

Daley Ventures, Inc
13824 Long Shadow Dr.
Manor, TX 78653
281-229-4863

FEDERAL FORMS

Form 1120S	2020 U.S. S Corporation Income Tax Return
Schedule K-1	Shareholder's Income, Deductions, Credits, etc
Form 4797	Sale of Business Property
Form 6252	Installment Sale Income
Form 7004	Automatic Extension of Time to File
Form 8879-S	IRS e-file Signature Authorization
	Depreciation Schedules
Basis Sch	Shareholders' Basis Computation

MONTANA FORMS

Form PTE	2020 Montana Pass-Through Entity Tax Return
Schedule K-1	Shareholder's Share of Income, Etc.

FEE SUMMARY

Preparation Fee

2020

Federal Income Tax Summary

Page 1

Client 1021

Daley Ventures, Inc

26-1963994

8/24/21

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	2020	2019	Diff
ORDINARY INCOME			
Total income (loss).....	0	0	0
ORDINARY DEDUCTIONS			
Total deductions.....	0	0	0
Ordinary business income (loss).....	0	0	0
REFUND OR AMOUNT DUE			
Balance due.....	0	0	0
SCHEDULE K - INCOME			
Ordinary business income (loss).....	0	0	0
Interest income.....	5,295	6,000	-705
Net section 1231 gain (loss).....	12,912	18,000	-5,088
SCHEDULE K - ALTERNATIVE MINIMUM TAX ITEMS			
Post-1986 depreciation adjustment.....	0	-17	17
SCHEDULE K - ITEMS AFFECTING BASIS			
Property distributions.....	18,207	24,000	-5,793
SCHEDULE K - OTHER INFORMATION			
Investment income.....	5,295	6,000	-705
Income (loss) reconciliation.....	18,207	24,000	-5,793
SCHEDULE L - BALANCE SHEET			
Beginning Assets.....	33	133	-100
Beginning Liabilities & Equity.....	696	696	0
Ending Assets.....	33	33	0
Ending Liabilities & Equity.....	696	696	0

Client 1021

Daley Ventures, Inc

26-1963994

8/24/21

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	2020	2019	Diff
INCOME			
Interest income.....	5,295	6,000	-705
Net gain/(loss) under section 1231.....	12,912	18,000	-5,088
Total income.....	18,207	24,000	-5,793
DEDUCTIONS			
Total deductions.....	0	0	0
MONTANA ADDITIONS/SUBTRACTIONS			
Total deductions inc. nonapp. income.....	0	0	0
MONTANA SOURCE INCOME			
Apportioned income(loss).....	18,207	24,000	-5,793
Total Montana Source Income.....	18,207	24,000	-5,793

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Client 1021

Daley Ventures, Inc

26-1963994

8/24/21

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Unadjusted Basis Immediately After Acquisition

No.	Description	UBIA Date Acquired	UBIA
3	COOLER	7/09/12	\$ 750.
		Total	\$ 750.

Gross receipts for Section 448(c)

(NOTE: The amounts below do not include income from Passthrough K-1s except for Gross receipts for Section 448(c) from Passthrough K-1s)

Gross receipts less returns (Form 1120S, page 1, line 1c)	\$	0.
Net gain from Form 4797 (Form 1120S, page 1, line 4)		0.
Other income (Form 1120S, page 1, line 5)		0.
Other gross rental income (Schedule K, line 3a)		0.
Interest income (Schedule K, line 4)		5,295.
Ordinary dividends (Schedule K, line 5a)		0.
Royalties (Schedule K, line 6)		0.
Net short-term capital gain (Schedule K, line 7)		0.
Net long-term capital gain (Schedule K, line 8a)		0.
Net section 1231 gain (Schedule K, line 9)		12,912.
Other income (Schedule K, line 10)		0.
Tax-exempt interest income (Schedule K, line 16a)		0.
Total gross rents (Form 8825, line 18a)		0.
Net gain from Form 4797 (Form 8825, line 19)		0.
Gain on Disposition of Section 179 Assets		0.
Gross receipts for Section 448(c) from Passthrough K-1s		0.
Total	\$	18,207.

