) 8949 with <b>Box D</b> checked . . . . .	<b>164,996</b>	<b>79,687</b>	<b>0</b>	<b>85,309</b>
<b>9</b> Totals for all transactions reported on Form(s) 8949 with <b>Box E</b> checked . . . . .				
<b>10</b> Totals for all transactions reported on Form(s) 8949 with <b>Box F</b> checked . . . . .				
<b>11</b> Enter gain from Form 4797, line 7 or 9 . . . . .			<b>11</b>	
<b>12</b> Long-term capital gain from installment sales from Form 6252, line 26 or 37 . . . . .			<b>12</b>	
<b>13</b> Long-term capital gain or (loss) from like-kind exchanges from Form 8824 . . . . .			<b>13</b>	
<b>14</b> Capital gain distributions (see instructions) . . . . .			<b>14</b>	<b>16,528</b>
<b>15</b> Net long-term capital gain or (loss). Combine lines 8a through 14 in column h . . . . .			<b>15</b>	<b>101,837</b>

**Part III Summary of Parts I and II**

<b>16</b> Enter excess of net short-term capital gain (line 7) over net long-term capital loss (line 15) . . . . .				<b>16</b>
<b>17</b> Net capital gain. Enter excess of net long-term capital gain (line 15) over net short-term capital loss (line 7) . . . . .				<b>17</b> 101,824
<b>18</b> Add lines 16 and 17. Enter here and on Form 1120, page 1, line 8, or the applicable line on other returns . . . . .				<b>18</b> 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](http://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	<b>Total.</b> Add lines 1 through 5	6
7	Inventory at end of year	7
8	<b>Cost of goods sold.</b> 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><b>9a</b> 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>b</b> Check if there was a writedown of subnormal goods . . . . . ▶ <input type="checkbox"/></p>		
<p><b>c</b> Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . . . . ▶ <input type="checkbox"/></p>		
<p><b>d</b> If the LIFO inventory method was used for this tax year, enter amount of closing inventory computed under LIFO . . . . .</p>		9d
<p><b>e</b> 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><b>f</b> 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)

▶ Attach to your tax return.

▶ Go to [www.irs.gov/Form4562](http://www.irs.gov/Form4562) for instructions and the latest information.

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

**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.

<b>1</b>	Maximum amount (see instructions) . . . . .	<b>1</b>	1,050,000
<b>2</b>	Total cost of section 179 property placed in service (see instructions) . . . . .	<b>2</b>	785,400
<b>3</b>	Threshold cost of section 179 property before reduction in limitation (see instructions) . . . . .	<b>3</b>	2,620,000
<b>4</b>	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- . . . . .	<b>4</b>	0
<b>5</b>	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions . . . . .	<b>5</b>	1,050,000
<b>6</b>	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
	<b>Phase III Marina Rework Project</b>	785,400	556,874
<b>7</b>	Listed property. Enter the amount from line 29 . . . . .	<b>7</b>	
<b>8</b>	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7 . . . . .	<b>8</b>	556,874
<b>9</b>	Tentative deduction. Enter the <b>smaller</b> of line 5 or line 8 . . . . .	<b>9</b>	556,874
<b>10</b>	Carryover of disallowed deduction from line 13 of your 2020 Form 4562 . . . . .	<b>10</b>	
<b>11</b>	Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instructions . . . . .	<b>11</b>	559,682
<b>12</b>	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11 . . . . .	<b>12</b>	556,874
<b>13</b>	Carryover of disallowed deduction to 2022. Add lines 9 and 10, less line 12 ▶ . . . . .	<b>13</b>	

**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.)**

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

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

**Section A**

<b>17</b>	MACRS deductions for assets placed in service in tax years beginning before 2021 . . . . .	<b>17</b>	4,774
<b>18</b>	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
<b>19a</b> 3-year property						
<b>b</b> 5-year property						
<b>c</b> 7-year property						
<b>d</b> 10-year property						
<b>e</b> 15-year property		228,526	15	HY	150 DB	11,426
<b>f</b> 20-year property						
<b>g</b> 25-year property			25 yrs.		S/L	
<b>h</b> Residential rental property			27.5 yrs.	MM	S/L	
<b>i</b> 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**

