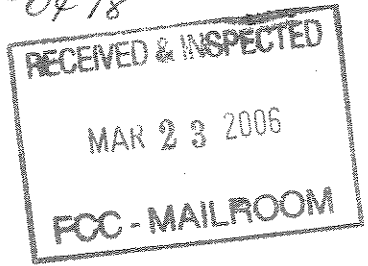
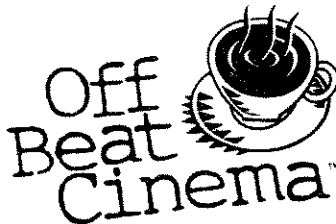


CGB-CC-0478



March 15, 2006

Commission's Secretary
Office Of The Secretary
Federal Communications Commission
445 12th St. SW
Washington, DC 20554

COPY

Att: CGB Room 3-B431

Dear Secretary:

Please accept this petition for exemption from the rules concerning "closed captioning" under CFR section 79.1 on behalf of Off Beat Productions, Inc. of Buffalo, New York.

Off Beat Productions, Inc. is a television content provider. Off Beat Productions, Inc. creates television programs for distribution to various stations across the United States. The primary program Off Beat Productions, Inc. produces is a two hour motion picture program entitled "Off Beat Cinema." The program includes studio and remote based interstitials wrapped around public domain movies.

While Off Beat Productions, Inc. is partially based out of WKBW-TV Channel 7, the ABC affiliate in Buffalo, N.Y., it is not owned or controlled by the parent company of the station (Granite Broadcasting, Inc. of New York). Off Beat Productions, Inc. is wholly owned by James A. Gillan and John Di Sciullo.

Off Beat Productions, Inc. produces the "Off Beat Cinema" program at the WKBW-TV studios in a shared arrangement to provide programming in return for production services. The program currently airs Friday nights at 2am, moving from 1am to 2am to comply with FCC regulations allowing stations to broadcast programs that are not "closed captioned" during that time period.

Off Beat Productions, Inc. is one of the smallest television content providers in the United States, earning gross annual revenues of approximately \$26,000 annually. Those earnings pay for motion picture acquisition, talent services, and general production costs. 2005 New York State and U.S. Corporation Tax filings are included with this petition.

Based upon initial research with Colorado Captioning of Denver, the cost of "closed captioning" would be approximately \$1,000 per episode. With a library of over 65 programs, the cost would render the project entirely unprofitable. Because "Off Beat Cinema" relies upon existing movie content that is, by and large, non-captioned already, there does not appear to be any reasonable substitute for the requirement.

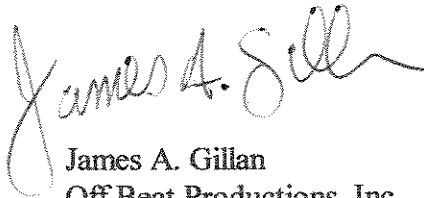
Closed Caption Petition
Off Beat Productions, Inc.,
Buffalo, N.Y.
Page 2:



Off Beat Productions, Inc. has been providing creative television programming for over 13 years. Judging by the enthusiastic support that "Off Beat Cinema" enjoys among its viewing audience based upon the numerous letters that are received from across the country, "Off Beat Cinema" is a well loved creative production. In addition, the program showcases local arts, music, and literature to an audience of core 18-34 year olds available nowhere else in the markets the program airs in.

If Off Beat Productions, Inc. is not granted an exemption from "closed captioning" requirements, this production company will unfortunately cease to exist due to time restrictions on where stations can broadcast "Off Beat Cinema." It does not appear to have been the commission's intention to extinguish diversity in programming, which would be the end result if an exemption is not made. We respectfully request that such an exemption be granted.

Sincerely,



James A. Gillan
Off Beat Productions, Inc.



John Di Sciullo
Off Beat Productions, Inc.

March 15, 2006



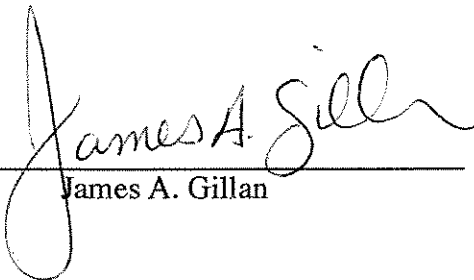
AFFIDAVIT

Petitioner: **Offbeat Productions**

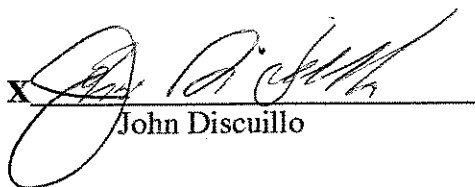
State of New York, County of Erie

We, James A. Gillan and John Discuillo, being duly sworn, deposes and say:

- 1. That the attached petition is true and correct to the best of our knowledge.

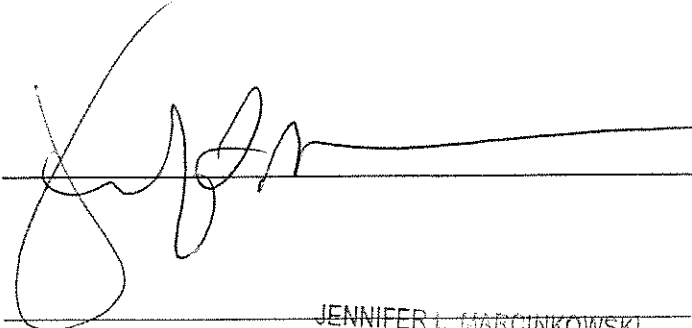
X 

 James A. Gillan

X 

 John Discuillo

On this 15th day of March 2006 before me personally appeared James A Gillan & John Discuillo, to me known, and known to me to be the same person described in and who executed the above instrument and acknowledged to me that he/she executed same.

(Name) 

 (Official Title) _____

JENNIFER L. MARCINKOWSKI
 NOTARY PUBLIC, STATE OF NEW YORK
 QUALIFIED IN ERIE COUNTY
 My Commission Expires Oct. 27, 2009

2005 **CT-4-S**

Staple forms here

New York State Department of Taxation and Finance
**New York S Corporation Franchise
Tax Return Short Form**
Tax Law - Articles 9-A and 22

All filers must enter tax period:

Final return Amended return

beginning 01/01/05 ending 12/31/05

Employer identification number

File number

Business telephone number

If you claim an overpayment, mark an X in the box

[REDACTED]

AA1

(716) 845-6100

Trade name / DBA

Legal name of corporation **OFF BEAT PRODUCTIONS, INC.**

Mailing name (if different from legal name above)
c/o

State or country of incorporation
NY

Date received (for Tax Dept use only)

Number and street or PO box
7 BROADCAST PLAZA

Date of incorporation
04/25/1997

City
BUFFALO

State ZIP code
NY 14202

Foreign corporations: date began business in NYS

NAICS business code number (from federal return)
 512100

If address above is new, mark an X in the box

If your name, employer identification number, address, or owner/officer information has changed, you must file Form DTF-95. If only your address has changed, you may file Form DTF-96. You can get these forms from our Web site, by phone, or by fax. See the Need help? section below.

Audit (for Tax Department use only)

Principal business activity
BROADCASTING

Number of shareholders
2

A. Pay amount shown on line 17. Make check payable to: New York State Corporation Tax

Payment enclosed

Attach your payment here. Detach all check stubs.

A.

100.

B. You must attach both a copy of your federal pro forma Form 1120 and a copy of your actual federal Form 1120S filed (see instructions for line 1). If you filed a return other than federal Form 1120S, enter the form number here:

C. Attach Form CT-34-SH, New York S Corporation Shareholders' Information Schedule.

D. If you included a qualified subchapter S subsidiary (QSSS) in this return, mark an X in the box and attach Form CT-60-QSSS.

E. Mark an X in the box only if you need a tax packet mailed to you next year. (see instructions)

Need help?

Internet access: www.nystax.gov
(for information forms and publications)

Fax-on-demand forms: 1 800 748-3676

Business Tax Information Center: 1 800 972-1233

From areas outside the U.S. and outside Canada: (518) 485-6800

Mail all pages of your return along with any required attachments to one of the following addresses:

With payment
NYS CORPORATION TAX
PROCESSING UNIT
PO BOX 22093
ALBANY NY 12201-2093

Without payment
NYS CORPORATION TAX
PROCESSING UNIT
PO BOX 22101
ALBANY NY 12201-2101

Hearing and speech impaired (telecommunications device for the deaf (TDD) callers only): 1 800 634-2110

If you are using a private delivery service, see the instructions for more information.

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11-01-05 **1019**

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Computation of entire net income (ENI) base

1	Federal taxable income (FTI) before net operating loss (NOL) and special deductions	• 1.		6,233.
2	Interest income on federal, state, municipal, and other obligations not included on line 1 (attach list)	• 2.		
3	New York State and other state and local taxes deducted on your federal return (see instr)	• 3.		205.
4	Federal depreciation deduction from Form CT-399, if applicable (see instructions)	• 4.		111.
5	Add lines 1 through 4	• 5.		6,549.
6	Allowable New York State depreciation from Form CT-399, if applicable (see instructions)	• 6.	222.	
7	Refund or credit of certain franchise taxes imposed by NYS (see instructions)	• 7.		
8	Total subtractions (add lines 6 and 7)	• 8.		222.
9	ENI base (subtract line 8 from line 5)	• 9.		6,327.
You must enter an amount in each of the boxes below; if none, enter 0.				
10a	Gross payroll (not over \$500,000)	• 10a.		0.
10b	Total receipts	• 10b.		20,478.
10c	Average value of gross assets	• 10c.		10,303.
10d	Fixed dollar minimum tax (see instructions)	• 10d.		100.
11	Total prepayments (attach worksheet itemizing all relevant prepayment information)	• 11.		
12	Balance (subtract line 11 from line 10d; if line 11 is greater than line 10d, enter 0)	• 12.		100.
13	Interest on late payment (compute on line 12 amount; see instructions)	• 13.		
14	Late filing and late payment penalties (compute on line 12 amount; see instructions)	• 14.		
15	Balance (add lines 12, 13, and 14)	• 15.		100.

Computation of tax

Voluntary gifts/contributions (see instructions)

16a	Return a Gift to Wildlife	• 16a.		
16b	Breast Cancer Research and Education Fund	• 16b.		
16c	Prostate Cancer Research, Detection, and Education Fund	• 16c.		
16d	World Trade Center Memorial Foundation Fund	• 16d.		
17	Balance due (if line 11 is less than the total of lines 10d, 13, 14, and 16a through 16d, the difference is amount due; enter payment here and on line A on page 1)	• 17.		100.
18	Overpayment (if line 11 is greater than the total of lines 10d, 13, 14, and 16a through 16d, the difference is amount overpaid)	• 18.		
19	Amount of overpayment to be credited to next period	• 19.		
20	Refund of overpayment (subtract line 19 from line 18)	• 20.		

Third-party designee Do you want to allow another person to discuss this return with the Tax Dept? (see instr) Yes (complete the following) No

Designee's name	Designee's phone number	Personal identification number (PIN)
PREPARER	(716) 856-330	

Certification: I certify that this return and any attachments are to the best of my knowledge and belief true, correct, and complete.

