

U.S. Income Tax Return for an S Corporation

OMB No. 1545-0123

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.

2019

For calendar year 2019 or tax year beginning

ending

A S election effective date 01/01/2014	TYPE OR PRINT	Name BETTER COST ENERGY LLC			D Employer identification number 46-0667314
B Business activity code number (see instructions) 237130		Number, street, and room or suite no. If a P.O. box, see instructions. 12714 VEIRS MILL RD 104			E Date incorporated 07/12/2012
C Check if Sch. M-3 attached <input type="checkbox"/>		City or town ROCKVILLE	State MD	ZIP code 20853	F Total assets (see instructions) 0
		Foreign country name	Foreign province/state/county	Foreign postal code	

G Is the corporation electing to be an S corporation beginning with this tax year? ☐ Yes ☒ No If "Yes," attach Form 2553 if not already filed

H Check if: (1) ☐ Final return (2) ☐ Name change (3) ☐ Address change (4) ☐ Amended return (5) ☐ S election termination or revocation

I Enter the number of shareholders who were shareholders during any part of the tax year 2

J Check if corporation: (1) ☐ Aggregated activities for section 465 at-risk purposes (2) ☐ Grouped activities for section 469 passive activity purposes

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

Income	1a Gross receipts or sales	1a	92,482
	b Returns and allowances	1b	
	c Balance. Subtract line 1b from line 1a	1c	92,482
	2 Cost of goods sold (attach Form 1125-A)	2	
	3 Gross profit. Subtract line 2 from line 1c	3	92,482
	4 Net gain (loss) from Form 4797, line 17 (attach Form 4797)	4	
Deductions (see instructions for limitations)	5 Other income (loss) (see instructions—attach statement)	5	
	6 Total income (loss). Add lines 3 through 5	6	92,482
	7 Compensation of officers (see instructions—attach Form 1125-E)	7	
	8 Salaries and wages (less employment credits)	8	
	9 Repairs and maintenance	9	
	10 Bad debts	10	
	11 Rents	11	17,050
	12 Taxes and licenses	12	
	13 Interest (see instructions)	13	
	14 Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	14	
	15 Depletion (Do not deduct oil and gas depletion.)	15	
	16 Advertising	16	
	17 Pension, profit-sharing, etc., plans	17	
	18 Employee benefit programs	18	
	19 Other deductions (attach statement)	19	33,922
20 Total deductions. Add lines 7 through 19	20	50,972	
21 Ordinary business income (loss). Subtract line 20 from line 6	21	41,510	
Tax and Payments	22a Excess net passive income or LIFO recapture tax (see instructions)	22a	
	b Tax from Schedule D (Form 1120-S)	22b	
	c Add lines 22a and 22b (see instructions for additional taxes)	22c	
	23a 2019 estimated tax payments and 2018 overpayment credited to 2019	23a	
	b Tax deposited with Form 7004	23b	
	c Credit for federal tax paid on fuels (attach Form 4136)	23c	
	d Reserved for future use	23d	
	e Add lines 23a through 23d	23e	
	24 Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>	24	
	25 Amount owed. If line 23e is smaller than the total of lines 22c and 24, enter amount owed	25	
26 Overpayment. If line 23e is larger than the total of lines 22c and 24, enter amount overpaid	26		
27 Enter amount from line 26: Credited to 2020 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	27		

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.

Sign Here

Signature of officer

Date

Title

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

Paid Preparer Use Only

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if self-employed

PTIN

ALBERT KWON

02/15/2020

P01254652

Firm's name

J&K ACCOUNTIG PA

Firm's EIN 20-5505987

Firm's address

152 ROLLINS AVE 203

Phone no. 301-881-1229

City ROCKVILLE

State MD

ZIP code 20852

For Paperwork Reduction Act Notice, see separate instructions.

