

# TAX PLANNING WORKSHOP

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How did SCA build up the 12-31-08 balance of “income not taxed” under 70-604 Election?

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A. History of Buildup of Funds under RR 70-604

2002	- \$ 455,000	
2003	1,050,000	
2004	909,000	(CC&Rs amended adding Asset Enhancement Fee)
2005	2,348,000	
2006	3,179,000	
2007	3,845,000	
2008	4,755,000	

(continued)