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Statement A—QBI Pass-through Entity Reporting (Entity Level Amounts)

Corporation's name: Daley Ventures, Inc

Corporation's EIN: 26-1963994

Daley Ventures, Inc			
<input type="checkbox"/> PTP	<input type="checkbox"/> PTP	<input type="checkbox"/> PTP	
<input type="checkbox"/> Aggregated	<input type="checkbox"/> Aggregated	<input type="checkbox"/> Aggregated	
<input type="checkbox"/> SSTB	<input type="checkbox"/> SSTB	<input type="checkbox"/> SSTB	

QBI or qualified PTP items subject to shareholder-specific determinations:

Ordinary business income (loss)			
Rental income (loss)			
Royalty income (loss)			
Section 1231 gain (loss)	12,912.		
Other income (loss)			
Section 179 deduction			
Other deductions			
W-2 wages			
UBIA of qualified property	750.		
Section 199A dividends			

Daley Ventures, Inc			
<input type="checkbox"/> PTP	<input type="checkbox"/> PTP	<input type="checkbox"/> PTP	
<input type="checkbox"/> Aggregated	<input type="checkbox"/> Aggregated	<input type="checkbox"/> Aggregated	
<input type="checkbox"/> SSTB	<input type="checkbox"/> SSTB	<input type="checkbox"/> SSTB	

QBI or qualified PTP items subject to shareholder-specific determinations:

Ordinary business income (loss)			
Rental income (loss)			
Royalty income (loss)			
Section 1231 gain (loss)			
Other income (loss)			
Section 179 deduction			
Other deductions			
W-2 wages			
UBIA of qualified property			

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn.	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
1	HP COMPUTER	2/29/08		700							700	700	200DB	HY	5	0
2	RUGS	4/24/08		825							825	825	200DB	HY	7	0
3	COOLER **	7/09/12		750				375			375	375	200DB	HY	7	0
Total				2,275		0	0	375	0	0	1,900	1,900				0
Total Depreciation				2,275		0	0	375	0	0	1,900	1,900				0
Grand Total Depreciation				2,275		0	0	375	0	0	1,900	1,900				0

**Asset included in unadjusted basis immediately after acquisition for the QBI calculation.

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12/31/20

Client 1021

8/24/21

2020 Federal Alternative Minimum Tax Depreciation Schedule

Daley Ventures, Inc

26-1963994

04-26PM

No.	Description	Date Acquired	Date Sold	AMT Basis	AMT Prior Dep.	AMT Method	AMT Life	AMT Rate	AMT Depr.	Rep. Depr.	Ownr. Pct.	Post-86 Depr. Adj.	Real Prop Pref.	Leas Pers Prop Pref.	59 (e)(2) Amount
1	HP COMPUTER	2/29/08		700	700	150DB HY	5		0	0	0				0
2	RUGS	4/24/08		825	825	150DB HY	7		0	0	0				0
3	COOLER	7/09/12		375	375	200DB HY	7		0	0	0				0
	Total			1,900	1,900				0	0	0				0
	Total Depreciation			1,900	1,900				0	0	0				0
	Grand Total Depreciation			1,900	1,900				0	0	0				0

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Application for Automatic Extension of Time To File Certain Business Income Tax, Information, and Other Returns

Department of the Treasury
Internal Revenue Service

File a separate application for each return.

Go to www.irs.gov/Form7004 for instructions and the latest information.

Print
or
Type

Name Daley Ventures, Inc	Identifying number 26-1963994
Number, street, and room or suite no. (if P.O. box, see instructions.) 13824 Long Shadow Dr.	
City, town, state, and ZIP code (if a foreign address, enter city, province or state, and country (follow the country's practice for entering postal code).) Manor, TX 78653	

Note: File request for extension by the due date of the return. See instructions before completing this form.

Part I Automatic Extension for Certain Business Income Tax, Information, and Other Returns. See instructions.

1 Enter the form code for the return listed below that this application is for: 25

Application Is For:	Form Code	Application Is For:	Form Code
Form 706-GS(D)	01	Form 1120-ND (section 4951 taxes)	20
Form 706-GS(T)	02	Form 1120-PC	21
Form 1041 (bankruptcy estate only)	03	Form 1120-POL	22
Form 1041 (estate other than a bankruptcy estate)	04	Form 1120-REIT	23
Form 1041 (trust)	05	Form 1120-RIC	24
Form 1041-N	06	Form 1120S	25
Form 1041-QFT	07	Form 1120-SF	26
Form 1042	08	Form 3520-A	27
Form 1065	09	Form 8612	28
Form 1066	11	Form 8613	29
Form 1120	12	Form 8725	30
Form 1120-C	34	Form 8804	31
Form 1120-F	15	Form 8831	32
Form 1120-FSC	16	Form 8876	33
Form 1120-H	17	Form 8924	35
Form 1120-L	18	Form 8928	36
Form 1120-ND	19		

Part II All Filers Must Complete This Part

2 If the organization is a foreign corporation that does not have an office or place of business in the United States, check here

3 If the organization is a corporation and is the common parent of a group that intends to file a consolidated return, check here

If checked, attach a statement listing the name, address, and employer identification number (EIN) for each member covered by this application.