Paid preparer use only	Signature of authorized person	Official title	Date
	<i>[Signature]</i>	EXECUTIVE PARTNER	2/18/06
	Signature of individual preparing this return	Firm's name (or yours if self-employed)	
	<i>[Signature]</i>	LUMSDEN & MCCORMICK, LLP	
	Address		
	403 MAIN ST. SUITE 430		
	City	State ZIP code	ID number
	BUFFALO	NY 14203	P00008895
			Date
			2/16/06

CT-34-SH

Staple forms here

New York State Department of Taxation and Finance

New York S Corporation

Shareholders' Information Schedule

Attachment to Form CT-3-S, CT-4-S, CT-3-S-A/C, or CT-32-S

2005

Name OFF BEAT PRODUCTIONS, INC.	Employer ID number 
---	---

Schedule A - Shareholders' New York State modifications and credits (Enter the total amount reported by the New York S corporation on each line. Each shareholder must include his or her pro rata share of these amounts on his or her personal income tax return.)

Part I - Total shareholder modifications related to S corporation items

Additions

1	New York State franchise tax imposed under Article 9-A or Article 32	1.	205.
2	Federal depreciation deduction from Form CT-399, if applicable (see instructions)	2.	111.
3	Other additions (see instructions and attach explanation)	3.	

Subtractions

4	Allowable New York depreciation for Form CT-399, if applicable (see instructions)	4.	222.
5	Other subtractions (see instructions and attach explanation)	5.	

Other Items (see instructions and attach explanation)

6	Additions to federal itemized deductions (see instructions)	6.	
7	Subtractions from federal itemized deductions (see instructions)	7.	
8	New York State adjustments to federal tax preference items (see instructions)	8.	

Part II - Total S corporation New York State credits and taxes on early dispositions

(do not complete if filing Form CT-4-S)

Credits and taxes on early dispositions

9	Investment tax credit, retail enterprise tax credit, historic barn credit, and employment incentive credit (attach Form CT-46 and, if applicable, Form CT-46-ATT)	9.	
10	Investment tax credit on research and development property (attach Form CT-46)	10.	
11	Investment tax credit for financial services industry (attach Form CT-44)	11.	
12	Tax on early dispositions - investment tax credit, retail enterprise tax credit, historic barn credit, investment tax credit on research and development property, or investment tax credit for financial services industry (attach Form CT-44 or CT-46)	12.	

Empire zone (EZ) tax credits

13	EZ wage tax credit (attach Form CT-601)	13.	
EZ capital tax credit:			
14a	Investments in certified EZ businesses (attach Form CT-602)	14a.	
14b	Monetary contributions to EZ community development projects (attach Form CT-602)	14b.	
15	EZ investment tax credit (attach Form CT-603)	15.	
16	EZ investment tax credit for financial services industry (attach Form CT-605)	16.	
17	Recaptured tax credit - EZ capital tax credit, EZ investment tax credit, or EZ investment tax credit for financial services industry (attach Form CT-602, CT-603, or CT-605)	17.	

Qualified empire zone enterprise (QEZE) tax credits (attach Forms CT-604 and CT-606)

18	QEZE real property tax credit allowed (attach Form CT-606)	18.	
19	Recapture of QEZE real property tax credit (attach Form CT-606)	19.	
QEZE tax reduction credit:			
20	QEZE employment increase factor (attach Form CT-604)	20.	
21	QEZE zone allocation factor (attach Form CT-604)	21.	
22	QEZE benefit period factor (attach Form CT-604)	22.	

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(continued)

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OFF BEAT PRODUCTIONS, INC.

Part II - Total S corporation New York State credits and taxes on early dispositions

(do not complete if filing Form CT-4-S) (continued)

Farmers' school tax credit

23	Total acres of qualified agricultural property	•	23.	
24	Total amount of eligible taxes paid	•	24.	
25	Total acres of qualified agricultural property converted to nonqualified use	•	25.	
26	Total acres of qualified conservation property	•	26.	

Other credits

27	Recapture of alternative fuels credit (attach Form CT-40)	•	27.	
28	Credit for employment of persons with disabilities (attach Form CT-41)	•	28.	
29	QETC employment credit (attach Form DTF-621)	•	29.	
30	QETC capital tax credit (attach Form DTF-622)	•	30.	
31	Recapture of QETC capital tax credit (attach Form DTF-622)	•	31.	
32	Industrial or manufacturing business (IMB) credit (attach Form DTF-623)	•	32.	
33	Credit for purchase of an automated external defibrillator (attach Form CT-250)	•	33.	
34	Low-income housing credit (attach Form DTF-624)	•	34.	
35	Recapture of low-income housing credit (attach Form DTF-626)	•	35.	
36	Green building credit (attach Form DTF-630)	•	36.	
37	Long-term care insurance credit (attach Form CT-249)	•	37.	
38	Empire state film production credit (attach Form CT-248)	•	38.	
39a	Brownfield redevelopment tax credit - site preparation credit component (attach Form CT-611)	•	39a.	
39b	Brownfield redevelopment tax credit - tangible property credit component (attach Form CT-611)	•	39b.	
39c	Brownfield redevelopment tax credit - on-site ground water remediation credit component (att Form Ct-611)	•	39c.	
40	Recapture of brownfield redevelopment credit (attach Form CT-611)	•	40.	
41	Remediated brownfield credit for real property taxes (attach Form CT-612)	•	41.	
42	Recapture of remediated brownfield credit for real property taxes (attach Form CT-612)	•	42.	
43	Environmental remediation insurance credit (attach Form CT-613)	•	43.	
44	Recapture of environmental remediation insurance credit (attach Form CT-613)	•	44.	
45	QETC facilities, operations, and training credit (attach Form DTF-619)	•	45.	
46	Other tax credit(s) (see instructions)	•	46.	

Schedule B - Shareholders' identifying information

(Photocopy Schedule B, as needed, attach additional sheets, and mark an X in the box ____.)

<p>A For each shareholder, enter last name, first name, middle initial on first line; enter home address on second and third lines. (attach federal Schedule K-1 for each shareholder)</p>	<p>B Identifying number (SSN or EIN)</p>	<p>C Percentage of ownership</p>	<p>D Shareholder residency status (make only one entry) 1 for New York State 2 for city of New York 3 for city of Yonkers 4 for NYS nonresident</p>	<p>E Share- holder entity status (make only one entry) I for individual F for estate or trust E for exempt organization</p>
<p>• 1. DI SCIULLO, JOHN 65 HUNTER'S RIDGE, APT. 3 ORCHARD PARK, NY 14127</p>	<p>• 1. [REDACTED]</p>	<p>• 50.000000</p>	<p>• 1</p>	<p>• I</p>
<p>• 2. GILLAN, JAMES 242 LINCOLN PARKWAY BUFFALO, NY 14216</p>	<p>• 2. [REDACTED]</p>	<p>• 50.000000</p>	<p>• 1</p>	<p>• I</p>
<p>• 3.</p>	<p>• 3.</p>	<p>•</p>	<p>•</p>	<p>•</p>
<p>• 4.</p>	<p>• 4.</p>	<p>•</p>	<p>•</p>	<p>•</p>
<p>• 5.</p>	<p>• 5.</p>	<p>•</p>	<p>•</p>	<p>•</p>
<p>• 6.</p>	<p>• 6.</p>	<p>•</p>	<p>•</p>	<p>•</p>
<p>• 7.</p>	<p>• 7.</p>	<p>•</p>	<p>•</p>	<p>•</p>
<p>• 8.</p>	<p>• 8.</p>	<p>•</p>	<p>•</p>	<p>•</p>
<p>• 9.</p>	<p>• 9.</p>	<p>•</p>	<p>•</p>	<p>•</p>
<p>• 10.</p>	<p>• 10.</p>	<p>•</p>	<p>•</p>	<p>•</p>
<p>• 11.</p>	<p>• 11.</p>	<p>•</p>	<p>•</p>	<p>•</p>

Depreciation Adjustment Schedule

Tax Law - Articles 9-A, 32, and 33

Name

OFF BEAT PRODUCTIONS, INC.

Employer identification no.

Part I - Computation of New York State depreciation modifications when computing entire net income (ENI)

List only depreciable property that requires or is entitled to a depreciation modification when computing ENI (see Form CT-399-I, Instructions for Form CT-399).

Section A - ACRS/MACRS property (attach separate sheets if necessary, displaying this information formatted as below; see instructions)

A - Description of property (identify ea item of property here; for ea item of property complete columns B through I on the corresponding lines below)

Item	Property							
A	B	C	D	E	F	G	H	I
Item	Date placed in service mm/dd/yy	Cost or other basis	Accumulated federal ACRS/MACRS depreciation	Federal ACRS/MACRS depreciation deduction	Method of figuring NYS depreciation	Life or rate	Accumulated NYS depreciation	Allowable NYS depreciation
A								
B								
C								
D								
E								
F								
G								
H								
I								
J								
K								
L								
M								
N								
O								
P								
Q								
Amounts from attached list, if any								
1 Totals of Section A 1.								

OFF BEAT PRODUCTIONS, INC. [REDACTED]

Section B - 30%/50% federal special depreciation property (attach separate sheets if necessary, displaying this information formatted as below; see instructions)

A - Description of property (identify ea item of property here; for ea item of property complete columns B through I on the corresponding lines below)

Item	Property								
A	FILMS								
B									
C									
D									
E									
F									
G									
H									
I									
J									
K									
L									
M									
A Item	B Date placed in service mm/dd/yy	C Cost or other basis	D Accumulated federal depreciation	E Federal depreciation deduction	F Method of figuring NYS de- preciation	G Life or rate	H Accumulated NYS depreciation	I Allowable NYS depreciation	
A	03/25/04	500.	334.	111.	200	3.0	167.	222.	
B									
C									
D									
E									
F									
G									
H									
I									
J									
K									
L									
M									
Amounts from attached list, if any									
2 Totals of Section B		2.	500.	334.	111.		167.	222.	
3 Add lines 1 and 2 in columns C, D, E, H, and I		3.	500.	334.	111.		167.	222.	

If you **have not disposed** of any ACRS/MACRS property placed in service in tax years beginning before 1994, and you **have not disposed** of property for which you claimed the 30%/50% federal special depreciation (in a tax year beginning after December 31, 2002, for property placed in service on or after June 1, 2003) enter the total of column E as an addback to federal taxable income (FTI) and the total of column I as a deduction from FTI on the appropriate lines of your corporation franchise tax return (see instructions).

If you have disposed of any property listed on this form in a prior year, complete Parts II and III on page 3.

If you file Form CT-3, CT-3-A, or CT-4, use Part IV on page 4 to determine your depreciation adjustment used to compute your minimum taxable income base.

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09-21-05 **1019**

OFF BEAT PRODUCTIONS, INC.

Part II - Disposition adjustments (attach separate sheets if necessary, displaying this information as below; see instructions)

- For each item of property listed below, determine the difference between the total federal depreciation deduction, including the 30%/50% federal special depreciation deduction, and the total New York State depreciation used in the computation of federal and New York State taxable income in prior and current years.
- If the federal deduction is larger than the New York State depreciation deduction, subtract column D from column C and enter the result in column E.
- If the New York State depreciation deduction is larger than the federal deduction, subtract column C from column D and enter the result in column F.

A - Description of property (identify ea item of property here; for ea item of property complete columns B through F on the corresponding lines below)

Item	Property
A	
B	
C	
D	
E	
F	
G	
H	

A Item	B Date placed in service (mm/dd/yy)	C Total federal deduction taken	D Total New York State depreciation taken	E Adjustment (if C is larger than D, column C - column D)	F Adjustment (if D is larger than C, column D - column C)
A					
B					
C					
D					
E					
F					
G					
H					

Amounts from attached list, if any					
4 Total excess federal deductions over New York State depreciation deductions (add column E amounts)				4.	
5 Total excess New York State depreciation deductions over federal deductions (add column F amounts)					5.