Form 1120-S (2019)

Schedule B Other Information (see instructions)

					Yes	No
1 Check accounting method: a <input checked="" type="checkbox"/> Cash b <input type="checkbox"/> Accrual						
c <input type="checkbox"/> Other (specify) ▶						
2 See the instructions and enter the:						
a Business activity ▶ ENERGY DISTRIBUTOR b Product or service ▶ SERVICE						
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						X
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						X
(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		
			0.000			
			0.000			
			0.000			
			0.000			
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						X
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital		
				0.000		
				0.000		
				0.000		
				0.000		
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 <input type="checkbox"/>						
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 2019 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 14 ▶ \$		

Schedule K Shareholders' Pro Rata Share Items

Total amount

Income (Loss)	1 Ordinary business income (loss) (page 1, line 21)	1	41,510
	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 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		
	10 Other income (loss) (see instructions) Type ▶ 10		
	11 Section 179 deduction (attach Form 4562) 11		
	12a Charitable contributions 12a		
	b Investment interest expense 12b		
	c Section 59(e)(2) expenditures (1) Type ▶ (2) Amount ▶ 12c(2)		
	d Other deductions (see instructions) Type ▶ 12d		
Credits	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 instructions) Type ▶ 13d		
	e Other rental credits (see instructions) Type ▶ 13e		
	f Biofuel producer credit (attach Form 6478) 13f		
	g Other credits (see instructions) Type ▶ 13g		
Foreign Transactions	14a Name of country or U.S. possession ▶		
	b Gross income from all sources 14b		
	c Gross income sourced at shareholder level 14c		
	Foreign gross income sourced at corporate level		
	d Reserved for future use 14d		
	e Foreign branch category 14e		
	f Passive category 14f		
	g General category 14g		
	h Other (attach statement) 14h		
	Deductions allocated and apportioned at shareholder level		
	i Interest expense 14i		
	j Other 14j		
	Deductions allocated and apportioned at corporate level to foreign source income		
	k Reserved for future use 14k		
	l Foreign branch category 14l		
	m Passive category 14m		
	n General category 14n		
	o Other (attach statement) 14o		
Other information			
p Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued ▶ 14p			
q Reduction in taxes available for credit (attach statement) 14q			
r Other foreign tax information (attach statement)			

Schedule K		Shareholders' Pro Rata Share Items (continued)	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 statement if required) (see instructions)	16d
	e	Repayment of loans from shareholders	16e
Other Information	17a	Investment income	17a
	b	Investment expenses	17b
	c	Dividend distributions paid from accumulated earnings and profits	17c
	d	Other items and amounts (attach statement)	
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

428

41,510

Schedule L		Balance Sheets per Books		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)		
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 statement)						
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 statement)						
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 statement)						
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 (attach statement)						
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.

1 Net income (loss) per books		5 Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):	
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)		a Tax-exempt interest \$	
3 Expenses recorded on books this year not included on Schedule K, lines 1 through 12 and 14p (itemize):		6 Deductions included on Schedule K, lines 1 through 12 and 14p, not charged against book income this year (itemize):	
a Depreciation \$		Depreciation \$	
b Travel and entertainment \$		a	
4 Add lines 1 through 3		7 Add lines 5 and 6	
		8 Income (loss) (Schedule K, line 18). Subtract line 7 from line 4	

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	118,401			
2 Ordinary income from page 1, line 21	41,510			
3 Other additions				
4 Loss from page 1, line 21				
5 Other reductions	428			
6 Combine lines 1 through 5	159,483			
7 Distributions				
8 Balance at end of tax year. Subtract line 7 from line 6	159,483			

**Schedule K-1
(Form 1120-S)**

Department of the Treasury
Internal Revenue Service

2019

For calendar year 2019, or tax year

beginning ending

**Shareholder's Share of Income, Deductions,
Credits, etc.**

▶ See back of form and separate instructions.

☐ Final K-1

☐ Amended K-1

671119
OMB No. 1545-0123

**Part III Shareholder's Share of Current Year Income,
Deductions, Credits, and Other Items**

1	Ordinary business income (loss)	13	Credits
	20,755		
2	Net rental real estate income (loss)		
3	Other net rental income (loss)		
4	Interest income		
5a	Ordinary dividends		
5b	Qualified dividends	14	Foreign transactions
6	Royalties		
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)		
10	Other income (loss)	15	Alternative minimum tax (AMT) items
11	Section 179 deduction	16	Items affecting shareholder basis
		C	214
12	Other deductions		
		17	Other information
		V	

18 ☐ More than one activity for at-risk purposes*

19 ☐ More than one activity for passive activity purposes*

* See attached statement for additional information.