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

**Part IV Summary (See instructions.)**

<b>21</b>	Listed property. Enter amount from line 28 . . . . .	<b>21</b>	
<b>22</b>	<b>Total.</b> 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 . . . . .	<b>22</b>	583,976
<b>23</b>	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs . . . . .	<b>23</b>	

For Paperwork Reduction Act Notice, see separate instructions.

**Sales and Other Dispositions of Capital Assets**

Department of the Treasury  
Internal Revenue Service

► Go to [www.irs.gov/Form8949](http://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.

**2021**  
Attachment  
Sequence No. **12A**

Name(s) shown on return <b>SHELTER COVE COMPANY</b>	Social security number or taxpayer identification number <b>57-0739304</b>
--	---

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 <b>Note</b> 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). <b>See the separate instructions.</b>		(h) <b>Gain or (loss).</b> Subtract column (e) from column (d) and combine the result with column (g)
						(f) Code(s) from instructions	(g) Amount of adjustment	
	<b>Invesco Developing Mkts</b>	12-14-2021	12-15-2021	1,770	1,776			(6)
	<b>Invesco Develop acct 4829</b>	12-14-2021	12-15-2021	2,271	2,278			(7)
<b>2</b>	<b>Totals.</b> Add the amounts in columns (d), (e), (g), and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, <b>line 1b</b> (if <b>Box A</b> above is checked), <b>line 2</b> (if <b>Box B</b> above is checked), or <b>line 3</b> (if <b>Box C</b> 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	<b>Social security number or taxpayer identification number</b>
<b>SHELTER COVE COMPANY</b>	<b>57-0739304</b>

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 <b>Note</b> 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). <b>See the separate instructions.</b>		(h) <b>Gain or (loss).</b> Subtract column (e) from column (d) and combine the result with column (g)
						(f) Code(s) from instructions	(g) Amount of adjustment	
	<b>Invesco Developing Mkts</b>	<b>12-11-2020</b>	<b>12-15-2021</b>	<b>32,473</b>	<b>23,958</b>			<b>8,515</b>
	<b>Ishares Russell 1000</b>	<b>09-03-2015</b>	<b>12-15-2021</b>	<b>29,486</b>	<b>9,583</b>			<b>19,903</b>
	<b>Invesco Develop acct 4829</b>	<b>12-11-2020</b>	<b>12-15-2021</b>	<b>41,653</b>	<b>30,832</b>			<b>10,821</b>
	<b>Ishares Russell 1000GRW acct4829</b>	<b>09-25-2015</b>	<b>12-15-2021</b>	<b>47,191</b>	<b>15,314</b>			<b>31,877</b>
	<b>Qualified Dividends</b>	<b>09-25-2015</b>	<b>09-29-2021</b>	<b>14,193</b>				<b>14,193</b>
<b>2</b>	<b>Totals.</b> Add the amounts in columns (d), (e), (g), and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, <b>line 8b</b> (if <b>Box D</b> above is checked), <b>line 9</b> (if <b>Box E</b> above is checked), or <b>line 10</b> (if <b>Box F</b> above is checked) ▶			<b>164,996</b>	<b>79,687</b>			<b>85,309</b>

**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](http://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)

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

**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 ▶ 07-24-2023

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



**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>
<b>Total</b>	<b><u><u>803,416</u></u></b>

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>
<b>Total</b>	<b><u><u>1,415,681</u></u></b>	<b><u><u>1,282,418</u></u></b>

**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>
<b>Total</b>	<u><b>69,704</b></u>	<u><b>129,584</b></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
<b>Total:</b>	<b>\$ 40,472</b>

