

# U.S. Corporation Income Tax Return

OMB No. 1545-0123

**2019**

For calendar year 2019 or tax year beginning \_\_\_\_\_, ending \_\_\_\_\_  
 ▶ Go to [www.irs.gov/Form1120](http://www.irs.gov/Form1120) for instructions and the latest information.

<b>A Check if:</b> 1a Consolidated return (attach Form 851) <input type="checkbox"/> b Life/nonlife consolidated return <input type="checkbox"/> 2 Personal holding co. (attach Sch. PH) <input type="checkbox"/> 3 Personal service corp. (see instructions) <input type="checkbox"/> 4 Schedule M-3 attached <input type="checkbox"/>	<b>TYPE OR PRINT</b>	Name B&H GAS COMPANY INC Number, street, and room or suite no. If a P.O. box, see instructions. PO BOX 447 City or town State ZIP code BETSY LAYNE KY 41605 Foreign country name Foreign province/state/county Foreign postal code	<b>B Employer identification number</b> _____ <b>C Date incorporated</b> 01/01/1963 <b>D Total assets (see instructions)</b> \$ 103,294
<b>E Check if:</b> (1) <input type="checkbox"/> Initial return (2) <input type="checkbox"/> Final return (3) <input type="checkbox"/> Name change (4) <input type="checkbox"/> Address change			

<b>Income</b>	1a Gross receipts or sales	<b>1a</b>	139,889	
	b Returns and allowance	<b>1b</b>		
	c Balance. Subtract line 1b from line 1a			<b>1c</b> 139,889
	2 Cost of goods sold (attach Form 1125-A)			<b>2</b> 93,311
	3 Gross profit. Subtract line 2 from line 1c			<b>3</b> 46,578
	4 Dividends and inclusions (Schedule C, line 23)			<b>4</b>
	5 Interest			<b>5</b>
	6 Gross rents			<b>6</b>
	7 Gross royalties			<b>7</b>
	8 Capital gain net income (attach Schedule D (Form 1120))			<b>8</b>
	9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)			<b>9</b>
10 Other income (see instructions—attach statement)			<b>10</b>	
11 <b>Total income.</b> Add lines 3 through 10			<b>11</b> 46,578	
<b>Deductions (See instructions for limitations on deductions.)</b>	12 Compensation of officers (see instructions—attach Form 1125-E)			<b>12</b> 31,800
	13 Salaries and wages (less employment credits)			<b>13</b> 21,000
	14 Repairs and maintenance			<b>14</b> 6,293
	15 Bad debts			<b>15</b>
	16 Rents			<b>16</b>
	17 Taxes and licenses			<b>17</b> 13,531
	18 Interest (see instructions)			<b>18</b>
	19 Charitable contributions			<b>19</b>
	20 Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562)			<b>20</b> 4,909
	21 Depletion			<b>21</b>
	22 Advertising			<b>22</b>
	23 Pension, profit-sharing, etc., plans			<b>23</b>
	24 Employee benefit programs			<b>24</b> 8,914
	25 Reserved for future use			<b>25</b>
	26 Other deductions (attach statement)			<b>26</b> 30,909
	27 <b>Total deductions.</b> Add lines 12 through 26			<b>27</b> 117,356
	28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11			<b>28</b> -70,778
29a Net operating loss deduction (see instructions)	<b>29a</b>			
b Special deductions (Schedule C, line 24)	<b>29b</b>			
c Add lines 29a and 29b			<b>29c</b>	
<b>Tax, Refundable Credits, and Payments</b>	30 <b>Taxable income.</b> Subtract line 29c from line 28. See instructions			<b>30</b> -70,778
	31 Total tax (Schedule J, Part I, line 11)			<b>31</b>
	32 2019 net 965 tax liability paid (Schedule J, Part II, line 12)			<b>32</b>
	33 Total payments, credits, and section 965 net tax liability (Schedule J, Part III, line 23)			<b>33</b>
	34 Estimated tax penalty. See instructions. Check if Form 2220 is attached <input type="checkbox"/>			<b>34</b>
	35 <b>Amount owed.</b> If line 33 is smaller than the total of lines 31, 32, and 34, enter amount owed			<b>35</b>
	36 <b>Overpayment.</b> If line 33 is larger than the total of lines 31, 32, and 34, enter amount overpaid			<b>36</b>
37 Enter amount from line 36 you want: <b>Credited to 2020 estimated tax</b> ▶ <b>Refunded</b> ▶			<b>37</b>	

**Sign Here** ▶ Signature of officer \_\_\_\_\_ Date \_\_\_\_\_ Title \_\_\_\_\_

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.