Part I Information About the Corporation

A Corporation's employer identification number
46-0667314

B Corporation's name, address, city, state, and ZIP code

BETTER COST ENERGY LLC

12714 VEIRS MILL RD 104
ROCKVILLE MD 20853

C IRS Center where corporation filed return
e-file

Part II Information About the Shareholder

D Shareholder's identifying number

E Shareholder's name, address, city, state, and ZIP code

JEFFERY COUNCIL

6 MCKAY CIRCLE
CABIN JOHN MD 20818

F Shareholder's percentage of stock
ownership for tax year. 50.000

For IRS Use Only

you

US 1120S**K-1 Attachment****2019****Shareholder:** JEFFERY COUNCIL

50.000 %

ID:

9a Unrecaptured 1250 gain included in line 9 and 10b			
10 Other income (loss)			
a Other portfolio income (loss)			
b Involuntary conversions			
Form 4684, gain at 28%			
c 1256 contracts and straddles			
d Mining exploration costs and recapture			
e Section 951A income			
f Section 965(a) inclusion			
g Subpart F income other than sections 951A and 965 inclusion			
h Other income (loss). Type and amount			
11a Section 179 deduction for ordinary income or loss			
b Section 179 deduction for rental real estate income or loss			
12 Other deductions			
a Cash contributions-50%		I Deductions - portfolio (other)	
b Cash contributions-30%		m Preproductive period expenses	
c Noncash contributions-50%		n Commercial revitalization deduction	
d Noncash contributions-30%		from rental real estate activities	
e Cap. gain property to a 50% org.-30%		o Reforestation expense deduction	
f Capital gain property-20%		p Reserved	
g Contributions 100%		q Reserved	
h Investment interest expense		r Reserved	
i Deductions - royalty income		s Other deductions	
j Section 59(e)(2) expenditures		Form 4684, line 32	
k Section 965(c) deduction			
13 Credits and credit recapture			
a Low-income housing credit - section 42(j)(5), from pre-2008 buildings			
b Low-income housing credit - other, from pre-2008 buildings			
c Low-income housing credit - section 42(j)(5), from post-2007 buildings			
d Low-income housing credit - other, from post-2007 buildings			
e Qualified rehabilitation expenditures, rental real estate			
f Other rental real estate credits			
g Other rental credits			
h Undistributed capital gains credit			
i Alcohol and cellulosic biofuel fuels credit			
j Work opportunity credit			
k Disabled access credit			
l Empowerment zone and renewal community employment credit			
m Credit for increasing research activities		If Checked, credit is from an eligible small business: <input type="checkbox"/>	
n Credit for employer social security and Medicare taxes			
o Backup withholding			
p Other credits - see information below			
Reserved			
Form 3468, line 9 and 13, credit from cooperatives			
Form 5884B			
Form 8820			
Form 8835			
Form 8845			
Form 8874			
Form 8881			
Form 8882			
Form 8908			
Form 8910			
Form 8936			
Form 8941			
Other credits			

Shareholder: JEFFERY COUNCIL

50.000 %

ID:

14	Foreign transactions		
a	Name of foreign country or U.S. possession		
b	Gross income from all sources		
c	Gross income sourced at shareholder level		
	Foreign gross income sourced at corporate level		
d	RESERVED.		
e	Foreign branch category		
f	Passive category		
g	General category		
h	Other		
	Deductions allocated and apportioned at shareholder level		
i	Interest expense		
j	Other		
	Deductions allocated and apportioned at corporate level to foreign source income		
k	RESERVED.		
l	Foreign branch category		
m	Passive category		
n	General category		
o	Other		
	Other information		
p	Total foreign taxes paid		
q	Total foreign taxes accrued		
r	Reduction in taxes available for credit		
	Other foreign tax information		
s	Foreign trading gross receipts		
t	Extraterritorial income exclusion		
u	Section 965 information		
v	Other foreign transactions		
15	Alternative minimum tax (AMT) items		
a	Post-1986 depreciation adjustment		
	Ordinary income	Rental	
b	Adjusted gain or loss		
	Ordinary income	Rental	
c	Depletion other than oil and gas		
d	Oil, gas, or geothermal properties - gross income		
e	Oil, gas, or geothermal properties - deductions		
f	Other AMT items. Pre-1987 depreciation adjustment included in line 15f		
	Ordinary income	Rental	
	Other - type	Amount	
16	Items affecting shareholder basis		
a	Tax-exempt interest income		
b	Other tax-exempt income		
c	Nondeductible expenses		214
d	Distributions		
e	Repayment of loans from shareholders		