Part III - Summary of adjustments to ENI		A Federal	B New York State
6 Enter amount from line 3, column E	6.	111.	
7 Enter amount from line 3, column I	7.		222.
8 Enter amount from line 4	8.		
9 Enter amount from line 5	9.		
10 Add amounts in column A and column B	10.	111.	222.

If you file Form:

- CT-3 or CT-3-A
- CT-3-S or CT-3-S-A
- CT-4
- CT-4-S
- CT-32
- CT-32-A
- CT-33
- CT-33-A

Enter the amount from line 10, column A, on:

- line 7
- line 6
- line 5
- line 4
- line 28
- line 30
- line 70
- line 73

Enter the amount from line 10, column B, on:

- line 14
- line 13
- line 8
- line 6
- line 39
- line 39
- line 78
- line 82

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09-21-05 **1019**

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OFF BEAT PRODUCTIONS, INC.

Part IV - Minimum taxable income base depreciation adjustments - Article 9-A only

Only list below the properties entered in Part I, Section A, that were placed in service after 1986. Do not include property for which the 30%/50% federal special depreciation deduction was claimed in Part I, Section B. Attach separate sheets if necessary, displaying this information formatted as below.

A - Description of property (identify ea item of property here; for ea item of property complete columns B through E on the corresponding lines below)

Item	Property			
A				
B				
C				
D				
E				
F				
G				
H				
I				
J				
K				
L				
M				
N				
O				

A Item	B Date placed in service mm/dd/yy	C Cost	D Federal depreciation deduction	E Alternative depreciation system
A				
B				
C				
D				
E				
F				
G				
H				
I				
J				
K				
L				
M				
N				
O				

Amounts from attached list, if any

11 Total columns D and E	11.	
12 If column D total is more than column E total, enter the excess	12.	
13 If column E total is more than column D total, enter the excess	13.	
14 Enter amount from federal Form 4626, line 2a, depreciation of post-1986 property (see instructions)	14.	
15 If there is an excess on line 12, subtract line 12 from line 14	15.	
16 If there is an excess on line 13, add lines 13 and 14	16.	

Enter amount from line 15 or line 16 on Form CT-4, line 22; or Form CT-3 or CT-3-A, line 43.

Attach this form and a copy of federal Form 4562 to your New York State corporation franchise tax return.

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09-21-05

48204051019

COMPUTATION OF FEDERAL TAXABLE INCOME
 (TAXABLE INCOME CALCULATED AS A C CORPORATION)
INCOME

1 (a) Gross receipts/ sales <u>20,478.</u> (b) Less: Returns and allow. _____ Balance ▶	1 (c)	20,478.
2 Less: Cost of goods sold and/or operations	2	
3 Gross profit	3	20,478.
4 Dividends	4	
5 Interest	5	
6 Gross rents	6	
7 Gross royalties	7	
8 Capital gain net income	8	
9 Net gain or (loss) from Form 4797, Part II, line 18	9	
10 Other income (attach schedule)	10	
11 TOTAL income - Add lines 3 through 10 ▶	11	20,478.

DEDUCTIONS

12 Compensation of officers			12	
13 (a) Salaries and wages _____ 13(b) Less empl. credit _____ Balance ▶			13(c)	
14 Repairs and maintenance			14	
15 Bad debts			15	
16 Rents			16	
17 Taxes and licenses			17	205.
18 Interest			18	
19 Contributions (not over 10% of taxable income as adjusted) SEE STATEMENT 1			19	603.
20a Depreciation (attach Form 4562)	20a	111.		
20b Less depreciation claimed elsewhere on return	20b			111.
21 Depletion			21	
22 Advertising			22	
23 Pension, profit-sharing, etc. plans			23	
24 Employee benefit programs			24	
25 Domestic Production Activity Deduction			25	
26 Other deductions (attach schedule)			26	13,326.
27 TOTAL deductions - Add lines 12 through 26 ▶			27	14,245.
28 Taxable income before net operating loss deduction and special deductions (subtract line 27 from line 11)			28	6,233.

C CORPORATION	CONTRIBUTION LIMITATION	STATEMENT	1
CARRYOVER OF PRIOR YEARS UNUSED CONTRIBUTIONS:			
FOR TAX YEAR 2000			
FOR TAX YEAR 2001			
FOR TAX YEAR 2002			
FOR TAX YEAR 2003			
FOR TAX YEAR 2004			253
TOTAL CARRYOVER			253
CURRENT YEAR CONTRIBUTIONS - FORM 1120S, SCHEDULE K, LINE 7			350
TOTAL CONTRIBUTIONS			603
10% OF TAXABLE INCOME AFTER NET OPERATING LOSS DEDUCTION			684
EXCESS CONTRIBUTIONS			
ALLOWABLE CONTRIBUTIONS CARRIED TO LINE 19			603

**NEW YORK
SCHEDULE K-1
EQUIVALENT
1**

Shareholder's Information
For Calendar Year 2005, or Fiscal Year
, and Ending

2005

Beginning

, and Ending

Shareholder's identifying number ▶ [REDACTED]	Corporation's identifying number ▶ [REDACTED]
Shareholder's name, address and ZIP code JOHN DI SCIULLO 65 HUNTER'S RIDGE, APT. 3 ORCHARD PARK, NY 14127	Corporation's name, address and ZIP code OFF BEAT PRODUCTIONS, INC. 7 BROADCAST PLAZA BUFFALO, NY 14202-2699
Resident <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Stock Ownership 50.000000%	Final K-1 <input type="checkbox"/> Amended K-1 <input type="checkbox"/>

Part I - Shareholder's Share of Changes from Federal Items

	Total amount of change
Additions: New York franchise tax imposed under Article 9-A	103.
ACRS and MACRS deduction	56.
Other additions (<i>attach schedule</i>)	
Subtractions: New York depreciation	111.
Other subtractions (<i>attach schedule</i>)	
Other Items: Additions to federal itemized deductions	
Subtractions from federal itemized deductions	
New York adjustments to federal tax preference items	

Part II - Shareholder's Share of New York Tax Credits and Taxes on Early Disposition

Investment tax credits: ITC, retail enterprise, historic barns and employment incentive credit	
ITC on research and development property at the optional rate	
ITC for financial services industry	
Tax on early dispositions	
Empire zone (EZ) and Zone equivalent area (ZEA) tax credits:	
EZ wage tax credit	
ZEA wage tax credit	
Investments in certified EZ businesses	
Monetary contributions to EZ community development projects	
EZ investment tax credit	
EZ investment tax credit for financial services industry	
Tax on early disposition - EZ investment tax credit	
Qualified empire zone enterprise (QEZE) tax credits: QEZE real property tax credit	
Recapture of QEZE real property tax credit	
QEZE employment increase factor	
QEZE zone allocation period factor	
QEZE benefit period factor	
Farmers' school tax credit: Total acres of qualified agricultural property	
Total amount of eligible taxes paid	
Total acres of qualified agricultural property converted to non-qualified use	
Total acres of qualified conservation property	

Shareholder's Information
For Calendar Year 2005, or Fiscal Year
, and Ending

2005

Beginning

Shareholder's identifying number ▶

Corporation's identifying number ▶

Shareholder's name, address and ZIP code

Corporation's name, address and ZIP code

JAMES GILLAN
242 LINCOLN PARKWAY
BUFFALO, NY 14216

OFF BEAT PRODUCTIONS, INC.
7 BROADCAST PLAZA
BUFFALO, NY 14202-2699

Resident Yes No Stock Ownership 50.000000% Final K-1 Amended K-1

Part I - Shareholder's Share of Changes from Federal Items

Total amount
of change

Additions:	New York franchise tax imposed under Article 9-A	102.
	ACRS and MACRS deduction	55.
	Other additions (attach schedule)	
Subtractions:	New York depreciation	111.
	Other subtractions (attach schedule)	
Other Items:	Additions to federal itemized deductions	
	Subtractions from federal itemized deductions	
	New York adjustments to federal tax preference items	

Part II - Shareholder's Share of New York Tax Credits and Taxes on Early Disposition

Investment tax credits:	ITC, retail enterprise, historic barns and employment incentive credit	
	ITC on research and development property at the optional rate	
	ITC for financial services industry	
	Tax on early dispositions	
Empire zone (EZ) and Zone equivalent area (ZEA) tax credits:		
	EZ wage tax credit	
	ZEA wage tax credit	
	Investments in certified EZ businesses	
	Monetary contributions to EZ community development projects	
	EZ investment tax credit	
	EZ investment tax credit for financial services industry	
	Tax on early disposition - EZ investment tax credit	
Qualified empire zone enterprise (QEZE) tax credits:	QEZE real property tax credit	
	Recapture of QEZE real property tax credit	
	QEZE employment increase factor	
	QEZE zone allocation period factor	
	QEZE benefit period factor	
Farmers' school tax credit:	Total acres of qualified agricultural property	
	Total amount of eligible taxes paid	
	Total acres of qualified agricultural property converted to non-qualified use	
	Total acres of qualified conservation property	

Do not file this form unless the corporation has filed Form 2553 to elect to be an S corporation.

2005

Department of the Treasury
Internal Revenue Service

For calendar year 2005, or tax year beginning _____, and ending _____

A Effective date of S election 01/01/1999	Use the IRS label. Otherwise, print or type.	Name OFF BEAT PRODUCTIONS, INC.	C Employer identification number
		Number, street, and room or suite no. If a P.O. box, see instructions. 7 BROADCAST PLAZA	D Date incorporated 04/25/1997
		City or town, state, and ZIP code BUFFALO, NY 14202-2699	E Total assets (see instructions) \$ 10,128.