4 If the organization is a corporation or partnership that qualifies under Regulations section 1.6081-5, check here

5 a The application is for calendar year 20 20, or tax year beginning _____, 20 __, and ending _____, 20 __

b **Short tax year.** If this tax year is less than 12 months, check the reason: Initial return Final return
 Change in accounting period Consolidated return to be filed Other (See instructions – attach explanation.)

6 Tentative total tax	6	0.
7 Total payments and credits. See instructions	7	0.
8 Balance due. Subtract line 7 from line 6. See instructions	8	0.

Department of the Treasury Internal Revenue Service

Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation. Go to www.irs.gov/Form1120S for instructions and the latest information.

For calendar year 2020 or tax year beginning 2020, ending

Header section containing S election effective date (2/07/2008), business activity code (445299), employer identification number (26-1963994), date incorporated (2/07/2008), and total assets (\$33).

Qualification section (G-J) including election to be an S corporation, final return status, and number of shareholders (1).

Caution: Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.

Main table with 27 rows for income, deductions, and tax payments. Includes sections for Income, Deductions, and Tax Payments.

Signature and preparer information section, including officer signature (Jim Runyan), title (President), and firm information (RUNYAN & ASSOCIATES, PC).

Schedule B 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 ▶ RESTAURANT b Product or service... ▶ FOOD
- 3 At any time during the tax year, was any shareholder of the corporation a disregarded entity, a trust, an estate, or a nominee or similar person? If "Yes," attach Schedule B-1, Information on Certain Shareholders of an S Corporation
- 4 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 stock issued and outstanding of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below.

(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage of Stock Owned	(v) If Percentage in (iv) is 100%, Enter the Date (if any) a Qualified Subchapter S Subsidiary Election Was Made
				X
				X

- b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital 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 (v) below.

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

- 5a At the end of the tax year, did the corporation have any outstanding shares of restricted stock?..... X
 If "Yes," complete lines (i) and (ii) below.
 (i) Total shares of restricted stock..... ▶
 (ii) Total shares of non-restricted stock..... ▶
- b At the end of the tax year, did the corporation have any outstanding stock options, warrants, or similar instruments?..... X
 If "Yes," complete lines (i) and (ii) below.
 (i) Total shares of stock outstanding at the end of the tax year..... ▶
 (ii) Total shares of stock outstanding if all instruments were executed..... ▶
- 6 Has this corporation filed, or is it required to file, **Form 8918**, Material Advisor Disclosure Statement, to provide information on any reportable transaction?..... X
- 7 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.
- 8 If the corporation (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to the basis of the asset (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years. See instructions..... ▶ \$ _____
- 9 Did the corporation have an election under section 163(j) for any real property trade or business or any farming business in effect during the tax year? See instructions..... X
- 10 Does the corporation satisfy one or more of the following? See instructions..... X
 a The corporation owns a pass-through entity with current, or prior year carryover, excess business interest expense.
 b The corporation's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year are more than \$26 million and the corporation has business interest expense.
 c The corporation is a tax shelter and the corporation has business interest expense. If "Yes," complete and attach Form 8990.
- 11 Does the corporation satisfy both of the following conditions?..... X
 a The corporation's total receipts (see instructions) for the tax year were less than \$250,000.
 b The corporation's total assets at the end of the tax year were less than \$250,000. If "Yes," the corporation is not required to complete Schedules L and M-1.

Schedule B Other Information (see instructions) (continued)		Yes	No
12	During the tax year, did the corporation have any non-shareholder debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?		X
	If "Yes," enter the amount of principal reduction		
13	During the tax year, was a qualified subchapter S subsidiary election terminated or revoked? If "Yes," see instructions.		X
14a	Did the corporation make any payments in 2020 that would require it to file Form(s) 1099?		X
	b If "Yes," did the corporation file or will it file required Form(s) 1099?		
15	Is the corporation attaching Form 8996 to certify as a Qualified Opportunity Fund?		X
	If "Yes," enter the amount from Form 8996, line 15		