Shareholder: JEFFERY COUNCIL

50.000 %

ID: [REDACTED]

17 Other information

- a Investment income
- b Investment expenses
- c Qualified rehabilitation expenditures, other than rental real estate
- d Basis of energy property
- e Recapture of low-income housing credit, section 42(j)(5) applies
- f Recapture of low-income housing credit - other
- g Recapture of investment credit
- h Recapture of other credits
- i Look-back interest - completed long-term contracts
- j Look-back interest - income forecast method
- k Dispositions of property with section 179 deductions
- l Recapture of section 179 deduction
- m Section 453(l)(3) information
- n Section 453A(c) information
- o Section 1260(b) information
- p Interest allocable to production expenditures
- q CCF nonqualified withdrawals
- r Depletion information - oil and gas
- s Reserved
- t Section 108(i) information
- u Net investment income
- v Section 199A information
- Section 199A income 20,755
- Section 199A W-2 wages
- Section 199A unadjusted basis
- Section 199A REIT dividends
- Section 199A PTP income
- Is this a specified service trade or business? ☒ Yes ☐ No

aa Excess taxable income

ab Excess business interest income

ac Other information

- a
- b
- c
- d
- e
- f
- g
- h

671119

**Schedule K-1
(Form 1120-S)**Department of the Treasury
Internal Revenue Service**2019**

For calendar year 2019, or tax year

☐ Final K-1☐ Amended K-1

OMB No. 1545-0123

beginning

ending

**Shareholder's Share of Income, Deductions,
Credits, etc.**

▶ See back of form and separate instructions.

Part I Information About the Corporation**A** Corporation's employer identification number

46-0667314

B Corporation's name, address, city, state, and ZIP code

BETTER COST ENERGY LLC

12714 VEIRS MILL RD 104
ROCKVILLE MD 20853**C** IRS Center where corporation filed return
e-file**Part II Information About the Shareholder****D** Shareholder's identifying number**E** Shareholder's name, address, city, state, and ZIP code

PETER LEITER

12714 VEIRS MILL RD 204
ROCKVILLE MD 20853**F** Shareholder's percentage of stock

ownership for tax year. 50.000

For IRS Use Only

**Part III Shareholder's Share of Current Year Income,
Deductions, Credits, and Other Items**

1	Ordinary business income (loss)	13	Credits
	20,755		
2	Net rental real estate income (loss)		
3	Other net rental income (loss)		
4	Interest income		
5a	Ordinary dividends		
5b	Qualified dividends	14	Foreign transactions
6	Royalties		
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)		
10	Other income (loss)	15	Alternative minimum tax (AMT) items
11	Section 179 deduction	16	Items affecting shareholder basis
		C	214
12	Other deductions		
		17	Other information
		V	
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.