**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
<b>Taxes and Licenses</b>		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

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) BALANCE DUE	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.	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  Must be 9 digits. First two numbers of the RTN must be 01 - 12 or 21 - 32 Bank Account  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	Email
Alfred Nelson	07-24-2023	
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.		Print preparer's name
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		Charles E Jernigan
Paid Preparer's signature	Date	Preparer's phone number
	07-24-2023	843-290-0083
Use Only Firm's name (or yours if self-employed) and address	CE JERNIGAN CPA PO BOX 6674 Hilton Head SC	PTIN or FEIN 81-4276440 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

Table with 2 columns: Description and Amount. Line 1: Total capital and paid in surplus at end of year \$ 0. Line 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. Lines 1-6: Total net income as reconciled from SC1120, page 1, line 3; Income subject to direct allocation to SC and other states from Schedule F, line 7; Total net income subject to apportionment; Multiply line 3 by appropriate ratio; Income subject to direct allocation to SC; Total SC net income.

SCHEDULE H-1 COMPUTATION OF SALES RATIO

Table with 3 columns: Description, Amount, Ratio. Lines 1-3: Total sales within South Carolina; Total sales everywhere; 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

Table with 3 columns: Description, Amount, Ratio. Lines 1-7: South Carolina gross receipts; Amounts allocated to South Carolina on Schedule F; South Carolina adjusted gross receipts; Total gross receipts; Total amounts allocated on Schedule F; Total adjusted gross receipts; Gross receipts ratio (line 3 divided by line 6) %.

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

Table with 3 columns: Description, Amount, Ratio. Lines 1-3: Total within South Carolina; Total everywhere; 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					
<b>Total</b>					
	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				
<b>Total</b>				
	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 <b>SHELTER COVE COMPANY</b>	Business or activity to which this form relates <b>FORM 1120</b>	Identifying number <b>57-0739304</b>
--	---	---

**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) . . . . .	<b>1</b>	1,050,000
2 Total cost of section 179 property placed in service (see instructions) . . . . .	<b>2</b>	785,400
3 Threshold cost of section 179 property before reduction in limitation (see instructions) . . . . .	<b>3</b>	2,620,000
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- . . . . .	<b>4</b>	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 . . . . .	<b>5</b>	1,050,000
<b>6</b> (a) Description of property	(b) Cost (business use only)	(c) Elected cost
Phase III Marina Rework Project	785,400	556,874
<b>7</b> Listed property. Enter the amount from line 29 . . . . .	<b>7</b>	
<b>8</b> Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7 . . . . .	<b>8</b>	556,874
<b>9</b> Tentative deduction. Enter the <b>smaller</b> of line 5 or line 8 . . . . .	<b>9</b>	556,874
<b>10</b> Carryover of disallowed deduction from line 13 of your 2020 Form <b>990</b> . . . . .	<b>10</b>	
<b>11</b> Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instructions . . . . .	<b>11</b>	559,682
<b>12</b> Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11 . . . . .	<b>12</b>	556,874
<b>13</b> Carryover of disallowed deduction to 2022. Add lines 9 and 10, less line 12 ▶ . . . . .	<b>13</b>	

**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. . . . .	<b>14</b>	
15 Property subject to section 168(f)(1) election . . . . .	<b>15</b>	
16 Other depreciation (including ACRS) . . . . .	<b>16</b>	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 . . . . .	<b>17</b>	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
<b>19a</b> 3-year property						
<b>b</b> 5-year property						
<b>c</b> 7-year property						
<b>d</b> 10-year property						
<b>e</b> 15-year property		228,526	15	HY	150 DBHY	11,426
<b>f</b> 20-year property						
<b>g</b> 25-year property			25 yrs.		S/L	
<b>h</b> Residential rental property			27.5 yrs.	MM	S/L	
<b>i</b> Nonresidential real property			39 yrs.	MM	S/L	