F Check applicable boxes: (1) Initial return (2) Final return (3) Name change (4) Address change (5) Amended return

G Enter number of shareholders in the corporation at end of the tax year **2**

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

Income	1 a	Gross receipts or sales	20,478.	b	Less returns and allowances		c	Bal	20,478.
	2	Cost of goods sold (Schedule A, line 8)							
	3	Gross profit. Subtract line 2 from line 1c							20,478.
	4	Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)							
	5	Other income (loss) (attach statement)							
	6	Total income (loss). Add lines 3 through 5							
Deductions (See instructions for limitations)	7	Compensation of officers							
	8	Salaries and wages (less employment credits)							
	9	Repairs and maintenance							
	10	Bad debts							
	11	Rents							
	12	Taxes and licenses				STATEMENT 1			205.
	13	Interest							
	14 a	Depreciation (attach Form 4562)		14a		111.			
	b	Depreciation claimed on Schedule A and elsewhere on return		14b					
	c	Subtract line 14b from line 14a							111.
	15	Depletion (Do not deduct oil and gas depletion.)							
16	Advertising								
17	Pension, profit-sharing, etc., plans								
18	Employee benefit programs								
19	Other deductions (attach statement)				STATEMENT 2			13,326.	
20	Total deductions. Add the amounts shown in the far right column for lines 7 through 19								13,642.
21	Ordinary business income (loss). Subtract line 20 from line 6								6,836.
Tax and Payments	22 a	Excess net passive income tax (attach statement)		22a					
	b	Tax from Schedule D (Form 1120S)		22b					
	c	Add lines 22a and 22b							22c
	23 a	2005 estimated tax payments and amount applied from 2004 return		23a					
	b	Tax deposited with Form 7004		23b					
	c	Credit for Federal tax paid on fuels (attach Form 4136)		23c					
	d	Add lines 23a through 23c							23d
24	Estimated tax penalty. Check if Form 2220 is attached <input type="checkbox"/>							24	
25	Tax due. If line 23d is smaller than the total of lines 22c and 24, enter amount owed.							25	
26	Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid							26	
27	Enter amount of line 26 you want: Credited to 2006 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 instr.)? Yes No

Paid Preparer's Use Only	Preparer's signature <input type="checkbox"/>	Date _____	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN P00008895
	Firm's name (or yours if self-employed), address, and ZIP code LUMSDEN & MCCORMICK, LLP 403 MAIN ST. SUITE 430 BUFFALO, NY 14203	EIN	Phone no. (716) 856-3300	

Schedule A Cost of Goods Sold (see instructions)

1	Inventory at beginning of year	1	
2	Purchases	2	
3	Cost of labor	3	
4	Additional section 263A costs (attach statement)	4	
5	Other costs (attach statement)	5	
6	Total. Add lines 1 through 5	6	
7	Inventory at end of year	7	
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8	

9a Check all methods used for valuing closing inventory: (i) Cost as described in Regulations section 1.471-3
(ii) Lower of cost or market as described in Regulations section 1.471-4
(iii) Other (specify method used and attach explanation) _____

b Check if there was a writedown of subnormal goods as described in Regulations section 1.471-2(c)

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)

d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO

e If property produced or acquired for resale, do the rules of Section 263A apply to the corporation? Yes No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? Yes No
If "Yes," attach explanation.

Schedule B Other Information (see instructions)

	Yes	No
1 Check method of accounting: (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 BROADCASTING (b) Product or service MOVIES		
3 At the end of the tax year, did the corporation own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a statement showing: (a) name, address, and employer identification number and (b) percentage owned		X
4 Was the corporation a member of a controlled group subject to the provisions of section 1561?		X
5 Has this corporation filed, or is it required to file, a return under Section 6111 to provide information on any reportable transaction?		X
6 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.		<input type="checkbox"/>
7 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 its basis (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain (defined in section 1374(d)(1)) 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 \$ _____		<input type="checkbox"/>
8 Check this box if the corporation had accumulated earnings and profits at the close of the tax year <input type="checkbox"/>		<input type="checkbox"/>
9 Are the corporation's total receipts (see instructions) 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 and M-1	X	

Note: If the corporation had assets or operated a business in a foreign country or U.S. possession, it may be required to attach

Schedule N (Form 1120), Foreign Operations of U.S. Corporations, to this return. See Schedule N for details.

Schedule K Shareholders' Shares of Income, Deductions, Credits, etc.

	Shareholders' Pro Rata Share Items		Total amount	
1 Ordinary business income (loss) (page 1, line 21)			1	6,836.
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 1120S))			7	
8a Net long-term capital gain (loss) (attach Schedule D (Form 1120S))			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	

		Shareholders' Pro Rata Share Items (continued)	Total amount	
Deductions	11	Section 179 deduction (attach Form 4562)	11	
	12a	Contributions STATEMENT 3	12a	350.
	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 & Credit Recapture	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)	13c	
	d	Other rental real estate credits (see instructions) Type ▶	13d	
	e	Other rental credits (see instructions) Type ▶	13e	
	f	Credit for alcohol used as fuel (attach Form 6478)	13f	
	g	Other credits and credit recapture (see instructions) Type ▶	13g	
Foreign Transactions	14a	Name of country or U.S. possession ▶	14a	
	b	Gross income from all sources	14b	
	c	Gross income sourced at shareholder level Foreign gross income sourced at corporate level:	14c	
	d	Passive	14d	
	e	Listed categories (attach statement)	14e	
	f	General limitation Deductions allocated and apportioned at shareholder level:	14f	
	g	Interest expense	14g	
	h	Other Deductions allocated and apportioned at corporate level to foreign source income:	14h	
	i	Passive	14i	
	j	Listed categories (attach statement)	14j	
	k	General limitation Other information:	14k	
	l	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	14l	
	m	Reduction in taxes available for credit (attach statement)	14m	
	n	Other foreign tax information (attach statement)		
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 STATEMENT 4	16c	150.
	d	Property distributions	16d	6,244.
	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)		
	e	Income/loss reconciliation. (Required only if Schedule M-1 must be completed.) 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 14l	17e	6,486.

JWA

Note: The corporation is not required to complete Schedules L and M-1 if question 9 of Schedule B is answered "Yes."

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash				101.
2 a	Trade notes and accounts receivable				
b	Less allowance for bad debts				
3	Inventories				
4	U.S. Government obligations				
5	Tax-exempt securities				
6	Other current assets (att. stmt.)				
7	Loans to shareholders		10,312.		9,972.
8	Mortgage and real estate loans				
9	Other investments (att. stmt.)				
10 a	Buildings and other depreciable assets	15,650.		15,650.	
b	Less accumulated depreciation	15,484.	166.	15,595.	55.
11 a	Depletable assets				
b	Less accumulated depletion				
12	Land (net of any amortization)				
13 a	Intangible assets (amortizable only)	1,275.		1,275.	
b	Less accumulated amortization	1,275.	0.	1,275.	0.
14	Other assets (att. stmt.)				
15	Total assets		10,478.		10,128.
Liabilities and Shareholders' Equity					
16	Accounts payable				
17	Mortgages, notes, bonds payable in less than 1 year				0.
18	Other current liabilities (att. stmt.)	STATEMENT 6	442.		
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more				
21	Other liabilities (att. stmt.)				
22	Capital stock		1,072.		1,072.
23	Additional paid-in capital		3,957.		3,957.
24	Retained earnings	STATEMENT 7	5,007.		5,099.
25	Adjustments to shareholders' equity (att. stmt.)				
26	Less cost of treasury stock		()		()
27	Total liabilities and shareholders' equity		10,478.		10,128.

Schedule M-1	Reconciliation of Income (Loss) per Books With Income (Loss) per Return	
1	Net income (loss) per books	6,336.
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):	
3	Expenses recorded on books this year not included on Schedule K, lines 1 through 12 and 14l (itemize): a Depreciation \$ _____ b Travel and entertainment \$ 150.	150.
4	Add lines 1 through 3	6,486.
5	Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize): a Tax-exempt interest \$ _____	
6	Deductions included on Schedule K, lines 1 through 12 and 14l, not charged against book income this year (itemize): a Depreciation \$ _____	
7	Add lines 5 and 6	
8	Income (loss) (Schedule K, line 17e). Line 4 less line 7	6,486.

Schedule M-2	Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (see instructions)		
	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1	Balance at beginning of tax year	5,707.	
2	Ordinary income from page 1, line 21	6,836.	
3	Other additions		
4	Loss from page 1, line 21	()	
5	Other reductions STATEMENT 5	500.	
6	Combine lines 1 through 5	12,043.	
7	Distributions other than dividend distributions	6,244.	
8	Balance at end of tax year. Subtract line 7 from line 6	5,799.	

Depreciation and Amortization Detail OTHER DEPRECIATION

OTHER

Asset Number	Description of property					Cost or other basis	Basis reduction	Accumulated depreciation/amortization	Current year deduction
	Date placed in service	Method/IRC sec.	Life or rate	Line No.					
1	ORGANIZATION COSTS								
	010199	248	60M	43		1,275.		1,275.	0.
2	FILMS								
	010798	200DB	3.00	17		500.		500.	0.
3	FILMS								
	020298	200DB	3.00	17		500.		500.	0.
4	FILMS								
	031198	200DB	3.00	17		500.		500.	0.
5	FILMS								
	040298	200DB	3.00	17		250.		250.	0.
6	FILMS								
	051198	200DB	3.00	17		850.		850.	0.
7	FILMS								
	101599	200DB	3.00	17		850.		850.	0.
8	FILMS								
	010194	200DB	3.00	17		9,200.		9,200.	0.
9	FILMS								
	060600	200DB	3.00	17		500.		500.	0.
10	FILMS								
	110100	200DB	3.00	17		1,000.		1,000.	0.
11	FILMS								
	121300	200DB	3.00	17		1,000.		1,000.	0.
12	FILMS								
	032504	200DB	3.00	17		500.	250.	84.	111.
	* TOTAL OTHER DEPRECIATION & AMORT								
						16,925.	250.	16,509.	111.



FORM 1120S	TAXES AND LICENSES	STATEMENT	1
DESCRIPTION		AMOUNT	
NEW YORK TAXES - BASED ON INCOME		205.	
TOTAL TO FORM 1120S, PAGE 1, LINE 12		205.	

FORM 1120S	OTHER DEDUCTIONS	STATEMENT	2
DESCRIPTION		AMOUNT	
CAST MEMBERS		3,515.	
VIDEOGRAPHER		275.	
PRODUCTION COSTS		2,979.	
PROFESSIONAL FEES		2,586.	
TALENT FEES		336.	
ADVERTISING		471.	
OFFICE EXPENSE		855.	
ADMINISTRATIVE EXPENSE		370.	
POSTAGE		1,639.	
COMMISSIONS		150.	
MEALS AND ENTERTAINMENT		150.	
TOTAL TO FORM 1120S, PAGE 1, LINE 19		13,326.	

SCHEDULE K	CHARITABLE CONTRIBUTIONS				STATEMENT	3
DESCRIPTION	100% LMT	50% LIMIT	30% LIMIT	20% LIMIT		
VARIOUS CASH CONTRIBUTIONS		350.				
TOTALS TO SCHEDULE K, LINE 12A		350.				



SCHEDULE K		NONDEDUCTIBLE EXPENSES	STATEMENT	4
DESCRIPTION			AMOUNT	
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES				150.
TOTAL TO SCHEDULE K, LINE 16C				150.

SCHEDULE M-2		ACCUMULATED ADJUSTMENTS ACCOUNT- OTHER REDUCTIONS	STATEMENT	5
DESCRIPTION			AMOUNT	
CHARITABLE CONTRIBUTIONS				350.
NONDEDUCTIBLE EXPENSES				150.
TOTAL TO SCHEDULE M-2, LINE 5 - COLUMN (A)				500.

SCHEDULE L		OTHER CURRENT LIABILITIES	STATEMENT	6
DESCRIPTION		BEGINNING OF TAX YEAR	END OF TAX YEAR	
BANK OVERDRAFT		442.		
TOTAL TO SCHEDULE L, LINE 18		442.		

SCHEDULE L		ANALYSIS OF TOTAL RETAINED EARNINGS PER BOOKS	STATEMENT	7
DESCRIPTION			AMOUNT	
BALANCE AT BEGINNING OF YEAR - SCHEDULE L, LINE 24, COLUMN (B)				5,007.
NET INCOME PER BOOKS - SCHEDULE M-1, LINE 1				6,336.
DISTRIBUTIONS				<6,244.
OTHER INCREASES (DECREASES)				
BALANCE AT END OF YEAR - SCHEDULE L, LINE 24, COLUMN (D)				5,099.