you

US 1120S

K-1 Attachment

2019

Shareholder: PETER LEITER		50.000 %	ID: [REDACTED]
9a Unrecaptured 1250 gain included in line 9 and 10b			
10 Other income (loss)			
a Other portfolio income (loss)			
b Involuntary conversions			
Form 4684, gain at 28%			
c 1256 contracts and straddles			
d Mining exploration costs and recapture			
e Section 951A income			
f Section 965(a) inclusion			
g Subpart F income other than sections 951A and 965 inclusion			
h Other income (loss). Type and amount			
11a Section 179 deduction for ordinary income or loss			
b Section 179 deduction for rental real estate income or loss			
12 Other deductions		l Deductions - portfolio (other) m Preproductive period expenses n Commercial revitalization deduction from rental real estate activities o Reforestation expense deduction p Reserved q Reserved r Reserved s Other deductions Form 4684, line 32	
a Cash contributions-50%			
b Cash contributions-30%			
c Noncash contributions-50%			
d Noncash contributions-30%			
e Cap. gain property to a 50% org.-30%			
f Capital gain property-20%			
g Contributions 100%			
h Investment interest expense			
i Deductions - royalty income			
j Section 59(e)(2) expenditures			
k Section 965(c) deduction			
13 Credits and credit recapture			
a Low-income housing credit - section 42(j)(5)), from pre-2008 buildings			
b Low-income housing credit - other, from pre-2008 buildings			
c Low-income housing credit - section 42(j)(5)), from post-2007 buildings			
d Low-income housing credit - other, from post-2007 buildings			
e Qualified rehabilitation expenditures, rental real estate			
f Other rental real estate credits			
g Other rental credits			
h Undistributed capital gains credit			
i Alcohol and cellulosic biofuel fuels credit			
j Work opportunity credit			
k Disabled access credit			
l Empowerment zone and renewal community employment credit			
m Credit for increasing research activities If Checked, credit is from an eligible small business: <input type="checkbox"/>			
n Credit for employer social security and Medicare taxes			
o Backup withholding			
p Other credits - see information below			
Reserved			
Form 3468, line 9 and 13, credit from cooperatives			
Form 5884B			
Form 8820			
Form 8835			
Form 8845			
Form 8874			
Form 8881			
Form 8882			
Form 8908			
Form 8910			
Form 8936			
Form 8941			
Other credits			

Shareholder: PETER LEITER

50.000 %

ID: [REDACTED]

14	Foreign transactions		
a	Name of foreign country or U.S. possession		
b	Gross income from all sources		
c	Gross income sourced at shareholder level		
	Foreign gross income sourced at corporate level		
d	RESERVED.		
e	Foreign branch category		
f	Passive category		
g	General category		
h	Other		
	Deductions allocated and apportioned at shareholder level		
i	Interest expense		
j	Other		
	Deductions allocated and apportioned at corporate level to foreign source income		
k	RESERVED.		
l	Foreign branch category		
m	Passive category		
n	General category		
o	Other		
	Other information		
p	Total foreign taxes paid		
q	Total foreign taxes accrued		
r	Reduction in taxes available for credit		
	Other foreign tax information		
s	Foreign trading gross receipts		
t	Extraterritorial income exclusion		
u	Section 965 information		
v	Other foreign transactions		
15	Alternative minimum tax (AMT) items		
a	Post-1986 depreciation adjustment		
	Ordinary income	Rental	
b	Adjusted gain or loss		
	Ordinary income	Rental	
c	Depletion other than oil and gas		
d	Oil, gas, or geothermal properties - gross income		
e	Oil, gas, or geothermal properties - deductions		
f	Other AMT items. Pre-1987 depreciation adjustment included in line 15f		
	Ordinary income	Rental	
	Other - type	Amount	
16	Items affecting shareholder basis		
a	Tax-exempt interest income		
b	Other tax-exempt income		
c	Nondeductible expenses		214
d	Distributions		
e	Repayment of loans from shareholders		

Shareholder: PETER LEITER

50.000 %

ID: [REDACTED]

17 Other information

- a Investment income
- b Investment expenses
- c Qualified rehabilitation expenditures, other than rental real estate
- d Basis of energy property
- e Recapture of low-income housing credit, section 42(j)(5) applies
- f Recapture of low-income housing credit - other
- g Recapture of investment credit
- h Recapture of other credits
- i Look-back interest - completed long-term contracts
- j Look-back interest - income forecast method
- k Dispositions of property with section 179 deductions
- l Recapture of section 179 deduction
- m Section 453(l)(3) information
- n Section 453A(c) information
- o Section 1260(b) information
- p Interest allocable to production expenditures
- q CCF nonqualified withdrawals
- r Depletion information - oil and gas
- s Reserved
- t Section 108(i) information
- u Net investment income
- v Section 199A information
- Section 199A income 20,755
- Section 199A W-2 wages
- Section 199A unadjusted basis
- Section 199A REIT dividends
- Section 199A PTP income
- Is this a specified service trade or business? ☒ Yes ☐ No
- aa Excess taxable income
- ab Excess business interest income
- ac Other information

- a
- b
- c
- d
- e
- f
- g
- h



195100018

2019
\$

OR FISCAL YEAR BEGINNING _____ 2019, ENDING _____

460667314

► Federal Employer Identification Number (9 digits) FEIN Applied for Date (MMDDYY)

071212

237130

► Date of Organization or Incorporation (MMDDYY) ► Business Activity Code No. (6 digits)

BETTER COST ENERGY LLC

Name

12714 VEIRS MILL RD 104

Current Mailing Address Line 1 (Street No. and Street Name or PO Box)

Current Mailing Address Line 2 (Apt No., Suite No., Floor No.)

