

Form **1120-H**Department of the Treasury
Internal Revenue Service**U.S. Income Tax Return for Homeowners Associations**For calendar year 2025 or tax year beginning **4/01**, 2025, ending **3/31**, 2026
Go to **www.irs.gov/Form1120H** for instructions and the latest information.

OMB No. 1545-0123

2025

Check if:

- (1) ☐ Final return
(2) ☐ Name change
(3) ☐ Address change
(4) ☐ Amended return

BROWN RANCH COMMUNITY ASSOCIATION, INC.
P.O. BOX 516
FRUITA, CO 81521

Employer identification number

Date association formed

4/08/2004**A** Check type of homeowners association: ☐ Condominium management association ☒ Residential real estate association ☐ Timeshare association

B Total exempt function income. Must meet 60% gross income test. See instructions	B	147,798.
C Total expenditures made for purposes described in 90% expenditure test. See instructions	C	137,793.
D Association's total expenditures for the tax year. See instructions	D	139,799.
E Tax-exempt interest received or accrued during the tax year.	E	

Gross Income (excluding exempt function income)	1 Dividends	1	
	2 Taxable interest	2	144.
	3 Gross rents	3	
	4 Gross royalties	4	
	5 Capital gain net income (attach Schedule D (Form 1120))	5	
	6 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	6	
	7 Other income (excluding exempt function income) (attach statement)	7	
	8 Gross income (excluding exempt function income). Add lines 1 through 7.	8	144.

Deductions (directly connected to the production of gross income, excluding exempt function income)	9 Salaries and wages	9	
	10 Repairs and maintenance	10	
	11 Rents	11	
	12 Taxes and licenses	12	
	13 Interest	13	
	14 Depreciation (attach Form 4562)	14	
	15 Other deductions (attach statement)	15	
	16 Total deductions. Add lines 9 through 15.	16	0.
	17 Taxable income before specific deduction of \$100. Subtract line 16 from line 8	17	144.
	18 Specific deduction of \$100	18	\$100

Tax and Payments	19 Taxable income. Subtract line 18 from line 17.	19	44.
	20 Enter 30% (0.30) of line 19. (Timeshare associations, enter 32% (0.32) of line 19.)	20	13.
	21 Tax credits (see instructions)	21	
	22 Total tax. Subtract line 21 from line 20. See instructions for recapture of certain credits.	22	13.
	23a Preceding year's overpayment credited to the current year	23a	
	b Current year's estimated tax payments.	23b	
	c Tax deposited with Form 7004.	23c	
	d Credit for tax paid on undistributed capital gains (attach Form 2439)	23d	
	e Credit for federal tax paid on fuels (attach Form 4136)	23e	
	f Elective payment election amount from Form 3800	23f	
	g Total payments and credits. Combine lines 23a through 23f.	23g	0.
	24 Amount owed. Subtract line 23g from line 22. See instructions	24	13.
	25 Overpayment. Subtract line 22 from line 23g	25	
	26 Enter portion of line 25 you want: a Credited to 2026 estimated tax b Refunded	26b	

c Routing number _____ **d** Type: ☐ Checking ☐ Savings
e Account number _____

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer

Date

DIRECTOR

Title

May the IRS discuss this return with the preparer shown below? See instructions. ☒ Yes ☐ No**Paid Preparer Use Only**

Preparer's name

Preparer's signature

Date

Check ☐ if self-employed

PTIN

KITRICK GALLOWAY, CPA**KITRICK GALLOWAY, CPA****P01974564**Firm's name **PALMER BRADY & GALLOWAY PLLC**

Firm's EIN

Firm's address **2452 PATTERSON RD #200**

Phone no.

GRAND JUNCTION, CO 81505**970-242-3320**

Form **4562**Department of the Treasury
Internal Revenue Service**Depreciation and Amortization**
(Including Information on Listed Property)

Attach to your tax return.

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

OMB No. 1545-0172

2025Attachment
Sequence No. **179**

Name(s) shown on return

BROWN RANCH COMMUNITY ASSOCIATION, INC.

Business or activity to which this form relates

Identifying number

FORM 4562 ONLY**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	2,500,000.
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	4,000,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2024 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instrs. .	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 2026. 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	8,910.
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 2025	17	1,987.
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. ☐		

Section B — Assets Placed in Service During 2025 Tax Year Using the General Depreciation System

(a) Classification of property (see instructions)	(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			25 yrs		S/L	
h 50-year property			50 yrs	MM	S/L	
i Residential rental property			27.5 yrs	MM	S/L	
j Nonresidential real property			39 yrs	MM	S/L	

Section C — Assets Placed in Service During 2025 Tax Year Using the Alternative Depreciation System

20 a 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	
e 50-year			50 yrs	MM	S/L	

BAA For Paperwork Reduction Act Notice, see separate instructions.

FDIZ0812L 12/19/25

Form **4562** (2025) Created 10/9/25

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	10,897.
23a For assets shown in Part III that are placed in service during the current tax year, and have costs capitalized under section 263A, enter the amount of the basis attributable to interest costs capitalized under section 263A(f). .	23a	
b For assets shown in Part III that are placed in service during the current tax year, and have costs capitalized under section 263A, enter the amount of the basis attributable to costs capitalized under section 263A other than interest costs capitalized under section 263A(f).....	23b	

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A — Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed?.....	☐ Yes	☐ No						
b If "Yes," is the evidence written?.....	☐ Yes	☐ No						
c Do you own, lease, or charter an aircraft? Check all that apply. See instructions.....	☐ Own	☐ Lease ☐ Charter						
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use. See instructions.....	25							
26 Property used more than 50% in a qualified business use:								
27 Property used 50% or less in a qualified business use:								
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21.....	28							
29 Add amounts in column (i), line 26. Enter here and on line 7.....	29							

Section B — Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other 'more than 5% owner,' or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

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

Part V **Listed Property** (Include automobiles, certain other vehicles, certain aircraft, and property used for entertainment, recreation, or amusement.) (*continued*)**Section C – Questions for Employers Who Provide Vehicles for Use by Their Employees**

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **aren't** more than 5% owners or related persons. See instructions.

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?.....		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners.....		
39 Do you treat all use of vehicles by employees as personal use?.....		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?.....		
41 Do you meet the requirements concerning qualified automobile demonstration use? See instructions.....		
Note: If your answer to 37, 38, 39, 40, or 41 is 'Yes,' don't complete Section B for the covered vehicles.		

Part VI **Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2025 tax year (see instructions):					
43 Amortization of costs that began before your 2025 tax year.....				43	
44 Total. Add amounts in column (f). See the instructions for where to report.....				44	

Form **4562** (2025)