Schedule K-1
(Form 1120S)

2005

Final K-1 Amended K-1 OMB No. 1545-0130

Department of the Treasury
Internal Revenue Service

For calendar year 2005, or tax
year beginning _____
ending _____

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

Part I Information About the Corporation		Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items	
A Corporation's employer identification number [REDACTED]		1 Ordinary business income (loss) 3,418.	13 Credits & credit recapture
B Corporation's name, address, city, state, and ZIP code OFF BEAT PRODUCTIONS, INC. 7 BROADCAST PLAZA BUFFALO, NY 14202-2699		2 Net rental real estate income (loss)	
C IRS Center where corporation filed return CINCINNATI, OH		3 Other net rental income (loss)	
D <input type="checkbox"/> Tax shelter registration number, if any _____		4 Interest income	
E <input type="checkbox"/> Check if Form 8271 is attached		5a Ordinary dividends	
Part II Information About the Shareholder		5b Qualified dividends	14 Foreign transactions
F Shareholder's identifying number [REDACTED]		6 Royalties	
G Shareholder's name, address, city, state and ZIP code JOHN DI SCIULLO 65 HUNTER'S RIDGE, APT. 3 ORCHARD PARK, NY 14127		7 Net short-term capital gain (loss)	
H Shareholder's percentage of stock ownership for tax year 50.000000%		8a Net long-term capital gain (loss)	
		8b Collectibles (28%) gain (loss)	
		8c Unrecaptured sec 1250 gain	
		9 Net section 1231 gain (loss)	
		10 Other income (loss)	15 Alternative min tax (AMT) items
		11 Section 179 deduction	16 Items affecting shareholder basis C* 75.
		12 Other deductions A 175. D 3,122.	
			17 Other information

For IRS Use Only

*See attached statement for additional information.

SCHEDULE K-1

NONDEDUCTIBLE EXPENSES, BOX 16, CODE C

DESCRIPTION	AMOUNT	SHAREHOLDER FILING INSTRUCTIONS
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES		75. SEE FORM 1040 INSTRUCTIONS

This list identifies the codes used on Schedule K-1 for all shareholders and provides summarized reporting information for shareholders who file Form 1040. For detailed reporting and filing information, see the separate Shareholder's Instructions for Schedule K-1 and the instructions for your income tax return.

1. Ordinary business income (loss). You must first determine whether the income (loss) is passive or nonpassive. Then enter on your return as follows:

- Passive loss: See the Shareholder's Instructions Schedule E, line 28, column (g)
Passive income: See the Shareholder's Instructions Schedule E, line 28, column (h)
Nonpassive loss: See the Shareholder's Instructions Schedule E, line 28, column (i)
Nonpassive income: See the Shareholder's Instructions Schedule E, line 28, column (j)

2. Net rental real estate income (loss): See the Shareholder's Instructions

3. Other net rental income (loss): Net income: Schedule E, line 28, column (g); Net loss: See the Shareholder's Instructions

4. Interest income: Form 1040, line 8a

5a. Ordinary dividends: Form 1040, line 9a

5b. Qualified dividends: Form 1040, line 9b

6. Royalties: Schedule E, line 4

7. Net short-term capital gain (loss): Schedule D, line 5, column (f)

8a. Net long-term capital gain (loss): Schedule D, line 12, column (f)

8b. Collectibles (28%) gain (loss): 28% Rate Gain Worksheet, line 4 (Schedule D Instructions)

8c. Unrecaptured section 1250 gain: See the Shareholder's Instructions

9. Net section 1231 gain (loss): See the Shareholder's Instructions

10. Other income (loss): Code

- A Other portfolio income (loss): See the Shareholder's Instructions
B Involuntary conversions: See the Shareholder's Instructions
C 1256 contracts & straddles: Form 6781, line 1
D Mining exploration costs recapture: See Pub. 535
E Other income (loss): See the Shareholder's Instructions

11. Section 179 deduction: See the Shareholder's Instructions

12. Other deductions

- A Cash contributions (50%): Schedule A, line 15a
B Cash contributions (30%): Schedule A, line 15a
C Noncash contributions (50%): Schedule A, line 16
D Noncash contributions (30%): Schedule A, line 16
E Capital gain property to a 50% organization (30%): Schedule A, line 16
F Capital gain property (20%): Schedule A, line 16
G Cash contributions (100%): See the Shareholder's Instructions
H Investment interest expense: Form 4952, line 1
I Deductions-royalty income: Schedule E, line 18
J Section 59(e)(2) expenditures: See the Shareholder's Instructions
K Deductions-portfolio (2% floor): Schedule A, line 22
L Deductions-portfolio (other): Schedule A, line 27
M Reforestation expense deduction: See the Shareholder's Instructions
N Preproductive period expenses: See the Shareholder's Instructions
O Commercial revitalization deduction from rental real estate activities: See Form 8582 Instructions
P Domestic production activities information: See Form 8903 Instructions
Q Qualified production activities income: Form 8903, line 7
R Employer's W-2 wages: Form 8903, line 13
S Other deductions: See the Shareholder's Instructions

13. Credits & credit recapture

- A Low-income housing credit (section 42(j)(5)): Form 8586, line 4
B Low-income housing credit (other): Form 8586, line 4
C Qualified rehabilitation expenditures (rental real estate): Form 3468, line 1
D Qualified rehabilitation expenditures (other than rental real estate): Form 3468, line 1
E Basis of energy property: See the Shareholder's Instructions
F Other rental real estate credits: See the Shareholder's Instructions
G Other rental credits: See the Shareholder's Instructions
H Undistributed capital gains credit: Form 1040, line 70, box a
I Credit for alcohol used as fuel: Form 6478, line 4
J Work opportunity credit: Form 5884, line 3
K Welfare-to-work credit: Form 8861, line 3

- Code: Enter on
L Disabled access credit: Form 8826, line 7
M Empowerment zone and renewal community employment credit: Form 8844, line 3
N Credit for increasing research activities: Form 6765, line 42
O New markets credit: Form 8874, line 2
P Credit for employer social security and Medicare taxes: Form 8846, line 5
Q Backup withholding: Form 1040, line 64
R Recapture of low-income housing credit (section 42(j)(5)): Form 8611, line 8
S Recapture of low-income housing credit (other): Form 8611, line 8
T Recapture of investment credit: See Form 4255
U Other credits: See the Shareholder's Instructions
V Recapture of other credits: See the Shareholder's Instructions

14. Foreign transactions

- A Name of country or U.S. possession: Form 1116, Part I
B Gross income from all sources: Form 1116, Part I
C Gross income sourced at shareholder level: Form 1116, Part I
D Passive foreign gross income sourced at corporate level: Form 1116, Part I
E Listed categories: Form 1116, Part I
F General limitation: Form 1116, Part I
G Interest expense: Form 1116, Part I
H Other: Form 1116, Part I
I Deductions allocated and apportioned at shareholder level: Form 1116, Part I
J Deductions allocated and apportioned at corporate level to foreign source income: Form 1116, Part I
K Passive: Form 1116, Part I
L Listed categories: Form 1116, Part I
M General limitation: Form 1116, Part I
N Other information: Form 1116, Part I
O Total foreign taxes paid: Form 1116, Part II
P Total foreign taxes accrued: Form 1116, Part II
Q Reduction in taxes available for credit: Form 1116, line 12
R Foreign trading gross receipts: Form 8873
S Extraterritorial income exclusion: Form 8873
T Other foreign transactions: See the Shareholder's Instructions

15. Alternative minimum tax (AMT) items

- A Post-1986 depreciation adjustment: See the Shareholder's Instructions and the Instructions for Form 6251
B Adjusted gain or loss: See the Shareholder's Instructions and the Instructions for Form 6251
C Depletion (other than oil & gas): See the Shareholder's Instructions and the Instructions for Form 6251
D Oil, gas, & geothermal - gross income: See the Shareholder's Instructions and the Instructions for Form 6251
E Oil, gas, & geothermal - deductions: See the Shareholder's Instructions and the Instructions for Form 6251
F Other AMT items: See the Shareholder's Instructions and the Instructions for Form 6251

16. Items affecting shareholder basis

- A Tax-exempt interest income: Form 1040, line 8b
B Other tax-exempt income: See the Shareholder's Instructions
C Nondeductible expenses: See the Shareholder's Instructions
D Property distributions: See the Shareholder's Instructions
E Repayment of loans from shareholders: See the Shareholder's Instructions

17. Other information

- A Investment income: Form 4952, line 4a
B Investment expenses: Form 4952, line 5
C Look-back interest-completed long-term contracts: See Form 8697
D Look-back interest-income forecast method: See Form 8866
E Dispositions of property with section 179 deductions: See the Shareholder's Instructions
F Recapture of section 179 deduction: See the Shareholder's Instructions
G Section 453(l)(3) information: See the Shareholder's Instructions
H Section 453A(c) information: See the Shareholder's Instructions
I Section 1260(b) information: See the Shareholder's Instructions
J Interest allocable to production expenditures: See the Shareholder's Instructions
K CCF nonqualified withdrawal: See the Shareholder's Instructions
L Information needed to figure depletion-oil and gas: See the Shareholder's Instructions
M Amortization of reforestation costs: See the Shareholder's Instructions
N Other information: See the Shareholder's Instructions

Schedule K-1
(Form 1120S)

2005

Final K-1 Amended K-1 OMB No. 1545-0130

Department of the Treasury
Internal Revenue Service

For calendar year 2005, or tax
year beginning _____
ending _____

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

Part I Information About the Corporation		Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items	
A Corporation's employer identification number [REDACTED]		1 Ordinary business income (loss) 3,418.	13 Credits & credit recapture
B Corporation's name, address, city, state, and ZIP code OFF BEAT PRODUCTIONS, INC. 7 BROADCAST PLAZA BUFFALO, NY 14202-2699		2 Net rental real estate income (loss)	
C IRS Center where corporation filed return CINCINNATI, OH		3 Other net rental income (loss)	
D <input type="checkbox"/> Tax shelter registration number, if any _____ E <input type="checkbox"/> Check if Form 8271 is attached		4 Interest income	
Part II Information About the Shareholder		5a Ordinary dividends	
F Shareholder's identifying number [REDACTED]		5b Qualified dividends	14 Foreign transactions
G Shareholder's name, address, city, state and ZIP code JAMES GILLAN 242 LINCOLN PARKWAY BUFFALO, NY 14216		6 Royalties	
H Shareholder's percentage of stock ownership for tax year 50.000000%		7 Net short-term capital gain (loss)	
For IRS Use Only		8a Net long-term capital gain (loss)	
		8b Collectibles (28%) gain (loss)	
		8c Unrecaptured sec 1250 gain	
		9 Net section 1231 gain (loss)	
		10 Other income (loss)	15 Alternative min tax (AMT) items
		11 Section 179 deduction	16 Items affecting shareholder basis C* 75.
		12 Other deductions A 175.	D 3,122.
			17 Other information

*See attached statement for additional information.



SCHEDULE K-1 NONDEDUCTIBLE EXPENSES, BOX 16, CODE C

<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>SHAREHOLDER FILING INSTRUCTIONS</u>
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES		75. SEE FORM 1040 INSTRUCTIONS

This list identifies the codes used on Schedule K-1 for all shareholders and provides summarized reporting information for shareholders who file Form 1040. For detailed reporting and filing information, see the separate Shareholder's Instructions for Schedule K-1 and the instructions for your income tax return.