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

<b>Paid Preparer Use Only</b>	Print/Type preparer's name KEVIN JACOBS CPA	Preparer's signature KEVIN JACOBS CPA	Date 02/25/2020	Check <input checked="" type="checkbox"/> if self-employed	PTIN P01411442
	Firm's name ▶ KEVIN JACOBS CPA PSC				Firm's EIN ▶
	Firm's address ▶ PO BOX 2215				Phone no. 606-216-1959
	City HAZARD		State KY		ZIP code 41702

<b>Schedule C Dividends, Inclusions, and Special Deductions (see instructions)</b>		(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)		50	
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		see instructions	
10	Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958		100	
11	Dividends from affiliated group members		100	
12	Dividends from certain FSCs		100	
13	Foreign-source portion of dividends received from a specified 10%-owned foreign corporation (excluding hybrid dividends) (see instructions)		100	
14	Dividends from foreign corporations not included on line 3, 6, 7, 8, 11, 12, or 13 (including any hybrid dividends)			
15	Section 965(a) inclusion		see instructions	
16 a	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			
24	<b>Total special deductions.</b> Add column (c), lines 9 through 22. Enter here and on page 1, line 29b			

**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
3	Base erosion minimum tax amount (attach Form 8991)		3
4	Add lines 2 and 3		4
5a	Foreign tax credit (attach Form 1118)	5a	
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
8	Personal holding company tax (attach Schedule PH (Form 1120))		8
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 8666)	9d	
e	Alternative tax on qualifying shipping activities (attach Form 8902)	9e	
f	Other (see instructions—attach statement)	9f	
10	<b>Total.</b> Add lines 9a through 9f		10
11	<b>Total tax.</b> Add lines 7, 8, and 10. Enter here and on page 1, line 31.		11

**Part II—Section 965 Payments** (see instructions)

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

13	2018 overpayment credited to 2019		13
14	2019 estimated tax payments		14
15	2019 refund applied for on Form 4466		15 ( )
16	Combine lines 13, 14, and 15		16
17	Tax deposited with Form 7004		17
18	Withholding (see instructions)		18
19	<b>Total payments.</b> Add lines 16, 17, and 18		19
20	Refundable credits from:		
a	Form 2439	20a	
b	Form 4136	20b	
c	Form 8827, line 5c	20c	
d	Other (attach statement—see instructions)	20d	
21	<b>Total credits.</b> Add lines 20a through 20d		21
22	2019 net 965 tax liability from Form 965-B, Part I, column (d), line 3. See instructions		22
23	<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 (continued from page 4)

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

Schedule L Balance Sheets per Books		Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
<b>Assets</b>					
1	Cash		3,218		4,272
2a	Trade notes and accounts receivable	51,459		41,692	
b	Less allowance for bad debts	( )	51,459	( )	41,692
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)				
10a	Buildings and other depreciable assets	306,282		306,282	
b	Less accumulated depreciation	( 244,043 )	62,239	( 248,952 )	57,330
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		116,916		103,294
<b>Liabilities and Shareholders' Equity</b>					
16	Accounts payable		1,659,561		1,658,017
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (attach statement)	SEE STMT	19,711		18,563
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more				
21	Other liabilities (attach statement)	SEE STMT	26,892		87,164
22	Capital stock: a Preferred stock				
	b Common stock	8,000	8,000	8,000	8,000
23	Additional paid-in capital		11,412		11,412
24	Retained earnings—Appropriated (attach statement)				
25	Retained earnings—Unappropriated		-1,608,660		-1,679,862
26	Adjustments to shareholders' equity (attach statement)				
27	Less cost of treasury stock	( )		( )	
28	Total liabilities and shareholders' equity		116,916		103,294

**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	-71,202	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 \$				
	OFFICERS L 424				
		424	9	Add lines 7 and 8	
6	Add lines 1 through 5	-70,778	10	Income (page 1, line 28)—line 6 less line 9	-70,778