Schedule K Shareholders' Pro Rata Share Items		Total amount	
Income (Loss)	1 Ordinary business income (loss) (page 1, line 21)	1	
	2 Net rental real estate income (loss) (attach Form 8825)	2	
	3a Other gross rental income (loss)	3a	
	b Expenses from other rental activities (attach statement)	3b	
	c Other net rental income (loss). Subtract line 3b from line 3a	3c	
	4 Interest income	4	5,295.
	5 Dividends: a Ordinary dividends	5a	
	b Qualified dividends	5b	
	6 Royalties	6	
	7 Net short-term capital gain (loss) (attach Schedule D (Form 1120-S))	7	
Deductions	8a Net long-term capital gain (loss) (attach Schedule D (Form 1120-S))	8a	
	b Collectibles (28%) gain (loss)	8b	
	c Unrecaptured section 1250 gain (attach statement)	8c	
	9 Net section 1231 gain (loss) (attach Form 4797)	9	12,912.
	10 Other income (loss) (see instructions)	10	
Credits	11 Section 179 deduction (attach Form 4562)	11	
	12a Charitable contributions	12a	
	b Investment interest expense	12b	
	c Section 59(e)(2) expenditures	12c	
	d Other deductions (see instructions)	12d	
	13a Low-income housing credit (section 42(j)(5))	13a	
	b Low-income housing credit (other)	13b	
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable)	13c	
	d Other rental real estate credits (see instrs)	13d	
	e Other rental credits (see instructions)	13e	
Foreign Transactions	f Biofuel producer credit (attach Form 6478)	13f	
	g Other credits (see instructions)	13g	
	14a Name of country or U.S. possession	14b	
	b Gross income from all sources	14c	
	c Gross income sourced at shareholder level	14d	
	d Reserved for future use	14e	
	e Foreign branch category	14f	
	f Passive category	14g	
	g General category	14h	
	h Other (attach statement)	14i	
	i Deductions allocated and apportioned at shareholder level	14j	
	j Interest expense	14k	
	k Other	14l	
	l Deductions allocated and apportioned at corporate level to foreign source income	14m	
	k Reserved for future use	14n	
l Foreign branch category	14o		
m Passive category	14p		
n General category	14q		
o Other (attach statement)			
p Other information			
q Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued			
r Reduction in taxes available for credit (attach statement)			
s Other foreign tax information (attach statement)			

		Total amount	
Alternative Minimum Tax (AMT) items	15a Post-1986 depreciation adjustment	15a	
	b Adjusted gain or loss	15b	
	c Depletion (other than oil and gas)	15c	
	d Oil, gas, and geothermal properties — gross income	15d	
	e Oil, gas, and geothermal properties — deductions	15e	
	f Other AMT items (attach statement)	15f	
Items Affecting Shareholder Basis	16a Tax-exempt interest income	16a	
	b Other tax-exempt income	16b	
	c Nondeductible expenses	16c	
	d Distributions (attach stmt if required) (see instrs)	16d	18,207.
	e Repayment of loans from shareholders	16e	
Other Information	17a Investment income	17a	5,295.
	b Investment expenses	17b	
	c Dividend distributions paid from accumulated earnings and profits	17c	
	d Other items and amounts (attach statement)		See Statement 1
Reconciliation	18 Income (loss) reconciliation. Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14p.	18	18,207.

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash				
2a	Trade notes and accounts receivable				
	b Less allowance for bad debts				
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach stmt)				
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach statement)				
10a	Buildings and other depreciable assets				
	b Less accumulated depreciation				
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 stmt)				
15	Total assets				
Liabilities and Shareholders' Equity					
16	Accounts payable				
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (attach stmt)				
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more				
21	Other liabilities (attach statement)				
22	Capital stock				
23	Additional paid-in capital				
24	Retained earnings				
25	Adjustments to shareholders' equity (att stmt)				
26	Less cost of treasury stock				
27	Total liabilities and shareholders' equity				

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

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

<p>1 Net income (loss) per books</p> <p>2 Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize):</p> <hr/> <p>3 Expenses recorded on books this year not included on Schedule K, lines 1 through 12 and 14p (itemize):</p> <p>a Depreciation \$</p> <p>b Travel and entertainment \$</p> <hr/> <p>4 Add lines 1 through 3</p>	<p>5 Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):</p> <p>a Tax-exempt interest \$</p> <hr/> <p>6 Deductions included on Schedule K, lines 1 through 12 and 14p, not charged against book income this year (itemize):</p> <p>a Depreciation ... \$</p> <hr/> <p>7 Add lines 5 and 6</p> <p>8 Income (loss) (Schedule K, line 18). Subtract line 7 from line 4,</p>
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Schedule M-2 Analysis of Accumulated Adjustments Account, Shareholders' Undistributed Taxable Income Previously Taxed, Accumulated Earnings and Profits, and Other Adjustments Account
(see instructions)

	(a) Accumulated adjustments account	(b) Shareholders' undistributed taxable income previously taxed	(c) Accumulated earnings and profits	(d) Other adjustments account
1 Balance at beginning of tax year	2,533.			
2 Ordinary income from page 1, line 21				
3 Other additions See Statement 2	18,207.			
4 Loss from page 1, line 21				
5 Other reductions				
6 Combine lines 1 through 5	20,740.			
7 Distributions	18,207.			
8 Balance at end of tax year. Subtract line 7 from line 6	2,533.			