- 1. Ordinary business income (loss).** You must first determine whether the income (loss) is passive or nonpassive. Then enter on your return as follows:
- Passive loss Enter on See the Shareholder's Instructions
 - Passive income Schedule E, line 28, column (g)
 - Nonpassive loss Schedule E, line 28, column (h)
 - Nonpassive income Schedule E, line 28, column (i)
- 2. Net rental real estate income (loss)** See the Shareholder's Instructions
- 3. Other net rental income (loss)**
- Net income Schedule E, line 28, column (g)
 - Net loss See the Shareholder's Instructions
- 4. Interest income** Form 1040, line 8a
- 5a. Ordinary dividends** Form 1040, line 9a
- 5b. Qualified dividends** Form 1040, line 9b
- 6. Royalties** Schedule E, line 4
- 7. Net short-term capital gain (loss)** Schedule D, line 5, column (f)
- 8a. Net long-term capital gain (loss)** Schedule D, line 12, column (f)
- 8b. Collectibles (28%) gain (loss)** 28% Rate Gain Worksheet, line 4 (Schedule D Instructions)
- 8c. Unrecaptured section 1250 gain** See the Shareholder's Instructions
- 9. Net section 1231 gain (loss)** See the Shareholder's Instructions
- 10. Other income (loss)**
- Code
- A Other portfolio income (loss)** See the Shareholder's Instructions
 - B Involuntary conversions** See the Shareholder's Instructions
 - C 1256 contracts & straddles** Form 6781, line 1
 - D Mining exploration costs recapture** See Pub. 535
 - E Other income (loss)** See the Shareholder's Instructions
- 11. Section 179 deduction** See the Shareholder's Instructions
- 12. Other deductions**
- A Cash contributions (50%)** Schedule A, line 15a
 - B Cash contributions (30%)** Schedule A, line 15a
 - C Noncash contributions (50%)** Schedule A, line 16
 - D Noncash contributions (30%)** Schedule A, line 16
 - E Capital gain property to a 50% organization (30%)** Schedule A, line 16
 - F Capital gain property (20%)** Schedule A, line 16
 - G Cash contributions (100%)** See the Shareholder's Instructions
 - H Investment interest expense** Form 4952, line 1
 - I Deductions-royalty income** Schedule E, line 18
 - J Section 59(e)(2) expenditures** See the Shareholder's Instructions
 - K Deductions-portfolio (2% floor)** Schedule A, line 22
 - L Deductions-portfolio (other)** Schedule A, line 27
 - M Reforestation expense deduction** See the Shareholder's Instructions
 - N Preproductive period expenses** See the Shareholder's Instructions
 - O Commercial revitalization deduction from rental real estate activities** See Form 8582 instructions
 - P Domestic production activities information** See Form 8903 Instructions
 - Q Qualified production activities income** Form 8903, line 7
 - R Employer's W-2 wages** Form 8903, line 13
 - S Other deductions** See the Shareholder's Instructions
- 13. Credits & credit recapture**
- A Low-income housing credit (section 42(j)(5))** Form 5886, line 4
 - B Low-income housing credit (other)** Form 5886, line 4
 - C Qualified rehabilitation expenditures (rental real estate)** Form 3468, line 1
 - D Qualified rehabilitation expenditures (other than rental real estate)** Form 3468, line 1
 - E Basis of energy property** See the Shareholder's Instructions
 - F Other rental real estate credits** See the Shareholder's Instructions
 - G Other rental credits** See the Shareholder's Instructions
 - H Undistributed capital gains credit** Form 1040, line 70, box a
 - I Credit for alcohol used as fuel** Form 6478, line 4
 - J Work opportunity credit** Form 5884, line 3
 - K Welfare-to-work credit** Form 8861, line 3

- Code Enter on
- L Disabled access credit** Form 8826, line 7
 - M Empowerment zone and renewal community employment credit** Form 8844, line 3
 - N Credit for increasing research activities** Form 6765, line 42
 - O New markets credit** Form 8874, line 2
 - P Credit for employer social security and Medicare taxes** Form 8846, line 5
 - Q Backup withholding** Form 1040, line 64
 - R Recapture of low-income housing credit (section 42(j)(5))** Form 8611, line 8
 - S Recapture of low-income housing credit (other)** Form 8611, line 8
 - T Recapture of investment credit** See Form 4255
 - U Other credits** See the Shareholder's Instructions
 - V Recapture of other credits** See the Shareholder's Instructions
- 14. Foreign transactions**
- A Name of country or U.S. possession** Form 1116, Part I
 - B Gross income from all sources** Form 1116, Part I
 - C Gross income sourced at shareholder level** Form 1116, Part I
 - Foreign gross income sourced at corporate level**
 - D Passive** Form 1116, Part I
 - E Listed categories** Form 1116, Part I
 - F General limitation** Form 1116, Part I
 - Deductions allocated and apportioned at shareholder level**
 - G Interest expense** Form 1116, Part I
 - H Other** Form 1116, Part I
 - Deductions allocated and apportioned at corporate level to foreign source income**
 - I Passive** Form 1116, Part I
 - J Listed categories** Form 1116, Part I
 - K General limitation** Form 1116, Part I
 - Other information**
 - L Total foreign taxes paid** Form 1116, Part II
 - M Total foreign taxes accrued** Form 1116, Part II
 - N Reduction in taxes available for credit** Form 1116, line 12
 - O Foreign trading gross receipts** Form 8873
 - P Extraterritorial income exclusion** Form 8873
 - Q Other foreign transactions** See the Shareholder's Instructions
- 15. Alternative minimum tax (AMT) items**
- A Post-1986 depreciation adjustment**
 - B Adjusted gain or loss**
 - C Depletion (other than oil & gas)**
 - D Oil, gas, & geothermal - gross income**
 - E Oil, gas, & geothermal - deductions**
 - F Other AMT items**
- See the Shareholder's Instructions and the instructions for Form 6251
- 16. Items affecting shareholder basis**
- A Tax-exempt interest income** Form 1040, line 8b
 - B Other tax-exempt income** See the Shareholder's Instructions
 - C Nondeductible expenses** See the Shareholder's Instructions
 - D Property distributions** See the Shareholder's Instructions
 - E Repayment of loans from shareholders** See the Shareholder's Instructions
- 17. Other information**
- A Investment income** Form 4952, line 4a
 - B Investment expenses** Form 4952, line 5
 - C Look-back interest-completed long-term contracts** See Form 8697
 - D Look-back interest-income forecast method** See Form 8866
 - E Dispositions of property with section 179 deductions**
 - F Recapture of section 179 deduction**
 - G Section 453(l)(3) information**
 - H Section 453A(c) information**
 - I Section 1260(b) information**
 - J Interest allocable to production expenditures** See the Shareholder's Instructions
 - K CCF nonqualified withdrawal**
 - L Information needed to figure depletion-oil and gas**
 - M Amortization of reforestation costs**
 - N Other information**

Do not file this form unless the corporation has filed Form 2553 to elect to be an S corporation.

2005

Department of the Treasury
Internal Revenue Service

For calendar year 2005, or tax year beginning _____, and ending _____

A Effective date of S election 01/01/1999	Use the IRS label. Otherwise, print or type.	Name OFF BEAT PRODUCTIONS, INC.	C Employer identification number
B Business code number (see instructions) 512100		Number, street, and room or suite no. If a P.O. box, see instructions. 7 BROADCAST PLAZA	D Date incorporated 04/25/1997
		City or town, state, and ZIP code BUFFALO, NY 14202-2699	E Total assets (see instructions) \$ 10,128.

F Check applicable boxes: (1) Initial return (2) Final return (3) Name change (4) Address change (5) Amended return

G Enter number of shareholders in the corporation at end of the tax year **2**

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

Income	1 a	Gross receipts or sales	20,478.	b	Less returns and allowances		c	Balance	20,478.
	2	Cost of goods sold (Schedule A, line 8)							
	3	Gross profit. Subtract line 2 from line 1c							20,478.
	4	Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)							
	5	Other income (loss) (attach statement)							
	6	Total income (loss). Add lines 3 through 5							
Deductions (See instructions for limitations)	7	Compensation of officers							
	8	Salaries and wages (less employment credits)							
	9	Repairs and maintenance							
	10	Bad debts							
	11	Rents							
	12	Taxes and licenses				STATEMENT 1			205.
	13	Interest							
	14 a	Depreciation (attach Form 4562)		14a	111.				
	b	Depreciation claimed on Schedule A and elsewhere on return		14b					
	c	Subtract line 14b from line 14a							111.
	15	Depletion (Do not deduct oil and gas depletion.)							
16	Advertising								
17	Pension, profit-sharing, etc., plans								
18	Employee benefit programs								
19	Other deductions (attach statement)				STATEMENT 2			13,326.	
20	Total deductions. Add the amounts shown in the far right column for lines 7 through 19								13,642.
21	Ordinary business income (loss). Subtract line 20 from line 6								6,836.
Tax and Payments	22 a	Tax: a Excess net passive income tax (attach statement)		22a					
	b	Tax from Schedule D (Form 1120S)		22b					
	c	Add lines 22a and 22b							22c
	23 a	Payments: a 2005 estimated tax payments and amount applied from 2004 return		23a					
	b	Tax deposited with Form 7004		23b					
	c	Credit for Federal tax paid on fuels (attach Form 4136)		23c					
	d	Add lines 23a through 23c							23d
	24	Estimated tax penalty. Check if Form 2220 is attached							24
	25	Tax due. If line 23d is smaller than the total of lines 22c and 24, enter amount owed.							25
	26	Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid							26
27	Enter amount of line 26 you want: Credited to 2006 estimated tax							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: *[Signature]* Date: 2/18/06 Title: EXECUTIVE PARTNER

May the IRS discuss this return with the preparer shown below (see instr. 1)? Yes No

Paid Preparer's Use Only

Preparer's signature: *Dennis A. Castiglia, CPA* Date: 2/16/06 Check if self-employed:

Firm's name (or yours if self-employed), address, and ZIP code: LUMSDEN & MCCORMICK, LLP
403 MAIN ST. SUITE 430
BUFFALO, NY 14203

EIN: Preparer's SSN or PTIN: P00008895
Phone no.: (716) 856-3300

Schedule A Cost of Goods Sold (see instructions)

1	Inventory at beginning of year	1	
2	Purchases	2	
3	Cost of labor	3	
4	Additional section 263A costs (attach statement)	4	
5	Other costs (attach statement)	5	
6	Total. Add lines 1 through 5	6	
7	Inventory at end of year	7	
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8	

9a Check all methods used for valuing closing inventory: (i) Cost as described in Regulations section 1.471-3
(ii) Lower of cost or market as described in Regulations section 1.471-4
(iii) Other (specify method used and attach explanation) ▶

b Check if there was a writedown of subnormal goods as described in Regulations section 1.471-2(c)

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)

d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO 9d

e If property produced or acquired for resale, do the rules of Section 263A apply to the corporation? Yes No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? Yes No

If "Yes," attach explanation.

Schedule B Other Information (see instructions)

	Yes	No
1 Check method of accounting: (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 ▶ BROADCASTING (b) Product or service ▶ MOVIES		
3 At the end of the tax year, did the corporation own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a statement showing: (a) name, address, and employer identification number and (b) percentage owned		X
4 Was the corporation a member of a controlled group subject to the provisions of section 1561?		X
5 Has this corporation filed, or is it required to file, a return under Section 6111 to provide information on any reportable transaction?		X
6 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.		
7 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 its basis (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain (defined in section 1374(d)(1)) 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 ▶ \$		
8 Check this box if the corporation had accumulated earnings and profits at the close of the tax year <input type="checkbox"/>		
9 Are the corporation's total receipts (see instructions) 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 and M-1	X	

Note: If the corporation had assets or operated a business in a foreign country or U.S. possession, it may be required to attach Schedule N (Form 1120), Foreign Operations of U.S. Corporations, to this return. See Schedule N for details.