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

1	Balance at beginning of year	-1,608,660	5	Distributions: a Cash	
2	Net income (loss) per books	-71,202		b Stock	
3	Other increases (itemize):			c Property	
			6	Other decreases (itemize):	
4	Add lines 1, 2, and 3	-1,679,862	7	Add lines 5 and 6	
			8	Balance at end of year (line 4 less line 7)	-1,679,862

Name: B&H GAS COMPANY INC

EIN:

Type:

Accounting	
Amortization	
Answering service	
Auto and truck expenses	
Bank charges	
Commissions	676
Computer expense	
Delivery and freight	
Dues and subscriptions	
Promotions	
Gifts	
Insurance	
Janitorial	3,653
Laundry and cleaning	
Legal and professional fees	4,543
Licenses and permits	659
Meals:	
_____ at 50%	
_____ at 80% - DOT hours of service	
_____ at 100% - See instructions	
Miscellaneous	1,376
Office expense	5,324
Outside service	
Parking fees and tolls	
Postage	
Printing	1,211
Sales expense	
Security	
Supplies	4,938
Telephone	5,446
Temporary help	
Tools	
Trade show expense	
Training and seminars	
Travel	
Uniforms	
Utilities	3,083
_____	
_____	
_____	
_____	
_____	
_____	
_____	
_____	
_____	
_____	
<b>Total</b>	<b>30,909</b>

# 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>B&amp;H GAS COMPANY INC</b>	Business or activity to which this form relates <b>1120</b>	Identifying number
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### Part I Election To Expense Certain Property Under Section 179

**Note:** If you have any listed property, complete Part V before you complete Part I.

1 Maximum amount (see instructions)	1	
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6		
(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7 Listed property. Enter the amount from line 29	7	
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9 Tentative deduction. Enter the <b>smaller</b> of line 5 or line 8	9	
10 Carryover of disallowed deduction from line 13 of your 2018 Form 4562	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instructions	11	
12 Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13 Carryover of disallowed deduction to 2020. Add lines 9 and 10, less line 12	13	

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

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

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

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

#### Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2019	17	4,909
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

#### Section B - Assets Placed in Service During 2019 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19 a 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						
h Residential rental property			25 yrs.		S/L	
i Nonresidential real property			27.5 yrs.	MM	S/L	
			27.5 yrs.	MM	S/L	
			39 yrs.	MM	S/L	
			0.0	MM	S/L	

#### Section C - Assets Placed in Service During 2019 Tax Year Using the Alternative Depreciation System

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

### Part IV Summary (See instructions.)

21 Listed property. Enter amount from line 28	21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	22	4,909
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

# IRS e-file Signature Authorization for Form 1120

## 2019

For calendar year 2019, or tax year beginning \_\_\_\_\_, 2019, ending \_\_\_\_\_, 20\_\_\_\_\_

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  
**B&H GAS COMPANY INC**

Employer identification number

### Part I Tax Return Information (Whole dollars only)

1	Total income (Form 1120, line 11)	1	46,578
2	Taxable income (Form 1120, line 30)	2	-70,778
3	Total tax (Form 1120, line 31)	3	0
4	Amount owed (Form 1120, line 35)	4	0
5	Overpayment (Form 1120, line 36)	5	0

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

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

Officer's PIN: check one box only

I authorize KEVIN JACOBS CPA PSC to enter my PIN  as my signature  
ERO firm name do not enter all zeros

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

Officer's signature ▶ \_\_\_\_\_ Date ▶ 02/25/2020 Title ▶ PRESIDENT

### Part III Certification and Authentication

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

I certify that the above numeric entry is my PIN, which is my signature on the 2019 electronically filed income tax return for the corporation indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 3112, IRS e-file Application and Participation**, and **Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns**.

ERO's signature ▶ KEVIN JACOBS CPA Date ▶ 02/25/2020

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





US

Schedule L, Line 18: Other Current Liabilities

2019

Description	Beginning of the year	End of the year
PAYROLL TAX PAYABLE	1,259	1,173
CUSTOMER DEPOSITS	18,452	17,390
	19,711	18,563

US

Schedule L, Line 21: Other Liabilities

2019

Description	Beginning of the year	End of the year
DUE TO RELATED COMPANIES	26,891	87,164
ROUNDING	1	
	26,892	87,164

US 1120

Schedule M1: Line 5 - Expenses Recorded on Books not Deducted

2019

Type	Amount
OFFICERS LIFE INSURANCE	424
	424