Client Copy

Department of the Treasury
Internal Revenue Service

- Use a separate form for each sale or other disposition of property on the installment method.
- Attach to your tax return.
- Go to www.irs.gov/Form6252 for the latest information.

2020

Attachment
Sequence No. **67**

Name(s) shown on return

Identifying number
26-1963994

Daley Ventures, Inc

1 Description of property ▶ Code: **4 - 1 LICENSE AND CUSTOMER LIST**

2a Date acquired (mm/dd/yyyy) ▶ **2/07/2007** b Date sold (mm/dd/yyyy) ▶ **8/21/2017**

- 3 Was the property sold to a related party (see instructions) after May 14, 1980? If 'No,' skip line 4. Yes No
 4 Was the property you sold to a related party a marketable security? If 'Yes,' complete Part III. If 'No,' complete Part III for the year of sale and the 2 years after the year of sale. Yes No

Part I Gross Profit and Contract Price. Complete this part for all years of the installment agreement.

5	Selling price including mortgages and other debts. Don't include interest, whether stated or unstated	5	175,000.
6	Mortgages, debts, and other liabilities the buyer assumed or took the property subject to (see instructions)	6	
7	Subtract line 6 from line 5	7	175,000.
8	Cost or other basis of property sold	8	
9	Depreciation allowed or allowable	9	
10	Adjusted basis. Subtract line 9 from line 8	10	
11	Commissions and other expenses of sale	11	
12	Income recapture from Form 4797, Part III (see instructions)	12	
13	Add lines 10, 11, and 12	13	
14	Subtract line 13 from line 5. If zero or less, don't complete the rest of this form. See instructions	14	175,000.
15	If the property described on line 1 above was your main home, enter the amount of your excluded gain. See instructions. Otherwise, enter -0-	15	0.
16	Gross profit. Subtract line 15 from line 14	16	175,000.
17	Subtract line 13 from line 6. If zero or less, enter -0-	17	0.
18	Contract price. Add line 7 and line 17	18	175,000.

Part II Installment Sale Income. Complete this part for all years of the installment agreement.

19	Gross profit percentage (expressed as a decimal amount). Divide line 16 by line 18. (For years after the year of sale, see instructions.)	19	1.0000
20	If this is the year of sale, enter the amount from line 17. Otherwise, enter -0-	20	0.
21	Payments received during year (see instructions). Don't include interest, whether stated or unstated	21	12,912.
22	Add lines 20 and 21	22	12,912.
23	Payments received in prior years (see instructions). Don't include interest, whether stated or unstated	23	62,250.
24	Installment sale income. Multiply line 22 by line 19	24	12,912.
25	Enter the part of line 24 that is ordinary income under the recapture rules. See instructions	25	
26	Subtract line 25 from line 24. Enter here and on Schedule D or Form 4797. See instructions	26	12,912.

Part III Related Party Installment Sale Income. **Don't** complete if you received the final payment this tax year.

- 27 Name, address, and taxpayer identifying number of related party _____
- 28 Did the related party resell or dispose of the property ("second disposition") during this tax year? Yes No
- 29 If the answer to question 28 is "Yes," complete lines 30 through 37 below unless one of the following conditions is met. Check the box that applies.
- a The second disposition was more than 2 years after the first disposition (other than dispositions of marketable securities). If this box is checked, enter the date of disposition (mm/dd/yyyy) _____
 - b The first disposition was a sale or exchange of stock to the issuing corporation.
 - c The second disposition was an involuntary conversion and the threat of conversion occurred after the first disposition.
 - d The second disposition occurred after the death of the original seller or buyer.
 - e It can be established to the satisfaction of the IRS that tax avoidance wasn't a principal purpose for either of the dispositions. If this box is checked, attach an explanation. See instructions.
- | | | | |
|----|---|----|--|
| 30 | Selling price of property sold by related party (see instructions) | 30 | |
| 31 | Enter contract price from line 18 for year of first sale | 31 | |
| 32 | Enter the smaller of line 30 or line 31 | 32 | |
| 33 | Total payments received by the end of your 2020 tax year (see instructions) | 33 | |
| 34 | Subtract line 33 from line 32. If zero or less, enter -0- | 34 | |
| 35 | Multiply line 34 by the gross profit percentage on line 19 for year of first sale | 35 | |
| 36 | Enter the part of line 35 that is ordinary income under the recapture rules. See instructions | 36 | |
| 37 | Subtract line 36 from line 35. Enter here and on Schedule D or Form 4797. See instructions | 37 | |

Shareholder's Share of Income, Deductions, Credits, etc.
▶ See separate instructions.