ROCKVILLE

MD

20853

City or town

State

ZIP Code

+4

Do not write in this space

► ME

► YE

TYPE OF ENTITY - Check the applicable box. ►

☒ S Corporation ☐ Partnership ☐ Limited Liability Company ☐ Business Trust

CHECK HERE - Check applicable box(es).

☐ Name or address has changed ☐ First filing of the entity ☐ Inactive entity ☐ Final Return ☐ 510C Filed

► ☐ This tax year's beginning and ending dates are different from last year's due to an acquisition or consolidation.

Amended
Return

► ☐

1. Number of members:

- a. Individual (including fiduciary) residents of Maryland ► 2 c. Nonresident entities ►
- b. Individual (including fiduciary) nonresidents ► d. Others ►
- e. Total 2

2. Total distributive or pro rata share of income per federal return (Form 1065 or 1120S) - Unistate

entities or multistate entities with no nonresident members also enter this amount on line 4. ► 2. 41510.

ALLOCATION OF INCOME

(To be completed by multistate pass-through entities with nonresident members - unistate entities, and multistate entities with no nonresidents, go to line 4.)

3a. Non-Maryland income (for entities using separate accounting).

Subtract this amount from line 2 and enter the difference on line 4. ► 3a. .

3b. Maryland apportionment factor from computation worksheet on Page 3 (for entities using the apportionment method). Multiply line 2 by this factor and enter the result on line 4 (If factor is zero, enter .000001.) ► 3b. .

4. Distributive or pro rata share of income allocable to Maryland 4. 41510.

NOTE: Complete lines 5 through 19 only if there is an entry on line 1b or line 1c. Tax is calculated only for nonresident individual or nonresident entity members. (Investment partnerships see Specific Instructions.)

5. Percentage of ownership by individual nonresident members shown on line 1b (or profit/loss percentage, if applicable). If 100%, leave blank and enter the amount from line 4 on line 6. ► 5. .

6. Distributive or pro rata share of income for nonresident individual members (Multiply line 4 by the percentage on line 5.) 6. .

7. Nonresident individual tax (Multiply line 6 by 5.75%.) 7. .

8. Special nonresident tax (Multiply line 6 by 1.75%.) 8. .

9. Total Maryland tax on individual members (Add lines 7 and 8.) 9. .

10. Percentage of ownership by nonresident entities shown on line 1c (or profit/loss percentage, if applicable)

If 100%, leave blank and enter the amount from line 4 on line 11. ► 10. .

11. Distributive or pro rata share of income for nonresident entity members (Multiply line 4 by percentage on line 10.) 11. .



195100118

NAME BETTER COST E FEIN 460667314

12.	Nonresident entity tax (Multiply line 11 by 8.25%.)	12.	
13.	Total nonresident tax (Add lines 9 and 12.)	13.	
14.	Distributable cash flow limitation from worksheet. See instructions. If worksheet used, check here <input type="checkbox"/>	14.	
15.	Nonresident tax due (Enter the lesser of line 13 or line 14.)	15.	
16 a.	Estimated pass-through entity nonresident tax paid with Form 510D and MW506NRS	16a.	
16 b.	Pass-through entity nonresident tax paid with an extension request (Form 510E)	16b.	
16 c.	Credit for nonresident tax paid on behalf of the pass-through entity by another pass-through entity (Attach Maryland Schedule K-1 (510).)	16c.	
16 d.	Total payments and credits (Add lines 16a through 16c.)	16d.	
17.	Balance of tax due (If line 15 exceeds line 16d, enter the difference.)	17.	
18.	Interest and/or penalty from Form 500UP _____ or late payment interest	18.	
Total ...		18.	
19.	Total balance due. (Add lines 17 and 18.) Pay in full with this return	19.	