Schedule K Shareholders' Shares of Income, Deductions, Credits, etc.

	Shareholders' Pro Rata Share Items		Total amount	
Income (Loss)	1	Ordinary business income (loss) (page 1, line 21)	1	6,836.
	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 1120S))	7	
8a	Net long-term capital gain (loss) (attach Schedule D (Form 1120S))	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		

		Shareholders' Pro Rata Share Items (continued)	Total amount	
Deductions	11	Section 179 deduction (attach Form 4562)	11	
	12a	Contributions STATEMENT 3	12a	350.
	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 & Credit Recapture	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)	13c	
	d	Other rental real estate credits (see instructions) Type ▶	13d	
	e	Other rental credits (see instructions) Type ▶	13e	
	f	Credit for alcohol used as fuel (attach Form 6478)	13f	
	g	Other credits and credit recapture (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 Foreign gross income sourced at corporate level:	14c	
	d	Passive	14d	
	e	Listed categories (attach statement)	14e	
	f	General limitation Deductions allocated and apportioned at shareholder level:	14f	
	g	Interest expense	14g	
	h	Other Deductions allocated and apportioned at corporate level to foreign source income:	14h	
	i	Passive	14i	
	j	Listed categories (attach statement)	14j	
	k	General limitation Other information:	14k	
	l	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	14l	
	m	Reduction in taxes available for credit (attach statement)	14m	
	n	Other foreign tax information (attach statement)		
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 STATEMENT 4	16c	150.
	d	Property distributions	16d	6,244.
	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)		
	e	Income/loss reconciliation. (Required only if Schedule M-1 must be completed.) 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 14l	17e	6,486.

JWA

Note: The corporation is not required to complete Schedules L and M-1 if question 9 of Schedule B is answered "Yes."

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash				101.
2 a	Trade notes and accounts receivable				
b	Less allowance for bad debts				
3	Inventories				
4	U.S. Government obligations				
5	Tax-exempt securities				
6	Other current assets (att. stmt.)				
7	Loans to shareholders		10,312.		9,972.
8	Mortgage and real estate loans				
9	Other investments (att. stmt.)				
10 a	Buildings and other depreciable assets	15,650.		15,650.	
b	Less accumulated depreciation	15,484.	166.	15,595.	55.
11 a	Depletable assets				
b	Less accumulated depletion				
12	Land (net of any amortization)				
13 a	Intangible assets (amortizable only)	1,275.		1,275.	
b	Less accumulated amortization	1,275.	0.	1,275.	0.
14	Other assets (att. stmt.)				
15	Total assets		10,478.		10,128.
Liabilities and Shareholders' Equity					
16	Accounts payable				0.
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (att. stmt.)	STATEMENT 6	442.		
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more				
21	Other liabilities (att. stmt.)				
22	Capital stock		1,072.		1,072.
23	Additional paid-in capital		3,957.		3,957.
24	Retained earnings	STATEMENT 7	5,007.		5,099.
25	Adjustments to shareholders' equity (att. stmt.)				
26	Less cost of treasury stock				
27	Total liabilities and shareholders' equity		10,478.		10,128.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return				
1	Net income (loss) per books	6,336.	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 14I (itemize):		6	Deductions included on Schedule K, lines 1 through 12 and 14I, not charged against book income this year (itemize):
a	Depreciation \$		a	Depreciation \$
b	Travel and entertainment \$ 150.	150.	7	Add lines 5 and 6
4	Add lines 1 through 3	6,486.	8	Income (loss) (Schedule K, line 17e). Line 4 less line 7
				6,486.

Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (see instructions)			
	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1	Balance at beginning of tax year	5,707.	
2	Ordinary income from page 1, line 21	6,836.	
3	Other additions		
4	Loss from page 1, line 21	()	
5	Other reductions STATEMENT 5	(500)	
6	Combine lines 1 through 5	12,043.	
7	Distributions other than dividend distributions	6,244.	
8	Balance at end of tax year. Subtract line 7 from line 6	5,799.	

Depreciation and Amortization Detail OTHER DEPRECIATION

OTHER

Asset Number	Description of property					Cost or other basis	Basis reduction	Accumulated depreciation/amortization	Current year deduction
	Date placed in service	Method/IRC sec.	Life or rate	Line No.					
1	ORGANIZATION COSTS								
	010199248	60M	43		1,275.		1,275.	0.	
2	FILMS								
	010798200DB	3.00	17		500.		500.	0.	
3	FILMS								
	020298200DB	3.00	17		500.		500.	0.	
4	FILMS								
	031198200DB	3.00	17		500.		500.	0.	
5	FILMS								
	040298200DB	3.00	17		250.		250.	0.	
6	FILMS								
	051198200DB	3.00	17		850.		850.	0.	
7	FILMS								
	101599200DB	3.00	17		850.		850.	0.	
8	FILMS								
	010194200DB	3.00	17		9,200.		9,200.	0.	
9	FILMS								
	060600200DB	3.00	17		500.		500.	0.	
10	FILMS								
	110100200DB	3.00	17		1,000.		1,000.	0.	
11	FILMS								
	121300200DB	3.00	17		1,000.		1,000.	0.	
12	FILMS								
	032504200DB	3.00	17		500.	250.	84.	111.	
	* TOTAL OTHER DEPRECIATION & AMORT					16,925.	250.	16,509.	111.

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- Current year section 179 (D) - Asset disposed



FORM 1120S	TAXES AND LICENSES	STATEMENT	1
DESCRIPTION		AMOUNT	
NEW YORK TAXES - BASED ON INCOME		205.	
TOTAL TO FORM 1120S, PAGE 1, LINE 12		205.	

FORM 1120S	OTHER DEDUCTIONS	STATEMENT	2
DESCRIPTION		AMOUNT	
CAST MEMBERS		3,515.	
VIDEOGRAPHER		275.	
PRODUCTION COSTS		2,979.	
PROFESSIONAL FEES		2,586.	
TALENT FEES		336.	
ADVERTISING		471.	
OFFICE EXPENSE		855.	
ADMINISTRATIVE EXPENSE		370.	
POSTAGE		1,639.	
COMMISSIONS		150.	
MEALS AND ENTERTAINMENT		150.	
TOTAL TO FORM 1120S, PAGE 1, LINE 19		13,326.	

SCHEDULE K	CHARITABLE CONTRIBUTIONS				STATEMENT	3
DESCRIPTION	100% LMT	50% LIMIT	30% LIMIT	20% LIMIT		
VARIOUS CASH CONTRIBUTIONS		350.				
TOTALS TO SCHEDULE K, LINE 12A		350.				



SCHEDULE K		NONDEDUCTIBLE EXPENSES	STATEMENT	4
DESCRIPTION			AMOUNT	
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES				150.
TOTAL TO SCHEDULE K, LINE 16C				150.

SCHEDULE M-2		ACCUMULATED ADJUSTMENTS ACCOUNT- OTHER REDUCTIONS	STATEMENT	5
DESCRIPTION			AMOUNT	
CHARITABLE CONTRIBUTIONS				350.
NONDEDUCTIBLE EXPENSES				150.
TOTAL TO SCHEDULE M-2, LINE 5 - COLUMN (A)				500.

SCHEDULE L		OTHER CURRENT LIABILITIES	STATEMENT	6
DESCRIPTION		BEGINNING OF TAX YEAR	END OF TAX YEAR	
BANK OVERDRAFT		442.		
TOTAL TO SCHEDULE L, LINE 18		442.		

SCHEDULE L		ANALYSIS OF TOTAL RETAINED EARNINGS PER BOOKS	STATEMENT	7
DESCRIPTION			AMOUNT	
BALANCE AT BEGINNING OF YEAR - SCHEDULE L, LINE 24, COLUMN (B)				5,007.
NET INCOME PER BOOKS - SCHEDULE M-1, LINE 1				6,336.
DISTRIBUTIONS				<6,244.
OTHER INCREASES (DECREASES)				
BALANCE AT END OF YEAR - SCHEDULE L, LINE 24, COLUMN (D)				5,099.



SCHEDULE K-1

NONDEDUCTIBLE EXPENSES, BOX 16, CODE C

DESCRIPTION	AMOUNT	SHAREHOLDER FILING INSTRUCTIONS
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES		75. SEE FORM 1040 INSTRUCTIONS

This list identifies the codes used on Schedule K-1 for all shareholders and provides summarized reporting information for shareholders who file Form 1040. For detailed reporting and filing information, see the separate Shareholder's Instructions for Schedule K-1 and the instructions for your income tax return.

1. Ordinary business income (loss). You must first determine whether the income (loss) is passive or nonpassive. Then enter on your return as follows:

- Passive loss: Enter on See the Shareholder's Instructions Schedule E, line 28, column (g)
Passive income: Enter on See the Shareholder's Instructions Schedule E, line 28, column (h)
Nonpassive loss: Enter on See the Shareholder's Instructions Schedule E, line 28, column (i)
Nonpassive income: Enter on See the Shareholder's Instructions Schedule E, line 28, column (j)

2. Net rental real estate income (loss) See the Shareholder's Instructions

3. Other net rental income (loss)
Net income: Schedule E, line 28, column (g)
Net loss: See the Shareholder's Instructions

4. Interest income Form 1040, line 8a

5a. Ordinary dividends Form 1040, line 9a

5b. Qualified dividends Form 1040, line 9b

6. Royalties Schedule E, line 4

7. Net short-term capital gain (loss) Schedule D, line 5, column (f)

8a. Net long-term capital gain (loss) Schedule D, line 12, column (f)

8b. Collectibles (28%) gain (loss) 28% Rate Gain Worksheet, line 4 (Schedule D Instructions)

8c. Unrecaptured section 1250 gain See the Shareholder's Instructions

9. Net section 1231 gain (loss) See the Shareholder's Instructions

10. Other income (loss)

- Code: See the Shareholder's Instructions
A Other portfolio income (loss): See the Shareholder's Instructions
B Involuntary conversions: See the Shareholder's Instructions
C 1256 contracts & straddles: Form 6781, line 1
D Mining exploration costs recapture: See Pub. 535
E Other income (loss): See the Shareholder's Instructions

11. Section 179 deduction See the Shareholder's Instructions

12. Other deductions

- A Cash contributions (50%): Schedule A, line 15a
B Cash contributions (30%): Schedule A, line 15a
C Noncash contributions (50%): Schedule A, line 16
D Noncash contributions (30%): Schedule A, line 16
E Capital gain property to a 50% organization (30%): Schedule A, line 16
F Capital gain property (20%): Schedule A, line 16
G Cash contributions (100%): See the Shareholder's Instructions
H Investment interest expense: Form 4952, line 1
I Deductions-royalty income: Schedule E, line 18
J Section 59(e)(2) expenditures: See the Shareholder's Instructions
K Deductions-portfolio (2% floor): Schedule A, line 22
L Deductions-portfolio (other): Schedule A, line 27
M Reforestation expense deduction: See the Shareholder's Instructions
N Preproductive period expenses: See the Shareholder's Instructions
O Commercial revitalization deduction from rental real estate activities: See Form 8582 Instructions
P Domestic production activities information: See Form 8903 Instructions
Q Qualified production activities income: Form 8903, line 7
R Employer's W-2 wages: Form 8903, line 13
S Other deductions: See the Shareholder's Instructions