Part I Information About the Corporation

A Corporation's employer identification number
26-1963994

B Corporation's name, address, city, state, and ZIP code
Daley Ventures, Inc
13824 Long Shadow Dr.
Manor, TX 78653

C IRS Center where corporation filed return
e-file

Part II Information About the Shareholder

D Shareholder's identifying number
467-51-0575

E Shareholder's name, address, city, state, and ZIP code
ERIC DALEY
1411 NE Carlabay Way #100
Hillsboro, OR 97124

F Current year allocation percentage 100%

G Shareholder's number of shares
Beginning of tax year 100
End of tax year 100

H Loans from shareholder
Beginning of tax year \$
End of tax year \$

FOR IRS USE ONLY

Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items		
		Credits
1	Ordinary business income (loss)	13
2	Net rental real estate income (loss)	
3	Other net rental income (loss)	
4	Interest income	
		5,295.
5a	Ordinary dividends	
5b	Qualified dividends	14
6	Royalties	Foreign transactions
7	Net short-term capital gain (loss)	
8a	Net long-term capital gain (loss)	
8b	Collectibles (28%) gain (loss)	
8c	Unrecaptured section 1250 gain	
9	Net section 1231 gain (loss)	
		12,912.
10	Other income (loss)	15
		Alternative minimum tax (AMT) items
11	Section 179 deduction	16
		D
12	Other deductions	
		18,207.
		17
		A
		5,295.
		AC
		18,207.
		N*
		STMT
		V*
		STMT
18	<input type="checkbox"/> More than one activity for at-risk purposes*	
19	<input type="checkbox"/> More than one activity for passive activity purposes*	

*See attached statement for additional information.

Section 453A(c) Information

1. Description of property: Code:4 - 1 LICENSE AND CUSTOMER LIST	
2. Date Acquired	2/07/2007
3. Date Sold	8/21/2017
4. Selling price less mortgages and other debts the buyer assumed	175,000.
5. Gross profit	175,000.
6. Gross profit ratio	1.0000
7. Contract price, less line 4 above, plus current year payments	12,912.
8. Payments received in prior years	62,250.
9. Installment sale income	12,912.
10. Character of the income: Capital or Ordinary	Capital
11. Deferred obligation (line 4 less the sum of lines 7 and 8)	99,838.
Shareholder's current year Allocation Percentage	100%
Shareholder's share of deferred obligation (line 11 x Allocation Pct.)	99,838.

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Shareholder 1 : ERIC DALEY 467-51-0575

SPSL1201L 06/17/20

		Daley Ventures, Inc	
Shareholder's share of:		<input type="checkbox"/> PTP <input type="checkbox"/> Aggregated <input type="checkbox"/> SSTB	<input type="checkbox"/> PTP <input type="checkbox"/> Aggregated <input type="checkbox"/> SSTB
QBI or qualified PTP items subject to shareholder-specific determinations:			
	Ordinary business income (loss)		
	Rental income (loss)		
	Royalty income (loss)		
	Section 1231 gain (loss)	12,912.	
	Other income (loss)		
	Section 179 deduction		
	Other deductions		
	W-2 wages		
	UBIA of qualified property	750.	
	Section 199A dividends		
		Daley Ventures, Inc	
Shareholder's share of:		<input type="checkbox"/> PTP <input type="checkbox"/> Aggregated <input type="checkbox"/> SSTB	<input type="checkbox"/> PTP <input type="checkbox"/> Aggregated <input type="checkbox"/> SSTB
QBI or qualified PTP items subject to shareholder-specific determinations:			
	Ordinary business income (loss)		
	Rental income (loss)		
	Royalty income (loss)		
	Section 1231 gain (loss)		
	Other income (loss)		
	Section 179 deduction		
	Other deductions		
	W-2 wages		
	UBIA of qualified property		

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Shareholder 1

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

SPSA1515 12/01/20

Statement A (Form 1120-S) (2020)

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

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

Name(s) shown on return

Daley Ventures, Inc

Identifying number

26-1963994

1 Enter the gross proceeds from sales or exchanges reported to you for 2020 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20. See instructions

1

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

2	(a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)

- 3 Gain, if any, from Form 4684, line 39 3
- 4 Section 1231 gain from installment sales from Form 6252, line 26 or 37 4 12,912.
- 5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824 5
- 6 Gain, if any, from line 32, from other than casualty or theft 6
- 7 Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows: 7 12,912.