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

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

**Part IV Summary (See instructions.)**

21 Listed property. Enter amount from line 28 . . . . .	<b>21</b>	
22 <b>Total.</b> 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 . . . . .	<b>22</b>	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 . . . . .	<b>23</b>	

**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

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

**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

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

**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.

<b>Alfred Nelson</b> Signature of officer	_____ Date	<b>President</b> Title	May the IRS discuss this return with the preparer shown below? See instructions. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
--	---------------	---------------------------	---

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

<b>Schedule C Dividends, Inclusions, and Special Deductions</b> (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	<b>Subtotal.</b> 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	<b>Total dividends and inclusions.</b> Add column (a), lines 9 through 20. Enter here and on page 1, line 4	41,114		
24	<b>Total special deductions.</b> 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	<b>Total credits.</b> 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	<b>Total.</b> Add lines 9a through 9g.		10	
11	<b>Total tax.</b> 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	<b>Total payments.</b> 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	<b>Total credits.</b> 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	<b>Total payments, credits, and section 965 net tax liability</b> 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. 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)
<b>Assets</b>					
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	<b>Total assets</b>		<b>1,999,020</b>		<b>2,056,040</b>
<b>Liabilities and Shareholders' Equity</b>					
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	<b>Total liabilities and shareholders' equity</b>		<b>1,999,020</b>		<b>2,056,040</b>

**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](http://www.irs.gov/Form1120) for instructions and the latest information.

OMB No. 1545-0123

**2020**

Name <b>SHELTER COVE COMPANY</b>	Employer identification number <b>57-0739304</b>
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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)
<b>1a</b> 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 . . . . .				
<b>1b</b> Totals for all transactions reported on Form(s) 8949 with <b>Box A</b> checked . . . . .	<b>19,530</b>	<b>17,816</b>	<b>0</b>	<b>1,714</b>
<b>2</b> Totals for all transactions reported on Form(s) 8949 with <b>Box B</b> checked . . . . .				
<b>3</b> Totals for all transactions reported on Form(s) 8949 with <b>Box C</b> checked . . . . .				
<b>4</b> Short-term capital gain from installment sales from Form 6252, line 26 or 37 . . . . .			<b>4</b>	
<b>5</b> Short-term capital gain or (loss) from like-kind exchanges from Form 8824 . . . . .			<b>5</b>	
<b>6</b> Unused capital loss carryover (attach computation) . . . . .			<b>6</b> ( )	
<b>7</b> Net short-term capital gain or (loss). Combine lines 1a through 6 in column h . . . . .			<b>7</b>	<b>1,714</b>

**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)
<b>8a</b> 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 . . . . .				
<b>8b</b> Totals for all transactions reported on Form(s) 8949 with <b>Box D</b> checked . . . . .	<b>390,461</b>	<b>350,287</b>	<b>0</b>	<b>40,174</b>
<b>9</b> Totals for all transactions reported on Form(s) 8949 with <b>Box E</b> checked . . . . .				
<b>10</b> Totals for all transactions reported on Form(s) 8949 with <b>Box F</b> checked . . . . .				
<b>11</b> Enter gain from Form 4797, line 7 or 9 . . . . .			<b>11</b>	
<b>12</b> Long-term capital gain from installment sales from Form 6252, line 26 or 37 . . . . .			<b>12</b>	
<b>13</b> Long-term capital gain or (loss) from like-kind exchanges from Form 8824 . . . . .			<b>13</b>	
<b>14</b> Capital gain distributions (see instructions) . . . . .			<b>14</b>	
<b>15</b> Net long-term capital gain or (loss). Combine lines 8a through 14 in column h . . . . .			<b>15</b>	<b>40,174</b>