NOTE: The total tax paid from lines 16d and 17 is to be reported either on the composite return or on the returns of the nonresident members. Nonresident entity and fiduciary members cannot file a composite return nor be included in the composite return filed by nonresident individual members. (See instructions.)

Complete line 20 only if there are no nonresident members. (Lines 1b and 1c are both zero.)

20. Amount TO BE REFUNDED (Enter the amount from line 16d if the amount on line 13 is zero.) 20. _____

ADDITIONAL INFORMATION REQUIRED

1. Address of principal place of business in Maryland (if other than indicated on page 1): _____

2. Address at which tax records are located (if other than indicated on page 1): _____

3. Telephone number of pass-through entity tax department: 3018811229

4. State of organization or incorporation: MD

5. Has the Internal Revenue Service made adjustments (for a tax year in which a Maryland return was required) that were not previously reported to the Maryland Revenue Administration Division? ☐ Yes ☒ No
If "yes", indicate tax year(s) here: _____ and submit an amended return(s) together with a copy of the IRS adjustment report(s) under separate cover.

6. Did the pass-through entity file employer withholding tax returns/forms with the Maryland Revenue Administration Division for the last calendar year? ☐ Yes ☒ No

If a multistate operation, provide the following:

7. Is this entity a multistate corporation that is a member of a unitary group? ☐ Yes ☒ No

8. Is this entity a multistate manufacturing corporation with more than 25 employees? ☐ Yes ☒ No

SIGNATURE AND VERIFICATION

Check here ☐ if you authorize your preparer to discuss this return with us.

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. If prepared by a person other than taxpayer, the declaration is based on all information of which the preparer has any knowledge.

Signature of general partner, officer or member 020720
Date
PRESIDENT
Title

ALBERT KWON
Printed name of the Preparer/Firm's name
Signature of preparer other than taxpayer (Required by Law)
152 ROLLINS AVE 203
Street address of preparer or Firm's address
ROCKVILLE MD 20852
City, State, ZIP Code + 4
3018811229 P01254652
Telephone number of preparer Preparer's PTIN (Required by Law)

Make checks payable to and mail to:
Comptroller Of Maryland, Revenue Administration Division
110 Carroll Street, Annapolis, Maryland 21411-0001

**MARYLAND
FORM
510**

**PASS-THROUGH ENTITY
INCOME TAX RETURN
MEMBERS' INFORMATION**



19510B018

2019

SCHEDULE B

NAME BETTER COST ENER FEIN 460667314

PART I - INDIVIDUAL MEMBERS' INFORMATION
Enter the information in Social Security Number order.

	Social Security Number and name of member	Address	Check here if Maryland:		Distributive or pro rata share of income (See Instructions.)	Distributive or pro rata share of tax paid (See Instructions.)	Distributive or pro rata share of tax credit (See Instructions.)
			Resident	Non-Resident			
1	[REDACTED] JEFFERY COUNCIL	6 MCKAY CIRCLE CABIN JOHN MD 2	X		20755		<p>You must file Maryland Form 510 electronically to pass on business tax credits from Maryland Form 500CR and/ or Maryland Form 502S to your members.</p>
2	[REDACTED] PETER LEITER	12714 VEIRS MILL RD ROCKVILLE MD 20	X		20755		
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
SUBTOTAL from additional Form 510 Schedule B for individual members							
TOTAL:							

**MARYLAND
SCHEDULE K-1
(510)**

**PASS-THROUGH ENTITY
MEMBER'S INFORMATION**



2019

OR FISCAL YEAR BEGINNING _____ 2019, ENDING _____

INFORMATION ABOUT THE PASS-THROUGH ENTITY (PTE)

BETTER COST ENERGY LLC 460667314
PTE Name PTE FEIN

12714 VEIRS MILL RD 104 ROCKVILLE MD 20853
Street Address City State ZIP Code + 4

INFORMATION ABOUT THE MEMBER

1 JEFFERY COUNCIL [REDACTED]
Member Number Member Name Member's SSN/FEIN

6 MCKAY CIRCLE CABIN JOHN MD 20818
Street Address City State ZIP Code + 4

Resident? ☒ Yes ☐ No Distributive or Pro Rata Share Percentage 50.000 %

A. Member's Income

1. Distributive or pro rata share of income from federal Schedule K-1. 1. 20755
2. Distributive or pro rata share allocable to Maryland (Nonresidents only) 2. _____