Partnerships and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120-S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below.

Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you didn't have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.

- 8 Nonrecaptured net section 1231 losses from prior years. See instructions 8
- 9 Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return. See instructions 9

Part II Ordinary Gains and Losses (see instructions)

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

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

BAA For Paperwork Reduction Act Notice, see separate instructions.

Statement 1
Form 1120S, Schedule K, Line 17d
Other Items and Amounts

Gross Receipts for Section 448(c) \$ 18,207.

Section 453A(c) Information

- 1. Description of property: Code:4 - 1 LICENSE AND CUSTOMER LIST
- 2. Date Acquired 2/07/2007
- 3. Date Sold 8/21/2017
- 4. Selling price less mortgages and other debts the buyer assumed 175,000.
- 5. Gross profit 175,000.
- 6. Gross profit ratio 1.0000
- 7. Contract price, less line 4 above, plus current year payments 12,912.
- 8. Payments received in prior years 62,250.
- 9. Installment sale income 12,912.
- 10. Character of the income: Capital or Ordinary Capital
- 11. Deferred obligation (line 4 less the sum of lines 7 and 8) 99,838.

Statement 2
Form 1120S, Schedule M-2, Column A, Line 3
Other Additions

Interest Income \$ 5,295.
 Section 1231 Gain 12,912.
 Total \$ 18,207.

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2020 Montana Pass-Through Entity Tax Return

Include a complete copy of all related federal forms and schedules.

Partnership S corporation X

Page 1 For calendar year 2020 or tax year beginning and ending

FEIN 261963994

Mark all that apply: Name

Federal Business Code/NAICS 445299

Initial return DALEY VENTURES INC

MT Secretary of State ID # D181209

Final return Mailing Address

Date of Registration in Montana

Amended return 13824 LONG SHADOW DR

State formed in MT on 02072008

Refund return City State ZIP Code + 4

PTP MANOR TX 78653

Enter Number of: Schedules K-1 Included 1
Resident Owners

Nonresident Owners 1
Other Types of Owners

Schedules DE Included
Schedules K-1 Received

Owners' Distributive Share of Income Items (federal Schedule K)

1 Ordinary business income (loss)	1	00
2 Net rental real estate income (loss) (include federal Form 8825)	2	00
3a Other gross rental income (loss)	3a	00
3b Expenses from other rental activities (include detailed statement)	3b	00
3 Subtract line 3b from line 3a. This is your other net rental income or loss.	3	00
4 Guaranteed payments (partnerships only)	4	00
5 Interest income	5	5295 00
6 Ordinary dividends	6	00
7 Royalties	7	00
8 Net short-term capital gain (loss) (include federal Schedule D)	8	00
9 Net long-term capital gain (loss) (include federal Schedule D)	9	00
10 Net section 1231 gain (loss) (include federal Form 4797)	10	12912 00
11 Other income (loss) (include detailed statement)	11	00
12 Add lines 1 through 11 and enter result. This is your total federal income or loss.	12	18207 00

Owners' Distributive Share of Deduction Items (include federal Schedule K)

13a Section 179 deduction (include federal Form 4562)	13a	00
13b Contributions	13b	00
13c Investment interest expense	13c	00
13d Section 59(e)(2) expenditures (include detailed statement)	13d	00
13e Other deductions (include detailed statement)	13e	00
13 Add lines 13a through 13e and enter result. This is your total federal deductions.	13	00
14 Subtract line 13 from line 12. This is your federal income from all sources.	14	18207 00
15 Montana additions to the PTE's apportionable activities	15	00

16a Montana subtractions from the PTE's apportionable activities	16a	00
16b Total everywhere income (loss) from federal Schedules K-1	16b	00
16c Total everywhere income (loss) from disregarded entities	16c	00
16d Other nonapportionable income (loss) from the PTE's own activities	16d	00
16 Add lines 16a through 16d. This is your deductions including nonapportionable income.	16	00
17 Add lines 14 and 15, then subtract line 16.	17	18207 00
Schedule I not required. (See instructions) X		
18 Income (loss) apportioned to Montana. Multiply line 17 x 100 %	18	18207 00
19a Total Montana source income received from pass-through entities (Montana source income from MT Schedules K-1 issued to this entity)	19a	00
19b Total Montana source income from Schedules VII	19b	00
19c Nonapportionable income allocated to Montana. (See instructions)	19c	00
19 Add lines 19a through 19c. This is the total nonapportionable income (loss) sourced to Montana.	19	00
20 Add lines 18 and 19; enter result. This is your total Montana source income.	20	18207 00

Federal Schedule K

Montana Source Income



Montana Source Income Schedule

Sum of Montana source income per item of income (loss) and deduction.