**Part III Summary of Parts I and II**

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

**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](http://www.irs.gov/Form1125A) for the latest information.**

Name <b>SHELTER COVE COMPANY</b>		Employer identification number <b>57-0739304</b>
<b>1</b>	Inventory at beginning of year . . . . .	<b>1</b>
<b>2</b>	Purchases . . . . .	<b>2</b>
<b>3</b>	Cost of labor . . . . .	<b>3</b>
<b>4</b>	Additional section 263A costs (attach schedule) . . . . .	<b>4</b>
<b>5</b>	Other costs (attach schedule) . . . . .	<b>5</b>
<b>6</b>	<b>Total.</b> Add lines 1 through 5 . . . . .	<b>6</b>
<b>7</b>	Inventory at end of year . . . . .	<b>7</b>
<b>8</b>	<b>Cost of goods sold.</b> 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 . . . . .	<b>8</b>
<b>9a</b> 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>b</b>	Check if there was a writedown of subnormal goods . . . . .	<input type="checkbox"/>
<b>c</b>	Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . . . .	<input type="checkbox"/>
<b>d</b>	If the LIFO inventory method was used for this tax year, enter amount of closing inventory computed under LIFO . . . . .	<b>9d</b>   _____
<b>e</b>	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
<b>f</b>	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](http://www.irs.gov/Form4562) for instructions and the latest information.

Name(s) shown on return <b>SHELTER COVE COMPANY</b>	Business or activity to which this form relates <b>FORM 1120</b>	Identifying number <b>57-0739304</b>
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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)		<b>1</b>
2	Total cost of section 179 property placed in service (see instructions)		<b>2</b>
3	Threshold cost of section 179 property before reduction in limitation (see instructions)		<b>3</b>
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-		<b>4</b>
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions		<b>5</b>
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	<b>7</b>	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7		<b>8</b>
9	Tentative deduction. Enter the <b>smaller</b> of line 5 or line 8		<b>9</b>
10	Carryover of disallowed deduction from line 13 of your 2019 Form 4562		<b>10</b>
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instructions		<b>11</b>
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11		<b>12</b>
13	Carryover of disallowed deduction to 2021. Add lines 9 and 10, less line 12	<b>13</b>	

**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		<b>14</b>
15	Property subject to section 168(f)(1) election		<b>15</b>
16	Other depreciation (including ACRS)		<b>16</b> <span style="float: right;">10,902</span>

**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		<b>17</b> <span style="float: right;">5,305</span>
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		<b>21</b>
22	<b>Total.</b> 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		<b>22</b> <span style="float: right;">16,207</span>
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	<b>23</b>	

**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](http://www.irs.gov/Form8879C) for the latest information.**

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

<b>Part I Tax Return Information</b> (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>
<b>Total</b>	<b><u><u>1,528,168</u></u></b>

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>
<b>Total</b>	<b><u><u>1,317,817</u></u></b>	<b><u><u>1,415,681</u></u></b>

**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>
<b>Total</b>	<b><u>55,204</u></b>	<b><u>69,704</u></b>

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
<b>Total:</b>	<b>\$ 38,694</b>

**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**

<b>CORPORATION NAME</b> <b>SHELTER COVE COMPANY</b>	<b>EIN</b> <b>57-0739304</b>
--	---------------------------------

<b>Taxes and Licenses</b>	<b>Form 1120, line 17</b> <b>Form 1120-C, line 15</b> <b>Form 1120-H, line 12</b>
---------------------------	---

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

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	
<b>Totals</b>			<b>1,046,699</b>					<b>529,267</b>				<b>577,406</b>	<b>16,207</b>	<b>593,613</b>	

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	
		<b>TOTAL</b>					<b>15,676</b>



**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					
	<b>Current year NOL</b>		<b>Applied to Prior Years</b>	<b>Remaining 2020 NOL carryover</b>	
2020					
	<b>Future years NOL</b>		<b>Applied to 2020</b>		
Future Years					
<b>TOTALS</b>	<b>68,819</b>		<b>68,819</b>	<b>0</b>	<b>0</b>