B. Additions

1. Non-Maryland municipal interest and dividends. 1. _____
2. Tax preference items 2. _____
3. Net decoupling modification. 3. _____
4. Net decoupling modification from another PTE 4. _____
5. Other additions (Specify additions with amounts in part G of this form.) 5. _____

C. Subtractions

1. Income from U.S. obligations 1. _____
2. Work opportunity credit salary expense 2. _____
3. Net decoupling modification 3. _____
4. Net decoupling modification from another PTE 4. _____
5. Other subtractions (Specify subtractions with amounts in part G of this form.) 5. _____

D. Nonresident Tax - Enter the member's distributive or pro rata share

1. Nonresident tax paid by this PTE 1. _____
2. Nonresident tax paid by other PTEs on behalf of this entity 2. _____
3. Total (Add lines 1 and 2. Members: Include this amount on Form 500, line 15f; Form 502CR, Part CC, line 5; Form 504, line 29; Form 505, line 45; Form 510, line 16c.) 3. _____

E. Credits (Required documentation or certification must be attached.)**

Nonrefundable Credits

1. Enterprise Zone Tax Credit*** 1. _____
2. Maryland Disability Employment Tax Credit 2. _____
3. Job Creation Tax Credit*** 3. _____
4. Community Investment Tax Credit*** 4. _____
5. Businesses that Create New Jobs Tax Credit 5. _____
6. Qualified Vehicle Tax Credit*** 6. _____
7. Employer-Provided Long-Term Insurance Tax Credit 7. _____
8. Security Clearance Cost Tax Credit*** 8. _____
9. Small Businesses First-Year Leasing Security Clearance Costs Tax Credit*** 9. _____
10. Research and Development Tax Credit*** 10. _____
11. Commuter Tax Credit 11. _____
12. Maryland-Mined Coal Tax Credit*** 12. _____

MARYLAND
SCHEDULE K-1
(510)

PASS-THROUGH ENTITY
MEMBER'S INFORMATION



2019

OR FISCAL YEAR BEGINNING _____ 2019, ENDING _____

INFORMATION ABOUT THE PASS-THROUGH ENTITY (PTE)

BETTER COST ENERGY LLC
PTE Name
12714 VEIRS MILL RD 104
Street Address
ROCKVILLE
City
MD
State
20853
ZIP Code
+4

460667314
PTE FEIN

INFORMATION ABOUT THE MEMBER

2
Member Number
PETER LEITER
Member Name
12714 VEIRS MILL RD 204
Street Address
ROCKVILLE
City
MD
State
20853
ZIP Code
+4

[REDACTED]
Member's SSN/FEIN

Distributive or Pro Rata Share Percentage 50.000 %

Resident? ☒ Yes ☐ No

A. Member's Income

1. Distributive or pro rata share of income from federal Schedule K-1. 1. 20755.
2. Distributive or pro rata share allocable to Maryland (Nonresidents only) 2. _____

B. Additions

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2. Tax preference items. 2. _____
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4. Net decoupling modification from another PTE. 4. _____
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D. Nonresident Tax - Enter the member's distributive or pro rata share

1. Nonresident tax paid by this PTE. 1. _____
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3. Total (Add lines 1 and 2. Members: Include this amount on Form 500, line 15f; Form 502CR, Part CC, line 5; Form 504, line 29; Form 505, line 45; Form 510, line 16c.) 3. _____

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9. Small Businesses First-Year Leasing Security Clearance Costs Tax Credit*** 9. _____
10. Research and Development Tax Credit*** 10. _____
11. Commuter Tax Credit 11. _____
12. Maryland-Mined Coal Tax Credit*** 12. _____

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

3/22/2021 10:58:03 AM

in

Case No(s). 18-0953-EL-AGG

Summary: Amended Application electronically filed by Mr. peter leiter on behalf of Better Cost Energy