	A	B	C	D	E
	Montana Source Income from Montana Schedules K-1	Montana Source Income from Schedules DE	Montana Source Income from Nonapportionable income	Montana Source income from PTE's apportionable activities	Total of columns A through D
1 Ordinary business income (loss)	0 00	0 00	0 00	0 00	0 00
2 Net rental real estate income (loss)	0 00	0 00	0 00	0 00	0 00
3 Other net rental income (loss)	0 00	0 00	0 00	0 00	0 00
4 Guaranteed payments	0 00	0 00	0 00	0 00	0 00
5 Interest income	0 00	0 00	0 00	5295 00	5295 00
6 Ordinary dividends	0 00	0 00	0 00	0 00	0 00
7 Royalties	0 00	0 00	0 00	0 00	0 00
8 Net short-term capital gain (loss)	0 00	0 00	0 00	0 00	0 00
9 Net long-term capital gain (loss)	0 00	0 00	0 00	0 00	0 00
10 Net §1231 gain (loss)	0 00	0 00	0 00	12912 00	12912 00
11 Other income (loss)	0 00	0 00	0 00	0 00	0 00
12 §179 expense deduction apportionable and/or allocable to Montana	0 00	0 00	0 00	0 00	0 00
13 Other expense deductions apportionable and/or allocable to Montana	0 00	0 00	0 00	0 00	0 00
14 Total Montana Source Income	0 00	0 00	0 00	18207 00	18207 00

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**Montana Schedule K-1
(PTE)**

**Owner's Share of Income (Loss), Deductions, Credits, etc.
For the calendar year 2020, or tax year beginning and ending**

Part 1 PTE Information
 Mark applicable boxes: Amended Schedule K-1 Final Schedule K-1
 Pass-through Entity's Name **DALEY VENTURES INC** FEIN 261963994
 Mailing Address
 13824 LONG SHADOW DR
 City MANOR State TX ZIP Code 78653

Part 2 Owner Information
 Name **ERIC DALEY** FEIN
 Mailing Address **OR**
 1411 NE CARLABY WAY 100 SSN 467510575
 City HILLSBORO State OR ZIP Code 97124

Owner Type I Resident Nonresident X
 The owner is included in a composite income tax return
 Profit and loss percentage 100.0000
 Capital/Ownership 100.0000
 The owner filed Form PT-AGR X Year 2019

Part 3 Adj.

		I		II
		Everywhere		Montana
Montana Adjustments (See worksheet on page 9)				
1	Additions	00		00
2	Subtractions	00		00
Distributive Share of Montana Source Income (Loss)				
1	Ordinary business income (loss)	00	1	00
2	Net rental real estate income (loss)	00	2	00
3	Other net rental income (loss)	00	3	00
4	Guaranteed payments	00	4	00
5	Interest income	5295	00	5295
6	Ordinary dividends	00	6	00
7	Royalties	00	7	00
8	Net short-term capital gain (loss)	00	8	00
9	Net long-term capital gain (loss)	00	9	00
10	Net section 1231 gain (loss)	12912	00	12912
11	Other income (loss) (include detailed statement)	00	11	00
12	Section 179 expense deduction	00	12	00
13	Other expense deductions	00	13	00

Part 4 Montana Source Income

Supplemental Information

1 Owner's share of Montana source income (loss) 18207 00

2 Montana composite income tax paid on behalf of owner 2 00

3a Montana income tax withheld on behalf of owner (See instructions) 3a 00

3b Montana income tax withheld by a lower tier pass-through entity 3b 00

3c Add lines 3a and 3b. **This is your total Montana income tax withheld on your behalf.** 3c 00

4 Montana mineral royalty tax withheld 4 00

5 Other information. List type and amount 5 00 5 00

Part 5 Information

Tax Credits and Recapture

1 Contractor's gross receipts tax credit. If multiple CGR accounts, mark here. 1 00
 CGR Account ID CGR

2 Other credit/recapture information. List type and amount 2 00

Part 6 Tax Credits

Part 7 PTE Use

Montana Adjustments Detail: Enter the amount and code of each adjustment entered on Part 3. (See instructions)

1 Code	00	2 Code	00	3 Code	00
4 Code	00	5 Code	00	6 Code	00
7 Code	00	8 Code	00	9 Code	00
10 Code	00	11 Code	00	12 Code	00

SHAREHOLDER 1



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