\* 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
<b>Form 1120</b>	
Contributions carryover . . . . .	_____
Net Operating Loss Carryover . . . . .	_____
<b>Schedule D (Form 1120)</b>	
Unused capital loss carryover . . . . .	_____
Reserved for future use . . . . .	_____
Carryover expiring this year . . . . .	_____
Capital loss carryover to next year . . . . .	_____
<b>Form 2220</b>	
Tax . . . . .	133
<b>Form 3800</b>	
General business credit carryforward . . . . .	_____
<b>Form 4562</b>	
Section 179 Carryover . . . . .	_____
<b>Form 4797</b>	
Nonrecaptured net section 1231 losses from WK_1231C . . . . .	_____
Reserved for future use . . . . .	_____
<b>Reserved</b>	
Reserved for future use . . . . .	_____
<b>Form 8827</b>	
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
<b>Federal And Supplemental Forms</b>	
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
<b>South Carolina Forms</b>	
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

<b>Total Forms</b>	<b>32</b>	<b>Forms Subtotal</b>	<b>0.00</b>
		<b>Total Balance Due</b>	<b>0.00</b>

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

	<b>2018 FEDERAL</b>	<b>2019 FEDERAL</b>	<b>2020 FEDERAL</b>	<b>DIFFERENCE BETWEEN 2019 &amp; 2020</b>
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 . . . . .				
<b>Total income</b> . . . . .	<b>1,274,247</b>	<b>1,429,845</b>	<b>1,637,765</b>	<b>207,920</b>
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
<b>Total deductions</b> . . . . .	<b>1,196,914</b>	<b>1,377,376</b>	<b>1,549,296</b>	<b>171,920</b>
NOL deduction . . . . .	66,830	37,302	68,819	31,517
Special deductions . . . . .	10,503	15,167	19,018	3,851
<b>Taxable income</b> . . . . .			632	632
<b>Total tax</b> . . . . .			133	133
Estimated taxes paid . . . . .				
Total payments line 33 . . . . .				
<b>Amount owed</b> . . . . .			133	133
<b>Overpayment</b> . . . . .				
Applied to estimate . . . . .				
Refund . . . . .				
<b>RESIDENT STATE</b> . . . . .	SC	SC	SC	
Taxable . . . . .		37,302	632	(36,670)
Tax . . . . .		1,865	32	(1,833)
Overpayment . . . . .				
Balance Due . . . . .		1,890	32	(1,858)
	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>DIFFERENCE</b>

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. Rows include Federal taxable income, adjustments, tax calculations, and final balance due of 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	Email
	Alfred Nelson	08-19-2021	
Paid Preparer's Use Only	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
Preparer's signature	Preparer's signature	Date	Preparer's phone number
	CE JERNIGAN CPA	08-19-2021	843-290-0083
Firm's name (or yours if self-employed) and address	PO BOX 6674 Hilton Head SC	PTIN or FEIN	81-4276440
		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 |
|------|-------|------------------|
|      |       |                  |
|      |       |                  |
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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					
<b>Total</b>					
	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				
<b>Total</b>				
	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

dor.sc.gov

**CORPORATE INCOME TAX PAYMENT VOUCHER**

**SC1120-V**

(Rev. 6/11/20)  
3416

**INSTRUCTIONS**

- Pay online using our free tax portal, MyDORWAY, at [dor.sc.gov/pay](http://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](http://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	<b>00</b>
2. SC Corporate Income Tax (SC1120, line 7; SC1120S, line 7)		2	32	<b>00</b>
3. Total Payments and Refundable Credits (SC1120, line 15, SC1120S line 9)		3		<b>00</b>

**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.

<b>Sign Here</b>	Signature	Date 08-19-2021
	Title President	<b>Paid Preparer Authorization:*</b> <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.

<b>ERO's Use Only</b>	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
<b>Paid Preparer's Use Only</b>	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

July 20, 2023

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 20, 2023 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 2024 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 20, 2023.