13. Credits & credit recapture

- A Low-income housing credit (section 42(j)(5)): Form 8586, line 4
B Low-income housing credit (other): Form 8586, line 4
C Qualified rehabilitation expenditures (rental real estate): Form 3468, line 1
D Qualified rehabilitation expenditures (other than rental real estate): Form 3468, line 1
E Basis of energy property: See the Shareholder's Instructions
F Other rental real estate credits: See the Shareholder's Instructions
G Other rental credits: See the Shareholder's Instructions
H Undistributed capital gains credit: Form 1040, line 70, box a
I Credit for alcohol used as fuel: Form 6478, line 4
J Work opportunity credit: Form 5884, line 3
K Welfare-to-work credit: Form 8861, line 3

- Code: Enter on
L Disabled access credit: Form 8826, line 7
M Empowerment zone and renewal community employment credit: Form 8844, line 3
N Credit for increasing research activities: Form 6765, line 42
O New markets credit: Form 8874, line 2
P Credit for employer social security and Medicare taxes: Form 8846, line 5
Q Backup withholding: Form 1040, line 64
R Recapture of low-income housing credit (section 42(j)(5)): Form 8611, line 8
S Recapture of low-income housing credit (other): Form 8611, line 8
T Recapture of investment credit: See Form 4255
U Other credits: See the Shareholder's Instructions
V Recapture of other credits: See the Shareholder's Instructions

14. Foreign transactions

- A Name of country or U.S. possession: Form 1116, Part I
B Gross income from all sources: Form 1116, Part I
C Gross income sourced at shareholder level: Form 1116, Part I
D Foreign gross income sourced at corporate level: Form 1116, Part I
E Passive: Form 1116, Part I
F Listed categories: Form 1116, Part I
G General limitation: Form 1116, Part I
H Deductions allocated and apportioned at shareholder level: Form 1116, Part I
I Interest expense: Form 1116, Part I
J Other: Form 1116, Part I
K Deductions allocated and apportioned at corporate level to foreign source income: Form 1116, Part I
L Passive: Form 1116, Part I
M Listed categories: Form 1116, Part I
N General limitation: Form 1116, Part I
O Other information: Form 1116, Part I
P Total foreign taxes paid: Form 1116, Part II
Q Total foreign taxes accrued: Form 1116, Part II
R Reduction in taxes available for credit: Form 1116, line 12
S Foreign trading gross receipts: Form 8873
T Extraterritorial income exclusion: Form 8873
U Other foreign transactions: See the Shareholder's Instructions

15. Alternative minimum tax (AMT) items

- A Post-1986 depreciation adjustment: See the Shareholder's Instructions and the Instructions for Form 6251
B Adjusted gain or loss: See the Shareholder's Instructions and the Instructions for Form 6251
C Depletion (other than oil & gas): See the Shareholder's Instructions and the Instructions for Form 6251
D Oil, gas, & geothermal - gross income: See the Shareholder's Instructions and the Instructions for Form 6251
E Oil, gas, & geothermal - deductions: See the Shareholder's Instructions and the Instructions for Form 6251
F Other AMT items: See the Shareholder's Instructions and the Instructions for Form 6251

16. Items affecting shareholder basis

- A Tax-exempt interest income: Form 1040, line 8b
B Other tax-exempt income: See the Shareholder's Instructions
C Nondeductible expenses: See the Shareholder's Instructions
D Property distributions: See the Shareholder's Instructions
E Repayment of loans from shareholders: See the Shareholder's Instructions

17. Other information

- A Investment income: Form 4952, line 4a
B Investment expenses: Form 4952, line 5
C Look-back interest-completed long-term contracts: See Form 8697
D Look-back interest-income forecast method: See Form 8866
E Dispositions of property with section 179 deductions: See the Shareholder's Instructions
F Recapture of section 179 deduction: See the Shareholder's Instructions
G Section 453(l)(3) information: See the Shareholder's Instructions
H Section 453A(c) information: See the Shareholder's Instructions
I Section 1260(b) information: See the Shareholder's Instructions
J Interest allocable to production expenditures: See the Shareholder's Instructions
K CCF nonqualified withdrawal: See the Shareholder's Instructions
L Information needed to figure depletion-oil and gas: See the Shareholder's Instructions
M Amortization of reforestation costs: See the Shareholder's Instructions
N Other information: See the Shareholder's Instructions



SCHEDULE K-1

NONDEDUCTIBLE EXPENSES, BOX 16, CODE C

DESCRIPTION	AMOUNT	SHAREHOLDER FILING INSTRUCTIONS
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES		75. SEE FORM 1040 INSTRUCTIONS

This list identifies the codes used on Schedule K-1 for all shareholders and provides summarized reporting information for shareholders who file Form 1040. For detailed reporting and filing information, see the separate Shareholder's Instructions for Schedule K-1 and the instructions for your income tax return.

- 1. **Ordinary business income (loss).** You must first determine whether the income (loss) is passive or nonpassive. Then enter on your return as follows:
 - Passive loss See the Shareholder's Instructions
 - Passive income Schedule E, line 28, column (g)
 - Nonpassive loss Schedule E, line 28, column (h)
 - Nonpassive income Schedule E, line 28, column (j)
- 2. **Net rental real estate income (loss)** See the Shareholder's Instructions
- 3. **Other net rental income (loss)**
 - Net income Schedule E, line 28, column (g)
 - Net loss See the Shareholder's Instructions
- 4. **Interest income** Form 1040, line 8a
- 5a. **Ordinary dividends** Form 1040, line 9a
- 5b. **Qualified dividends** Form 1040, line 9b
- 6. **Royalties** Schedule E, line 4
- 7. **Net short-term capital gain (loss)** Schedule D, line 5, column (f)
- 8a. **Net long-term capital gain (loss)** Schedule D, line 12, column (f)
- 8b. **Collectibles (28%) gain (loss)** 28% Rate Gain Worksheet, line 4 (Schedule D Instructions)
- 8c. **Unrecaptured section 1250 gain** See the Shareholder's Instructions
- 9. **Net section 1231 gain (loss)** See the Shareholder's Instructions
- 10. **Other income (loss)**
 - Code
 - A Other portfolio income (loss) See the Shareholder's Instructions
 - B Involuntary conversions See the Shareholder's Instructions
 - C 1256 contracts & straddles Form 6781, line 1
 - D Mining exploration costs recapture See Pub. 535
 - E Other income (loss) See the Shareholder's Instructions
- 11. **Section 179 deduction** See the Shareholder's Instructions
- 12. **Other deductions**
 - A Cash contributions (50%) Schedule A, line 15a
 - B Cash contributions (30%) Schedule A, line 15a
 - C Noncash contributions (50%) Schedule A, line 16
 - D Noncash contributions (30%) Schedule A, line 16
 - E Capital gain property to a 50% organization (30%) Schedule A, line 16
 - F Capital gain property (20%) Schedule A, line 16
 - G Cash contributions (100%) See the Shareholder's Instructions
 - H Investment interest expense Form 4952, line 1
 - I Deductions-royalty income Schedule E, line 18
 - J Section 59(e)(2) expenditures See the Shareholder's Instructions
 - K Deductions-portfolio (2% floor) Schedule A, line 22
 - L Deductions-portfolio (other) Schedule A, line 27
 - M Reforestation expense deduction See the Shareholder's Instructions
 - N Preproductive period expenses See the Shareholder's Instructions
 - O Commercial revitalization deduction from rental real estate activities See Form 8582 Instructions
 - P Domestic production activities information See Form 8903 Instructions
 - Q Qualified production activities income Form 8903, line 7
 - R Employer's W-2 wages Form 8903, line 13
 - S Other deductions See the Shareholder's Instructions
- 13. **Credits & credit recapture**
 - A Low-income housing credit (section 42(j)(5)) Form 8586, line 4
 - B Low-income housing credit (other) Form 8586, line 4
 - C Qualified rehabilitation expenditures (rental real estate) Form 3468, line 1
 - D Qualified rehabilitation expenditures (other than rental real estate) Form 3468, line 1
 - E Basis of energy property See the Shareholder's Instructions
 - F Other rental real estate credits See the Shareholder's Instructions
 - G Other rental credits See the Shareholder's Instructions
 - H Undistributed capital gains credit Form 1040, line 70, box a
 - I Credit for alcohol used as fuel Form 6478, line 4
 - J Work opportunity credit Form 5884, line 3
 - K Welfare-to-work credit Form 8861, line 3

- Code Enter on
- L Disabled access credit Form 8826, line 7
- M Empowerment zone and renewal community employment credit Form 8844, line 3
- N Credit for increasing research activities Form 6765, line 42
- O New markets credit Form 8874, line 2
- P Credit for employer social security and Medicare taxes Form 8846, line 5
- Q Backup withholding Form 1040, line 64
- R Recapture of low-income housing credit (section 42(j)(5)) Form 8611, line 8
- S Recapture of low-income housing credit (other) Form 8611, line 8
- T Recapture of investment credit See Form 4255
- U Other credits See the Shareholder's Instructions
- V Recapture of other credits See the Shareholder's Instructions
- 14. **Foreign transactions**
 - A Name of country or U.S. possession Form 1116, Part I
 - B Gross income from all sources Form 1116, Part I
 - C Gross income sourced at shareholder level Form 1116, Part I
 - Foreign gross income sourced at corporate level
 - D Passive Form 1116, Part I
 - E Listed categories Form 1116, Part I
 - F General limitation Form 1116, Part I
 - Deductions allocated and apportioned at shareholder level
 - G Interest expense Form 1116, Part I
 - H Other Form 1116, Part I
 - Deductions allocated and apportioned at corporate level to foreign source income
 - I Passive Form 1116, Part I
 - J Listed categories Form 1116, Part I
 - K General limitation Form 1116, Part I
 - Other information
 - L Total foreign taxes paid Form 1116, Part II
 - M Total foreign taxes accrued Form 1116, Part II
 - N Reduction in taxes available for credit Form 1116, line 12
 - O Foreign trading gross receipts Form 8873
 - P Extraterritorial income exclusion Form 8873
 - Q Other foreign transactions See the Shareholder's Instructions
- 15. **Alternative minimum tax (AMT) items**
 - A Post-1986 depreciation adjustment
 - B Adjusted gain or loss
 - C Depletion (other than oil & gas)
 - D Oil, gas, & geothermal - gross income
 - E Oil, gas, & geothermal - deductions
 - F Other AMT items

See the Shareholder's Instructions and the Instructions for Form 6251
- 16. **Items affecting shareholder basis**
 - A Tax-exempt interest income Form 1040, line 8b
 - B Other tax-exempt income See the Shareholder's Instructions
 - C Nondeductible expenses See the Shareholder's Instructions
 - D Property distributions See the Shareholder's Instructions
 - E Repayment of loans from shareholders See the Shareholder's Instructions
- 17. **Other information**
 - A Investment income Form 4952, line 4a
 - B Investment expenses Form 4952, line 5
 - C Look-back interest-completed long-term contracts See Form 8697
 - D Look-back interest-income forecast method See Form 8866
 - E Dispositions of property with section 179 deductions
 - F Recapture of section 179 deduction
 - G Section 453(l)(3) information
 - H Section 453A(c) information
 - I Section 1260(b) information
 - J Interest allocable to production expenditures See the Shareholder's Instructions
 - K CCF nonqualified withdrawal
 - L Information needed to figure depletion-oil and gas
 - M Amortization of reforestation costs
 - N Other information