*John Wheeler*

John Wheeler, Secretary  
Shelter Cove Company

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>
<b>Increase attendance to HarbourFest event</b>				
Increase new visitors and repeat visitors to event	Work with USCB to conduct on-site visitor survey	3,000	2,250	<b>2023 Visitor Research Survey by USCB. Summary of results are as follows:</b> <ul style="list-style-type: none"> <li>• 92% of attendees stayed in lodging that generates Atax revenue (vs 84% in 2018)</li> <li>• 66% booked their trip to HHI 4 months or more in advance</li> <li>• 79% stayed 6-10+ nights</li> <li>• <b>52% were first time visitors (vs 49% in 2018) 48% were return visitors</b></li> <li>• 74% participants indicated that HarbourFest was influential in their decision to vacation in HHI (48% in 2018)</li> <li>• 61% of 2023 attendees earn \$100k+ compared to 31% in 2018</li> <li>• 80% of attendees enjoy the event and more plan to return to HarbourFest next year (76% in 2018)</li> <li>• 90% HarbourFest continues to remain a HHI that is enjoyed so much that they would recommend it to family and friends (88% in 2018)</li> </ul>
Total		3,000	2,250	

<b>Increase ridership for July 4th shuttle program</b>				
Increase ridership for the July 4th shuttle by 500 more visitors	Added info in all messaging and signage	20,000	30,000	<b>We consolidated the 278 parking location to the Hargray lot and increased the ridership of the 2023 July 4th shuttle program by an additional 412 more visitors over the previous year. Total ridership for 2023 was 2,894. We increased the number of busses operating from 8 (2022) to 16 (2023) and increased capacity to better expediate the safe return to their vehicles. All visitors to the SC Harbour &amp; Marina area were cleared by 10:40 pm less than an hour after the fireworks show ended at 9:40 pm.</b>
Total		20,000	30,000	

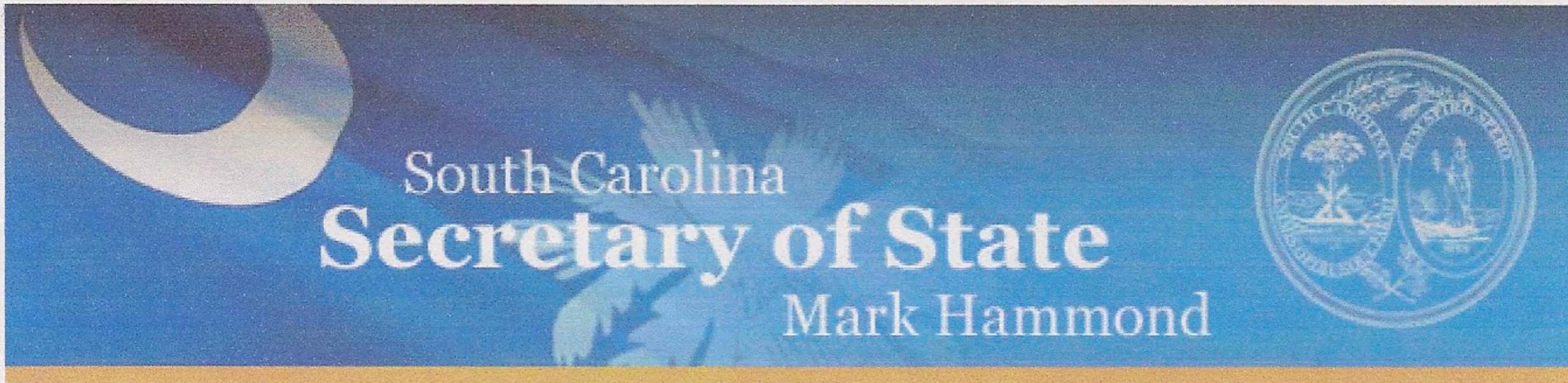
<b>Total</b>				
		0	0	

--	--	--	--	--

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 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

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